

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

		<i>(Unit : Baht)</i>	
	<i>Note</i>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
ASSETS			
Cash and cash equivalents	<i>6</i>	104,678,400.87	31,416,733.73
Premium due and uncollected	<i>7</i>	37,839,758.43	13,242,928.80
Accrued investment income		2,336,441.01	2,764,061.01
Reinsurance assets	<i>8</i>	38,778,044.94	20,254,791.93
Reinsurance receivables	<i>9</i>	6,177,187.51	15,793,665.78
Investment properties			
Investments in securities	<i>10</i>	605,222,476.18	620,284,862.62
Loans and interest receivables	<i>11</i>	3,767,033.40	4,700,940.91
Property, plant and equipment	<i>12</i>	42,334,340.71	42,526,684.75
Other intangible assets	<i>13</i>	5.00	5.00
Deferred tax assets	<i>14</i>	31,658,953.80	22,598,099.39
Other assets	<i>15</i>	13,865,409.81	13,657,397.20
TOTAL ASSETS		<u>886,658,051.66</u>	<u>787,240,171.12</u>

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2021

		<i>(Unit : Baht)</i>	
	<i>Note</i>	<u>December 31, 2021</u>	<u>December 31, 2020</u>
LIABILITIES AND OWNERS' EQUITY			
Insurance contract liabilities	16	262,719,293.77	160,718,208.28
Due to reinsurers	17	30,982,628.37	20,674,268.10
Income tax payables		3,492,287.74	2,632,196.23
Employee benefit obligations	19	9,968,047.00	12,286,101.00
Deferred tax liabilities	14	9,377,198.03	9,119,563.33
Others liabilities			
Unearned revenue		11,459,449.14	6,580,942.00
Others	20	42,622,875.81	17,968,122.95
TOTAL LIABILITIES		<u>370,621,779.86</u>	<u>229,979,401.89</u>

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CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2021

	<i>(Unit : Baht)</i>	
	<u>December 31, 2021</u>	<u>December 31, 2020</u>
LIABILITIES AND OWNERS' EQUITY		
Owners' equity		
Share capital		
Registered capital		
12,000,000 ordinary shares of Baht 10.00 each	120,000,000.00	120,000,000.00
Issued and paid-up share capital		
12,000,000 ordinary shares of Baht 10.00 each	120,000,000.00	120,000,000.00
Premium on share capital	258,000,000.00	258,000,000.00
Retained earnings		
Appropriated		
Statutory reserve	12,000,000.00	12,000,000.00
Unappropriated	88,527,479.66	147,263,618.86
Other components of equity	37,508,792.14	19,997,150.37
TOTAL OWNERS' EQUITY	<u>516,036,271.80</u>	<u>557,260,769.23</u>
TOTAL LIABILITIES AND OWNERS' EQUITY	<u><u>886,658,051.66</u></u>	<u><u>787,240,171.12</u></u>

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(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

		(Unit : Baht)	
	Note	2021	2020
Revenues			
Premium written		316,631,593.13	198,555,938.09
<u>Less:</u> Premium ceded		(59,751,583.01)	(34,466,402.43)
Net Premium written		256,880,010.12	164,089,535.66
<u>Add/Less:</u> Unearned premium reserves from prior period		(117,882,835.77)	111,211,822.39
Net Premiums earned	36	138,997,174.35	275,301,358.05
Fee and commission income	36	14,829,540.72	12,958,805.49
Income on investments - net	32, 36	16,906,301.91	17,521,112.33
Gain on investment		2,285,500.00	-
Other income		7,472,600.69	6,193,405.29
Total revenues		180,491,117.67	311,974,681.16
Expenses			
Gross benefits and claims		66,953,561.52	124,204,156.03
<u>Less:</u> claims recovered from reinsurers		(27,341,434.04)	(16,525,776.45)
Total	36	39,612,127.48	107,678,379.58
Commissions and brokerages	36	45,975,676.85	30,581,146.07
Other underwriting expenses	36	75,809,907.56	51,639,060.46
Operating expenses	22	39,921,273.14	39,103,195.32
Net impairment losses on financial assets	23	16,449,147.44	23,090,479.95
Total expenses		217,768,132.47	252,092,261.38
Profit (loss) before income tax		(37,277,014.80)	59,882,419.78
Tax income (loss)	14	8,962,561.20	(8,657,893.14)
Profit (loss) for the year		(28,314,453.60)	51,224,526.64

Notes to the financial statements are an integral part of these financial statements.

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2021

		(Unit : Baht)	
	Note	2021	2020
Other comprehensive income (expenses)			
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Remeasurements of post-employment benefit obligations		972,893.00	819,070.00
Income tax relating to other comprehensive income	14	(194,578.60)	(163,814.00)
Remeasurements of post-employment benefit obligations - net of tax		778,314.40	655,256.00
<u>Items that will be reclassified subsequently to profit or loss</u>			
Change in value of investments measured at			
fair value through other comprehensive income		21,889,552.21	(37,092,139.27)
Income tax relating to component of other comprehensive income	14	(4,377,910.44)	7,418,427.85
Change in value of investments measured at			
fair value through other comprehensive income, net of tax		17,511,641.77	(29,673,711.42)
Other comprehensive income (expenses) for the years, net of tax		18,289,956.17	(29,018,455.42)
Total comprehensive income (expenses) for the years		(10,024,497.43)	22,206,071.22
Earnings per share			
Basic earning (loss) per share		(2.36)	4.27
Number of ordinary shares		12,000,000	12,000,000

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

	<i>(Unit : Baht)</i>	
	2021	2020
Cash flows from (used in) operating activities		
Net direct premium written	293,267,987.75	206,037,796.98
Cash paid for reinsurance	(41,257,641.23)	(31,389,658.07)
Interest income	10,091,516.86	12,229,878.11
Dividend	7,317,490.14	5,576,889.87
Other income	7,472,600.69	6,193,405.29
Losses incurred of direct insurance	(67,149,827.72)	(84,209,361.53)
Commissions and brokerages	(28,596,253.57)	(18,718,015.06)
Other underwriting expenses	(75,809,907.56)	(51,639,060.46)
Operating expenses	(20,398,367.51)	(61,470,261.24)
Corporate income tax	(3,553,056.03)	(5,982,966.19)
Cash received from financial assets	209,697,746.31	229,762,966.96
Cash used in financial assets	(186,440,245.74)	(221,744,200.52)
Net cash from (used in) operating activities	104,642,042.39	(15,352,585.86)
Cash flows from (used in) investing activities		
Equipment	(180,375.25)	(253,038.31)
Net cash used in investing activities	(180,375.25)	(253,038.31)
Cash flows from (used in) financing activities		
Dividend paid	(31,200,000.00)	(6,000,000.00)
Net cash from (used in) financing activities	(31,200,000.00)	(6,000,000.00)
Net increase (decrease) in cash and cash equivalents	73,261,667.14	(21,605,624.17)
Cash and cash equivalents at beginning of the year	31,416,733.73	53,022,357.90
Cash and cash equivalents at end of the year	104,678,400.87	31,416,733.73

Notes to the financial statements are an integral part of these financial statements.

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN OWNERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

(Unit : Baht)

	Share capital <i>Not</i> issued and fully paid	Premium on share capital	Retained earnings		Other component of owners' equitys	Total
			Appropriated	Unappropriated	Fair value	
			Statutory reserve		changes on investments	
Balance as at December 31,2019	120,000,000.00	258,000,000.00	12,000,000.00	101,383,836.22	49,670,861.79	541,054,698.01
Profit for the years	-	-	-	51,224,526.64	-	51,224,526.64
Dividend	21	-	-	(6,000,000.00)	-	(6,000,000.00)
Other comprehensive income (expenses) for the year	-	-	-	655,256.00	(29,673,711.42)	(29,018,455.42)
Balance as at December 31,2020	120,000,000.00	258,000,000.00	12,000,000.00	147,263,618.86	19,997,150.37	557,260,769.23
Loss for the years	-	-	-	(28,314,453.60)	-	(28,314,453.60)
Dividend	21	-	-	(31,200,000.00)	-	(31,200,000.00)
Other comprehensive income for the year	-	-	-	778,314.40	17,511,641.77	18,289,956.17
Balance as at December 31,2021	120,000,000.00	258,000,000.00	12,000,000.00	88,527,479.66	37,508,792.14	516,036,271.80

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED

NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

1. GENERAL INFORMATION

1.1 Corporate Information

CHARAN INSURANCE PUBLIC COMPANY LIMITED (“the Company”) was incorporated as a public limited company on March 15, 1994, Registration No. BorMorJor. 0107537000807. The Company has its registered head office at 408/1 Ratchadapisak Road, Samsennok, Huaykwang, Bangkok. The Company’s principal activity is the provision of non - life insurance.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Company management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities. The degree of the impact severity is dependent upon the pandemic controlling measures imposed by government and the duration of the pandemic.

2. Coronavirus disease 2019 Pandemic

2.1 Preparation of financial statements

The financial statements have been prepared in Conformity with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, and in accordance with Thai accounting practices related to insurance and the guidelines prescribed by the Office of Insurance Commission (“OIC”), regarding criteria, procedures, conditions and terms for preparation and submission of financial statements and operating performance reports of non-life insurance companies B.E. 2562 dated April 4, 2019.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS (Cont.)

2.1 Preparation of financial statements (Cont.)

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

2.2 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company financial statements.

2.3 Financial reporting standards that became effective for fiscal year beginning on or after January 1, 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY

3.1. Product classification

The Company classifies the insurance contract and reinsurance contract based on the nature of the contract. An insurance contract is one under which the insurer has accepted significant insurance risk from another party by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Determination of whether a significant insurance risk has been accepted is based on comparison of the amount of benefit payable under the contract if an insured event occurs with the payment obligation if the insured event does not occur. If a contract does not meet these criteria, the Company classifies it as an investment contract. Investment contracts are insurance contracts in legal form that transfer significant financial risk but not significant insurance risk. Financial risk is the risk of a possible future change in interest rate, foreign exchange rate and index of price or rates.

The Company classifies contracts based on an assessment of the insurance risk at an inception of contract on a contract-by-contract basis. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, unless all rights and obligations are extinguished or expire. If any contract is previously classified as investment contracts at an inception date, it can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

The Company classifies all insurance contracts as short-term insurance contracts, which means insurance contracts that have coverage periods of up to 1 year and no automatic renewal clause, as well as critical illness and personal accident that have coverage periods of more than 1 year and the Company can terminate, increase or decrease insurance premiums or change any benefits of the insurance contracts throughout the coverage period.

3.2. Revenue recognition

(a) Premium

Premium income is recognized on the date the insurance policy comes into effective date by after deducting premium ceded, cancelled and unearned premium reserve adjustment for insurance policies of which the coverage periods are less than 1 year. For long-term policies which the coverage periods are longer than 1 year that the related revenues and expenses are recorded as unearned and prepaid items. The Company amortizes the recognition of the unearned and prepaid items as income and expenses over the coverage period on the yearly basis.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.2. Revenue recognition (Cont.)

(b) Reinsurance premium income

Reinsurance premium income is recognized as income when the reinsurer places the reinsurance application or statement of accounts with the Company.

(c) Commission and brokerage fee income

Commission and brokerage fee from ceded premium are recognized as income when services have been rendered to the reinsurers.

Commission and brokerage fees from ceded premium with coverage periods longer than 1 year are recorded as unearned items and recognized as income over the coverage period.

(d) Interest income and dividends

Interest income is recognized as interest accrues based on the effective interest method. Dividends are recognized when the right to receive the dividend is established.

(e) Gain (loss) on trading securities

Gain (loss) on trading securities is recognized as income or expenses on the transaction date.

(f) Other income

Other income is recognized on the accrual basis

3.3. Premium reserve

(a) Unearned premium reserve

Unearned premium reserve is set aside in compliance with the Notification of the Ministry of Commerce governing the appropriation of unearned premium reserves of non-life insurance companies as follow:-

<u>Type of insurance</u>	<u>Reserve Calculation Method</u>
- Transportation (cargo), travelling accident with coverage periods of not over six-months	- 100% of premium as from the date policy is effective, throughout the period of insurance coverage
- Others	- Monthly average basis (the one-twenty fourth basis)

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.3. Premium reserve (Cont.)

(b) Unexpired risks reserve

Unexpired risks reserve is the reserve for the claims that may be incurred in respect of in-force policies. Unexpired risks reserve is set aside using an actuarial method, at the best estimate of the claims that are expected be incurred during the remaining period of coverage, based on historical claims data.

The Company compares the amounts of unexpired risks reserve with unearned premium reserve, and if unexpired risks reserve is higher than unearned premium reserve, the difference is recognized as unexpired risks reserve in the financial statements.

3.4. Loss reserve and outstanding claims

The Company recorded the outstanding claims which have been provided upon receipt of claim advices from the insured. They are recorded at the value appraised by an independent appraiser, or by the Company's officer as each case but not exceed than the maximum of sum insured of each policy.

In addition, the Company sets up provision reserve for losses incurred but not yet reported (IBNR) which calculated as based on the best estimate by Professional Actuary, the provision will be covered for all projected losses, such as losses incurred during this period, losses incurred but not reported (IBNR) and net by losses paid.

3.5. Commissions, brokerages and other expense

Commissions and brokerages are recognized as expended as incurred, other expense is recognized on the accrual basis

3.6. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and deposit at financial institutions and short-term investment with high liquidity with an original maturity of 3 months or less and not subject to withdrawal restrictions.

3.7. Premium due and uncollected

Premium due and uncollected from direct is carried at its net realizable value. The Company sets up an allowance for doubtful accounts based on the estimated loss that may incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging and current status of the premium due as at the Statements of financial position date.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.8. Reinsurance assets

Reinsurance assets are stated at the amounts of insurance reserve refundable from reinsurers is estimated based on the related reinsurance contract of premium reserve, loss reserve and outstanding claims in accordance with the law regarding insurance reserve calculation.

The Company sets up an allowance for doubtful debt, of reinsurance assets based on losses that may be incurred due to irrecoverable, taking into account collection experience, aged of balance, and the status of receivables from reinsurers as at the end of the reporting period.

Increase (decrease) in allowance for doubtful debt during the year is recorded as expense in profit or loss.

3.9. Reinsurance receivables and due to reinsurers

- (a) Reinsurance receivables are stated at the outstanding balance of amount due from reinsurers, amounts deposit on reinsurance, and insurance reserve refundable from reinsurers.

Amounts due from reinsurers consist of accrued commission and brokerage income receivables, claims and various other items receivable from reinsurers, excluding reinsurance premium receivable, less allowance for doubtful accounts. The Company records allowance for doubtful accounts for the estimated losses that may be incurred due to inability to make collection, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting period.

- (b) Amounts due from reinsurers are stated at the outstanding balance payable from reinsurance and amounts withheld on reinsurance. Amounts due to reinsurers consist of reinsurance premiums and other items payable to reinsurers, excluding claims. The Company presents net of reinsurance to the same entity (reinsurance receivables or amounts due to reinsurers) when the criteria for offsetting as follows.

- (1) The entity has a legal right to offset amounts presented in the statements of financial position, and
- (2) The entity intends to receive or pay the net amount recognized in the statements of financial position, or to realize the asset at the same time as it pays the liability.

3.10. Financial assets - Investments in securities

- (a) Classification and measurement

The Company shall classify financial assets as trading securities, available for sale securities, held to maturity securities, and receivables and loans by not taking into consideration of its business model and the characteristics of the contractual cash flows.

Financial liabilities are measured at amortized cost.

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3. ACCOUNTING POLICY (Cont.)

3.10. Financial assets - Investments in securities (Cont.)

(b) Investment in securities

Investments in available-for-sale securities are stated at fair value. Change in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.

Held-to-maturity investments are stated at amortized cost. The premium/discount on debt securities is amortized/accreted by the effective rate method with the amortized/accreted amount presented as an adjustment to the interest income. Debt securities are classified as held-to-maturity investments when the Company has an intent and ability to hold to maturity.

Investments in non-marketable equity instruments (non-listed company) are stated at fair value and are classified as investments in available-for-sale securities which are measured at fair value through other comprehensive income. Change in the fair value of these securities are recognized in other comprehensive income. (Before 1 January 2020, Investments in non-marketable equity securities classified as other investment are stated at cost net of an allowance for impairment (if any)).

The fair value of marketable securities is based on the latest bid price of the last working day of the year of the Stock Exchange of Thailand. The fair value of debt instrument is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of investment unit is determined from its net asset value. The fair value of non-marketable equity instruments is determined using generally accepted approach.

The weighted average method is used for computation of the cost of investments.

In the event that the Company reclassifies investment from one type to another, such investment will be readjusted to its fair value as at the reclassification date. The difference between the carrying amount of the investment and the fair value on the date of reclassification are recorded in profit or loss or recorded as surplus (deficit) from changes in the value of investments in equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the cost of the investment is recognized in profit or loss.

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.10. Financial assets - Investments in securities (Cont.)

(b) Investment in securities (Cont.)

Loss from impairment of equity instruments classified as investments in available-for-sale securities is immediately recognized through profit or loss when there is an objective evidence supporting impairment of the instruments, which indicate that the cost of the investment in an equity instrument may not be recovered, and there is a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

Expected credit loss and loss on impairment (if any) are recorded as expenses in profit or loss.

3.11. Assets held for sales

Immovable properties held for sales are stated at the lower of cost or net saleable value. The Company set up an allowance for impairment on such assets.

3.12. Loans and interest receivables and expected credit losses

Loans and interest receivables are stated at net realizable value. Allowance for expected credit loss is provided for the expected loss using the general approach to determine the allowance for expected loss over the lifetime.

Increase (decrease) in allowance for expected credit loss during the year is recorded as expenses in profit or loss.

3.13. Property, Plant and equipment, and depreciation

(a) Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if applicable).

(b) Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Building and improvement	20	years
Fixtures and office equipment	5	years
Motor vehicles	5	years

Land and construction in progress were not depreciated.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.14. Intangible assets and amortization

Intangible asset is stated at cost less accumulated amortization and impairment of assets (if applicable). Amortization of intangible assets is calculated by reference to their costs on a straight-line basis over the period of the lease and the expected beneficial period as follows: -

Computer software	5	years
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3.15. Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, building and equipment and right-of-use assets and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognized in the profit or loss.

3.16. Income tax

Income tax consists of current income tax and deferred income tax

(a) Current income tax is provided for in the accounts based on the taxable profits determined in accordance with tax legislation, during the reporting period and including of unpaid tax in previous year.

(b) Deferred Tax

1) Deferred income tax is calculated based on temporary differences between book value of assets and liabilities as book in the Statements of financial position compare with these taxes base of assets and liabilities. The Company will be evaluate the value of deferred tax assets and liabilities by tax rate for each period that the Company has expected to be get benefit from deferred tax assets or in each period to expected to paid for deferred tax liabilities.

2) The Company recognizes deferred tax liabilities for taxable temporary differences and recognizes deferred tax assets by compare with the deductible temporary differences and tax losses carried forward. The Company recognizes deferred tax assets to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

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3. ACCOUNTING POLICY (Cont.)

3.16. Income tax (Cont.)

Income tax consists of current income tax and deferred income tax (Cont.)

- 3) At each Statements of financial position date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized or change in tax rate.
- 4) The Company recognizes deferred tax expenses to revenue or expense in the statements of income, except when the temporary differences relate to items under the owners' equity, in which case the deferred tax is directly recorded in the owners' equity.

3.17. Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

3.18. Employee benefits

Short-term benefit

The Company recognizes salary, wage, bonus, contribution to social security fund and provident fund as incurred expenses.

Post-employment benefits (Defined contribution plan)

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognized as expenses in the year in which they are incurred.

Post-employment benefits (Defined benefit plan)

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan. The Company's obligation under the defined benefit plan is using the projected unit credit method, determined by the certified actuary. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rates.

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.18. Employee benefits (Cont.)

Actuarial gains and losses arising from post-employment benefits (Defined contribution plan) is recognized immediately in the other comprehensive income and recognized in the Statements of comprehensive income for Actuarial gains and losses arising from post-employment benefits (Defined benefit plan).

3.19. Allowance for expected credit losses of financial assets

Since 1 January 2020, the Company recognized expected credit loss on its debt instruments that are cash and cash equivalents, financial assets measured at amortized cost and loans by applying the general approach in accordance with the Accounting Guidance related to financial instruments. The Company recognizes an allowance for expected credit losses at the amount equivalent to the lifetime expected credit losses when there has been a significant increase in credit risk since the initial recognition date but that are not credit-impaired or that are impaired. However, if there has not been a significant increase in credit risk since the initial recognition date, the Company recognized allowance for expected credit losses at the amount equivalent to the expected credit losses for the next 12 months.

At every reporting date, the Company assesses whether there has been a significant increase in the credit risk of financial assets since initial recognition by considering internal and external credit ratings of the counterparties and overdue status such as over 30 days past due, and if the debtor is more than 90 days past due it is assessed to be credit-impaired.

For other financial assets or contract assets that do not contain a significant financing component, the Company applies a simplified approach to determine the lifetime expected credit loss. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Increase (decrease) in allowance for expected credit loss is recognized as expenses during the year in profit or loss in statements of comprehensive income. The Company has a policy to write off any financial assets when it is believed that they will not be collected from the debtor.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.20. Classification and measurement of financial liabilities

At initial recognition the Company's financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Company takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.

3.21. Derecognition of financial instruments

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or have been transferred.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

3.22. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3.23. The Company as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognized as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognized over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognized as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognized as an expense over the lease term on the same basis as the lease income.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. ACCOUNTING POLICY (Cont.)

3.24. Foreign currencies

Foreign currency transactions are translated into Baht at the exchange rates ruling on the transaction dates. Assets and liabilities denominated in foreign currency outstanding at the Statements of financial position date are translated into Baht at the exchange rates ruling on the Statements of financial position date. Gains and losses on exchange are included in the calculation of operation result.

3.25. Provision, expenses and contingent assets

The Company set up the provision and expense in the financial statements when there is a legally incurred liability or certain possibility inferring from a continuing result from the past incident, which may result in the Company having to repay or compensate for the said liability and the amount to be repaid can be reliably estimated. The Company would recognize the contingent assets as separate assets when there is a supporting factor for the absolute certainty in receiving the repayment.

3.26. Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

3.27. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Managing Director that makes strategic decisions.

3.28. Basic earnings per share

Basic earnings (loss) per share presented in the statements of income is the basic earnings (loss) per share which is determined by dividing the net profit (loss) for the year by the weighted average number of common shares issued and paid-up during the year.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

4. Critical accounting estimates, assumptions and judgements

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

4.1 Allowance for doubtful accounts of premium due and uncollected and reinsurance assets.

In determining an allowance for doubtful accounts of premium due and uncollected and reinsurance assets, the management needs to make judgement and estimates expected loss incurred from expected uncollectible of premium due and collected and reinsurance assets.

Allowance for doubtful accounts is estimated based upon past collection history, aging profile of outstanding debts and the current status of premium due and uncollected and reinsurance assets as at the statement of financial position date. Reliability rankings, existing information of fund at the closing date and other information disclosed in public are additionally determined for reinsurance assets.

4.2 Allowance for expected credit losses of financial assets

The management is required to use judgement in estimating allowance for expected credit losses of financial assets. The Company's calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the debtors status analysis, the probability of debt collection. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

4.3 Property, plant and equipment / intangible assets

Management determines the estimated useful lives and residual values for the property, plant and equipment / intangible assets. Management will revise the depreciation charge where useful lives and residual values are different to previous estimates, or will write off or write down technically obsolete assets that have been abandoned or sold.

In addition, the management is required to review plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

4. Critical accounting estimates, assumptions and judgements (Cont.)

4.4 Deferred tax

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized. The Company considers future taxable income and ongoing prudent and feasible tax planning strategies in assessing whether to recognize deferred tax assets. The Company's assumptions regarding the future profitability and the anticipated timing of utilization of deductible temporary differences and significant changes in these assumptions from year to year may have a material impact on the Company's reported financial position and results of operations.

4.5 Loss reserves and outstanding claims

In determining whether insurance contracts meet the definition of insurance contracts under Thai Financial Reporting Standard, the Company is required to test whether the contracts accept/transfer significant insurance risk from/to the reinsurers, using actuarial technique based on assumptions regarding historical claim data and other assumptions. The management is required to exercise judgement in determining these assumptions. Nevertheless, such estimates are forecasts of future outcomes, and actual results could differ.

4.6 Employee benefits obligations

The obligation under the defined benefit plans and other long-term employee benefit plans are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

4.7 Unexpired risk reserve

Unexpired risk reserve is calculated using an actuarial method, based on a best estimate of the claims expected to incur over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at the time.

4.8 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgment to assess of the results of the litigation and believes that loss incurred will not exceed the recorded amounts as at the end of reporting period. However, actual results could differ from the estimates

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

5. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case when there is no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categories of inputs to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

5. FAIR VALUE MEASUREMENT (Cont.)

As at 31 December 2021 and 2020, the Company had assets and liabilities that were measured at fair value or disclosed at fair value using different levels of inputs as follows:

(Unit: Baht)

	2021				
	Carrying values	Fair values			
		Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>					
Available-for-sale investments					
Equity securities	207,155,377.49	207,155,377.49	-	-	207,155,377.49
General investments	8,281,509.68	-	-	8,281,509.68	8,281,509.68
<u>Assets for which fair value are disclosed</u>					
Cash and cash equivalents	104,678,400.87	104,678,400.87	-	-	104,678,400.87
Premium receivables	37,839,758.43	-	-	37,839,758.43	37,839,758.43
Reinsurance assets – claim reserves					
refundable from reinsurers	4,244,977.73	-	-	4,244,977.73	4,244,977.73
Reinsurance receivables	6,177,187.51	-	-	6,177,187.51	6,177,187.51
Held to maturity investments					
Government and state enterprise securities	6,200,000.00	-	-	6,200,000.00	6,200,000.00
Private sector debt securities	259,313,967.23	-	259,313,967.23	-	259,313,967.23
Deposits at financial institutions which					
matured over 3 months	124,271,621.78	124,271,621.78	-	-	124,271,621.78
Loans	3,767,033.40	-	-	3,767,033.40	3,767,033.40
<u>Liabilities which fair value are disclosed</u>					
Insurance contract liabilities - claim reserves	57,666,129.33	-	-	57,666,129.33	57,666,129.33
Amounts due to reinsurances	30,982,628.37	-	-	30,982,628.37	30,982,628.37

During the current year, there were no transfers within the fair value hierarchy.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

5. FAIR VALUE MEASUREMENT (Cont.)

(Unit: Baht)

	2020				
	Carrying	Fair values			
	values	Level 1	Level 2	Level 3	Total
<u>Assets measured at fair value</u>					
Available-for-sale investments					
Equity securities	182,881,995.68	182,881,995.68	-	-	182,881,995.68
General investments	8,279,839.29	-	-	8,279,839.29	8,279,839.29
<u>Assets for which fair value are disclosed</u>					
Cash and cash equivalents	31,416,733.73	31,416,733.73	-	-	31,416,733.73
Premium receivables	13,242,928.80	-	-	13,242,928.80	13,242,928.80
Reinsurance assets – claim reserves					
refundable from reinsurers	4,278,822.47	-	-	4,278,822.47	4,278,822.47
Reinsurance receivables	15,793,665.78	-	-	15,793,665.78	15,793,665.78
Held to maturity investments					
Government and state enterprise securities	6,600,000.00	-	-	6,600,000.00	6,600,000.00
Private sector debt securities	288,041,853.10	-	288,041,853.10	-	288,041,853.10
Deposits at financial institutions which matured over 3 months	134,481,174.55	134,481,174.55	-	-	134,481,174.55
Loans	4,700,940.91	-	-	4,700,940.91	4,700,940.91
<u>Liabilities which fair value are disclosed</u>					
Insurance contract liabilities - claim reserves	92,104,977.37	-	-	92,104,977.37	92,104,977.37
Amounts due to reinsurances	20,674,268.10	-	-	20,674,268.10	20,674,268.10

The methodology of fair value measurement depends upon the characteristics of the financial instrument. For those financial instruments which are regarded as being traded in an active market, fair value is determined by reference to the market price of the financial instrument. If however the appropriate quoted market price cannot be determined, the fair value is determined by using an appropriate valuation technique such as discounted cash flow.

The methods and assumptions used by the Company in estimating the fair values of financial instruments are described in note 3.10 to financial statement.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

6. CASH AND CASH EQUIVALENTS

	(Unit : Baht)	
	2021	2020
Cash	693,773.01	783,415.89
Deposits at banks with no fixed maturity date	93,984,627.86	20,633,317.84
Deposits at banks with fixed maturity date	10,000,000.00	10,000,000.00
Cash and cash equivalents	104,678,400.87	31,416,733.73

7. PREMIUM DUE AND UNCOLLECTED

As at December 31, 2021 and 2020, the Company has balances of premium due and uncollected which classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	(Unit : Baht)					
	2021			2020		
	Due from insured	Due from agents and brokers	Total	Due from insured	Due from agents and brokers	Total
Not yet due	19,461.06	33,187,372.95	33,206,834.01	757,306.39	10,770,835.28	11,528,141.67
Not over 30 days	1,493,789.85	1,679,912.21	3,173,702.06	26,887.75	350,464.34	377,352.09
Over 30 days to 60 days	-	1,153,504.74	1,153,504.74	5,670.40	665,322.05	670,992.45
Over 60 days to 90 days	-	298,398.67	298,398.67	-	616,637.30	616,637.30
Over 90 days	4,979.04	1,164,354.59	1,169,333.63	-	858,096.97	858,096.97
Total premium receivables	1,518,229.95	37,483,543.16	39,001,773.11	789,864.54	13,261,355.94	14,051,220.48
Less: Allowance for doubtful accounts	-	(1,162,014.68)	(1,162,014.68)	-	(808,291.68)	(808,291.68)
Total premium due and uncollected, net	1,518,229.95	36,321,528.48	37,839,758.43	789,864.54	12,453,064.26	13,242,928.80

8. REINSURANCE ASSETS

As at December 31, 2021 and 2020, the Company has reinsurance assets as below:

	(Unit : Baht)	
	2021	2020
<u>Insurance recovered from reinsurers</u>		
Loss reserves	4,244,977.73	4,278,822.47
Unearned premium reserves (UPR)	34,533,067.21	15,975,969.46
Total	38,778,044.94	20,254,791.93

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

9. REINSURANCE RECEIVABLES

As at December 31, 2021 and 2020, the Company has reinsurance receivables as below:

	(Unit : Baht)	
	2021	2020
Amounts due from reinsurers	6,177,187.51	15,793,665.78
Total	6,177,187.51	15,793,665.78

As at December 31, 2021 and 2020, balances of amounts due from reinsurers are classified by aging as follows:

	(Unit : Baht)	
	2021	2020
Within credit terms	6,177,187.51	15,793,665.78
Total	6,177,187.51	15,793,665.78

(Sign) Directors

(Mr. Sukich Charanvas

Mr.Pon Titipanichayangoon)

10. INVESTMENT IN SECURITIES

10.1 Classified by type of investments As at December 31, 2021 and 2020, the Company has investments in securities as follows:

	(Unit: Baht)			
	2021		2020	
	Cost / Amortized cost	Fair value	Cost / Amortized cost	Fair value
Investments measured at fair value				
through other comprehensive income /				
Available-for-sale investments				
Government and state enterprise securities				
Equity securities	4,923,750.00	8,746,500.00	8,704,990.00	23,307,000.00
Private enterprise debt securities				
Equity securities	163,286,087.00	198,408,877.49	157,119,347.00	159,574,995.68
Non-listed equity instruments	341,060.00	8,281,509.68	341,060.00	8,279,839.29
Total	168,550,897.00	215,436,887.17	166,165,397.00	191,161,834.97
Add (Less) Unrealized gain (loss)	46,885,990.17	-	24,996,437.97	-
Total investments measured at fair value				
through other comprehensive income /				
Available-for-sale investments	215,436,887.17	215,436,887.17	191,161,834.97	191,161,834.97
Investment measured at amortized cost /				
Held-to-maturity investments				
Government and state enterprise securities	6,200,000.00		6,600,000.00	
Private sector debt securities	295,000,000.00		307,000,000.00	
Deposits at banks	124,930,000.00		134,930,000.00	
Total	426,130,000.00		448,530,000.00	
(Less) Allowance for expected credit losses	(36,344,410.99)		(19,406,972.35)	
Total investment measured at amortized cost				
/ Held-to-maturity investments	389,785,589.01		429,123,027.65	
Investments in securities - net	605,222,476.18		620,284,862.62	

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

10. INVESTMENT IN SECURITIES (Cont.)

10.2 Period to maturity

(Unit : Baht)

	2021			
	Period to maturity			
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale investments				
Government and state enterprise securities	200,000.00	6,000,000.00	-	6,200,000.00
Private sector debt securities	92,000,000.00	183,000,000.00	20,000,000.00	295,000,000.00
Deposits at financial institutions which matured over 3 months	110,930,000.00	14,000,000.00	-	124,930,000.00
Less: Allowance for expected credit losses	(15,737,787.08)	(20,576,202.62)	(30,421.29)	(36,344,410.99)
Total available-for-sale investments	187,392,212.92	182,423,797.38	19,969,578.71	389,785,589.01

(Unit : Baht)

	2020			
	Period to maturity			
	Within 1 year	1 - 5 years	Over 5 years	Total
Available-for-sale investments				
Government and state enterprise securities	1,600,000.00	5,000,000.00	-	6,600,000.00
Private sector debt securities	75,000,000.00	222,000,000.00	10,000,000.00	307,000,000.00
Deposits at financial institutions which matured over 3 months	134,930,000.00	-	-	134,930,000.00
Less: Allowance for expected credit losses	(5,886,727.48)	(13,513,117.91)	(7,126.96)	(19,406,972.35)
Total available-for-sale investments	205,643,272.52	213,486,882.09	9,992,873.04	429,123,027.65

10.3 Debt securities that are measured at amortized cost

(Unit : Baht)

	2021		
	Gross	Expected	Carrying
	carrying value	credit loss	
Investments in debt securities which credit risk has not significantly increased (Stage 1)	391,130,000.00	(1,344,410.99)	389,785,589.01
Credit-impaired investments in debt securities (Stage 3)	35,000,000.00	(35,000,000.00)	-
Total	426,130,000.00	(36,344,410.99)	389,785,589.01

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

10. INVESTMENT IN SECURITIES (Cont.)

10.4 Fair values of investments in debt instruments

(Unit : Baht)

		2021	
		The contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the only outstanding principal amount	The contractual terms of financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the only outstanding principal amount
		Changes in fair value during year	Changes in fair value during year
		Fair value	Fair value
Held-to-maturity investments which are measured at amortized cost			
Government and state enterprise securities	-	-	6,200,000.00
Private sector debt securities	-	-	259,313,967.23
Deposits at financial institutions which matured over 3 months	-	-	124,271,621.78
Total	-	-	389,785,589.01

(Unit : Baht)

		2020	
		The contractual terms of financial assets give rise on specified dates to cash flow that are solely payments of principal and interest on the only outstanding principal amount	The contractual terms of financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the only outstanding principal amount
		Changes in fair value during year	Changes in fair value during year
		Fair value	Fair value
Held-to-maturity investments which are measured at amortized cost			
Government and state enterprise securities	-	-	6,600,000.00
Private sector debt securities	-	-	288,041,853.10
Deposits at financial institutions which matured over 3 months	-	-	134,481,174.55
Total	-	-	429,123,027.65

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

10. INVESTMENT IN SECURITIES (Cont.)

10.5 Other components of equity

(Unit: Baht)

	For the year ended 31 December	
	2021	2020
Available-for-sale investments which are measured at fair value through other comprehensive income		
Balance - beginning of the year	19,997,150.37	49,670,861.79
Other comprehensive income (expenses) for the year	17,511,641.77	(29,673,711.42)
Balance - end of the year	37,508,792.14	19,997,150.37

10.6 Investments subject to restriction

As at December 31, 2021 and 2020, the Company pledged bank deposit Baht 89.93 million and Baht 64.93 million, respectively as collateral as stated in note 37.

11. LOANS

As at December 31, 2021 and 2020, loans and accrued interest aged by principal and accrued interest are as follows:

(Unit : Baht)

Classification	2021		
	LOANS		Total
	Mortgage loans	Other	
Loans which credit risk has not significantly increased (Stage 1)	3,611,099.16	155,934.24	3,767,033.40
Credit-impaired loans (Stage 3)	2,035,988.91	-	2,035,988.91
Total	5,647,088.07	155,934.24	5,803,022.31
Less: Allowance for expected credit losses	(2,035,988.91)	-	(2,035,988.91)
Total - Loans and interest receivables	3,611,099.16	155,934.24	3,767,033.40

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

11. LOANS (Cont.)

(Unit : Baht)

Classification	2020		
	LOANS		Total
	Mortgage loans	Other	
Loans which credit risk has not significantly increased			
(Stage 1)	4,384,310.97	316,629.94	4,700,940.91
Credit-impaired loans (Stage 3)	2,055,988.91	-	2,055,988.91
Total	6,440,299.88	316,629.94	6,756,929.82
Less: Allowance for expected credit losses	(2,055,988.91)	-	(2,055,988.91)
Total - Loans and interest receivables	4,384,310.97	316,629.94	4,700,940.91

11.1 The collateralized loans are loan facilities provided to employees as part of the credit welfare project for house with interest rate MLR – 1.5% and MOR - 2.0% per annum.

11.2 The collateralized loans are personal loans provided to employees as part of the benefit program with interest rate at MLR - 1.5% per annum and MOR per annum.

11.3 The collateralized loans are loan facilities provided to other person at interest rate MOR-1.5% per annum.

(Sign) Directors

(Mr. Sukich Charanvas

Mr.Pon Titipanichayangoon)

12. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

	2021				
	Land	Building	Fixture and office equipment	Vehicle	Total
Cost :					
At December 31, 2020	41,549,000.00	80,536,138.70	4,406,120.29	13,540,094.31	140,031,353.30
Additions	-	-	266,750.47	-	266,750.47
Disposal	-	-	(473,642.96)	(1,612,475.69)	(2,086,118.65)
At December 31, 2021	41,549,000.00	80,536,138.70	4,199,227.80	11,927,618.62	138,211,985.12
Accumulated depreciation :					
At December 31, 2020	-	80,211,690.04	3,752,904.20	13,540,074.31	97,504,668.55
Depreciation for the year	-	78,685.63	294,033.67	-	372,719.30
Disposal	-	-	(387,274.75)	(1,612,468.69)	(1,999,743.44)
At December 31, 2021	-	80,290,375.67	3,659,663.12	11,927,605.62	95,877,644.41
Net book value :					
At December 31, 2020	41,549,000.00	324,448.66	653,216.09	20.00	42,526,684.75
At December 31, 2021	41,549,000.00	245,763.03	539,564.68	13.00	42,334,340.71
Depreciation for the year :					
At December 31, 2021					372,719.30

(Sign) Directors

(Mr. Sukich Charanvas

Mr.Pon Titipanichayangoon)

12. PROPERTY, PLANT AND EQUIPMENT (Cont.)

(Unit : Baht)

	2020				
	Land	Building	Fixture and office equipment	Vehicle	Total
Cost :					
At December 31, 2019	41,549,000.00	80,536,138.70	4,470,676.57	13,540,094.31	140,095,909.58
Additions	-	-	253,038.31	-	253,038.31
Disposal	-	-	(317,594.59)	-	(317,594.59)
At December 31, 2020	41,549,000.00	80,536,138.70	4,406,120.29	13,540,094.31	140,031,353.30
Accumulated depreciation :					
At December 31, 2019	-	80,133,004.41	3,701,193.35	13,388,945.73	97,223,143.49
Depreciation for the year	-	78,685.63	361,044.63	151,128.58	590,858.84
Disposal	-	-	(309,333.78)	-	(309,333.78)
At December 31, 2020	-	80,211,690.04	3,752,904.20	13,540,074.31	97,504,668.55
Net book value :					
At December 31, 2019	41,549,000.00	403,134.29	769,483.22	151,148.58	42,872,766.09
At December 31, 2020	41,549,000.00	324,448.66	653,216.09	20.00	42,526,684.75
Depreciation for the year :					
At December 31, 2020					590,858.84

As at December 31, 2021 and 2020, the Company has furniture, fixtures and office equipment at cost before deducting accumulated depreciation amount of Baht 93.74 million and Baht 95.20 million, respectively which are fully depreciated and still used in its operation.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

13. INTANGIBLE ASSETS

	(Unit : Baht)
	<u>Computer software</u>
Cost:	
At December 31, 2019	1,941,571.03
Additions	<u>-</u>
At December 31, 2020	1,941,571.03
Additions	<u>-</u>
At December 31, 2021	<u>1,941,571.03</u>
Accumulated amortization	
At December 31, 2019	1,929,121.55
Amortization charge	<u>12,444.48</u>
At December 31, 2020	1,941,566.03
Amortization charge	<u>-</u>
At December 31, 2021	<u>1,941,566.03</u>
Net book value:	
At 31 December 2020	<u>5.00</u>
At 31 December 2021	<u>5.00</u>
Amortization for the year 2021	-
Amortization for the year 2020	12,444.48

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

14. DEFERRED TAX

14.1 As at December 31, 2021 and 2020, the component of deferred tax assets and liabilities consist of following items.

	(Unit: Baht)	
	2021	2020
Deferred tax assets		
Premium reserve	12,033,053.46	-
Loss reserves and outstanding claims	8,148,313.91	11,945,736.87
Loss reserves incurred but not reported (IBNR)	1,343,648.62	3,415,387.99
Allowance for expected credit losses / Allowance for doubtful accounts	8,140,328.41	4,779,754.33
Employee benefit obligation	1,993,609.40	2,457,220.20
Total	31,658,953.80	22,598,099.39
Deferred tax liabilities		
Premium reserve	-	4,120,275.73
Unrealized gain from investment valuation – Available for sale	9,377,198.03	4,999,287.60
Total	9,377,198.03	9,119,563.33
Deferred tax assets (liabilities) - net	22,281,755.77	13,478,536.06

14.2 Tax income (loss) for the year ended December 31, 2021 and 2020, is summarized as follows:

	(Unit: Baht)	
	2021	2020
Current income tax:		
Income tax for the year	4,413,147.54	8,629,568.45
Deferred income tax:		
Deferred tax from temporary difference	(13,375,708.74)	28,324.69
Income tax presented in statement of comprehensive income	(8,962,561.20)	8,657,893.14

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

14. DEFERED TAX (Cont.)

14.3 The amount of income tax relating to each component of other comprehensive incomes for the year ended December 31, 2021 and 2020, are summarized as follows:

	(Unit : Baht)	
	2021	2020
Deferred tax relating to Remeasurements of post-employment benefit obligations for the year	(194,578.60)	(163,814.00)
Deferred tax relating to gain (loss) from investment valuation Available for sale	(4,377,910.44)	7,418,427.85
	(4,572,489.04)	7,254,613.85

14.4 Reconciliation amount between income tax expenses and multiplication of taxable profit and tax rate used for the year ended December 31, 2021 and 2020, are presented as follows:

	(Unit : Baht)	
	2021	2020
Profit (Loss) from accounting before income tax	(37,277,014.80)	59,882,419.78
Income tax rate	20%	20%
Profit (Loss) from accounting before income tax multiplied by income tax rate	(7,455,402.96)	11,976,483.95
Income tax adjusted of previous year		
The effect from changing income tax rate of deferred tax	-	-
The effect of income tax:		
Current year tax profit (loss) for which no deferred tax asset was recognized	-	(2,195,164.83)
Non-taxable revenues and expenses	(1,481,198.02)	(1,107,177.98)
Non-deductible expenses	(25,960.22)	(16,248.00)
Income tax presented in statement of comprehensive income	(8,962,561.20)	8,657,893.14

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

15. OTHER ASSETS

	(Unit: Baht)	
	2021	2020
Prepaid long-term commission	2,055,373.23	1,477,825.83
Loss recovery from counter parties	2,016,032.86	4,376,924.10
Other receivables	5,658,499.99	4,845,290.21
Others	5,294,731.22	4,584,875.75
Total	15,024,637.30	15,284,915.89
Less: Allowance for expected credit losses	(1,159,227.49)	(1,627,518.69)
Other assets - net	13,865,409.81	13,657,397.20

16. INSURANCE CONTRACT LIABILITIES

	(Unit: Baht)		
	2021		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Loss reserves and outstanding claims			
- Incurred and agreed claim reserves	49,882,493.06	(3,179,584.56)	46,702,908.50
- Incurred but not reported claim reserves	7,783,636.27	(1,065,393.17)	6,718,243.10
Premium liabilities - Unearned premium reserves	205,053,164.44	(34,533,067.21)	170,520,097.23
Total	262,719,293.77	(38,778,044.94)	223,941,248.83

	(Unit: Baht)		
	2020		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Loss reserves and outstanding claims			
- Incurred and agreed claim reserves	71,616,427.81	(867,212.84)	70,749,214.97
- Incurred but not reported claim reserves	20,488,549.56	(3,411,609.63)	17,076,939.93
Premium liabilities - Unearned premium reserves	68,613,230.91	(15,975,969.46)	52,637,261.45
Total	160,718,208.28	(20,254,791.93)	140,463,416.35

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(Mr. Sukich Charanvas

Mr.Pon Titipanichayangoon)

16. INSURANCE CONTRACT LIABILITIES (Cont.)

Loss reserves and outstanding claims

	(Unit: Baht)	
	2021	2020
Beginning balances	92,104,977.37	85,105,272.39
Claim incurred in this year	94,851,583.41	136,796,733.48
Changes in claim reserves in previous year	(21,038,743.74)	(5,488,650.96)
Changes in claim reserves assumptions	(6,537,202.97)	(3,745,340.18)
Claim paid in this year	(101,714,484.74)	(120,563,037.36)
Ending balances	57,666,129.33	92,104,977.37

As at December 31, 2021, the Company had loss reserves and outstanding claims under reinsurance contracts of Baht 1.64 million (December 31, 2020: Baht 3.18 million).

Unearned premium reserve

	(Unit: Baht)	
	2021	2020
Balance as at January 1	68,613,230.91	190,252,535.03
Premium written for the year	316,631,593.13	198,555,938.09
Premium earned for the current year	(180,191,659.60)	(320,195,242.21)
Ending balance	205,053,164.44	68,613,230.91

Unexpired risk reserve

	(Unit: Baht)	
	2021	2020
Balance as at January 1	28,909,034.49	91,890,236.68
Estimated claims for the year	146,569,556.45	91,670,175.19
Expired risk during the year	(75,920,734.71)	(154,651,377.38)
Ending balance	99,557,856.23	28,909,034.49

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

16. INSURANCE CONTRACT LIABILITIES (Cont.)

As at December 31, 2021, the Company has not provided for unexpired risk reserve for the amount of Baht 99.56 million (December 31, 2020, Baht 28.91 million) since unexpired risk reserve is lower than unearned premium reserve.

Gross claims table

(Unit: Baht)

Accident year/Reporting year	2016	2017	2018	2019	2020	2021	Total
Claim estimates:							
- As at accident year	64,010,739	55,364,197	71,469,051	171,146,908	131,607,373	91,898,667	
- Next one year	63,261,824	55,203,840	65,399,721	175,520,628	121,490,921		
- Next two years	65,920,735	51,323,420	55,573,021	163,013,083			
- Next three years	65,700,784	51,353,630	53,656,075				
- Next four years	65,700,784	51,345,094					
- Next five years	65,700,784						
Cumulative claim estimates	65,700,784	51,345,094	53,656,075	163,013,083	121,490,921	91,898,667	547,104,624
Cumulative payments	(65,700,784)	(51,343,745)	(53,655,175)	(153,538,914)	(100,459,496)	(65,965,475)	(490,663,590)
Total	-	1,349	900	9,474,169	21,031,425	25,933,191	56,441,034
Claims before 2015							1,158,874
Others							67,571
Total gross loss reserves							57,667,479

Net claims table

(Unit: Baht)

Accident year/Reporting year	2016	2017	2018	2019	2020	2021	Total
Claim estimates:							
- As at accident year	47,303,374	45,887,288	60,216,395	133,884,158	113,889,725	72,439,294	
- Next one year	46,158,395	46,222,054	57,141,350	136,393,962	106,691,796		
- Next two years	48,653,956	43,058,124	48,547,921	125,514,370			
- Next three years	48,501,457	43,080,788	46,691,204				
- Next four years	48,501,457	43,075,414					
- Next five years	48,501,457						
Cumulative claim estimates	48,501,457	43,075,414	46,691,204	123,514,370	106,691,796	72,439,294	440,913,535
Cumulative payments	(48,501,457)	(43,074,816)	(46,690,979)	(114,335,817)	(85,468,289)	(52,812,517)	(390,883,876)
Total	-	597	225	9,178,554	21,223,507	19,626,776	50,029,659
Claims before 2015							1,158,874
Others							(1,484,921)
Total net loss reserves							49,703,612

(Sign) Directors

(Mr. Sukich Charanvas

Mr.Pon Titipanichayangoon)

16. INSURANCE CONTRACT LIABILITIES (Cont.)

Key assumptions

Key assumptions used in the valuation of loss reserves arising from insurance contracts are as follows.

(a) The assumptions of in claim experiences.

For assessment, the Company applies 3 actuarial methods as follows:

- 1) Chain Ladder method is used for claims paid and incurred.
- 2) Bornhuetter-Ferguson or "BF" method is used for claims paid and incurred.
- 3) The Expected Loss Ratio or "ELR".

The Company usually uses the Chain Ladder method to estimate losses incurred, which is considered the best method while the BF and ELR will be applied to on a case by case basis where appropriate. Key assumption of both methods is Ultimate Loss Ratio. For selecting Ultimate Loss Ratio, the Company will consider information in the past including other factors that can reflect the appropriate level of liabilities of the Company at the end of the reporting periods such as changing in policy of insurance or changing coverage in insurance policy and soon.

(b) The assumption of the relevant expenses.

The estimation of unallocated loss adjustment expenses (ULAE).

In estimating ULAE, the Company uses the "Kittel's Refinement of the Classical Paid-to-Paid" method by reference to Conger and Nolibos on "Estimating ULAE Liabilities: Rediscovering and Expanding Kittel's Approach" in collecting the Company's internal expenses in order to analyze and estimate analytical expenses of claim department and unallocated loss adjustment expenses (ULAE). For this method, the estimation has been considered the ratio of ULAE to the average claims paid by considering to select such ratio from information in the past at least 3 years.

17. DUE TO REINSURERS

	(Unit: Baht)	
	2021	2020
Premium ceded payables	15,198,091.81	11,473,389.78
Amount withheld on reinsurance	15,784,536.56	9,200,878.32
Total reinsurance payables	30,982,628.37	20,674,268.10

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

18. BANK OVERDRAFTS

As at December 31, 2021 and 2020, the Company has credit facilities of bank overdrafts amounting to Baht 20.00 million with interest rate at MOR - 3 % guaranteed by fixed deposit as disclosed in note 37.

19. EMPLOYEE BENEFIT OBLIGATIONS

<u>Employee benefits expenses project as determined :</u>	<u>(Unit: Baht)</u>	
	<u>2021</u>	<u>2020</u>
Current service cost	958,653.00	1,004,281.00
Interest cost	129,980.00	165,297.00
Remeasurements of post-employment benefit obligations for the year	(972,893.00)	(819,070.00)
Total expenses	<u>115,740.00</u>	<u>350,508.00</u>
<u>The statement of financial position obligation was determined as follows :</u>		
Present value of the defined benefit obligations	8,364,954.00	9,184,024.00
Unrecognized actuarial (gain) loss	(972,893.00)	(819,070.00)
Defined benefit obligation at end of year	<u>7,392,061.00</u>	<u>8,364,954.00</u>
<u>Movement in the present value of the defined benefit obligations :</u>		
Defined benefit obligations at January 1,	12,286,101.00	13,294,767.00
Current service cost	958,653.00	1,004,281.00
Interest cost	129,980.00	165,297.00
Less Benefits paid	(2,927,591.00)	(1,359,174.00)
Past Service Cost – Plan Changes	493,797.00	-
Remeasurements of post-employment benefit obligations for the year	(972,893.00)	(819,070.00)
Defined benefit obligation at December 31,	<u>9,968,047.00</u>	<u>12,286,101.00</u>

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

19. EMPLOYEE BENEFIT OBLIGATIONS (Cont.)

Actuarial assumptions to use for calculation :

	2021	2020
	Percentage	Percentage
Retirement age	60 Years old	60 Years old
Discount Rate	1.67	1.09
Long term salary increase	1.50	2.00
Employees turn over	0.00–20.00	0.00–20.00
Mortality Rate	TMO2017	TMO2017

Remeasurements of post-employment benefit obligations recognized in other comprehensive income arising from:

Assumptions	(Unit : Baht)	
	2021	2020
Experience Adjustments on Plan Liabilities	(214,828.00)	(841,281.00)
Change in Demographic Assumptions on Plan Liabilities	(120,044.00)	-
Change in Financial Assumptions on Plan Liabilities	(638,021.00)	22,211.00
Total	(972,893.00)	(819,070.00)

Sensitivity analysis :

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined benefit obligation at December 31, 2021	(Unit : Baht)	
	Increase	Decrease
Discount Rate (1.0% movement)	(512,835.00)	564,930.00
Long term salary increase (1.0% movement)	616,024.00	(569,107.00)
Employees turn over (10.0% movement)	(81,403.00)	83,387.00

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

20. OTHER LIABILITIES

	(Unit: Baht)	
	2021	2020
Accrued expense	27,763,315.07	3,574,589.85
Accrued commission	5,502,860.90	2,407,693.36
Others	9,356,699.84	11,985,839.74
Total	42,622,875.81	17,968,122.95

21. DIVIDEND PAYMENT

According to the resolution of ordinary shareholders' meeting held on April 28, 2021. The company passed resolution to pay dividend to the shareholders from result of its operation of the year 2020 at the rate Baht 2.60 per share for 12 million shares total amount of Baht 31.20 million. The company already paid dividend on May 27, 2021.

According to the resolution of ordinary shareholders' meeting held on July 22, 2020. The company passed resolution to pay dividend to the shareholders from retained earnings of the year 2019 at the rate Baht 0.50 per share for 12 million shares total amount of Baht 6 million. The company already paid dividend on April 30, 2020.

22. OPERATING EXPENSES

	(Unit: Baht)	
	For the year ended December 31,	
	2021	2020
Personal expenses which are not expenses for underwriting and claims	22,214,903.04	22,201,672.59
Premises and equipment expenses which is not expenses for underwriting	7,551,103.01	7,502,313.20
Taxes and duties	1,637,018.71	1,089,141.90
Directors' remuneration	2,215,000.00	1,015,000.00
Other operating expenses	6,303,248.38	7,295,067.63
Total operating expenses	39,921,273.14	39,103,195.32

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

23. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	(Unit : Baht)	
	For the year ended December 31,	
	2021	2020
Loans and interest receivables	(20,000.00)	2,055,988.91
Other assets	(468,291.20)	1,627,518.69
Investment in securities	16,937,438.64	19,406,972.35
Total net impairment losses on financial assets	16,449,147.44	23,090,479.95

24. EMPLOYEE BENEFIT EXPENSE

	(Unit : Baht)	
	For the year ended December 31,	
	2021	2020
Management		
Wages and salaries	12,779,824.00	11,537,824.00
Pension costs - defined contribution plans	179,808.00	179,808.00
Others	568,186.60	697,008.00
	13,527,818.60	12,414,640.00
Other employees		
Wages and salaries	16,236,942.00	17,265,256.00
Pension costs - defined contribution plans	243,993.69	237,312.59
Others	1,470,590.75	1,286,932.00
	17,951,526.44	18,789,500.59
Total	31,479,345.04	31,204,140.59
Employee benefit expenses has been allocated to:		
Other underwriting expenses	4,423,681.00	5,161,263.00
Insurance claim and loss adjustments	2,625,761.00	2,826,205.00
Operating expenses	24,429,903.04	23,216,672.59
Total	31,479,345.04	31,204,140.59

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

25. BENEFITS PAID TO DIRECTORS AND KEY MANAGEMENT

Directors' remuneration is benefit paid to the Company's directors in accordance with the Section 90 of the Public Company Limited Act B.E. 1992 excluded salaries and related benefits to be paid to executive directors.

Benefit expenses paid to chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels consist of salaries, bonus, retirement benefit and meeting allowance.

Directors' remuneration and management benefit expenses for the year ended December 31, 2021 and 2020, are presented as follows.

	(Unit : Baht)	
	For the year ended December 31,	
	2021	2020
Short-term benefits	12,927,695.60	11,746,762.00
Long-term benefits	600,123.00	667,878.00
Total	13,527,818.60	12,414,640.00

26. TAX AFFECT TO RELATE WITH EASH COMPONENT OF OTHER COMPREHENSIVE INCOME

	(Unit : Baht)		
	Amount before Tax	Benefit (Expense) Tax	Net amount from Tax
As at December 31, 2021			
Gains on changes in values of investments	21,889,552.21	(4,377,910.44)	17,511,641.77
Remeasurements of post-employment benefit obligations	972,893.00	(194,578.60)	778,314.40
Total	22,862,445.21	(4,572,489.04)	18,289,956.17
As at December 31, 2020			
Gains on changes in values of investments	(37,092,139.27)	7,418,427.85	(29,673,711.42)
Remeasurements of post-employment benefit obligations	819,070.00	(163,814.00)	655,256.00
Total	(36,273,069.27)	7,254,613.85	(29,018,455.42)

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

27. RISKS OF NON-LIFE INSURANCE BUSINESS

27.1. Insurance risk

Insurance risk refers to the risk of loss arising from unpredictability of frequency, severity and timing of damage that differ from the assumptions made in calculating premiums or reserves and in underwriting considerations as well as loss or damage arising from unusual external factors, particularly those caused by geographical changes, including social calamities. All such factors can do severe damage to life and property insured by the Company.

The risk factors that could negatively affect the operations include insurance claims as they represent a major expenditure uncontrollable by the Company. Another factor is the risk of unbalanced product mix resulting.

Systematic risk management is in place covering from the process of risk underwriting. It is our policy to insure against those perils with a low degree of risk through careful selection of prospective clients, property, types of business and exposure of risks to be accepted and by taking into account the area's vulnerability to natural disasters. These factors would be considered based on data and statistics collected before premiums are set appropriately according to the risk. The Company also mitigates insurance risk by transferring those large risks to financially sound domestic and overseas reinsurers under different forms of reinsurance contracts such as treaty reinsurance, facultative reinsurance and excess of loss reinsurance. Such arrangements enable the Company to minimize insurance risk and ensure a rigorous, systematic claims management process where claims are settled accurately according to actual loss.

Concentrations of insurance contract liabilities, segregated by insurance type, is tabled below.

(Unit: Baht)

	2021			2020		
	Outward					
	Gross premium reserves	premium reserves	Net	Gross Premium reserves	Outward loss reserves	Net
Fire	23,890,920.01	(9,023,656.48)	14,867,263.53	18,502,814.66	(5,095,601.37)	13,407,213.29
Marine and transportation	9,782,770.33	(7,145,278.34)	2,637,491.99	4,346,331.93	(2,184,528.90)	2,161,803.03
Motor	151,606,337.08	(7,740,918.24)	143,865,418.84	30,789,296.00	(1,660,200.24)	29,129,095.76
Personal accident	559,901.75	(224,320.08)	335,581.67	594,040.52	(235,698.43)	358,342.09
Miscellaneous	19,213,235.27	(10,398,894.07)	8,814,341.20	14,380,747.80	(6,799,940.52)	7,580,807.28

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

Total	205,053,164.44	(34,533,067.21)	170,520,097.23	68,613,230.91	(15,975,969.46)	52,637,261.45
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27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.1. Insurance risk (Cont.)

(Unit: Baht)

	2021			2020		
	Gross	Outward loss	Net	Gross	Outward loss	Net
	loss reserves	reserves		loss reserves	reserves	
Fire	1,839,923.02	(138,200.17)	1,701,722.85	4,231,085.92	(38,608.03)	4,192,477.89
Marine and transportation	2,090,126.03	(308,224.38)	1,781,901.65	2,706,414.58	(163,404.55)	2,543,010.03
Motor	46,438,453.97	(395,186.99)	46,043,266.98	82,778,195.95	(2,855,777.92)	79,922,418.03
Personal accident	129,585.74	(24,983.12)	104,602.62	59,020.97	(8,714.27)	50,306.70
Miscellaneous	7,168,040.57	(3,378,383.07)	3,789,657.50	2,330,259.95	(1,212,317.70)	1,117,942.25
Total	57,666,129.33	(4,244,977.73)	53,421,151.60	92,104,977.37	(4,278,822.47)	87,826,154.90

The sensitivity test is the risk analysis of insurance contract liabilities that may be increased or decreased as a result of changes in assumptions used in calculation, which may impact on both gross and net loss reserves. The risk may be caused by the frequency of loss, value of loss and claim and loss adjustment expenses that are not as expected. The variables used for testing consist of the Ultimate Loss Ratio or "ULR", in the latest accident year and the Unallocated Loss Adjustment Expenses or "ULAE", and so on.

(Unit: Baht)

	2021			
	Assumption change	Provision for gross loss reserves	Provision for net loss reserves	Profit (loss) before income tax
Ultimate Loss Ratios	+1%	1,860,905	1,437,932	(1,437,932)
	-1%	(1,860,905)	(1,437,932)	1,437,932
ULAE Ratio	+1%	315,667	315,667	(315,667)
	-1%	(315,667)	(315,667)	315,667

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.1. Insurance risk (Cont.)

(Unit: Baht)

	2020			
	Assumption change	Provision for gross loss reserves	Provision for net loss reserves	Profit (loss) before income tax
Ultimate Loss Ratios	+1%	3,270,527	2,882,596	(2,882,596)
	-1%	(3,270,527)	(2,882,596)	2,882,596
ULAE Ratio	+1%	541,535	541,535	(541,535)
	-1%	(541,535)	(541,535)	541,559

27.2. Financial instruments and risk management

The Company's financial instruments, comprise cash and cash equivalents, premium receivables, investments, loans, reinsurance assets and reinsurance receivables. The financial risks associated with these financial instruments and how they are managed is described below.

(a) Credit risk

Concentrations of the credit risk with respect to premium receivables, reinsurance assets and reinsurance receivables are considered low because the Company's policy holders and reinsurers are dispersed across different industries and geographic regions in Thailand and in foreign countries.

The maximum exposure to credit risk is limited to the carrying value of those assets after deduction of allowance for doubtful accounts as stated in the statement of financial position.

Credit risk arising from collection of premium receivables

The Company has managed the risk arising from the collection of insurance premiums, establishing stricter criteria and conditions as to determination of a credit limit and credit terms of agents and brokerages and authorization control in order to facilitate business expansion.

Credit risk arising from reinsurance

The Company has managed the risk arising from reinsurance, developing reinsurance strategies and establishing criteria and guidelines in assessing the credibility of reinsurance companies in order to minimize credit risk arising from reinsurance. The select reinsurance companies' credit ratings are not to be lower than that specified.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(a) Credit risk (Cont.)

Credit risk arising from investments

The Company has managed the risk arising from investments, establishing investment limits for each agreement and the minimum credit rating criteria for counterparties that the Company is able to make an investment within the Company's investment policy framework.

The criteria used in determining measurement of expected credit losses in the next 12 months are as follows:

Stage 1: Financial assets with no significant increase in credit risk (12-mth ECL)

An investment asset, with a credit rating performed by a reliable credit rating agency or, if unavailable, a credit rating performed by an issuer, or comparable credit rating of BBB- or higher that can be obtained without incurring any costs, is classified to be in this stage. The Company uses the asset's credit rating at the end of the reporting period or on the most recent date the credit rating has been changed.

Stage 2: Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)

An investment asset, with a credit rating lower of BBB- at the end of the reporting period.

Stage 3: Financial assets that are credit-impaired (Lifetime ECL - credit impaired)

Only after a payment of interest or principals missed by 1 day.

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(a) Credit risk (Cont.)

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amount (before deducting allowance for expected credit losses)

(Unit: Baht)

	2021				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets that applied simplified approach to calculate expected credit losses (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	104,678,400.87	-	-	-	104,678,400.87
Allowance for expected credit loss	-	-	-	-	-
Held-to-maturity investments which are measured at amortized cost					
Investment grade	391,130,000.00	-	-	-	391,130,000.00
Non-investment grade	-	-	35,000,000.00	-	35,000,000.00
Allowance for expected credit loss	(1,344,410.99)		(35,000,000.00)		(36,344,410.99)
Accrued investment income					
Investment grade	2,336,441.01	-	-	-	2,336,441.01
Allowance for expected credit loss	-	-	-	-	-

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(a) Credit risk (Cont.)

(Unit: Baht)

	2020				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets that applied simplified approach to calculate expected credit losses (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	31,416,733.73	-	-	-	31,416,733.73
Allowance for expected credit loss	-	-	-	-	-
Held-to-maturity investments which are measured at amortized cost					
Investment grade	413,530,000.00	-	-	-	413,530,000.00
Non-investment grade	-	-	35,000,000.00	-	35,000,000.00
Allowance for expected credit loss	(961,972.35)	-	(18,445,000.00)	-	(19,406,972.35)
Accrued investment income					
Investment grade	2,764,061.01	-	-	-	2,764,061.01
Allowance for expected credit loss	-	-	-	-	-

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(a) Credit risk (Cont.)

The table below shows the movement in the allowance for expected credit losses for the year ended December 31, 2021.

(Unit: Baht)

	2021			
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
Cash and cash equivalents				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for impairment	-	-	-	-
Ending balance	-	-	-	-
Held-to-maturity investments which are measured at amortized cost				
Beginning balance	(961,972.35)	-	(18,445,000.00)	(19,406,972.35)
Change due to remeasurement of allowance for impairment	(382,438.64)	-	(16,555,000.00)	(16,937,438.64)
Ending balance	(1,344,410.99)	-	(35,000,000.00)	(36,344,410.99)
Accrued investment income				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for impairment	-	-	-	-
Ending balance	-	-	-	-

(Sign) Directors

(Mr. Sukich Charanvas

Mr.Pon Titipanichayangoon)

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(a) Credit risk (Cont.)

The table below shows the movement in the allowance for expected credit losses for the year ended December 31, 2020.

(Unit: Baht)

	2020			
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
Cash and cash equivalents				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for impairment	-	-	-	-
Ending balance	-	-	-	-
Held-to-maturity investments which are measured at amortized cost				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for impairment	(961,972.35)	-	(18,445,000.00)	(19,406,972.35)
Ending balance	(961,972.35)	-	(18,445,000.00)	(19,406,972.35)
Accrued investment income				
Beginning balance	-	-	-	-
Change due to remeasurement of allowance for impairment	-	-	-	-
Ending balance	-	-	-	-

As at 31 December 2021 and 2020 the details of the maximum exposure to credit risk are as follows:

(The Company was of the opinion that the disclosure is to be made from 2020 onwards since the financial reporting standards have been adopted since January 1, 2020.)

(Unit: Baht)

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

	2021	2020
Cash and cash equivalents	104,678,400.87	31,416,733.73
Held-to-maturity investments which are measured at amortized cost	426,130,000.00	448,530,000.00
Accrued investment income	2,336,441.01	2,764,061.01
Total maximum exposure to credit risk	533,144,841.88	482,710,794.74

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(b) Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the Company's financial position.

(1) Interest rate risk

The Company's exposure to interest rate risk relates primarily to its investments in securities and loans.

Significant assets and liabilities classified by type of interest rates are summarized in the table below, with those assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Baht)

	2021						
	Fixed interest rates			Floating	Non-Interest bearing	Total	Effective interest rate
	Within1 year	1 - 5 years	Over 5 years	interest rate			(% per annum)
<u>Financial Assets</u>							
Cash and cash equivalents	10,000,000.00	-	-	94,678,400.87	-	104,678,400.87	0.00 – 0.40
Premium receivables	-	-	-	-	37,839,758.43	37,839,758.43	-
Reinsurance assets – claim reserves refundable from reinsurers	-	-	-	-	4,244,977.73	4,244,977.73	-
Reinsurance receivables	-	-	-	-	6,177,187.51	6,177,187.51	-
Investment in securities							
Government and state enterprise securities	200,000.00	6,000,000.00	-	-	-	6,200,000.00	0.10-5.00
Equity securities	-	-	-	-	207,155,377.49	207,155,377.49	-
General investments	-	-	-	-	8,281,509.68	8,281,509.68	-
Private sector debt securities	76,845,959.18	162,498,429.34	19,969,578.71	-	-	259,313,967.23	1.13-5.50
Deposits at financial	110,346,253.74	13,925,368.04	-	-	-	124,271,621.78	0.15-0.80

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institutions which matured
over 3 months

Loans	-	-	-	3,767,033.40	-	3,767,033.40	5.275-5.900
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Financial Liabilities

Insurance contract liabilities -

claim reserves	-	-	-	-	57,666,129.33	57,666,129.33	-
Amounts due to reinsurances	-	-	-	-	30,982,628.37	30,982,628.37	-

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(b) Market risk (Cont.)

(Unit: Baht)

	2020						
	Fixed interest rates			Floating interest rate	Non- Interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years				
Financial Assets							
Cash and cash equivalents	-	-	-	31,416,733.73	-	31,416,733.73	0.00 – 1.10
Premium receivables	-	-	-	-	13,242,928.80	13,242,928.80	-
Reinsurance assets – claim reserves refundable from reinsurers	-	-	-	-	4,278,822.47	4,278,822.47	-
Reinsurance receivables	-	-	-	-	15,793,665.78	15,793,665.78	-
Investment in securities							
Government and state enterprise securities	1,600,000.00	5,000,000.00	-	-	-	6,600,000.00	0.00-5.00
Equity securities	-	-	-	-	182,881,995.68	182,881,995.68	-
General Investments	-	-	-	-	8,279,839.29	8,279,839.29	-
Private sector debt securities	69,562,097.97	208,486,882.09	9,992,873.04	-	-	288,041,853.10	1.21-5.50
Deposits at financial institutions which matured over 3 months	134,481,174.55	-	-	-	-	134,481,174.55	0.20-1.70
Loans	-	-	-	4,700,940.91	-	4,700,940.91	5.275-5.900
Financial Liabilities							
Insurance contract liabilities -							
claim reserves	-	-	-	-	92,104,977.37	92,104,977.37	-
Amounts due to reinsurances	-	-	-	-	20,674,268.10	20,674,268.10	-

The sensitivity analysis of the interest rate

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The sensitivity analysis of changes in interest rates represents the effect of possible interest rate changes to comprehensive income statement, with all other variables held constant.

27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(b) Market risk (Cont.)

The effects of changes in interest rates to profit or loss as of December 31, 2021 and 2020, are summarized below:

	Increase (decrease) (%)	(Unit: Baht)	
		Effect on profit or loss	
		2021	2020
Investments which are measured at fair value			
through profit or loss - Debt	1%	4,361,300.00	4,585,300.00
	(1%)	(3,726,610.00)	(4,197,045.00)

The above analysis has been prepared assuming that the amounts of debt instruments and all other variables remain constant over one year. Moreover, the floating legs of these debt instruments are assumed to not yet have set interest rates. As a result, a change in interest rates affects the value of debt instruments. This information is not a forecast or prediction of future market conditions and should be used with care.

(2) Equity position risk

Equity position risk is the risk that changes in the market prices of debt securities and equity securities are to result in fluctuations in revenues and in the value of financial assets.

As at December 31, 2021 and 2020, the Company had risk from investments in securities, of which the prices are to change with reference to market conditions.

(c) Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate its financial assets or procure sufficient funds to discharge its obligations in a timely manner, resulting in the occurrence of a financial loss.

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27. RISKS OF NON-LIFE INSURANCE BUSINESS (Cont.)

27.2. Financial instruments and risk management (Cont.)

(c) Liquidity risk (Cont.)

The maturity profile of the Company's financial assets and liabilities as at December 31, 2021 and 2020, based on contractual undiscounted cashflows are as follows:

						(Unit: Baht)
	2021					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial Assets						
Cash and cash equivalents	94,678,400.87	10,000,000.00	-	-	-	104,678,400.87
Premium receivables	-	37,839,758.43	-	-	-	37,839,758.43
Reinsurance assets – claim reserves refundable from reinsurers	-	38,778,044.94	-	-	-	38,778,044.94
Reinsurance receivables	-	6,177,187.51	-	-	-	6,177,187.51
Investment in securities	-	187,392,212.92	182,423,797.38	19,969,578.71	215,436,887.17	605,222,476.18
Loans	-	-	197,526.73	3,569,506.67	-	3,767,033.40
Financial Liabilities						
Insurance contract liabilities - claim reserves	-	57,666,129.33	-	-	-	57,666,129.33
Amounts due to reinsurances	-	30,982,628.37	-	-	-	30,982,628.37

						(Unit: Baht)
	2020					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial Assets						
Cash and cash equivalents	31,416,733.73	-	-	-	-	31,416,733.73
Premium receivables	-	13,242,928.80	-	-	-	13,242,928.80
Reinsurance assets – claim reserves refundable from	-	20,254,791.93	-	-	-	20,254,791.93

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reinsurers						
Reinsurance receivables	-	15,793,665.78	-	-	-	15,793,665.78
Investment in securities	-	205,643,272.52	213,486,882.09	9,992,873.04	191,161,834.97	620,284,862.62
Loans	-	-	774,660.28	3,926,280.63	-	4,700,940.91
Financial Liabilities						
Insurance contract liabilities -						
claim reserves	-	92,104,977.37	-	-	-	92,104,977.37
Amounts due to reinsurances	-	20,674,268.10	-	-	-	20,674,268.10

28. CAPITAL FUND MANAGEMENT

The primary objectives of the Company's capital fund management are to ensure that it has an appropriate financial structure, presences the ability to continue its business as a going concern and to maintain capital reserve in accordance with Notifications of the Office of Insurance Commission (OIC).

29. CONTRIBUTION TO NON-LIFE GUARANTEE FUND

	(Unit: Baht)	
	For the years ended December 31	
	2021	2020
Accumulated contribution at the beginning of the year	5,900,166.29	5,413,064.83
Contribution during the year	783,350.09	487,101.46
Accumulated contribution at the end of the year	6,683,516.38	5,900,166.29

30. ASSETS PLEDGED WITH REGISTRAR

As at December 31, 2021 and 2020, the Company used bank deposit amount of Baht 14 million as collateral with the registrar in accordance with the Section 19 of Insurance Act B.E. 2535. (1992).

31. ASSETS RESERVE PLEDGED WITH REGISTRAR

As at December 31, 2021 and 2020, bank deposit amount of Baht 55.00 million and Baht 30.00 million respectively used as collateral against premium reserve with the registrar.

32. Net investment revenues

As at December 31, 2021 and 2020, the Company had revenues relating to investment as follows.

	(Unit: Baht)	
	For the years ended December 31	
	2021	2020

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(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

Interest income	9,588,811.77	11,944,222.46
Dividend	7,317,490.14	5,576,889.87
Total	<u>16,906,301.91</u>	<u>17,521,112.33</u>

33. PROVIDENT FUND

The Company and its employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. (1987). The fund is contributed to by the Company and its employees at the equal monthly rate of 3 percent of the employees' basic salary, based on the length of employment and will be paid to the employees upon termination in accordance with the rules of the fund. The fund is managed by Kasikorn Management Company Limited. For year ended December 31, 2021 and 2020, the Company contributed to Fund approximately Baht 0.42 million and Baht 0.42 million respectively.

34. LEGAL RESERVE

Under the Section 116 of the Public Companies Act B.E. 2535 (1992), the Company is required to set aside a legal reserve at least 5% of annual net profit until the cumulative reserve reaches an amount of 10% of the authorized share capital. Such legal reserve is not available for dividend distribution.

35. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income)

	(Unit : Baht)	
	2021	2020
Profit for the year	(28,314,453.60)	51,224,526.64
Weighted average number of ordinary shares	12,000,000	12,000,000
Earnings per share	(2.36)	4.27

36. FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker in order to make decisions about the allocation of resources to the segment and assess its performance.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

The Company's operations involve the single business segment of non-life insurance and are carried on in the single geographic area of Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned business segment and geographical area. And for the purposes of administration, The Company reported operating segments. Divided into categories of products include fire insurance, marine and transport insurance, personal accident insurance and miscellaneous insurance.

36. FINANCIAL INFORMATION BY SEGMENT (Count.)

The following tables present revenue and profit information regarding the Company's operating segments for the years ended December 31, 2021 and 2020, respectively.

	(Unit: Baht)					
	For year ended December 31, 2021					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
<u>Underwriting income</u>						
Premium written	46,148,926.43	17,168,817.57	213,752,690.31	1,090,180.77	38,470,978.05	316,631,593.13
Less: Premium ceded	(15,893,681.35)	(11,849,870.11)	(10,944,467.08)	(406,750.09)	(20,656,814.38)	(59,751,583.01)
Net premium written	30,255,245.08	5,318,947.46	202,808,223.23	683,430.68	17,814,163.67	256,880,010.12
Add/Less: Unearned premium reserves	(1,460,050.24)	(475,688.96)	(114,736,323.07)	22,760.42	(1,233,533.92)	(117,882,835.77)
Earned premium written	28,795,194.84	4,843,258.50	88,071,900.16	706,191.10	16,580,629.75	138,997,174.35
Fee and commissions income	899,124.21	4,431,918.88	1,757,655.92	145,218.01	7,595,623.70	14,829,540.72
Total underwriting income	29,694,319.05	9,275,177.38	89,829,556.08	851,409.11	24,176,253.45	153,826,715.07
<u>Underwriting expenses</u>						
Claims and losses adjustment	8,894,450.48	(809,181.09)	22,318,792.08	399,319.96	8,808,746.05	39,612,127.48
Commissions and brokerages	10,687,879.59	2,320,361.26	26,417,759.99	206,720.66	6,342,955.35	45,975,676.85
Other underwriting expenses	2,065,129.10	1,599,775.60	70,957,790.42	5,481.50	1,181,730.94	75,809,907.56
Total underwriting expenses						
before operating expenses	21,647,459.17	3,110,955.77	119,694,342.49	611,522.12	16,333,432.34	161,397,711.89
Operating expenses						39,921,273.14
Net impairment losses on financial assets						(468,291.20)

(Sign) Directors

(Mr. Sukich Charanvas

Mr.Pon Titipanichayangoon)

Total underwriting expenses	200,850,693.83
Loss from underwriting	(47,023,978.76)
Net investment income	16,906,301.91
Gain on investment	2,285,500.00
Other income	7,472,600.69
Net impairment losses on financial assets	(16,917,438.64)
Loss before income tax expenses	(37,277,014.80)
Income tax (expenses) income	8,962,561.20
Loss for the year	(28,314,453.60)

36. FINANCIAL INFORMATION BY SEGMENT (Count.)

	(Unit: Baht)					
	For year ended December 31, 2020					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
<u>Underwriting income</u>						
Premium written	36,469,859.76	7,599,497.48	123,131,088.21	1,131,649.53	30,223,843.11	198,555,938.09
Less: Premium ceded	(9,368,808.29)	(3,471,122.35)	(6,364,642.04)	(431,486.91)	(14,830,342.84)	(34,466,402.43)
Net premium written	27,101,051.47	4,128,375.13	116,766,446.17	700,162.62	15,393,500.27	164,089,535.66
Add/Less: Unearned premium reserves	1,174,194.41	401,946.70	109,048,113.67	3,015.33	584,552.28	111,211,822.39
Earned premium written	28,275,245.88	4,530,321.83	225,814,559.84	703,177.95	15,978,052.55	275,301,358.05
Fee and commissions income	4,299,322.13	1,565,620.53	1,070,509.10	153,560.47	5,869,793.26	12,958,805.49
Total underwriting income	32,574,568.01	6,095,942.36	226,885,068.94	856,738.42	21,847,845.81	288,260,163.54
<u>Underwriting expenses</u>						
Claims and losses adjustment	2,687,633.19	(557,451.19)	103,457,348.67	321,814.78	1,769,034.13	107,678,379.58
Commissions and brokerages	8,527,629.81	1,094,046.87	15,568,857.29	201,508.49	5,189,103.61	30,581,146.07
Other underwriting expenses	2,689,551.14	1,853,530.10	46,359,555.47	6,000.72	730,423.03	51,639,060.46
Total underwriting expenses before operating expenses	13,904,814.14	2,390,125.78	165,385,761.43	529,323.99	7,688,560.77	189,898,586.11
Operating expenses						39,103,195.32
Net impairment losses on financial assets						1,627,518.69

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

Total underwriting expenses	230,629,300.12
Profit from underwriting	57,630,863.42
Net investment income	17,521,112.33
Other income	6,193,405.29
Net impairment losses on financial assets	(21,462,961.26)
Profit before income tax expenses	59,882,419.78
Income tax (expenses) income	(8,657,893.14)
Profit for the year	51,224,526.64

36. FINANCIAL INFORMATION BY SEGMENT (Count.)

The following table presents segment assets and liabilities of the Company's operating segments as at December 31, 2021 and 2020, are as follows:

(Unit: Baht)

	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Unallocated assets	Total
Assets							
As at December 31, 2021	19,883,560.81	10,078,221.07	32,227,653.05	3,770,109.17	23,724,108.92	796,974,398.64	886,658,051.66
As at December 31, 2020	23,663,222.45	4,228,079.16	13,226,601.24	395,540.93	12,640,418.99	733,086,308.35	787,240,171.12
Liabilities							
As at December 31, 2021	52,898,959.32	14,722,262.78	208,995,787.67	713,436.23	33,501,764.77	59,789,569.09	370,621,779.86
As at December 31, 2020	46,985,934.23	8,987,757.89	114,433,222.93	677,570.39	19,389,764.23	39,505,152.22	229,979,401.89

Major customers

During the year ended December 31, 2021 the Company had premium written through 3 insurance brokers with premium written from each broker of more than 10% of total premium written, equivalent to 55.95 % of total premium written

37. RESTRICTED ASSETS WITH COMMITMENT

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

As at December 31, 2021 and 2020, the Company pledged bank deposit of Baht 89.93 million and Baht 64.93 million respectively as collaterals follows:

	(Unit: Baht)	
	2021	2020
Bank deposit as collateral for :		
Bank overdraft	20,000,000.00	20,000,000.00
Assets pledged with registrar	14,000,000.00	14,000,000.00
Assets reserve pledged with registrar	55,000,000.00	30,000,000.00
Credit card usage	500,000.00	500,000.00
Electricity usage	430,000.00	430,000.00
Total	89,930,000.00	64,930,000.00

38. CONTINGENT LIABILITIES AND COMMITMENT

Litigation

As at December 31, 2021 and 2020, the Company was sued from act as insurer with the prosecution value of Baht 2.90 million and Baht 3.53 million, respectively. However, the Company's contingent liabilities from prosecution cases in the value not more than the policy custody amount of Baht 2.06 million and Baht 1.49 million, respectively. Those prosecution cases have been incompletely considered and the Company expects to win the mostly cases. Nevertheless, the Company recorded the provision for contingent loss amount of Baht 2.00 million and Baht 1.49 million respectively in the financial statements.

Guarantees

As at December 31, 2021 and 2020, the Company has the unused letter of guarantee issued by bank in the name of the Company for the amount of Baht 0.93 million relating to guarantee for electricity usage.

Operating lease commitments

As at December 31, 2021 and 2020, the Company has commitments to pay under the rental and service agreement as follows:

	(Unit : Baht)	
	2021	2020
Due within 1 year	1,765,984.11	1,765,984.11
Total	1,765,984.11	1,765,984.11

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

39. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These financial statements have been approved to be issued by authorized directors on February 23, 2022.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)