

**REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS  
MUANG THAI INSURANCE PUBLIC COMPANY LIMITED**

**Opinion**

We have audited the financial statements in which the equity method is applied and the separate financial statements of Muang Thai Insurance Public Company Limited (the “Company”), which comprise the statement of financial position in which the equity method is applied and the separate statement of financial position as at December 31, 2023, and the statements of profit or loss and other comprehensive income in which the equity method is applied and the separate statements of profit or loss and other comprehensive income, the statement of changes in equity in which the equity method is applied and the separate statement of changes in equity and the statement of cash flows in which the equity method is applied and the separate statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements in which the equity method is applied and the separate financial statements present fairly, in all material respects, the financial position of Muang Thai Insurance Public Company Limited as at December 31, 2023, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

**Basis for Opinion**

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements in which the equity method is applied and separate financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to the audit of the financial statements in which the equity method is applied and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements in which the equity method is applied and the separate financial statements of the current period. These matters were addressed in the context of our audit of the financial statements in which the equity method is applied and the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
<p><b>Revenue recognition - Gross written premiums</b></p> <p>The Company offers non-life insurance service to a large number of policyholders through various types, number of policies and channels. The Company recognizes premiums as revenue since the effective date of the policies. The Company has underwriting process which the date of policy approval may be different from the date of policy effective.</p> <p>Key audit matters is whether the recognition of gross written premiums are accurately recognized in the correct accounting period in accordance with Thai Financial Reporting Standards.</p> <p>The accounting policy for revenue recognition and detail of revenue from written premium were disclosed in Notes 3.1 and 29 to the financial statements, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the revenue recognition - gross written premium process and related internal control procedures.</li> <li>• Performing the design and implementation of internal control procedures related to gross written premium recognition.</li> <li>• Performing the operating effectiveness testing over the internal control procedures around revenue recognition process including related information and technology system.</li> <li>• Performing the substantive testing as follows: <ul style="list-style-type: none"> <li>- Examining the supporting documents for the gross written premiums including the gross written premiums before and after the reporting period with the policy effective date in the policies issued to policyholders whether they have been recognized in an appropriate accounting period.</li> <li>- Examining the documents that are made through the General Journal Entries (Journal Entries), especially in relation to the recognition of gross written premiums.</li> <li>- Performing analytical procedures on financial information relating to gross written premiums.</li> </ul> </li> </ul>

Key Audit Matters	Audit Responses
<p><b>Claim reserves for claim incurred but not reported</b></p> <p>As at December 31, 2023, the Company had claim reserve for claim incurred but not reported (“claim reserve for IBNR”). The claim reserve for IBNR is estimated based on the management and actuary’ judgement and significant assumptions which are calculated based on an actuarial method using loss development factor to determine ultimate loss as a key assumption.</p> <p>Changes in the above key assumption could significantly affect the amount of claim reserve for IBNR. Key audit matter is whether measurement of claim reserve for IBNR, which is affected by change in the significant assumption, is in accordance with the Thai Financial Reporting Standards.</p> <p>The accounting policy for claim reserve for IBNR was disclosed in Note 3.18(1) to the financial statements and key assumption used in the measurement and details of claim reserve for IBNR were disclosed in Note 31.5 and 17 to the financial statements, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the operating procedures and internal control related to recognition of claim reserve for IBNR.</li> <li>• Performing the design and implementation of internal controls procedures related to recognition of claim reserve for IBNR.</li> <li>• Performing the substantive testing as follows: <ul style="list-style-type: none"> <li>- Involving the auditor’s actuary expert who assessed key data and assumption use in determination of ultimate loss, which was applied by the management to evaluate loss development factor, used in calculating claim reserve for IBNR. These include the key procedures below: <ul style="list-style-type: none"> <li>• Testing the accuracy and completeness of the data used in the calculation of ultimate loss.</li> <li>• Evaluating appropriateness of the assumption, testing the calculation and benchmarking of the Company management’s calculation result for each type of insurance contract.</li> <li>• Performing analytical procedure on the loss development factor in current year with the historical data whether the assumption used in the claim reserve for IBNR calculation were in accordance with the actuarial method and the notification and guidance of the Office of Insurance Commission.</li> </ul> </li> </ul> </li> </ul>

Key Audit Matters	Audit Responses
<p><b>Goodwill</b></p> <p>As at December 31, 2023, the Company had goodwill amounted to Baht 632 million with infinite useful lives and had to assess the impairment of goodwill every year. Impairment testing is a significant accounting estimate requiring management to exercise a high degree of judgement in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting discount rate and long-term growth rate. I therefore focused on auditing the value of goodwill as recorded in the accounts.</p> <p>The accounting policy for goodwill was disclosed in Note 3.16 to the financial statements and key assumption used in determination the recoverable amount of goodwill was disclosed in Note 4.5 and 14 to the financial statements.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> <li>• Understanding the operating procedures and the management’s decision-making process to assess the impairment of goodwill whether the decisions are consistent with how assets are utilized.</li> <li>• Performing the substantive testing as follows: <ul style="list-style-type: none"> <li>- Involving the auditor’s financial expert who assessed key data and assumptions use in determination the impairment of goodwill by management in preparing estimates of the cash flows expected to be realized from the assets. These include the key procedures below: <ul style="list-style-type: none"> <li>• Testing the accuracy and completeness of the data used in the cash flows expected to be realized from the assets.</li> <li>• Evaluating appropriateness of the assumptions, through the comparison those assumptions with information from both external and internal sources and testing the calculation and benchmarking of the Company management’s calculation result.</li> <li>• Performing analytical procedure on the past cash flow projections in comparison to actual operating results in order to assess the reliability of the cash flow projections.</li> <li>• Evaluating appropriateness of the discount rate applied by management and testing the calculation of realizable values of the assets.</li> </ul> </li> </ul> </li> </ul>

## **Other Matter**

The financial statements in which the equity method is applied and the separate financial statements of Muang Thai Insurance Public Company Limited for the year ended December 31, 2022, presented herein as comparative information, were audited by other auditor, whose report thereon dated February 27, 2023 expressed an unmodified opinion on those statements.

## **Other Information**

Management is responsible for the other information. The other information comprises information in the annual report, but does not include the financial statements in which the equity method is applied and the separate financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements in which the equity method is applied and the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements in which the equity method is applied and the separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the equity method is applied and the separate Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in which the equity method is applied and the separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of the financial statements in which the equity method is applied and the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements in which the equity method is applied and the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements in which the equity method is applied and the separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these the financial statements in which the equity method is applied and the separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and the separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements in which the equity method is applied and the separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Chavala Tienpasertkij  
Certified Public Accountant (Thailand)  
Registration No. 4301

**BANGKOK**  
February 27, 2024

**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**MUANG THAI INSURANCE PUBLIC COMPANY LIMITED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2023**

**Unit : Baht**

	FINANCIAL STATEMENTS				
	Notes	IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
<b>ASSETS</b>					
Cash and cash equivalents	5.1	857,703,496	540,352,142	857,703,496	540,352,142
Premium receivables	6	2,449,059,694	2,651,782,040	2,449,059,694	2,651,782,040
Accrued investment income		53,638,823	45,081,893	53,638,823	45,081,893
Reinsurance assets	7, 17	8,063,403,485	8,879,102,301	8,063,403,485	8,879,102,301
Amounts due from reinsurers	8	379,633,153	506,151,384	379,633,153	506,151,384
Investment assets					
Investments in securities	9	15,282,856,304	14,654,762,533	15,282,856,304	14,654,762,533
Loans and interest receivables	10	-	110,259	-	110,259
Investment in an associate	11	31,775,305	33,385,376	47,082,718	47,082,718
Property, buildings and equipment	12	785,556,510	746,361,235	785,556,510	746,361,235
Right-of-use assets	13.1	140,962,545	64,692,747	140,962,545	64,692,747
Goodwill	14	631,900,000	631,900,000	631,900,000	631,900,000
Intangible assets	15	140,667,681	131,728,697	140,667,681	131,728,697
Deferred tax assets	16	1,375,682,032	1,159,906,940	1,375,682,032	1,159,906,940
Prepaid premium ceded		627,485,796	555,153,062	627,485,796	555,153,062
Commission prepayments		355,686,217	363,475,235	355,686,217	363,475,235
Other assets		204,351,725	608,478,178	204,351,725	608,478,178
<b>Total assets</b>		<u>31,380,362,766</u>	<u>31,572,424,022</u>	<u>31,395,670,179</u>	<u>31,586,121,364</u>

Notes to the financial statements form an integral part of these statements

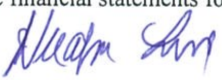



STATEMENTS OF FINANCIAL POSITION (CONTINUED)  
AS AT DECEMBER 31, 2023

Unit : Baht

	Notes	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>LIABILITIES</b>					
Insurance contract liabilities	17	16,912,075,772	16,546,378,084	16,912,075,772	16,546,378,084
Amounts due to reinsurers	18	3,779,369,852	4,238,381,806	3,779,369,852	4,238,381,806
Income tax payable		114,700,702	84,456,461	114,700,702	84,456,461
Lease liabilities	13.2	138,143,545	60,397,034	138,143,545	60,397,034
Employee benefit obligations	19	323,087,749	279,504,629	323,087,749	279,504,629
Premiums received in advance		2,090,007,998	2,066,869,809	2,090,007,998	2,066,869,809
Accrued commission from direct insurance		439,269,874	501,660,485	439,269,874	501,660,485
Accrued operating expenses		726,025,048	760,256,985	726,025,048	760,256,985
Other liabilities		775,067,648	729,282,095	775,067,648	729,282,095
<b>TOTAL LIABILITIES</b>		<b>25,297,748,188</b>	<b>25,267,187,388</b>	<b>25,297,748,188</b>	<b>25,267,187,388</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital					
Authorised share capital					
59,000,000 ordinary shares of Baht 10 each		590,000,000	590,000,000	590,000,000	590,000,000
Issued and paid-up share capital					
59,000,000 ordinary shares of Baht 10 each		590,000,000	590,000,000	590,000,000	590,000,000
Premium on share capital		681,567,855	681,567,855	681,567,855	681,567,855
Surplus on business combination		823,371,749	823,371,749	823,371,749	823,371,749
Retained earnings					
Appropriated - legal reserve		59,000,000	59,000,000	59,000,000	59,000,000
Unappropriated		5,336,007,630	5,058,143,094	5,327,394,115	5,052,708,076
Other components of equity		(1,407,332,656)	(906,846,064)	(1,383,411,728)	(887,713,704)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>6,082,614,578</b>	<b>6,305,236,634</b>	<b>6,097,921,991</b>	<b>6,318,933,976</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>31,380,362,766</b>	<b>31,572,424,022</b>	<b>31,395,670,179</b>	<b>31,586,121,364</b>

Notes to the financial statements form an integral part of these statements

  
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Directors



**MUANG THAI INSURANCE PUBLIC COMPANY LIMITED**  
**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**Unit : Baht**

	Notes	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
<b>REVENUES</b>					
Gross written premiums	29	17,757,566,964	17,183,679,606	17,757,566,964	17,183,679,606
<u>Less</u> Premiums ceded to reinsurers		(6,846,103,570)	(8,160,047,370)	(6,846,103,570)	(8,160,047,370)
Net written premiums	29	10,911,463,394	9,023,632,236	10,911,463,394	9,023,632,236
<u>Less</u> Unearned premium reserves increased		(882,240,529)	(451,053,901)	(882,240,529)	(451,053,901)
Net earned premiums	29	10,029,222,865	8,572,578,335	10,029,222,865	8,572,578,335
Fee and commission income from reinsurers	29	1,984,259,901	2,321,260,645	1,984,259,901	2,321,260,645
Share of gain from investment in an associate in which equity method is applied	11.3, 29	3,178,497	3,903,320	-	-
Investment income	9.6, 29	438,323,896	421,408,733	438,323,896	421,408,733
Gain (Loss) from investments	29	100,693,644	(80,095,204)	100,693,644	(80,095,204)
Other income	29	42,438,199	85,033,806	42,438,199	85,033,806
Total revenues		12,598,117,002	11,324,089,635	12,594,938,505	11,320,186,315
<b>EXPENSES</b>					
Claim expenses		9,147,605,898	12,839,125,640	9,147,605,898	12,839,125,640
<u>Less</u> Claim recovery from reinsurers		(3,482,295,138)	(8,263,087,692)	(3,482,295,138)	(8,263,087,692)
Net claim expenses	29	5,665,310,760	4,576,037,948	5,665,310,760	4,576,037,948
Commission and brokerage expenses	29	2,864,554,493	2,729,730,390	2,864,554,493	2,729,730,390
Other underwriting expenses	29	1,621,881,320	1,524,276,140	1,621,881,320	1,524,276,140
Operating expenses	21, 29	1,565,925,299	1,476,376,520	1,565,925,299	1,476,376,520
Finance cost	29	2,850,261	2,516,790	2,850,261	2,516,790
Expected credit loss and impairment loss (reversal)	24, 29	40,774,528	(74,237)	40,774,528	(74,237)
Total expenses		11,761,296,661	10,308,863,551	11,761,296,661	10,308,863,551
Profit before income tax expense		836,820,341	1,015,226,084	833,641,844	1,011,322,764
<u>Less</u> Income tax expense	16, 29	(181,364,095)	(205,006,047)	(181,364,095)	(205,006,047)
<b>Net profit for the year</b>		655,456,246	810,220,037	652,277,749	806,316,717

Notes to the financial statements form an integral part of these statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2023

Unit : Baht

	FINANCIAL STATEMENTS				
	Notes	IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
		2023	2022	2023	2022
<b>Other comprehensive income</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of financial statements in foreign currency - net	11.3	(4,788,568)	(12,716,702)	-	-
Loss on remeasuring investment at fair value through other comprehensive income	9.5	(619,622,530)	(264,671,430)	(619,622,530)	(264,671,430)
Income tax relating to other comprehensive income	9.5	123,924,506	52,934,286	123,924,506	52,934,286
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		(500,486,592)	(224,453,846)	(495,698,024)	(211,737,144)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial (loss) gain		(16,214,637)	26,628,541	(16,214,637)	26,628,541
Income tax relating to other comprehensive income		3,242,927	(5,325,709)	3,242,927	(5,325,709)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income taxes		(12,971,710)	21,302,832	(12,971,710)	21,302,832
<b>Other comprehensive loss for the years - net of income taxes</b>		(513,458,302)	(203,151,014)	(508,669,734)	(190,434,312)
<b>Total comprehensive income for the years</b>		141,997,944	607,069,023	143,608,015	615,882,405
<b>Earnings per share</b>	25				
Basic earnings per share		11.11	13.73	11.06	13.67

Notes to the financial statements form an integral part of these statements

MUANG THAI INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2023

Unit : Baht

FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED

Note	Issued and paid-up share capital	Premium on share capital	Surplus on business combination	Retained earnings		Other components of equity			Total
				Appropriated - legal reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency - net	Investments measured at fair value		
							through other comprehensive income - net of income tax	Total other components equity	
<b>Beginning balance as at January 1, 2022</b>	590,000,000	681,567,855	823,371,749	59,000,000	4,533,420,225	(6,415,658)	(675,976,560)	(682,392,218)	6,004,967,611
Net profit for the year	-	-	-	-	810,220,037	-	-	-	810,220,037
Other comprehensive income (loss) for the year	-	-	-	-	21,302,832	(12,716,702)	(211,737,144)	(224,453,846)	(203,151,014)
Total comprehensive income (loss) for the year	-	-	-	-	831,522,869	-12,716,702	-211,737,144	-224,453,846	607,069,023
Dividend paid	26	-	-	-	(306,800,000)	-	-	-	(306,800,000)
<b>Ending balance as at December 31, 2022</b>	<u>590,000,000</u>	<u>681,567,855</u>	<u>823,371,749</u>	<u>59,000,000</u>	<u>5,058,143,094</u>	<u>(19,132,360)</u>	<u>-887,713,704</u>	<u>-906,846,064</u>	<u>6,305,236,634</u>
<b>Beginning balance as at January 1, 2023</b>	590,000,000	681,567,855	823,371,749	59,000,000	5,058,143,094	(19,132,360)	(887,713,704)	(906,846,064)	6,305,236,634
Net profit for the year	-	-	-	-	655,456,246	-	-	-	655,456,246
Other comprehensive loss for the year	-	-	-	-	(12,971,710)	(4,788,568)	(495,698,024)	(500,486,592)	(513,458,302)
Total comprehensive income (loss) for the year	-	-	-	-	642,484,536	(4,788,568)	(495,698,024)	(500,486,592)	141,997,944
Dividend paid	26	-	-	-	(364,620,000)	-	-	-	(364,620,000)
<b>Ending balance as at December 31, 2023</b>	<u>590,000,000</u>	<u>681,567,855</u>	<u>823,371,749</u>	<u>59,000,000</u>	<u>5,336,007,630</u>	<u>(23,920,928)</u>	<u>-1,383,411,728</u>	<u>-1,407,332,656</u>	<u>6,082,614,578</u>

Notes to the financial statements form an integral part of these statements

MUANG THAI INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2023

Unit : Baht

SEPARATE FINANCIAL STATEMENTS								
	Note	Issued and paid-up share capital	Premium on share capital	Surplus on business combination	Retained earnings		Other components of equity - investments measured at fair value through other comprehensive income - net of income tax	Total
					Appropriated - legal reserve	Unappropriated		
<b>Beginning balance as at January 1, 2022</b>		590,000,000	681,567,855	823,371,749	59,000,000	4,531,888,527	(675,976,560)	6,009,851,571
Net profit for the year		-	-	-	-	806,316,717	-	806,316,717
Other comprehensive income (loss) for the year		-	-	-	-	21,302,832	(211,737,144)	(190,434,312)
Total comprehensive income (loss) for the year		-	-	-	-	827,619,549	(211,737,144)	615,882,405
Dividend paid	26	-	-	-	-	(306,800,000)	-	(306,800,000)
<b>Ending balance as at December 31, 2022</b>		<u>590,000,000</u>	<u>681,567,855</u>	<u>823,371,749</u>	<u>59,000,000</u>	<u>5,052,708,076</u>	<u>(887,713,704)</u>	<u>6,318,933,976</u>
<b>Beginning balance as at January 1, 2023</b>		590,000,000	681,567,855	823,371,749	59,000,000	5,052,708,076	(887,713,704)	6,318,933,976
Net profit for the year		-	-	-	-	652,277,749	-	652,277,749
Other comprehensive loss for the year		-	-	-	-	(12,971,710)	(495,698,024)	(508,669,734)
Total comprehensive income (loss) for the year		-	-	-	-	639,306,039	(495,698,024)	143,608,015
Dividend paid	26	-	-	-	-	(364,620,000)	-	(364,620,000)
<b>Ending balance as at December 31, 2023</b>		<u>590,000,000</u>	<u>681,567,855</u>	<u>823,371,749</u>	<u>59,000,000</u>	<u>5,327,394,115</u>	<u>(1,383,411,728)</u>	<u>6,097,921,991</u>

Notes to the financial statements form an integral part of these statements

**MUANG THAI INSURANCE PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

Unit : Baht

	FINANCIAL STATEMENTS		SEPARATE		
	Notes	2023	2022	2023	2022
<b>Cash flows from operating activities</b>					
Direct written premiums		17,987,001,951	17,230,313,795	17,987,001,951	17,230,313,795
Cash (paid) received on reinsurance		(1,316,592,077)	1,783,440,672	(1,316,592,077)	1,783,440,672
Interest income		218,089,483	189,119,937	218,089,483	189,119,937
Dividend income		215,407,890	249,600,082	215,407,890	249,600,082
Other investment income		5,491,693	11,116,416	5,491,693	11,116,416
Other income		52,886,502	81,710,813	52,886,502	81,710,813
Claim incurred on direct insurance		(9,124,513,738)	(11,629,821,147)	(9,124,513,738)	(11,629,821,147)
Commission and brokerage expenses					
on direct insurance		(2,914,050,250)	(2,797,721,830)	(2,914,050,250)	(2,797,721,830)
Other underwriting expenses		(1,567,574,613)	(1,546,967,103)	(1,567,574,613)	(1,546,967,103)
Operating expenses		(1,304,849,363)	(1,417,181,412)	(1,304,849,363)	(1,417,181,412)
Income tax expense		(239,727,513)	(396,131,795)	(239,727,513)	(396,131,795)
Deposits at financial institutions		155,636,095	69,988,854	155,636,095	69,988,854
Cash received - financial assets		9,078,304,743	8,488,115,509	9,078,304,743	8,488,115,509
Cash payments - financial assets		(10,385,189,669)	(9,667,985,038)	(10,385,189,669)	(9,667,985,038)
Loans and interest receivables		111,039	1,168,285	111,039	1,168,285
Net cash provided by operating activities		<u>860,432,173</u>	<u>648,766,038</u>	<u>860,432,173</u>	<u>648,766,038</u>
<b>Cash flows from investing activities</b>					
Property, buildings and equipment	5.2	(108,671,689)	(167,957,935)	(108,671,689)	(167,957,935)
Intangible assets	5.2	(34,945,039)	(15,016,238)	(34,945,039)	(15,016,238)
Net cash used in investing activities		<u>(143,616,728)</u>	<u>(182,974,173)</u>	<u>(143,616,728)</u>	<u>(182,974,173)</u>
<b>Cash flows from financing activities</b>					
Dividend paid	26	(364,620,000)	(306,800,000)	(364,620,000)	(306,800,000)
Repayment of lease liabilities	5.2	(34,881,826)	(30,148,618)	(34,881,826)	(30,148,618)
Net cash used in financing activities		<u>(399,501,826)</u>	<u>(336,948,618)</u>	<u>(399,501,826)</u>	<u>(336,948,618)</u>
Net increase in cash and cash equivalents		317,313,619	128,843,247	317,313,619	128,843,247
An allowance for expected credit losses increased		37,735	105,085	37,735	105,085
Cash and cash equivalents as at January 1,		540,352,142	411,403,810	540,352,142	411,403,810
<b>Cash and cash equivalents as at December 31,</b>	5.1	<u><u>857,703,496</u></u>	<u><u>540,352,142</u></u>	<u><u>857,703,496</u></u>	<u><u>540,352,142</u></u>

Notes to the financial statements form an integral part of these statements

**MUANG THAI INSURANCE PUBLIC COMPANY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

**1. GENERAL INFORMATION AND OPERATION OF THE COMPANY**

Muang Thai Insurance Public Company Limited (the “Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Muang Thai Group Holding Company Limited. The Company is principally engaged in providing non-life insurance and has 22 sub-branches located in provinces. The registered address of the Company is located at 252 Rajadapisek Road, Huaykwang Sub-district, Huaykwang District, Bangkok.

**2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS**

- 2.1 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 “Presentation of Financial Statements” and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E.2560 and the Notification of the Office of Insurance commission (OIC) regarding the Rules, Procedures, Conditions and Periods for Preparing and Submitting Financial Statements and Reports on the Operations of the Non-Life Insurance Business B.E. 2566 dated February 8, 2023, which has been effective since January 1, 2023 onwards.
- 2.3 The statement of financial position in which the equity method is applied and separate statement of financial position as at December 31, 2022, presented herein for comparison, have been derived from the financial statements in which the equity method is applied and separate financial statements of the Company for the year then ended which had been previously audited.
- 2.4 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies.
- 2.5 The English version of the financial statements in which the equity method is applied and separate financial statements have been prepared from the Thai version of the financial statements in which the equity method is applied and separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version financial statements in which the equity method is applied and separate financial statements in accordance with the Thai law is superseded

2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Company has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have significant impact on the Company's financial statements, except the following item:

The accounting guidelines for financial instruments and disclosures on insurance business

The Federation of Accounting Professions issued the Accounting Guideline "Financial Instruments and Disclosures for Insurance Business", which has been effective for the financial statements for the period beginning on or after January 1, 2023 onwards.

2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

The revised TFRSs are mostly the revision of wording and terminology and clarification of accounting requirements. TFRSs which have been amended and are relevant to the Company are as follows:

Thai Accounting Standard No.1 "Presentation of Financial Statements"

The amendments change the requirements regarding the disclosure of accounting policies from "significant accounting policies" to "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments change the definition of accounting estimates to be "monetary amounts in financial statements that are subject to measurement uncertainty", to help an entity to be able to segregate the difference of "change in accounting estimates" from "change in accounting policies".

Thai Accounting Standard No.12 "Income Taxes"

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. At the beginning of the earliest comparative period, an entity recognizes a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions.



In addition, such amendments also add the exemption for the International Tax Reform - Pillar Two Model. An entity should not recognize and not disclose the deferred tax assets and deferred tax liability which are relevant to Pillar Two income tax.

The Federation of Accounting Professions issued the amendments to the Accounting Guideline “Financial Instruments and Disclosures for Insurance Business”, which will be effective for the financial statements for the period beginning on or after January 1, 2024 onwards with earlier application permitted. The amendments add the requirements for the disclosure of accounting policies in accordance with Thai Accounting Standard No.1 “Presentation of Financial Statements”.

The Federation of Accounting Professions issued the Accounting Guideline “Other Thai Financial Reporting Standards that relevant to the adoption of Thai Financial Reporting Standard No.4 “Insurance Contracts” during the period which Thai Financial Reporting Standard No.17 “Insurance Contracts” has not been effective for Insurance Business”. An entity which adopts Thai Financial Reporting Standard No.4 should adopt this Accounting Guideline during the period which Thai Financial Reporting Standard No.17 has not been effective in Thailand. An entity should adopt all Thai Financial Reporting Standards that are effective as at January 1, 2024, except for the paragraphs of each Thai Financial Reporting Standard that specified in this Accounting Guideline.

The Company’s management will adopt such TFRSs in the preparation of the Company’s financial statements when it becomes effective. The Company’s management is in the process to assess the impact of these/this TFRSs on the financial statements of the Company in the period of initial application.

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

Thai Financial Reporting Standard No.17 “Insurance Contracts” establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”.

The Company’s management will adopt TFRS 17 in the preparation of the Company’s financial statements when it becomes effective. The Company’s management is in the process to assess the impact of this TFRS on the financial statements of the Company in the period of initial application.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **3.1 Revenue recognition**

##### **(1) Premium income**

Premium income consists of direct premium and reinsurance premium less premium of canceled policies and premiums refunded to policyholders and adjust with unearned premium reserve.

Direct premium income is recognised on the date the insurance policy comes into effect by amount specified in policy. For long-term insurance policies with coverage periods longer than 1 year, related premium is recorded as premium received in advance, and recognised as income over the coverage period each year.

Reinsurance premium income is recognised as income when the insurance risk is transferred from another insurer as amount specified in policies.

(2) Fee and commission income

Fee and commission income from reinsurers are recognised as income when services have been rendered.

Fee and commission income from reinsurers with coverage periods longer than 1 year are recorded as unearned items and recognised as income over the coverage period each year.

(3) Interest income and dividend on investments

Interest income

Interest income from government and state enterprise securities and private debt securities is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of allowance expected credit loss).

Interest income from deposits at financial institutions is recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive payment is established.

(4) Gain (loss) on investment

Gain (loss) on investments consist of gain (loss) on disposal of investment net of the related expenses.

Gain (loss) on investment is recognised as income or expense on the transaction date.

### 3.2 Expenses recognition

(1) Premium ceded to reinsurers

Premium ceded to reinsurers is recognised as expenses when the insurance risk is transferred to another reinsurance company as amount specified in policies.

For long-term reinsurance policies with coverage periods longer than 1 year, ceded premium is recorded as prepayment item and recognised as expenses over the coverage period each year.

(2) Claim expenses

Claim expenses consist of claim and loss adjustment expenses of direct insurance and reinsurance for both reported claims and not reported claims, and include the amounts of the claims, related expenses, and loss adjustments of current and prior period incurred during the year, less residual value and other recoveries (if any), and claim recovery from reinsurers.

Claim recovery from reinsurers is recognised when recording of claim and loss adjustment expenses in related reinsurance contract.

Claim and loss adjustment expenses of direct insurance are recognised upon receipt of the claims advice from the insured, based on the claim notified by the insured and estimates made by the Company's management. The maximum value of claim estimated shall not exceed the sum-insured under the relevant policy.

Claim and loss adjustment expenses of reinsurance are recognised as expenses when the reinsurer places the loss advice with the Company.

(3) Commission and brokerage expenses

Commission and brokerage are expended when incurred.

Commission and brokerage paid for policies with coverage periods longer than 1 year are recorded as prepayment item and recognised as expenses over the coverage period each year.

(4) Other underwriting expenses

Other underwriting expenses are other insurance expenses for both direct and indirect expenses, including contributions, which are recognised as expenses on accrual basis.

(5) Operating expenses

Operating expenses are operating expenses, not related to underwriting and claim, which are recognised as expenses on accrual basis.

(6) Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### 3.3 Classification of insurance contracts

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 an investment contract at an inception date, it can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

#### 3.4 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks, and all highly liquid investments with an original maturity within three months and not subject to withdrawal restrictions.

#### 3.5 Premium receivables and allowance for doubtful accounts

Premium receivables from direct insurance are stated at net realisable value. The Company records allowance for doubtful accounts based on estimated loss that may incur in collection of the premium due, on the basis of collection experiences and a review of current status of the premium receivables as at the end of reporting period.

Increase (decrease) in allowance for doubtful accounts is recognised as expenses during the year.

#### 3.6 Reinsurance assets

Reinsurance assets consist of insurance reserve refundable from reinsurers which is estimated based on the related reinsurance contract of loss reserve and outstanding claim in accordance with the law regarding insurance reserve calculation and unearned premium reserves.

The Company records impairment loss whenever there are object evidences as a result of events that occurred after initial recognition of the reinsurance assets, and the Company may not receive whole of reinsurance assets and the effect of such amount can be measured with reliability.

Increase (decrease) in allowance for impairment is recognised as expenses during the year.

#### 3.7 Receivables from reinsurance contracts and amounts due to reinsurers

Receivables from reinsurance contracts consist of amounts due from reinsurers and amounts deposits on reinsurance.

Amounts due from reinsurers consist of accrued premium ceded, accrued commission and brokerage income, claims and various other items receivable from reinsurers less allowance for doubtful accounts. The Company records allowance for doubtful accounts for estimated loss 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 reporting period.

Increase (decrease) in allowance for doubtful accounts is recognised as expenses during the year.

Amounts due to reinsurers consist of amounts withheld on reinsurance and reinsurance payable.

Reinsurance payable consist of reinsurance premiums and other items payable to reinsurers, excluding loss reserves from reinsurance contracts.

The Company presents net of reinsurance to the same entity (receivables from reinsurance contracts or amounts due to reinsurers) when the following criteria for offsetting are met.

- (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 recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

### 3.8 Investments in securities

- (1) Investments measured at fair value through other comprehensive income are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income.
- (2) Investments measured at amortised cost are stated at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

The fair value of marketable securities is based on the latest bid price at the last working day of the year of the Stock Exchange of Thailand. The fair value of debt securities is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value. The fair value of non-marketable equity instruments is determined using discounted cash flow analysis with related discount rate and risks and generally accepted pricing model.

On disposal of an investment, the difference between net disposal proceeds and the cost of the investments is recognised in profit or loss. The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the cost of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as revaluation surplus or deficit in other components of equity, depending on the type of investment that is reclassified.

At the end of reporting period, investments in securities and debt instruments are presented in statements of financial position at net of an allowance for impairment or an allowance for expected credit loss (if any).

### 3.9 Loans and interest receivables and allowance for expected credit loss

Loans and interest receivables are presented at amortised cost net of an allowance for expected credit loss (if any).

### 3.10 Allowances for financial assets

#### (1) Allowances for expected credit losses of financial assets - debt instruments

The Company recognises allowance for expected credit loss on its financial assets measured at amortised cost, and financial assets in debt instruments measured at fair value through other comprehensive income by applying the general approach in accordance with Accounting Guidance related to financial instruments are as follows:

##### Measurement of expected credit loss

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that are expected to be received over the contractual life of the instrument.

Estimates of expected cash shortfalls are determined by multiplying the probability of default (PD) with the loss given default (LGD) and the expected exposure at the time of default (EAD). The estimates calculate the probability of default and potential loss when a counterparty defaults, based on information from the Thai Bond Market Association (in case of debt securities investment), historical data, adjusted for current observable data and forecasts of future events that are supportable and reasonable. The Company reviews and revises of the methods, assumptions and forecasts of future events on a regular basis.

For expected credit loss recognition, financial assets are classified in any of the below 3 stages. A financial asset can move between stages during its lifetime. The stages are based on changes in credit quality since initial recognition and defined as follows:

##### Stage 1 Financial assets without a significant increase in credit risk

Financial assets that have not had a significant increase in credit risk since initial recognition (i.e. no stage 2 or 3 triggers apply) or debt instrument that considered to have low credit risk at each reporting date. An allowance for expected credit losses are recognised at the amount equivalent to the expected credit losses in the next 12 months.

The Company identifies government and state enterprise securities and private debt instruments, with low credit risk are classified as investment grade. Debt instruments with low credit risks, and/or subject to any event which negatively affects their credit quality are classified as non-investment grade, and investment officer is to closely monitor and review the quality of these assets to determine whether the credit risk has increased significantly.

### Stage 2 Financial assets with a significant increase in credit risk

When financial assets have a significant increase in credit risk since initial recognition but not credit-impaired, expected credit losses are recognised for possible default events over the lifetime of the financial assets. A significant increase in credit risk is assessed by using a number of quantitative and qualitative factors that are significant to the increase in credit risk.

Quantitative factors include an assessment of whether there has been a significant increase in the probability of default (PD) since initiation, such as downgrade of counterparty credit rating. If the changes exceed the thresholds, the financial assets are considered to have experienced a significant increase in credit risk.

Qualitative factor assessments are part of current credit risk management processes, such as an assessment of significant deterioration in the counterparties' or debt instrument issuers' ability to repay. Qualitative indicators include operating results, financial liquidity and other reliable indicators.

Financial assets can be transferred to stage 1 in case they have proven that their ability to repay are back to normal.

### Stage 3 Credit impairment financial assets

Financial assets are considered to be credit-impaired where the counterparties or debt instrument issuers are unlikely to pay on the occurrence of one or more observable events that have a negative impact on the estimated future cash flows of the financial assets. Evidence that a financial asset is credit-impaired include observable information such as significant financial difficulty of counterparties or debt instrument issuers, a breach of contract or past due event and probability that the borrower will enter bankruptcy or other financial reorganisation and so on.

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 recognised as expenses during the year in profit or loss in statement 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.

#### (2) Allowance for impairment of financial assets - equity securities and unit trusts

Loss on impairment of equity securities and unit trusts is immediately recognised through profit or loss when there is an objective evidence supporting impairment of the securities, which indicate that the cost of the investment in equity securities and unit trusts may not be recovered, and there is a significant or prolonged decline in the fair value of an investment in equity securities and unit trust below its cost.

Loss on impairment (if any) are recorded as expenses in profit or loss.

### 3.11 Classification and measurement of financial liabilities

At initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the Effective Interest Rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate amortisation process.

### 3.12 Derecognition of financial instruments

Financial assets are primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset.

Financial liabilities are derecognised when the obligation under the liabilities is discharged or cancelled or expires.

### 3.13 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 recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### 3.14 Investments in an associate

Investments in an associate, as presented in the financial statements in which the equity method is applied, is recorded initially at cost and is subsequently adjusted to reflect the proportionate share of the associate's net income or loss and deducted by dividend income.

Investments in an associate, as presented in the separate financial statements, is stated at cost net of allowance for impairment (if any). Loss on impairment is recorded as an expense in profit or loss.

### 3.15 Property, buildings and equipment and depreciation

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

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

	<u>Useful life</u>
Buildings and building improvements	20 - 50 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

Depreciation is included in determining operating performance. No depreciation is provided on land and assets under construction.

An item of property, buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.



### 3.16 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in the profit or loss.

Goodwill is carried at cost less any impairment loss (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash generating unit (or group of cash generating units) to which the goodwill relates. Where the recoverable amount of the cash generating unit is less than the carrying amount, impairment loss are recognised in profit or loss. Impairment loss relating to goodwill cannot be reversed in future periods.

### 3.17 Intangible assets and amortisation

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment loss (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful life</u>
Computer software	5 - 10 years
Network relationship	15 years
Customer relationship	15 years

### 3.18 Insurance contract liabilities

Insurance contract liabilities consist of loss reserves and unearned premium reserves.

#### (1) Loss reserves

Loss reserves consist of outstanding claims, which are recorded at the amount to be actually paid and estimated claims, which are provided upon receipt of claim advices from the insured based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimate shall not exceed the sum-insured of the related insurance policies.

Claims reserves were calculated by using an actuarial method based on a best estimate of the claims, that are expected to be paid in respect of loss that occurred before or as at the reporting date, covering both reported and not reported loss, and including claims handling expenses, after deducting salvage values and other recoverable values. Differences between the calculated claims reserves and the claims already recognised are recorded as incurred but not reported claims (IBNR).

(2) Premium reserve

Premium reserve consists of unearned premium reserve and unexpired risk reserve.

(2.1) Unearned premium reserve

Unearned premium reserve is calculated based on direct premium before deducting premium ceded as follows:

Transportation (cargo), travelling accident with coverage periods of not over six-month	- 100% of premium as from the date policy is effective, throughout the period of insurance coverage
Others	- A daily average basis (the one- three hundred sixty five basis or 1/365)

Unearned premium reserve of reinsurance is calculated based on ceded premium for reinsurer as the same method with direct insurance that transfer insurance risk to reinsurer throughout the period of insurance coverage.

However, the increase or decrease in unearned premium reserves from prior year is to be recognised in profit or loss.

(2.2) Unexpired risk reserve

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

At the end of reporting period, the Company compares the amounts of unexpired risk reserve with unearned premium reserve, and if unexpired risk reserve is higher than unearned premium reserve, the difference is recognised and the unexpired risk reserve is presented in the financial statements.

### 3.19 Employee benefits

#### (1) Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

#### (2) 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 asset is held in a separate trust fund and the Company's contribution is recognised as expenses when incurred.

##### Defined benefit plan

The Company has obligation in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats the severance payment obligation as a defined benefit plan.

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method.

Actuarial gain or loss arising from post-employment benefits are recognised immediately in other comprehensive income.

### 3.20 Leases

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### Right-of-use asset

At the commencement date, the Company recognised right-of-use assets at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings and building improvements	1 - 10	years
Furniture, fixtures and office equipment	4	years
Vehicles	5 - 6	years

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### Lease liabilities

The Company recognised lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include only fixed payments.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

### 3.21 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

#### Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profit determined in accordance with tax legislation.

#### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

At each reporting 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 utilised.

The Company records deferred tax directly to equity if the tax related to items that are recorded directly to equity.

### 3.22 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, buildings and equipment, right-of-use asset and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in the profit or loss.

In the assessment of asset impairment (not included goodwill), if there is any indication that previously recognised impairment loss may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased in carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

### 3.23 Foreign currency

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates ruling at the end of reporting period.

Gain and loss on exchange are included in determining income.

### 3.24 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 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.

### 3.25 Fair value measurement

Fair value is the price that would be received from 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. Except in case of 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 maximises 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 categorised within the fair value hierarchy into three levels based on categorise of input 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.

### 3.26 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### 4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

In determining an allowance for doubtful accounts of premium receivables and amounts due from reinsurers, the management needs to make judgement and estimates expected loss to be incurred for each debtor based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

##### 4.2 Impairment of investments securities

The Company treats equity securities and unit trusts classified as investments in securities which are measured at fair value through other comprehensive income as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

##### 4.3 Expected credit loss on financial assets

The management needs to make judgement and estimate allowance for expected credit losses for debt financial assets. The calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the debtors and counterparties status analysis and the probability of debt collection. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

##### 4.4 Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value and disclosures of fair value hierarchy.

#### 4.5 Goodwill and allowance for impairment loss

In determining allowance for impairment of Goodwill, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next 5 years and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the performance of the assets of the cash generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes.

#### 4.6 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

#### 4.7 Loss reserves

At the end of each reporting period, the Company has to estimate loss reserves and outstanding claims taking into account two factors. These are the claims incurred and reported, and the claims incurred but not reported (IBNR). The ultimate loss of outstanding claims is established using a range of standard actuarial claims projection techniques. The main assumptions underlying these techniques relate to historical experience, including the development of claims estimates, loss incurred and paid, average costs per claim and claim numbers etc. Nevertheless, the estimation requires the management's judgements reflecting the best estimates available at that time. Such estimates are forecasts of future outcomes, and actual results could differ.

#### 4.8 Unexpired risk reserve

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

#### 4.9 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is 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.



#### 4.10 Leases

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

#### 4.11 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess the results of the litigation and believes that loss incurred will not exceed the amount recorded in the financial statements.

### 5. CASH AND CASH EQUIVALENTS

#### 5.1 Cash and cash equivalents

As at December 31, 2023 and 2022, the Company has cash and cash equivalents as follows:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Cash	17,011,439	88,085,412
Deposits at banks with no fixed maturity date	840,780,965	452,393,373
Cash and cash equivalents	857,792,404	540,478,785
<u>Less</u> Allowance for expected credit losses	(88,908)	(126,643)
Cash and cash equivalents	<u>857,703,496</u>	<u>540,352,142</u>

As at December 31, 2023 and 2022, banks deposits in saving account carried interests between 0.06% to 1.45% per annum and between 0.06% to 1.45 % per annum, respectively.

5.2 Non-cash items

- (1) Cash proceed (paid) for equipment for the years ended December 31, 2023 and 2022 are as follows:

	Unit : Baht	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Cash proceeds from sale of equipment		
Receivable from sale of equipment - beginning	-	-
Sales of equipment	148,318	1,415,869
<u>Less</u> Cash proceeds from sale of equipment	<u>(148,318)</u>	<u>(1,415,869)</u>
Receivable from sale of equipment - ending	<u>-</u>	<u>-</u>
Cash paid for purchase of equipment		
Payable from purchase of equipment - beginning	-	-
Purchases of equipment	108,820,007	169,373,804
<u>Less</u> Cash paid for purchase of equipment	<u>(108,820,007)</u>	<u>(169,373,804)</u>
Payable from purchase of equipment - ending	<u>-</u>	<u>-</u>

- (2) Cash paid for purchase of intangible assets for the years ended December 31, 2023 and 2022 are as follows:

	Unit : Baht	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Cash paid for purchase of intangible assets		
Payable from purchase of intangible assets - beginning	-	-
Purchases of intangible assets	34,945,039	15,016,238
<u>Less</u> Cash paid for purchase of intangible assets	<u>(34,945,039)</u>	<u>(15,016,238)</u>
Payable from purchase of intangible assets - ending	<u>-</u>	<u>-</u>

- (3) Cash paid for repayment of lease liabilities for the years ended December 31, 2023 and 2022 are as follows:

	Unit : Baht	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Cash paid for repayment of lease liabilities		
Lease liabilities - beginning	60,397,034	76,230,394
Addition lease liabilities	120,647,054	21,208,796
<u>Less</u> Write off	<u>(8,018,717)</u>	<u>(6,893,538)</u>
<u>Less</u> Cash paid for repayment of lease liabilities	<u>(34,881,826)</u>	<u>(30,148,618)</u>
Lease liabilities - ending	<u>138,143,545</u>	<u>60,397,034</u>

## 6. PREMIUM RECEIVABLES

The balances of premium receivables from direct insurance as at December 31, 2023 and 2022 are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Not yet due	1,801,716,518	1,798,898,059
Not over 30 days	239,828,726	312,430,301
Over 30 days to 60 days	171,765,990	212,095,264
Over 60 days to 90 days	62,510,640	78,076,127
Over 90 days to 1 year	167,174,617	252,166,881
Over 1 year	29,945,765	20,370,966
Total	<u>2,472,942,256</u>	<u>2,674,037,598</u>
<u>Less</u> Allowance for doubtful accounts	(23,882,562)	(22,255,558)
Premium receivables, net	<u>2,449,059,694</u>	<u>2,651,782,040</u>

The premium management department is responsible for collection and following-up premium receivables. Summary report of outstanding balances with details of insurance policy, due date and premium amount is sent to insured, agents and brokers in advance every month. Premium due and long-outstanding amount are followed up immediately to ensure that payment is made on time. The Company determines an allowance for doubtful accounts by based on estimated collection loss which is based on historical collection experience and combined with a review of outstanding debts.

## 7. REINSURANCE ASSETS

As at December 31, 2023 and 2022, reinsurance assets consist of the following:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Insurance reserve refundable from reinsurers		
Loss reserves	4,813,721,740	5,107,811,504
Unearned premium reserves	3,249,834,373	3,771,453,441
<u>Less</u> Allowance for impairment	(152,628)	(162,644)
Reinsurance assets, net	<u>8,063,403,485</u>	<u>8,879,102,301</u>

## 8. AMOUNTS DUE FROM REINSURERS

As at December 31, 2023 and 2022, receivable from reinsurance contracts consist of the following:

	Unit : Baht	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Amounts due from reinsurers	389,726,163	522,899,590
<u>Less</u> Allowance for doubtful accounts	<u>(10,093,010)</u>	<u>(16,748,206)</u>
Receivables from reinsurance contracts, net	<u>379,633,153</u>	<u>506,151,384</u>

The balance of amounts due from reinsurers as at December 31, 2023 and 2022 are classified by aging as follows:

	Unit : Baht	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Not yet due	228,954,677	418,081,267
Not over 1 year	133,987,268	58,717,619
Over 1 year to 2 years	13,683,818	22,248,430
Over 2 years	13,100,400	23,852,274
Total	<u>389,726,163</u>	<u>522,899,590</u>
<u>Less</u> Allowance for doubtful accounts	<u>(10,093,010)</u>	<u>(16,748,206)</u>
Amounts due from reinsurers, net	<u>379,633,153</u>	<u>506,151,384</u>

## 9. INVESTMENTS IN SECURITIES

### 9.1 Classified by type of investments

	Unit : Baht			
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>			
	<b>As at December 31, 2023</b>		<b>As at December 31, 2022</b>	
	<b>Cost/ Amortised cost</b>	<b>Fair value</b>	<b>Cost/ Amortised cost</b>	<b>Fair value</b>
<b>Investments measured at fair value through other comprehensive income</b>				
Government and state enterprise securities	4,984,530,278	4,938,064,277	2,655,011,058	2,611,719,390
Private debt securities	3,979,819,890	3,929,002,626	3,619,092,695	3,582,063,170
Equity securities	2,866,821,329	2,247,975,005	2,436,991,250	2,095,927,329
Unit trusts	2,910,508,297	1,776,764,391	4,105,053,718	3,345,616,093
Warrant	234,288	994,399	-	-
Total	<u>14,741,914,082</u>	<u>12,892,800,698</u>	<u>12,816,148,721</u>	<u>11,635,325,982</u>
<u>Less</u> Unrealised losses	<u>(1,729,264,661)</u>	-	<u>(1,109,642,131)</u>	-
<u>Less</u> Allowance for expected credit losses	<u>(1,944,981)</u>	-	<u>(22,955,286)</u>	-
<u>Less</u> Allowance for impairment	<u>(117,903,742)</u>	-	<u>(48,225,322)</u>	-
<b>Total</b>	<u>12,892,800,698</u>	<u>12,892,800,698</u>	<u>11,635,325,982</u>	<u>11,635,325,982</u>

Unit : Baht

**Financial statements in which the equity method is applied  
and Separate financial statements**

	As at December 31, 2023		As at December 31, 2022	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
	<b>Investments measured at amortised cost</b>			
Government and state enterprise securities	1,792,965,864		2,267,939,856	
Private debt securities	402,303,635		408,925,069	
Deposits at financial institutions which matured over 3 months	194,863,342		350,504,699	
<b>Total</b>	<b>2,390,132,841</b>		<b>3,027,369,624</b>	
<u>Less</u> Allowance for expected credit losses	<u>(77,235)</u>		<u>(7,933,073)</u>	
<b>Total</b>	<b>2,390,055,606</b>		<b>3,019,436,551</b>	
<b>Total investments in securities</b>	<b>15,282,856,304</b>		<b>14,654,762,533</b>	

9.2 Classified by stage of credit risk

Unit : Baht

**Financial statements in which the equity method is applied  
and Separate financial statements**

	As at December 31, 2023		As at December 31, 2022	
	Fair value	Allowance for expected credit losses	Fair value	Allowance for expected credit losses
	<b>Investments measured at fair value through other comprehensive income</b>			
Debt securities without a significant increase of credit risk (Stage 1)	8,867,066,903	(1,944,981)	6,193,782,560	(22,955,286)
<b>Total</b>	<b>8,867,066,903</b>	<b>(1,944,981)</b>	<b>6,193,782,560</b>	<b>(22,955,286)</b>

Unit : Baht

**Financial statements in which the equity method is applied  
and Separate financial statements**

	As at December 31, 2023		
	Gross amount	Allowance for expected credit losses	Net amount
	<b>Investments measured at amortised cost</b>		
Debt securities without a significant increase of credit risk (Stage 1)	2,390,132,841	(77,235)	2,390,055,606
<b>Total</b>	<b>2,390,132,841</b>	<b>(77,235)</b>	<b>2,390,055,606</b>

Unit : Baht

**Financial statements in which the equity method is applied  
and Separate financial statements**

	As at December 31, 2022		
	Gross amount	Allowance for expected credit losses	Net amount
	<b>Investments measured at amortised cost</b>		
Debt securities without a significant increase of credit risk (Stage 1)	3,027,369,624	(7,933,073)	3,019,436,551
<b>Total</b>	<b>3,027,369,624</b>	<b>(7,933,073)</b>	<b>3,019,436,551</b>

9.3 Classified by remaining period of debt securities

	Unit : Baht			
	Financial statements in which the equity method is applied and Separate financial statements			
	As at December 31, 2023			
	Period to maturity			
	Within 1 year	>1 - 5 years	Over 5 years	Total
<b>Investments measured at fair value through other comprehensive income</b>				
<b>Government and state enterprise securities</b>				
Government securities	764,170,453	1,417,348,551	1,171,775,185	3,353,294,189
State enterprise securities	387,304,941	463,939,791	779,991,357	1,631,236,089
Total	1,151,475,394	1,881,288,342	1,951,766,542	4,984,530,278
<u>Less</u> Unrealised loss	(6,666,572)	(27,449,184)	(12,242,319)	(46,358,075)
<u>Less</u> Allowance for expected credit losses	(21,044)	(28,760)	(58,122)	(107,926)
Total	1,144,787,778	1,853,810,398	1,939,466,101	4,938,064,277
<b>Private debt securities</b>				
Debentures	970,000,414	2,408,240,105	601,579,371	3,979,819,890
<u>Less</u> Unrealised loss	(1,365,134)	(27,803,671)	(19,811,404)	(48,980,209)
<u>Less</u> Allowance for expected credit losses	(494,193)	(1,156,006)	(186,856)	(1,837,055)
Total	968,141,087	2,379,280,428	581,581,111	3,929,002,626
<b>Total</b>	<b>2,112,928,865</b>	<b>4,233,090,826</b>	<b>2,521,047,212</b>	<b>8,867,066,903</b>
<b>Investments measured at amortised cost</b>				
<b>Government and state enterprise securities</b>				
Government securities	145,697,655	678,430,430	97,713,457	921,841,542
State enterprise securities	30,119,537	172,809,362	123,962,540	326,891,439
Saving tickets	453,890,935	90,341,948	-	544,232,883
<u>Less</u> Allowance for expected credit losses	(7,579)	(15,764)	(9,370)	(32,713)
Total	629,700,548	941,565,976	221,666,627	1,792,933,151
<b>Private debt securities</b>				
Debentures	85,000,000	251,269,073	66,034,562	402,303,635
<u>Less</u> Allowance for expected credit losses	(6,459)	(18,000)	(4,489)	(28,948)
Total	84,993,541	251,251,073	66,030,073	402,274,687
<b>Deposits at financial institutions maturity over 3 months</b>				
Deposits at financial institutions	194,863,342	-	-	194,863,342
<u>Less</u> Allowance for expected credit losses	(15,574)	-	-	(15,574)
Total	194,847,768	-	-	194,847,768
<b>Total</b>	<b>909,541,857</b>	<b>1,192,817,049</b>	<b>287,696,700</b>	<b>2,390,055,606</b>
<b>Total investments in debt securities, net</b>	<b>3,022,470,722</b>	<b>5,425,907,875</b>	<b>2,808,743,912</b>	<b>11,257,122,509</b>

	Unit : Baht			
	Financial statements in which the equity method is applied and Separate financial statements			
	As at December 31, 2022			
	Period to maturity			
	Within 1 year	>1 - 5 years	Over 5 years	Total
<b>Investments measured at fair value through other comprehensive income</b>				
<b>Government and state enterprise securities</b>				
Government securities	792,930,248	771,457,252	569,013,886	2,133,401,386
State enterprise securities	123,189,342	327,279,807	71,140,523	521,609,672
Total	916,119,590	1,098,737,059	640,154,409	2,655,011,058
<u>Add (less) Unrealised gain (loss)</u>	1,960,215	(9,333,033)	(29,138,514)	(36,511,332)
<u>Less Allowance for expected credit losses</u>	(2,369,888)	(2,844,019)	(1,566,429)	(6,780,336)
Total	915,709,917	1,086,560,007	609,449,466	2,611,719,390
<b>Private debt securities</b>				
Debentures	642,903,332	2,041,293,828	934,895,535	3,619,092,695
<u>Add (less) Unrealised gain (loss)</u>	3,828,855	599,607	(25,283,037)	(20,854,575)
<u>Less Allowance for expected credit losses</u>	(3,088,772)	(9,618,044)	(3,468,134)	(16,174,950)
Total	643,643,415	2,032,275,391	906,144,364	3,582,063,170
<b>Total</b>	<b>1,559,353,332</b>	<b>3,118,835,398</b>	<b>1,515,593,830</b>	<b>6,193,782,560</b>
<b>Investments measured at amortised cost</b>				
<b>Government and state enterprise securities</b>				
Government securities	184,744,777	734,861,423	192,369,028	1,111,975,228
State enterprise securities	134,989,781	91,092,789	236,330,093	462,412,663
Saving tickets	180,360,436	513,191,529	-	693,551,965
<u>Less Allowance for expected credit losses</u>	(1,304,050)	(3,397,561)	(1,070,056)	(5,771,667)
Total	498,790,944	1,335,748,180	427,629,065	2,262,168,189
<b>Private debt securities</b>				
Debentures	-	341,869,431	67,055,638	408,925,069
<u>Less Allowance for expected credit losses</u>	-	(847,643)	(155,572)	(1,003,215)
Total	-	341,021,788	66,900,066	407,921,854
<b>Deposits at financial institutions maturity over 3 months</b>				
Deposits at financial institutions	350,504,699	-	-	350,504,699
<u>Less Allowance for expected credit losses</u>	(1,158,191)	-	-	(1,158,191)
Total	349,346,508	-	-	349,346,508
<b>Total</b>	<b>848,137,452</b>	<b>1,676,769,968</b>	<b>494,529,131</b>	<b>3,019,436,551</b>
<b>Total investments in debt securities, net</b>	<b>2,407,490,784</b>	<b>4,795,605,366</b>	<b>2,010,122,961</b>	<b>9,213,219,111</b>

9.4 Fair values of investments in debt securities

Unit : Baht			
Financial statements in which the equity method is applied and Separate financial statements			
As at December 31, 2023			
	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	The contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the only outstanding principal amount	
	Changes in unrealised gains or losses during the year		Changes in unrealised gains or losses during the year
Fair value	Fair value	Fair value	Fair value
<b>Investments measured at fair value through other comprehensive income</b>			
Government and state enterprise securities	-	4,938,064,277	(9,846,743)
Private debt securities	-	3,929,002,626	(28,125,635)
Unit trusts - debt securities	189,865,679	-	-
<b>Investments measured at amortised cost</b>			
Government and state enterprise securities	-	1,775,093,824	(21,246,634)
Private debt securities	-	399,841,653	(5,291,479)
Deposits at financial institutions which matured over 3 months	-	194,863,342	-
<b>Total</b>	<b>189,865,679</b>	<b>11,236,865,722</b>	<b>(64,510,491)</b>

Unit : Baht			
Financial statements in which the equity method is applied and Separate financial statements			
As at December 31, 2022			
	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	The contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the only outstanding principal amount	
	Changes in unrealised gains or losses during the year		Changes in unrealised gains or losses during the year
Fair value	Fair value	Fair value	Fair value
<b>Investments measured at fair value through other comprehensive income</b>			
Government and state enterprise securities	-	2,611,719,390	(29,242,331)
Private debt securities	-	3,582,063,170	(61,400,424)
Unit trusts - debt securities	1,318,498,520	-	-
<b>Investments measured at amortised cost</b>			
Government and state enterprise securities	-	2,271,314,450	(41,017,899)
Private debt securities	-	411,754,566	(12,052,008)
Deposits at financial institutions which matured over 3 months	-	350,504,699	-
<b>Total</b>	<b>1,318,498,520</b>	<b>9,227,356,275</b>	<b>(143,712,662)</b>



9.5 Other components of equity - revaluation deficit from changing in value of investments measured at fair value through other comprehensive income

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Beginning balance of the years	(887,713,704)	(675,976,560)
Change during the year		
Unrealised gain (loss) during the years net of expected credit loss and impairment loss recognised in profit or loss	(518,928,886)	(344,766,634)
Reversal of (gain) loss from sale recognised in profit or loss	(100,693,644)	80,095,204
Other comprehensive loss	(619,622,530)	(264,671,430)
Related income tax	123,924,506	52,934,286
Net comprehensive loss for the years	(495,698,024)	(211,737,144)
Ending balance of the years	<u>(1,383,411,728)</u>	<u>(887,713,704)</u>

9.6 Investment income

During the years ended December 31, 2023 and 2022, the Company has investment income as follows:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>For year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Interest income from debt securities	211,523,747	159,679,652
Dividend income from equity securities	215,267,690	249,740,282
Other investment income	13,426,537	13,056,669
Expense on investment	(1,894,078)	(1,067,870)
Net investment income	<u>438,323,896</u>	<u>421,408,733</u>

9.7 Investments subject to restriction

- As at December 31, 2023, fixed deposits amounting to Baht 26.5 million (2022: Baht 17.8 million) have been restricted in respect of normal course of business.
- As at December 31, 2023, saving tickets and bonds amounting to Baht 21.8 million (2022: Baht 16.0 million) have been placed for a proposal and bidding in the ordinary course of business.

- As at December 31, 2023 and 2022, the Company placed certain assets as securities and insurance reserves with the Registrar in accordance with the Non-life Insurance Act. as described below:

	Unit : Baht			
	Financial statements in which the equity method is applied and Separate financial statements			
	As at December 31, 2023		As at December 31, 2022	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Placed as securities</b>				
Government bonds	20,017,786	20,125,501	20,092,478	20,768,872
<b>Placed as insurance reserves</b>				
Government and state enterprise securities	1,230,186,784	1,190,913,851	1,347,419,833	1,318,948,545
Private debt securities	65,000,000	65,988,107	65,000,000	68,572,288
Total placed as securities and placed as insurance reserves	<u>1,315,204,570</u>	<u>1,277,027,459</u>	<u>1,432,512,311</u>	<u>1,408,289,705</u>

## 10. LOANS AND INTEREST RECEIVABLES

As at December 31, 2023 and 2022, loans and interest receivables divided by stage are as follows:

Classification	Unit : Baht					
	Financial statements in which the equity method is applied and Separate financial statements					
	As at December 31, 2023			As at December 31, 2022		
	Mortgaged loans	Others loans	Total	Mortgaged loans	Others loans	Total
Loans without a significant increase of credit risk (Stage 1)	-	-	-	-	110,273	110,273
Total loans and interest receivables	-	-	-	-	110,273	110,273
<u>Less</u> Allowance for expected credit losses	-	-	-	-	(14)	(14)
Loans and interest receivables - net	-	-	-	-	<u>110,259</u>	<u>110,259</u>

Such loans included loans provided to employees under the employee benefit plan. In case of a personal guarantee, the loans are limited not to exceed 10 times of the salary and not over Baht 300,000 and in case of secured assets, the loans are limited not exceed 80% of the value of secured assets. Interest is charged at 3.3% per annum. As at December 31, 2023, there are no loans to employees (2022: Baht 0.11 million).

## 11. INVESTMENT IN AN ASSOCIATE

### 11.1 Corporate information of an associate

Company's name	Nature of business	Country of incorporation	Unit : Million Baht							
			Financial statements in which the equity method is applied							
			Issue and paid-up share capital		Shareholding percentage held by the Company		Carrying amount based on equity method			
			2023	2022	2023	2022	Cost		2023	2022
ST - Muang Thai Insurance Co., Ltd.	Life insurance and non-life insurance	Laos	209.2	209.2	22.5	22.5	50.1	50.1	31.8	33.4
					(%)	(%)				

Company's name	Separate financial statements					
	Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net	
	2023	2022	2023	2022	2023	2022
ST - Muang Thai Insurance Co., Ltd.	50.1	50.1	(3.0)	(3.0)	47.1	47.1

## 11.2 Financial information of an associate

### Summary of items in statements of financial position

	Unit : Million Baht	
	ST - Muang Thai Insurance Co., Ltd.	
	2023	2022
Total assets	372.0	328.5
Total liabilities	(262.3)	(211.6)
Net assets	109.7	116.9
Shareholding percentage (%)	22.5	22.5
Share based on equity method of associated in assets - net	24.7	26.3
Cost over carrying amounts of associate based on equity method	7.1	7.1
Carrying amounts of associate based on equity method	31.8	33.4

### Summary of items in statements of comprehensive income

	Unit : Million Baht	
	ST - Muang Thai Insurance Co., Ltd.	
	For the years ended December 31,	
	2023	2022
Total revenues	188.8	187.3
Profit for the years	14.1	17.4
Other comprehensive loss - Exchange differences on translation of financial statements in foreign currency	(21.3)	(56.6)
Total comprehensive loss for the years	(7.2)	(39.2)

As at December 31, 2023 and 2022, the Company recorded investment in an associate under the equity method (in the financial statements in which the equity method is applied) based on the financial information, as prepared by the associates' management. However, the Company obtained the financial statements for fiscal year 2022 of ST - Muang Thai Insurance Co., Ltd., which were audited by the associate's auditor under report dated March 27, 2023, with unmodified opinion. Such audited financial statements presented financial information that were not significantly different from the financial information prepared by the associate's management used for equity - accounting on that year.

### 11.3 Share of gain and other comprehensive income from investment in an associate

Associated company	Financial statements in which the equity method is applied			
	Share of gain from investment in an associate		Exchange differences on translation in other comprehensive income from investment in an associate	
	For the years ended December 31,			
	2023	2022	2023	2022
ST - Muang Thai Insurance Co., Ltd.	3,178,497	3,903,320	(4,788,568)	(12,716,702)
	3,178,497	3,903,320	(4,788,568)	(12,716,702)

## 12. PROPERTY, BUILDINGS AND EQUIPMENT

Movement of property, buildings and equipment for the years ended December 31, 2023 and 2022 are as follows:

	Financial statements in which the equity method is applied and Separate financial statements					Unit : Baht
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Vehicles	Assets under construction	Total
<b>Cost</b>						
January 1, 2022	96,159,139	701,977,886	448,578,048	16,143,660	91,726,056	1,354,584,789
Additions	32,100,000	-	28,593,079	3,948,900	104,731,825	169,373,804
Transfer in/(out)	-	50,068,658	36,426,710	-	(86,495,368)	-
Disposal	-	-	-	(4,771,150)	-	(4,771,150)
Write-off	-	-	(35,655)	-	-	(35,655)
December 31, 2022	128,259,139	752,046,544	513,562,182	15,321,410	109,962,513	1,519,151,788
Additions	-	6,893,252	100,517,280	-	7,039,455	114,449,987
Transfer in/(out)	-	97,042,591	6,217,959	-	(103,260,550)	-
Disposal	-	-	(2,158,323)	-	-	(2,158,323)
Write-off	-	-	(68,938)	-	-	(68,938)
December 31, 2023	128,259,139	855,982,387	618,070,160	15,321,410	13,741,418	1,631,374,514
<b>Accumulated depreciation</b>						
January 1, 2022	-	337,655,558	368,502,336	12,560,158	-	718,718,052
Depreciation charge	-	26,140,164	31,058,579	1,663,587	-	58,862,330
Accumulated depreciation on disposal	-	-	-	(4,771,149)	-	(4,771,149)
Accumulated depreciation for write-off	-	-	(18,680)	-	-	(18,680)
December 31, 2022	-	363,795,722	399,542,235	9,452,596	-	772,790,553
Depreciation charge	-	30,598,766	42,905,819	1,682,739	-	75,187,324
Accumulated depreciation on disposal	-	-	(2,121,962)	-	-	(2,121,962)
Accumulated depreciation for write-off	-	-	(37,911)	-	-	(37,911)
December 31, 2023	-	394,394,488	440,288,181	11,135,335	-	845,818,004
<b>Net book value</b>						
December 31, 2022	128,259,139	388,250,822	114,019,947	5,868,814	109,962,513	746,361,235
December 31, 2023	128,259,139	461,587,899	177,781,979	4,186,075	13,741,418	785,556,510
<b>Depreciation for the years</b>						
2022						58,862,330
2023						75,187,324

As at December 31, 2023, certain buildings, building improvement, furniture and fixtures, office equipment and vehicles have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 560.0 million (2022: Baht 542.4 million).

### 13. LEASE AGREEMENTS

The Company has entered into several lease agreements of office building space, equipment and vehicles. The terms of the agreements are generally between 1 - 10 years.

#### 13.1 Right-of-use assets

Changes of right-of-use assets for the years ended December 31, 2023 and 2022 are summarised below:

	Unit : Baht			
	Financial statements in which the equity method is applied and Separate financial statements			
	Buildings and building improvements	Furniture, fixtures and office equipment	Vehicles	Total
Right-of-use assets as at January 1, 2022	20,291,682	1,693,832	59,143,929	81,129,443
Additions during the year	-	2,392,518	16,023,978	18,416,496
Remeasurement impacts	43,519	-	-	43,519
Write-off	-	-	(6,634,693)	(6,634,693)
Depreciation for the year	<u>(10,837,673)</u>	<u>(1,200,962)</u>	<u>(16,223,383)</u>	<u>(28,262,018)</u>
Net book value as at December 31, 2022	9,497,528	2,885,388	52,309,831	64,692,747
Additions during the year	89,692,906	106,953	27,996,933	117,796,792
Remeasurement impacts	-	-	-	-
Write-off	-	-	(7,940,461)	(7,940,461)
Depreciation for the year	<u>(11,474,171)</u>	<u>(1,277,741)</u>	<u>(20,834,621)</u>	<u>(33,586,533)</u>
Net book value as at December 31, 2023	<u>87,716,263</u>	<u>1,714,600</u>	<u>51,531,682</u>	<u>140,962,545</u>

#### 13.2 Lease liabilities

	Unit : Baht			
	Financial statements in which the equity method is applied and Separate financial statements			
	2023			
	Buildings and building improvements	Furniture, fixtures and office equipment	Vehicles	Total
Lease liabilities	106,928,551	1,909,571	53,090,653	161,928,775
Less Deferred interest	<u>(18,005,655)</u>	<u>(110,798)</u>	<u>(5,668,777)</u>	<u>(23,785,230)</u>
Total	88,922,896	1,798,773	47,421,876	138,143,545
Less Portion due within 1 year	<u>(10,771,256)</u>	<u>(678,309)</u>	<u>(19,580,471)</u>	<u>(31,030,036)</u>
Lease liabilities - net portion due within 1 year	<u>78,151,640</u>	<u>1,120,464</u>	<u>27,841,405</u>	<u>107,113,509</u>

	Unit : Baht			
	Financial statements in which the equity method is applied and Separate financial statements			
	2022			
	Buildings and building improvements	Furniture, fixtures and office equipment	Vehicles	Total
Lease liabilities	10,247,519	3,199,804	50,606,481	64,053,804
Less Deferred interest	<u>(288,914)</u>	<u>(209,552)</u>	<u>(3,158,304)</u>	<u>(3,656,770)</u>
Total	9,958,605	2,990,252	47,448,177	60,397,034
Less Portion due within 1 year	<u>(6,638,122)</u>	<u>(1,272,526)</u>	<u>(15,316,964)</u>	<u>(23,227,612)</u>
Lease liabilities - net portion due within 1 year	<u>3,320,483</u>	<u>1,717,726</u>	<u>32,131,213</u>	<u>37,169,422</u>

Changes of lease liabilities for the years ended December 31, 2023 and 2022 are summarised below:

	<b>Unit : Baht</b>			
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>			
	<b>2023</b>			
	<b>Buildings and building improvements</b>	<b>Furniture, fixtures and office equipment</b>	<b>Vehicles</b>	<b>Total</b>
Lease liabilities as at January 1, 2023	9,958,605	2,990,252	47,448,177	60,397,034
Additions during the year	89,692,907	106,953	27,996,933	117,796,793
<u>Add</u> Finance cost for the year	847,964	107,000	1,895,297	2,850,261
<u>Less</u> Write-off	-	-	(8,018,717)	(8,018,717)
<u>Less</u> Lease payments during the year	(11,576,580)	(1,405,432)	(21,899,814)	(34,881,826)
Lease liabilities as at December 31, 2023	<u>88,922,896</u>	<u>1,798,773</u>	<u>47,421,876</u>	<u>138,143,545</u>

	<b>Unit : Baht</b>			
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>			
	<b>2022</b>			
	<b>Buildings and building improvements</b>	<b>Furniture, fixtures and office equipment</b>	<b>Vehicles</b>	<b>Total</b>
Lease liabilities as at January 1, 2022	20,671,924	1,852,560	53,705,910	76,230,394
Additions during the year	-	2,392,518	16,023,978	18,416,496
<u>Add</u> Remeasurement impacts	43,519	-	-	43,519
<u>Add</u> Finance cost for the year	604,124	64,188	1,848,478	2,516,790
<u>Less</u> Write-off	-	-	(6,893,538)	(6,893,538)
<u>Less</u> Lease payments during the year	(11,360,962)	(1,319,014)	(17,236,651)	(29,916,627)
Lease liabilities as at December 31, 2022	<u>9,958,605</u>	<u>2,990,252</u>	<u>47,448,177</u>	<u>60,397,034</u>

### 13.3 Expenses relating to leases that are recognised in profit or loss

Leases expenses for the years ended December 31, 2023 and 2022 which recognised in profit or loss are as follow:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Depreciation of right-of-use assets	33,586,533	28,262,018
Finance cost on lease liabilities	2,850,261	2,516,790
Expense relating to short-term leases	937,253	1,988,159
Expense relating to leases of low-value assets	547,740	1,458,377
Total expenses	<u>37,921,787</u>	<u>34,225,344</u>

#### 13.4 Others

The Company had total cash outflows for leases for the years ended December 31, 2023 and 2022 of Baht 36.4 million and Baht 33.6 million, respectively including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

#### 14. GOODWILL

The Company identify goodwill acquired through business combination with indefinite useful lives to an asset's cash generating unit to Muang Thai Insurance Public Company Limited for annual impairment testing.

The Company has determined the recoverable amounts of its cash generating units based on value in use using cash flow projections from financial estimation approved by management. This cash flow projections cover five years. Key assumptions that use for determine the recoverable amounts are terminal growth rate at 3.0% and discount rate at 7.9%.

Management has considered growth rate from past performance and expected growth of insurance industry and discount rate as a pre-tax rate to reflect the risks specific to cash generating unit.

Management has considered and believed that there is no occurrence of impairment of goodwill.

#### 15. INTANGIBLE ASSETS

	Unit : Baht				
	Financial statements in which the equity method is applied and Separate financial statements				
	Computer software	Network relationship	Customer relationship	Computer software in progress	Total
<b>Cost</b>					
January 1, 2022	210,188,425	113,054,853	18,700,000	16,954,476	358,897,754
Additions	4,406,758	-	-	10,609,481	15,016,239
Transfer in/(out)	10,998,000	-	-	(10,998,000)	-
December 31, 2022	225,593,183	113,054,853	18,700,000	16,565,957	373,913,993
Additions	872,984	-	-	28,442,075	29,315,059
Transfer in/(out)	10,745,989	-	-	(10,745,989)	-
December 31, 2023	237,212,156	113,054,853	18,700,000	34,262,043	403,229,052
<b>Accumulated amortization</b>					
January 1, 2022	99,171,312	102,090,079	16,886,358	-	218,147,749
Amortisation charge	15,253,890	7,536,991	1,246,666	-	24,037,547
December 31, 2022	114,425,202	109,627,070	18,133,024	-	242,185,296
Amortisation charge	16,381,318	3,427,782	566,975	-	20,376,075
December 31, 2023	130,806,520	113,054,852	18,699,999	-	262,561,371
<b>Net book value</b>					
December 31, 2022	111,167,981	3,427,783	566,976	16,565,957	131,728,697
December 31, 2023	106,405,636	1	1	34,262,043	140,667,681
<b>Amortisation for the years</b>					
2022					24,037,547
2023					20,376,075

## 16. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSE

As at December 31, 2023 and 2022, the components of deferred tax assets and deferred tax liabilities are as follows:

	Unit : Baht					
	Financial statements in which the equity method is applied and Separate financial statements					
	As at December 31, 2023	As at December 31, 2022	Changes in deferred tax assets or liabilities that are recognised in profit or loss for the years ended December 31,		Change in deferred tax assets or liabilities that are recognised in other comprehensive income or loss for the years ended December 31,	
			2023	2022	2023	2022
<b>Deferred tax assets</b>						
Unearned premium reserves	267,698,848	242,277,235	25,421,613	2,260,017	-	-
Loss reserves of claims incurred and reported	577,929,874	519,590,005	58,339,869	63,765,637	-	-
Loss reserves of claims incurred but not reported	44,105,761	49,664,808	(5,559,047)	(9,658,895)	-	-
Employee benefit obligations	64,617,550	55,900,926	5,473,697	3,349,336	3,242,927	(5,325,709)
Accrued expenses	30,298,900	31,485,439	(1,186,539)	3,543,639	-	-
Allowance for doubtful accounts	6,728,242	7,733,880	(1,005,638)	2,348,483	-	-
Allowance for impairment of investments	23,150,301	10,245,819	12,904,482	(185,463)	-	-
Loss from redemption of unit trust	14,877,399	14,877,399	-	-	-	-
Allowance for expected credit losses	422,225	6,203,003	(5,780,778)	(14,278)	-	-
Unrealised loss on remeasuring investment at fair value through other comprehensive income	345,852,932	221,928,426	-	-	123,924,506	52,934,286
Total	<u>1,375,682,032</u>	<u>1,159,906,940</u>				
<b>Deferred tax liabilities</b>						
Difference between accounting and taxation relating to depreciation expenses	-	-	-	18,986	-	-
Total	-	-				
Deferred tax assets - net	<u>1,375,682,032</u>	<u>1,159,906,940</u>				
Change in deferred tax assets or liabilities - net			<u>88,607,659</u>	<u>65,427,462</u>	<u>127,167,433</u>	<u>47,608,577</u>



Income tax expenses for the years ended December 31, 2023 and 2022 are summarised as follows:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>For the years ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Current income tax</b>		
Current income tax charge	259,917,371	273,126,731
Adjustment in respect of current income tax of previous year	10,054,383	(2,693,222)
<b>Deferred tax</b>		
Relating to original and reversal of temporary differences	(88,607,659)	(65,427,462)
<b>Income tax expense reported in the profit or loss</b>	<b>181,364,095</b>	<b>205,006,047</b>

Reconciliation of effective tax rate for the years ended December 31, 2023 and 2022 are as follows:

	<b>Unit : Baht</b>			
	<b>Financial statements in which the equity method is applied</b>			
	<b>2023</b>		<b>2022</b>	
	<b>Tax Rate (%)</b>	<b>Amount (Baht)</b>	<b>Tax Rate (%)</b>	<b>Amount (Baht)</b>
Profit before income tax expense		836,820,341		1,015,226,084
Income tax using the corporation tax rate	20.00	167,364,068	20.00	203,045,217
Adjustment in respect of current income tax of previous year	1.20	10,054,383	(0.27)	(2,693,222)
Tax effect of non-deductible income	0.47	3,945,644	0.46	4,654,052
Income tax expense per the statements of profit or loss and other comprehensive income	<b>21.67</b>	<b>181,364,095</b>	<b>20.19</b>	<b>205,006,047</b>

	<b>Unit : Baht</b>			
	<b>Separate financial statements</b>			
	<b>2023</b>		<b>2022</b>	
	<b>Tax Rate (%)</b>	<b>Amount (Baht)</b>	<b>Tax Rate (%)</b>	<b>Amount (Baht)</b>
Profit before income tax expense		833,641,844		1,011,322,764
Income tax using the corporation tax rate	20.00	166,728,369	20.00	202,264,553
Adjustment in respect of current income tax of previous year	1.21	10,054,383	(0.27)	(2,693,222)
Tax effect of non-deductible income	0.55	4,581,343	0.54	5,434,716
Income tax expense per the statements of profit or loss and other comprehensive income	<b>21.76</b>	<b>181,364,095</b>	<b>20.27</b>	<b>205,006,047</b>

## 17. INSURANCE CONTRACT LIABILITIES

As at December 31, 2023 and 2022, insurance contract liabilities consist of the following:

	<b>Unit : Baht</b>		
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>		
	<b>As at December 31, 2023</b>		
	<b>Insurance contract liabilities</b>	<b>Reinsurance liabilities (see Note 7)</b>	<b>Net</b>
Loss reserves			
Claims incurred and reported	7,446,604,156	(4,521,540,274)	2,925,063,882
Claims incurred but not reported	512,557,643	(292,028,838)	220,528,805
Unearned premium reserves	8,952,913,973	(3,249,834,373)	5,703,079,600
Total	<u>16,912,075,772</u>	<u>(8,063,403,485)</u>	<u>8,848,672,287</u>

	<b>Unit : Baht</b>		
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>		
	<b>As at December 31, 2022</b>		
	<b>Insurance contract liabilities</b>	<b>Reinsurance liabilities (see Note 7)</b>	<b>Net</b>
Loss reserves			
Claims incurred and reported	7,382,505,468	(4,784,392,797)	2,598,112,671
Claims incurred but not reported	571,580,105	(323,256,063)	248,324,042
Unearned premium reserves	8,592,292,511	(3,771,453,441)	4,820,839,070
Total	<u>16,546,378,084</u>	<u>(8,879,102,301)</u>	<u>7,667,275,783</u>

During the years 2023 and 2022, the management of the Company entered into reinsurance agreements in order to mitigate insurance risk. Although positions are managed on a net basis by the management, the management is required to disclose the insurance contract liabilities on both gross and net basis.

### 17.1 Loss reserves

As at December 31, 2023 and 2022, loss reserves consist of the following:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Balance as at beginning of the years	7,954,085,573	6,771,604,141
Claim expenses for the years	10,512,673,153	13,981,621,690
Change in estimated loss reserves of previous year	(1,322,511,214)	(890,890,733)
Change in assumption used in calculating loss reserves	(59,022,462)	(419,942,904)
Claim expenses paid during the years	<u>(9,126,063,251)</u>	<u>(11,488,306,621)</u>
Balance as at ending of the years	<u>7,959,161,799</u>	<u>7,954,085,573</u>

As at December 31, 2023, the Company has loss reserves and outstanding claims under reinsurance contracts of Baht 22.3 million (2022: Baht 18.1 million).

## 17.2 Claims development table

### 17.2.1 Gross claims table

As at December 31, 2023

Unit : Million Baht

Accident year / Reporting year	Prior year 2013	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Claim estimates:													
- As at accident year	16,321.8	3,501.7	4,712.1	5,340.3	6,298.3	6,053.6	7,002.2	6,830.4	6,918.8	6,658.4	8,245.8	9,097.8	
- Next one year	17,591.1	3,549.1	4,898.0	5,573.2	6,613.5	6,774.3	7,495.3	7,507.2	7,282.8	7,218.9	9,029.3		
- Next two years	16,888.6	3,483.4	4,804.1	5,558.5	6,574.4	6,606.6	7,167.0	7,444.6	6,976.8	6,469.9			
- Next three years	16,836.2	3,472.8	4,781.1	5,490.9	6,574.6	6,593.1	6,914.0	6,858.4	6,502.9				
- Next four years	16,814.1	3,467.0	4,753.9	5,484.9	6,578.7	6,574.3	6,877.9	6,823.0					
- Next five years	16,821.2	3,462.6	4,753.5	5,461.0	6,583.8	6,569.8	6,860.0						
- Next six years	16,792.0	3,458.0	4,744.6	5,459.5	6,582.3	6,566.2							
- Next seven years	16,791.9	3,454.1	4,741.0	5,571.8	6,581.6								
- Next eight years	16,762.1	3,453.0	4,738.1	5,570.0									
- Next nine years	16,765.2	3,448.5	4,735.1										
- Next ten years	16,769.0	3,448.0											
Absolute estimated													
claim reserve	16,932.6	3,457.3	4,740.6	5,663.3	6,581.6	6,566.2	6,958.5	6,823.0	6,502.9	7,038.3	9,250.7	10,159.0	90,674.0
Accumulative													
claim paid	(16,924.0)	(3,454.5)	(4,736.9)	(5,656.2)	(6,569.0)	(6,533.0)	(6,842.1)	(6,755.4)	(6,313.5)	(6,756.9)	(8,067.1)	(5,921.0)	(84,529.6)
Others	1.0	0.1	-	0.1	0.2	0.6	100.7	1.3	4.5	463.7	825.0	417.6	1,814.8
Total gross loss													
reserves	9.6	2.9	3.7	7.2	12.8	33.8	217.1	68.9	193.9	745.1	2,008.6	4,655.6	7,959.2

As at December 31, 2022

Unit : Million Baht

Accident year / Reporting year	Prior year 2012	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Claim estimates:													
- As at accident year	13,334.9	2,986.9	3,501.7	4,712.1	5,340.3	6,298.3	6,053.6	7,002.2	6,830.4	6,918.8	6,658.4	8,643.8	
- Next one year	14,578.1	3,013.0	3,549.1	4,898.0	5,573.2	6,613.5	6,774.3	7,495.3	7,507.2	7,282.8	7,218.9		
- Next two years	13,998.3	2,890.4	3,483.4	4,804.1	5,558.5	6,574.4	6,606.6	7,167.0	7,444.6	6,976.8			
- Next three years	13,947.2	2,889.0	3,472.8	4,781.1	5,490.9	6,574.6	6,593.1	6,914.0	6,858.4				
- Next four years	13,929.3	2,884.8	3,467.0	4,753.9	5,484.9	6,578.7	6,574.3	6,877.9					
- Next five years	13,936.0	2,885.2	3,462.6	4,753.5	5,461.0	6,583.8	6,569.8						
- Next six years	13,909.4	2,882.6	3,458.0	4,744.6	5,459.5	6,582.3							
- Next seven years	13,915.2	2,876.7	3,454.1	4,741.0	5,571.8								
- Next eight years	13,886.6	2,875.5	3,453.0	4,738.1									
- Next nine years	13,889.7	2,875.5	3,448.5										
- Next ten years	13,755.9	2,883.1											
Absolute estimated													
claim reserve	14,064.4	2,883.1	3,453.6	4,741.7	5,777.6	6,582.3	6,569.8	6,976.4	6,858.4	6,976.8	7,558.2	9,281.2	81,723.5
Accumulative													
claim paid	(14,056.2)	(2,882.3)	(3,451.2)	(4,738.0)	(5,769.1)	(6,570.1)	(6,531.0)	(6,835.7)	(6,737.4)	(6,257.0)	(6,402.3)	(4,797.1)	(75,027.4)
Others	0.9	-	-	-	0.1	0.1	0.5	100.3	1.5	389.7	123.6	641.3	1,258.0
Total gross loss													
reserves	9.1	0.8	2.4	3.7	8.6	12.3	39.3	241.0	122.5	1,109.5	1,279.5	5,125.4	7,954.1

17.2.2 Net claims table

As at December 31, 2023

Unit : Million Baht

Accident year / Reporting year	Prior year 2013	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Claim estimates:													
- As at accident year	11,915.4	2,492.7	2,464.5	2,842.5	3,408.7	3,458.5	3,446.1	3,576.2	3,802.5	3,495.6	4,525.9	5,589.5	
- Next one year	12,323.0	2,520.5	2,535.2	2,875.5	3,578.5	3,819.0	3,743.7	3,926.5	4,057.7	3,743.3	4,968.3		
- Next two years	12,033.0	2,488.7	2,490.8	2,858.3	3,576.1	3,740.7	3,620.0	3,891.8	3,856.8	3,345.9			
- Next three years	12,000.5	2,483.4	2,484.6	2,857.4	3,578.9	3,740.9	3,477.1	3,529.0	3,595.9				
- Next four years	11,979.8	2,485.8	2,482.1	2,856.0	3,579.7	3,736.5	3,459.4	3,511.3					
- Next five years	11,972.6	2,484.3	2,482.4	2,855.4	3,579.6	3,733.7	3,448.7						
- Next six years	11,967.4	2,483.6	2,478.8	2,855.4	3,579.1	3,731.7							
- Next seven years	11,914.0	2,482.8	2,478.8	2,857.0	3,578.8								
- Next eight years	11,908.6	2,482.7	2,478.0	2,856.5									
- Next nine years	11,909.3	2,482.2	2,477.4										
- Next ten years	11,913.7	2,481.5											
Absolute estimated													
claim reserve	11,993.5	2,482.6	2,478.3	2,867.5	3,578.8	3,731.7	3,448.8	3,511.3	3,595.9	3,358.0	4,785.8	5,899.4	51,731.6
Accumulative													
claim paid	(11,986.7)	(2,481.4)	(2,477.1)	(2,865.6)	(3,575.3)	(3,722.1)	(3,430.9)	(3,501.8)	(3,569.3)	(3,306.1)	(4,251.4)	(3,594.5)	(48,762.2)
Others	0.9	-	-	0.1	0.2	0.6	2.3	1.2	3.6	10.7	75.6	81.0	176.2
Total net loss reserves	7.7	1.2	1.2	2.0	3.7	10.2	20.2	10.7	30.2	62.6	610.0	2,385.9	3,145.6

As at December 31, 2022

Unit : Million Baht

Accident year / Reporting year	Prior year 2012	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Claim estimates:													
- as at accident year	9,528.1	2,387.3	2,492.7	2,464.5	2,842.5	3,408.7	3,458.5	3,446.1	3,576.2	3,802.5	3,495.6	4,534.9	
- Next one year	9,926.1	2,396.9	2,520.5	2,535.2	2,875.5	3,578.5	3,819.0	3,743.7	3,926.5	4,057.7	3,743.3		
- Next two years	9,696.8	2,336.2	2,488.7	2,490.8	2,858.3	3,576.1	3,740.7	3,620.0	3,891.8	3,856.8			
- Next three years	9,663.5	2,336.9	2,483.4	2,484.6	2,857.4	3,578.9	3,740.9	3,477.1	3,529.0				
- Next four years	9,645.0	2,334.8	2,485.8	2,482.1	2,856.0	3,579.7	3,736.5	3,459.4					
- Next five years	9,637.5	2,335.2	2,484.3	2,482.4	2,855.4	3,579.6	3,733.7						
- Next six years	9,631.2	2,336.2	2,483.6	2,478.8	2,855.4	3,579.1							
- Next seven years	9,577.8	2,336.2	2,482.8	2,478.8	2,857.0								
- Next eight years	9,571.8	2,336.8	2,482.7	2,478.0									
- Next nine years	9,572.4	2,336.9	2,482.2										
- Next ten years	9,589.8	2,335.3											
Absolute estimated													
claim reserve	9,670.2	2,335.3	2,483.0	2,478.7	2,869.5	3,579.1	3,733.7	3,459.5	3,529.0	3,856.8	3,654.2	4,807.1	46,456.1
Accumulative													
claim paid	(9,663.7)	(2,334.9)	(2,481.8)	(2,477.5)	(2,867.3)	(3,576.0)	(3,721.2)	(3,430.2)	(3,498.2)	(3,554.9)	(3,250.5)	(2,822.2)	(43,678.4)
Others	0.8	-	-	-	0.1	0.2	0.5	1.8	1.5	8.6	35.6	19.6	68.7
Total gross loss													
reserves	7.3	0.4	1.2	1.2	2.3	3.3	13.0	31.1	32.3	310.5	439.3	2,004.5	2,846.4

### 17.3 Unearned premium reserves

As at December 31, 2023 and 2022, unearned premium reserves consist of the following:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Balance as at beginning of the years	8,592,292,511	8,213,685,394
Written premiums for the years	17,757,566,964	17,183,679,606
Earned premiums for the current years	<u>(17,396,945,502)</u>	<u>(16,805,072,489)</u>
Balance as at ending of the years	<u>8,952,913,973</u>	<u>8,592,292,511</u>

### 18. AMOUNTS DUE TO REINSURERS

As at December 31, 2023 and 2022, amounts due to reinsurers consist of the following:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Amounts withheld on reinsurance	2,403,249,409	2,697,201,561
Other reinsurance payables	<u>1,376,120,443</u>	<u>1,541,180,245</u>
Total amounts due to reinsurers	<u>3,779,369,852</u>	<u>4,238,381,806</u>

### 19. EMPLOYEE BENEFIT OBLIGATIONS

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>For the years ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Provision for employee benefits at beginning of the years	279,504,629	289,386,491
Recognised in profit or loss:		
Current service cost	22,996,560	24,304,554
Interest cost	10,155,037	8,748,210
Recognised in other comprehensive income:		
Actuarial loss (gain)		
Demographic assumptions changes	1,521,694	(9,025,343)
Financial assumptions changes	8,022,118	(18,267,093)
Experience adjustments	6,670,824	663,895
Benefits paid during the years	<u>(5,783,113)</u>	<u>(16,306,085)</u>
Provision for employee benefits at end of the years	<u>323,087,749</u>	<u>279,504,629</u>

Long-term employee benefit expenses included in the profit or loss for the years ended December 31, 2023 and 2022 were as follows:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>For the years ended</b>	
	<b>December 31,</b>	
	<b>2023</b>	<b>2022</b>
Current service cost	22,996,560	24,304,554
Interest cost	10,155,037	8,748,210
Total expenses recognised in profit or loss	<u>33,151,597</u>	<u>33,052,764</u>

As at December 31, 2023, the weighted average duration of the payment for long-term employee benefits is 10.7 years (2022: 11.3 years) and the Company expects to pay Baht 40.6 million (2022: Baht 32.9 million) of benefits during the next year.

Significant actuarial assumptions at the valuation date were as follows:

	<b>Unit : % per annum</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Discount rate	3.1	3.4
Salary increase rate	0.0 - 9.0	0.0 - 9.0
Staff turnover rate (depending on age)	1.0 - 35.9	1.2 - 33.1

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at December 31, 2023 and 2022 are summarised below:

	<b>Unit : Million Baht</b>			
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>			
	<b>2023</b>			
	<b>Rate increase (%)</b>	<b>Increase (decrease) in obligation amount</b>	<b>Rate decrease (%)</b>	<b>Increase (decrease) in obligation amount</b>
Discount rate	1.0	(31.0)	1.0	36.5
Future salary increase rate	1.0	32.0	1.0	(27.9)
Turnover rate	1.0	(32.7)	1.0	37.8



**Unit : Million Baht**

**Financial statements in which the equity method is applied  
and Separate financial statements**

	<b>2022</b>			
	<b>Rate increase (%)</b>	<b>Increase (decrease) in obligation amount</b>	<b>Rate decrease (%)</b>	<b>Increase (decrease) in obligation amount</b>
Discount rate	1.0	(28.3)	1.0	33.4
Future salary increase rate	1.0	29.5	1.0	(25.7)
Turnover rate	1.0	(29.9)	1.0	34.9

**20. STATUTORY RESERVE**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

As at December 31, 2023 and 2022, the Company's legal reserve equaled to one-tenth of the registered share capital.

**21. OPERATING EXPENSES**

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>For the years ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Personnel expenses	806,818,842	681,189,230
Premises and equipment expenses	216,476,918	166,562,283
Taxes and duties	3,061,694	2,099,712
Bad debts and doubtful accounts	(3,679,565)	9,089,491
Other operating expenses	543,247,410	617,435,804
Total operating expenses	<u>1,565,925,299</u>	<u>1,476,376,520</u>

## 22. EXPENSES BY NATURE

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>For the years ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
Claim and loss adjustment expenses	5,364,066,944	4,293,445,947
Commission and brokerage expenses	2,864,554,493	2,729,730,390
Contribution expenses	142,721,609	141,240,232
Other underwriting expenses	1,328,913,968	1,231,903,858
Employees expenses	1,039,441,869	968,062,021
Premises and equipment expenses	278,891,816	237,767,439
Bad debts and doubtful accounts	(4,740,461)	12,917,396
Advertising expenses	389,894,896	358,139,237
Others expenses	313,926,738	333,214,478
Finance cost	2,850,261	2,516,790
Expected credit losses and impairment loss (reversal)	40,774,528	(74,237)
<b>Total expenses by nature</b>	<b>11,761,296,661</b>	<b>10,308,863,551</b>

## 23. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contributed to the fund monthly at the rate of 5% to 10% of basic salary. The fund is managed by Kasikorn Asset Management Company Limited and will be paid to employees upon termination in accordance with the fund rules. During the year 2023, the Company contributed Baht 47.7 million to the fund (2022: Baht 44.4 million).

## 24. EXPECTED CREDIT LOSS AND IMPAIRMENT LOSS

Expected credit losses and impairment loss for the years ended December 31, 2023 and 2022, are as follows:

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>For years ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Expected credit losses (reversal)</b>		
Cash and cash equivalents	(37,735)	(105,085)
Debt securities - Investments measured at fair value through other comprehensive income	(21,010,305)	422,145
Debt securities - Investments measured at amortised cost	(7,855,838)	(388,464)
Loan and interest receivables	(14)	(2,833)
<b>Loss of impairment</b>		
Equity securities - Investments measured at fair value through other comprehensive income	69,678,420	-
<b>Total</b>	<b>40,774,528</b>	<b>(74,237)</b>

## 25. EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, 2023 and 2022, are as follows:

	<b>Financial statements in which the equity method is applied</b>		<b>Separate financial statement</b>	
	<b>For the years ended December 31,</b>		<b>For the years ended December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Net profits (Thousand Baht)	655,456	810,220	652,278	806,317
Number of share capital (Thousand shares)	59,000	59,000	59,000	59,000
Basic earnings per share (Baht per share)	11.11	13.73	11.06	13.67

## 26. DIVIDEND PAID

Dividends declared during the years ended December 31, 2023 and 2022, consist of the following:

	<b>Approved by</b>	<b>Total dividend (Thousand Baht)</b>	<b>Dividend per share (Baht)</b>
Annual dividend for 2022	Annual General Meeting of the Shareholders on April 27, 2023	364,620	6.18
Annual dividend for 2021	Annual General Meeting of the Shareholders on April 26, 2022	306,800	5.20

## 27. RELATED PARTY TRANSACTIONS

During the year, the Company had significant business transactions with related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. The relationships between the Company and its related parties are summarised below:

<b>Name of related parties</b>	<b>Relationship with the Company</b>
AGEAS Insurance International N.V.	Related by way of shareholding
Advance Medical Center Co., Ltd.	Related by way of common directors
Comprehensive Health Center (Thailand) Co., Ltd.	Related by way of common directors
Direct Travel Co., Ltd.	Related by way of common directors
Interlink Communication PLC.	Related by way of common directors
Karntharuea F.C. Co., Ltd.	Related by way of common directors
Kasikorn Bank PLC.	Related by way of common directors and shareholding
Muang Thai Group Service Co., Ltd.	Related by way of common directors
Muang Thai Life Assurance PLC.	Related by way of common directors
Muang Thai Management Security Guard Co., Ltd.	Related by way of common directors
Muang Thai Real Estate PLC.	Related by way of common directors and shareholding
P Landscape Co., Ltd.	Related by way of common directors
Phatra Leasing PLC.	Related by way of common directors and shareholding
Road Accident Victims Protection Co., Ltd.	Related by way of common directors and shareholding
Saint Honore (Bangkok) Co., Ltd.	Related by way of common directors
Sombat Lamsam Co., Ltd.	Related by way of common directors
T.I.I. Co., Ltd.	Related by way of common directors and shareholding
Thai Reinsurance PLC.	Related by way of common directors
Thai Wah PLC. <sup>(1)</sup>	Related by way of common directors

Name of related parties	Relationship with the Company
Yupong Co., Ltd.	Related by way of common directors
High Life Health Care Co., Ltd.	Related by way of common directors
Standard Chartered Bank (Thai) PLC. <sup>(1)</sup>	Related by way of common directors
I.C.C. International PLC.	Related by way of common directors
AIRA Securities PLC. <sup>(1)</sup>	Related by way of common directors
Saha Pathanapibul PLC.	Related by way of common directors
Navavej International PLC.	Related by way of common directors
ST - Muang Thai Insurance Co., Ltd.	An associate whereby the Company holds 22.5% of its shares

<sup>(1)</sup> It is not related company since June 30, 2023.

During the years ended December 31, 2023 and 2022, the Company had significant business transactions with related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related parties are as follows:

	<b>Financial statements in which the equity method is applied and Separate financial statements</b>		<b>Pricing policy</b>
	<b>For the years ended</b>		
	<b>December 31,</b>		
	<b>2023</b>	<b>2022</b>	
			<b>Unit : Million Baht</b>
<b>Transactions with an associate</b>			
Written premiums	5.5	6.9	Normal commercial terms for insurance and reinsurance depending on type of insurance and reinsurance contract
Claim paid	0.9	0.8	Normal commercial terms for insurance
Commission expenses	1.1	1.5	As stated in the agreement upon normal commercial terms
<b>Transactions with related companies</b>			
Premium ceded	640.2	722.4	Normal commercial terms for insurance and reinsurance depending on type of insurance and reinsurance contract
Written premiums (direct)	405.3	421.4	Normal commercial terms for insurance
Claim paid	5.3	50.1	Normal commercial terms for insurance
Claim recovery	67.1	68.1	Normal commercial terms for insurance
Commission expenses	297.8	309.9	As stated in the agreement upon normal commercial terms
Commission income	263.8	286.1	As stated in the agreement upon normal commercial terms
Contribution to Road Accident Victims Protection Co., Ltd	43.6	56.5	Contract price
Dividend income	10.8	8.3	As declared
Interest income	0.1	0.1	0.1% - 0.3% per annum (2022: 0.1% - 0.3% per annum)
Other income	9.7	10.3	Market price
Dividends paid	202.0	168.9	As declared
Rental and service expenses	159.9	169.1	Contract price
Advertising expenses	196.0	169.2	Contract price
Bank charges	28.4	29.8	Similar rates as those charged by related company to general customers

As at December 31, 2023 and 2022, the balance of accounts between the Company and those related companies are as follows:

	Unit : Million Baht	
	Financial statements in which the equity method is applied and Separate financial statements	
	2023	2022
<b>Associate</b>		
<b>Amounts due from reinsurers</b>		
ST - Muang Thai Insurance Co., Ltd.	2.7	2.5
<b>Related parties</b>		
<b>Deposits at financial institutions</b>		
Kasikorn Bank PLC.	824.7	441.4
<b>Investment measured at fair value through other comprehensive income</b>		
Phatra Leasing PLC.	113.4	133.6
Kasikorn Bank PLC.	188.3	132.8
Muang Thai Real Estate PLC.	2.3	2.3
Road Accident Victims Protection Co., Ltd.	16.6	34.0
T.I.I. Co., Ltd.	1.0	1.0
<b>Premium receivables (Direct and Bancassurance)</b>		
Kasikorn Bank PLC.	175.8	185.3
Other related companies	16.7	14.1
<b>Accrued service expenses</b>		
Kasikorn Bank PLC.	47.7	84.3
<b>Reinsurance assets</b>		
Thai Reinsurance PLC.	130.3	192.2
<b>Amounts due from reinsurers</b>		
Thai Reinsurance PLC.	36.0	35.8
<b>Insurance contract liabilities - loss reserves</b>		
Thai Reinsurance PLC.	1.0	2.2
<b>Amounts due to reinsurers</b>		
Thai Reinsurance PLC.	161.9	189.6

### Directors and management's benefits

During the years ended December 31, 2023 and 2022, the Company has employment benefit expenses of its directors and management personnel as follows:

	Unit : Million Baht	
	Financial statements in which the equity method is applied and Separate financial statements	
	For the years ended December 31,	
	2023	2022
Short-term benefits	88.2	98.2
Post-employment benefits	6.7	6.0
<b>Total</b>	<b>94.9</b>	<b>104.2</b>

**28. CONTRIBUTION TO GENERAL INSURANCE FUND**

	<b>Unit : Baht</b>	
	<b>Financial statements in which the equity method is applied and Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
Beginning of the years	362,520,491	319,648,969
Contribution during the years	56,570,769	42,871,522
End of the years	<u>419,091,260</u>	<u>362,520,491</u>

**29. SEGMENT INFORMATION**

The Company's management has determined the operating segments based on the reports reviewed by the Executive Committee that are used to make strategic decision. The Executive Committee considers the business from both product perspective and operating activities. The business has divided into two main categories being the non-life insurance and investment activity which the reportable operating segments derive their revenue primarily from. The non-life insurance is segregated into motor and non-motor products and each mainly consisted of the following:

- Motor products include insure of compulsory and voluntary motor;
- Non-motor products include insure of property, marine and transportation, fire, engineering, personal accident and health, special products and liability and miscellaneous insurance.

The investment activity relates to financial and investment management in various securities. The activity includes evaluation of financial performance and investment results of the Company in each period in order to report to Investment Committee, Executive Committee, Risk Management Committee and Board of Directors.

Segment performance is measured separately to allocate resources among its operating segments. The Company measures the performance of its operating segments through a measure of segment profit and loss, total assets and total liabilities in a manner consistent with that of financial statements.

The Company operates only in Thailand. Therefore, no geographical segments are reported under the secondary reporting format.

Gross written premiums of approximately 49 percent of the Company are derived from four major brokers. Such written premiums are attributable to motor and non-motor segments.

For the years ended December 31, 2023 and 2022, there is no gross written premium with a single external customer contributed 10 percent or more of the Company's total revenue.

Segment assets and liabilities as at December 31, 2023 and 2022 are as follows:

	Unit : Baht		
	<b>Financial statements in which the equity method is applied</b>		
	<b>As at December 31, 2023</b>		
	<b>Insurance</b>	<b>Investment</b>	<b>Total</b>
Total segment assets	14,775,779,377	16,604,583,389	31,380,362,766
Total segment liabilities	25,171,086,578	126,661,610	25,297,748,188

	Unit : Baht		
	<b>Financial statements in which the equity method is applied</b>		
	<b>As at December 31, 2022</b>		
	<b>Insurance</b>	<b>Investment</b>	<b>Total</b>
Total segment assets	16,091,138,158	15,481,285,864	31,572,424,022
Total segment liabilities	25,155,418,155	111,769,233	25,267,187,388

Segment profit or loss for the years ended December 31, 2023 and 2022 are as follows:

	Unit : Baht				
	<b>Financial statements in which the equity method is applied</b>				
	<b>For the years ended December 31, 2023</b>				
	<b>Insurance</b>			<b>Investment</b>	<b>Total</b>
	<b>Motor</b>	<b>Non-motor</b>	<b>Total insurance</b>		
Gross written premiums	10,531,850,292	7,225,716,672	17,757,566,964	-	17,757,566,964
Net written premiums	7,890,556,192	3,020,907,202	10,911,463,394	-	10,911,463,394
Net earned premiums	7,040,091,397	2,989,131,468	10,029,222,865	-	10,029,222,865
Fee and commission income from reinsurers	960,441,647	1,023,818,254	1,984,259,901	-	1,984,259,901
Share of gain from investment in an associate in which equity method is applied	-	-	-	3,178,497	3,178,497
Investment income and profit from investments	-	-	-	539,017,540	539,017,540
Other income	25,169,707	17,268,492	42,438,199	-	42,438,199
<b>Total income</b>	<b>8,025,702,751</b>	<b>4,030,218,214</b>	<b>12,055,920,965</b>	<b>542,196,037</b>	<b>12,598,117,002</b>
Net claim expenses	4,592,107,509	1,073,203,251	5,665,310,760	-	5,665,310,760
Commission and brokerage expenses	1,802,110,073	1,062,444,420	2,864,554,493	-	2,864,554,493
Other underwriting expenses	894,193,872	727,687,448	1,621,881,320	-	1,621,881,320
<b>Total underwriting expenses</b>	<b>7,288,411,454</b>	<b>2,863,335,119</b>	<b>10,151,746,573</b>	<b>-</b>	<b>10,151,746,573</b>
Operating expenses			1,549,524,602	16,400,697	1,565,925,299
Finance cost			2,821,758	28,503	2,850,261
Expected credit losses and impairment loss			-	40,774,528	40,774,528
<b>Total expenses</b>			<b>11,704,092,933</b>	<b>57,203,728</b>	<b>11,761,296,661</b>
<b>Profit before income tax expense</b>			<b>351,828,032</b>	<b>484,992,309</b>	<b>836,820,341</b>
Income tax expense					(181,364,095)
<b>Profit for the year</b>					<b>655,456,246</b>

Unit : Baht					
<b>Financial statements in which the equity method is applied</b>					
<b>For the years ended December 31, 2022</b>					
	<b>Insurance</b>			<b>Investment</b>	<b>Total</b>
	<b>Motor</b>	<b>Non-motor</b>	<b>Total insurance</b>		
Gross written premiums	10,130,293,271	7,053,386,335	17,183,679,606	-	17,183,679,606
Net written premiums	6,265,545,235	2,758,087,001	9,023,632,236	-	9,023,632,236
Net earned premiums	5,742,774,795	2,829,803,540	8,572,578,335	-	8,572,578,335
Fee and commission income from reinsurers	1,320,811,566	1,000,449,079	2,321,260,645	-	2,321,260,645
Share of gain from investment in an associate in which equity method is applied	-	-	-	3,903,320	3,903,320
Investment income and profit from investments	-	-	-	341,313,529	341,313,529
Other income	50,129,973	34,903,833	85,033,806	-	85,033,806
<b>Total income</b>	<b>7,113,716,334</b>	<b>3,865,156,452</b>	<b>10,978,872,786</b>	<b>345,216,849</b>	<b>11,324,089,635</b>
Net claim expenses	3,176,894,480	1,399,143,468	4,576,037,948	-	4,576,037,948
Commission and brokerage expenses	1,691,593,033	1,038,137,357	2,729,730,390	-	2,729,730,390
Other underwriting expenses	797,716,475	726,559,665	1,524,276,140	-	1,524,276,140
<b>Total underwriting expenses</b>	<b>5,666,203,988</b>	<b>3,163,840,490</b>	<b>8,830,044,478</b>	<b>-</b>	<b>8,830,044,478</b>
Operating expenses			1,459,026,181	17,350,339	1,476,376,520
Finance cost			2,491,622	25,168	2,516,790
Expected credit losses and impairment loss (reversal)			-	(74,237)	(74,237)
<b>Total expenses</b>			<b>10,291,562,281</b>	<b>17,301,270</b>	<b>10,308,863,551</b>
<b>Profit before income tax expense</b>			<b>687,310,505</b>	<b>327,915,579</b>	<b>1,015,226,084</b>
Income tax expense					(205,006,047)
<b>Profit for the year</b>					<b>810,220,037</b>

### 30. COMMITMENT AND CONTINGENT LIABILITIES

#### 30.1 Lease commitments

As at December 31, 2023 and 2022, the Company has future minimum lease payments required under short-term leases and leases of low-value assets and related service agreements as follows:

Unit : Million Baht		
<b>Financial statements in which the equity methods is applied and Separate financial statements</b>		
	<b>2023</b>	<b>2022</b>
Payable within		
1 year	37.2	48.0
1 - 5 years	15.2	5.2

For the years ended December 31, 2023 and 2022, the Company recognised rental expense in relation to the short-term leases and leases of low-value assets and related service agreements in the statements of profit or loss and other comprehensive income as follows:

Unit : Thousand Baht		
<b>Financial statements in which the equity methods is applied and Separate financial statements</b>		
	<b>2023</b>	<b>2022</b>
Rental expense from leases	76,172	70,087



### 30.2 Capital Commitments

As at December 31, 2023, the Company has capital commitments contracted for purchasing building improvements, system implementation, and computer equipment amounting to Baht 1.6 million (2022: Baht 2.9 million).

### 30.3 Guarantees

As at December 31, 2023, the Company has bank guarantees which issued by bank on behalf of the Company by Baht 19.5 million in order to guarantee the usage of electricity bonds as required in the normal course of business (2022: Baht 10.8 million).

### 30.4 Litigation

As at December 31, 2023, the Company is being sued as insurer, with sum insure amounting to approximately Baht 1,439.6 million (2022: Baht 1,356.3 million). Judgment has yet to be handed down in these cases, and the Company expects the outcomes to be favorable. However, the Company have been recorded gross loss provisions amounting to Baht 554.7 million (2022: Baht 376.0 million).

## 31. INSURANCE RISK AND RISK MANAGEMENT

The Company has managed the insurance risk in order to reduce the impact to the Company's financial position and the capital caused by the insurance portfolio as follows:

### 31.1 Underwriting of insurance

The Company has a policy for insurance underwriting which was approved by the relevant directors. The policy requires the Company to consider an acceptable level of risks taken by referring to the handbook and predefined premium rates, monitor and control the appropriate of risk diversification over geographical regions and type of risks. For the higher risk, risk level higher than the Company can retain by self, the Company will transfer those risks to the reinsurers. In addition, the Company also prudently manages the proportion of insurance portfolio at the appropriate level.

### 31.2 Claim management and setting up of claim reserves

The Company has a guidance for setting up the claim reserves which is calculated using the generally accepted actuarial methods by the certified actuary. The Company regularly monitors and analyses changes of loss reserves, and regularly considers factors which may affect the Company's reserves in order to ascertain that all reserves are justifiable and adequate for the Company's liability toward the insured in the future.

### 31.3 Reinsurance management

The Company has specified the guideline for reinsurance management which specifies the procedures for selecting, implementing, auditing and monitoring, review, control of reinsurance plan and preparation of related reinsurance documents by taking into account the Company's risk appetite, size and complexity of the business.

### 31.4 Concentration risk

The Company sets the limits of concentration risk for each reinsurance counterparty and regularly monitors them to ensure that there is no concentration risk that may arise from the particular reinsurer. The Company also considers the appropriate cede portion to be allocated to the reinsurers to be in line with the size of risk.

Concentration of insurance contract liabilities as at December 31, 2023 and 2022, segregated by insurance type, are shown below.

**Unit : Million Baht**

**Financial statements in which the equity methods is applied  
and Separate financial statements**

	2023			2022		
	<b>Gross premium reserves</b>	<b>Outward premium reserves</b>	<b>Net</b>	<b>Gross premium reserves</b>	<b>Outward premium reserves</b>	<b>Net</b>
Fire	692.5	(179.9)	512.6	698.3	(178.0)	520.3
Marine and transportation	104.0	(73.3)	30.7	101.2	(68.5)	32.7
Motor	5,557.2	(1,389.1)	4,168.1	5,314.1	(1,996.5)	3,317.6
Personal accident	630.4	(148.0)	482.4	614.1	(158.0)	456.1
Miscellaneous	1,968.8	(1,459.5)	509.3	1,864.6	(1,370.5)	494.1
<b>Total</b>	<b>8,952.9</b>	<b>(3,249.8)</b>	<b>5,703.1</b>	<b>8,592.3</b>	<b>(3,771.5)</b>	<b>4,820.8</b>

**Unit : Million Baht**

**Financial statements in which the equity methods is applied  
and Separate financial statements**

	2023			2022		
	<b>Gross loss reserves</b>	<b>Outward loss reserves</b>	<b>Net</b>	<b>Gross loss reserves</b>	<b>Outward loss reserves</b>	<b>Net</b>
Fire	104.3	(45.2)	59.1	149.8	(77.3)	72.5
Marine and transportation	86.0	(57.7)	28.3	102.6	(68.0)	34.6
Motor	3,829.0	(1,324.5)	2,504.5	3,560.0	(1,475.1)	2,084.9
Personal accident	438.6	(121.4)	317.2	439.6	(117.0)	322.6
Miscellaneous	3,501.3	(3,264.8)	236.5	3,702.1	(3,370.3)	331.8
<b>Total</b>	<b>7,959.2</b>	<b>(4,813.6)</b>	<b>3,145.6</b>	<b>7,954.1</b>	<b>(5,107.7)</b>	<b>2,846.4</b>

### 31.5 Significant assumptions and sensitivity test of insurance contract liabilities

The sensitivity test is the risk analysis of insurance contract liabilities that may be increased or decreased as a result of change in assumptions used in calculation, which may impact on both gross and net loss reserves. The risks may be caused by the frequency of loss, value of loss and claims, or loss adjustment expenses that are not as expected.

The result of the sensitivity analysis from the assumption change that effect to the loss reserves as at December 31, 2023 are summarised below.

Unit : Million Baht					
	Assumption change	Increase in claim liabilities		Increase (decrease) in profit before tax	Increase (decrease) in equity
		Gross	Net		
Average claim expenses	Increase 1%	90.59	34.47	34.47	27.58
	Decrease 1%	(90.59)	(34.47)	(34.47)	(27.58)
Average number of claims	Increase 1%	77.07	29.32	29.32	23.46
	Decrease 1%	(77.07)	(29.32)	(29.32)	(23.46)
Average settle claim expenses	Increase 1%	84.67	31.98	31.98	25.58
	Decrease 1%	(84.67)	(31.98)	(31.98)	(25.58)
Average claim adjustment expenses	Increase 1%	2.94	2.94	2.94	2.35
	Decrease 1%	(2.94)	(2.94)	(2.94)	(2.35)

Assumption used in the sensitivity analysis and the changes in loss reserve of the Company on both gross and net from reinsurance consists of expected loss ratio (ELR), unallocated loss adjustment expenses ratio (ULAE ratio) and loss development factors with analysis methods as following.

(1) Average claim expenses

Is an analysis of changes based on the assumptions of average claim expenses while giving other assumptions are constants. The end of the reporting periods, the Company have to estimate loss development factors for loss reserves taking into account three parts, which are the claims incurred and reported, the claims incurred but not yet reported (IBNR), and unallocated loss adjustment expenses, the latter of which require actuarial technique such as the Chain Ladder and Bornheutter-Ferguson methods in estimation of reserves. The main assumptions underlying such techniques relate to historical experience, including the development of claim estimates, losses incurred and claim paid.

(2) Average number of claims

It is an analysis of assumption changes based on average costs per claim and number of claims, etc. However, such estimates are forecasts of future outcomes, and actual results could differ. The main assumptions underlying such techniques relate to historical experience, including the development of claim estimates, number of claims that affect the amount of claims.

(3) Average settle claim expenses

Analysis of assumption changes of claim liabilities in the part of settle claim expenses, while giving assumptions of the claims incurred but not yet reported (IBNR), and unallocated loss adjustment expenses are constants.

(4) Average claim adjustment expenses

The Company estimates the unallocated loss adjustment expenses (ULAE) based on claim department's incurred expenses, for example, salaries and employee benefits, premises and equipment expenses and technology costs, which is set as a ratio of ULAE to claims paid and use these information for assumption changes of average claim adjustment expenses.

**32. FINANCIAL RISK AND RISK MANAGEMENT**

The Company's financial instruments principally comprise cash and cash equivalents, loan, investments in debt securities and equity securities, reinsurance assets and liabilities and lease liabilities. Financial risks associated with these financial instruments and their corresponding risk management policies are described below.

32.1 Credit risk

Credit risk is the risk that the Company may suffer a financial loss as a result of a counterparty's inability to comply with the terms of a financial instrument or obligations specified in the contract. The Company is exposed to credit risk primarily with respect to premium receivables, reinsurance asset - loss reserves, receivables from reinsurance contracts, loan, investments in debt securities and other financial assets. The Company's maximum exposure to credit risk is limited to the book value less allowance for doubtful debt as presented in the statement of financial position.

**Credit risk from investment assets**

Credit risk from investment assets relates to loan and investments in debt securities. The Company determines an appropriate line of credit for each counterparty by considering their income, source of income, other financial obligations, etc. In addition, the Company arranges appropriate loan terms to be within short to medium-term with respect to the Company's sources of capital, establishes debt collection process and adjusts interest rate in correspondence with market conditions. In addition, credit risk relating to investments in debt securities. The Company has appointed the Investment Committee to be responsible for considering and reviewing these factors on a continuous basis in order to make investment decisions and ensure that the investments made comply with OIC investment requirements. These are important mechanisms in the Company's investment and asset management. The Company has invested in various debt securities based on level risk of credit rating.

Maximum exposure to credit risk

The maximum exposure to credit risk of financial assets by credit rating of counterparty is carrying amount net of allowance for expected credit loss as at December 31, 2023 and 2022 as follows:

	<b>Unit : Million Baht</b>		
	<b>Financial statements in which the equity methods is applied and Separate financial statements</b>		
	<b>As at December 31, 2023</b>		
	<b>Investment grade</b>	<b>Non- investment grade</b>	<b>Carrying amount</b>
Cash and cash equivalents	857.7	-	857.7
Investments in debt securities measured at fair value through other comprehensive income	8,867.1	-	8,867.1
Investments in debt securities measured at amortised cost	2,390.0	-	2,390.0
Accrued investment income	53.6	-	53.6

	<b>Unit : Million Baht</b>		
	<b>Financial statements in which the equity methods is applied and Separate financial statements</b>		
	<b>As at December 31, 2022</b>		
	<b>Investment grade</b>	<b>Non- investment grade</b>	<b>Carrying amount</b>
Cash and cash equivalents	540.4	-	540.4
Investments in debt securities measured at fair value through other comprehensive income	6,193.8	-	6,193.8
Investments in debt securities measured at amortised cost	3,019.4	-	3,019.4
Accrued investment income	45.1	-	45.1
Loans and interest receivables	0.1	-	0.1

The credit rating is lower than the investment criteria, the Company will consider qualitative and quantitative data of the counterparty and other external information, including the use of rating information from external credit rating agencies.

Credit impairment assessment of financial assets

The Company's measurement and valuation method of the expected credit losses relating to financial assets are as follows:

### Financial assets with a significant increase in credit risk

The Company continuously monitors and analyses the status of financial assets to assess whether there has been a significant increase in credit risk since initial recognition. In making these assessments, the Company compares the risk of non-compliance of financial assets at the end of reporting period with the risk of non-compliance of financial assets at the initial recognition date.

Determination of whether there has been a significant increase in credit risk since initial recognition is based on consideration of counterparty's non-compliance, consider from historical payment, including the number of days overdue and payment behavior. Moreover, financial assets are considered credit impaired when one or more events occur affecting the counterparty's future cashflow estimates. Evidence of a financial asset being credit impaired includes observable information such as the issuer of a financial instrument facing significant financial difficulty, a high probability that the counterparty will be entered bankruptcy or undergo financial restructuring, and a significantly change in the counterparty's credit rating. The Company monitors and reports these changes of credit rating to Investment Committee to manage the risk.

### Allowance for expected credit losses

The criteria for staging of financial assets is based on changes in credit risk since initial recognition, recognition expected credit losses within the next 12 months, lifetime expected credit losses and credit impairment as discussed in note to financial statements no.3.10 "Allowance for financial assets".

The credit quality of financial assets exposed to credit risk as at December 31, 2023 and 2022, which are presented as carrying amount are as follows.

	Unit : Million Baht			
	Financial statements in which the equity methods is applied and Separate financial statements			
	As at December 31, 2023			
	Financial assets			
	Financial assets that have not a significant increase in credit risk (12-mth ECL)	that have a significant increase in credit risk (Lifetime ECL - not credit Impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Total
<b>Cash and cash equivalents</b>				
Investment grade	857.8	-	-	857.8
<u>Less</u> Allowance for expected credit losses	(0.1)	-	-	(0.1)
Net book value	857.7	-	-	857.7

Unit : Million Baht

**Financial statements in which the equity methods is applied  
and Separate financial statements**

	<b>As at December 31, 2023</b>			
	<b>Financial assets</b>			
	<b>Financial assets that have not a significant increase in credit risk (12-mth ECL)</b>	<b>that have a significant increase in credit risk (Lifetime ECL - not credit Impaired)</b>	<b>Financial assets that are credit- impaired (Lifetime ECL - credit impaired)</b>	<b>Total</b>
<b>Investments measured at fair value through other comprehensive income</b>				
Investment grade	8,867.1	-	-	8,867.1
Allowance for expected credit losses	1.9	-	-	1.9
<b>Investments measured at amortised cost</b>				
Investment grade	2,390.1	-	-	2,390.1
<u>Less</u> Allowance for expected credit losses	(0.1)	-	-	(0.1)
Net book value	2,390.0	-	-	2,390.0
<b>Accrued investment income</b>				
Investment grade	53.6	-	-	53.6
<u>Less</u> Allowance for expected credit losses	-	-	-	-
Net book value	53.6	-	-	53.6

Unit : Million Baht

**Financial statements in which the equity methods is applied  
and Separate financial statements**

	As at December 31, 2022			
	Financial assets			
	Financial assets that have not a significant increase in credit risk (12-mth ECL)	that have a significant increase in credit risk (Lifetime ECL - not credit Impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Total
<b>Cash and cash equivalents</b>				
Investment grade	540.5	-	-	540.5
<u>Less</u> Allowance for expected credit losses	(0.1)	-	-	(0.1)
Net book value	540.4	-	-	540.4
<b>Investments measured at fair value through other comprehensive income</b>				
Investment grade	6,193.8	-	-	6,193.8
Allowance for expected credit losses	23.0	-	-	23.0
<b>Investments measured at amortised cost</b>				
Investment grade	3,027.4	-	-	3,027.4
<u>Less</u> Allowance for expected credit losses	(7.9)	-	-	(7.9)
Net book value	3,019.5	-	-	3,019.5
<b>Accrued investment income</b>				
Investment grade	45.1	-	-	45.1
<u>Less</u> Allowance for expected credit losses	-	-	-	-
Net book value	45.1	-	-	45.1
<b>Loans and interest receivables</b>				
Not yet due	0.1	-	-	0.1
<u>Less</u> Allowance for expected credit losses	-	-	-	-
Net book value	0.1	-	-	0.1



## 32.2 Market price 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. The Company had no financial instruments denominated in foreign currencies. Therefore, market risk is therefore confined only to interest rate risk and price change risk.

### Interest rate risk

Interest rate risk is the risk that the value of financial assets and liabilities will fluctuate due to changes in market interest rates.

The Company has managed interest rate risk by classify investment in debt securities while portfolio duration is managed to be in moderate level by controlling duration of individual bond. Besides, the Company conducts the stress test to examine the effect on the sufficiency of capital and the change of asset back per insurance liabilities ratio.

As at December 31, 2023 and 2022, significant financial assets and financial liabilities classified by type of interest rate are summarised in the table below, with those financial assets and financial 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 : Million Baht**

**Financial statements in which the equity methods is applied  
and Separate financial statements**

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**As at December 31, 2023**

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	<b>Fixed interest rates</b>			<b>Floating interest rate</b>	<b>Total</b>	<b>Interest rate (%)</b>
	<b>The repricing period or maturity date</b>					
	<b>Within 1 year</b>	<b>&gt;1 - 5 years</b>	<b>Over 5 years</b>			
<b>Financial assets</b>						
Cash equivalents	-	-	-	840.7	840.7	0.1 - 1.5
Accrued investment income	53.6	-	-	-	53.6	0.1 - 8.0
Investments in securities						
Government and state enterprise securities						
	1,774.5	2,795.4	2,161.1	-	6,731.0	0.1 - 5.7
Private debt securities						
	1,053.1	2,630.6	647.6	-	4,331.3	1.0 - 8.0
Deposits at financial institutions						
	194.8	-	-	-	194.8	0.5 - 2.4
<b>Financial liabilities</b>						
Lease liabilities						
	31.0	54.5	52.6	-	138.1	2.6 - 6.2

Unit : Million Baht

**Financial statements in which the equity methods is applied  
and Separate financial statements**

As at December 31, 2022

	<b>Fixed interest rates</b>			<b>Floating interest rate</b>	<b>Total</b>	<b>Interest rate (%)</b>
	<b>The repricing period or maturity date</b>					
	<b>Within 1 year</b>	<b>&gt;1 - 5 years</b>	<b>Over 5 years</b>			
	<b>Financial assets</b>					
Cash equivalents	-	-	-	452.3	452.3	0.1 - 1.5
Accrued investment income	45.1	-	-	-	45.1	0.1 – 8.0
Investments in securities						
Government and state enterprise securities	1,414.5	2,422.3	1,037.1	-	4,873.9	0.1 - 5.7
Private debt securities	643.6	2,373.3	973.1	-	3,990.0	0.0 - 8.0
Deposits at financial institutions	349.3	-	-	-	349.3	0.2 - 1.4
Loans and interest receivables	0.1	-	-	-	0.1	3.3
<b>Financial liabilities</b>						
Lease liabilities	23.2	35.3	1.9	-	60.4	2.7 - 5.1

Cash, premium receivables, investments in equity securities, reinsurance assets, receivables from reinsurance contracts, insurance contract liabilities - loss reserves and unearned premium reserves and amounts due to reinsurers are assets and liabilities which no interest rate. So they do not expose to the risk from the changes in market interest rates.

**Interest rates sensitivity analysis**

This sensitivity shows the effect of the Company's profit before tax and equity of changes in interest rates of financial assets as of December 31, 2023 in according with domestic and international economic conditions, including interest rates policies, that are reasonably likely to occur within the next 12 months, with other variables fixed. There are as follow:

	<b>Increase /(Decrease)</b>	<b>Effect on profit before tax</b>	<b>Effect on other comprehensive income - increase (decrease)</b>
	(%)	(Million Baht)	(Million Baht)
Change in value of debt instruments	1.0 (1.0)	- -	(3.1) 3.3

Price change risk

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

As at December 31, 2023 and 2022, the Company has risk from its investments in securities of which the price will change with reference to market conditions.

The Company has managed equity position risk by setting up the limit of risk and monitoring the risk from investment to be aligned with the risk limitations established, including investment proportion, concentration, and value at risk. In addition, the stress test has been done to monitor the overall impact to the capital fund.

32.3 Liquidity risk

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

For liquidity risk management, the Company allocates the specified investment proportion in the liquid assets to ensure that sufficient liquidity is available for normal business operation. In case of large claim to be paid, related department will coordinate and give advance notice to the investment department to ensure that sufficient fund will be available for payment of such claims. In addition, the Company regularly monitors the liquidity ratios to ensure that the overall liquidity risk of the Company is low.

As at December 31, 2023 and 2022, the periods to maturity of financial assets and liabilities counting from the financial position date are as follows:

**Unit : Million Baht**

**Financial statements in which the equity methods is applied  
and Separate financial statements**

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**As at December 31, 2023**

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	<b>At call</b>	<b>Within 1 year</b>	<b>&gt;1 - 5 years</b>	<b>Over 5 years</b>	<b>Unspecified</b>	<b>Total</b>
<u>Financial assets</u>						
Cash and cash equivalents	857.7	-	-	-	-	857.7
Accrued investment income	-	53.6	-	-	-	53.6
Investments in securities	3,923.3	3,022.5	5,425.9	2,808.7	102.5	15,282.9
<u>Financial liabilities</u>						
Lease liabilities	-	33.9	68.1	60.0	-	162.0

Unit : Million Baht

**Financial statements in which the equity methods is applied  
and Separate financial statements**

<b>As at December 31, 2022</b>						
	<b>At call</b>	<b>Within 1 year</b>	<b>&gt;1 - 5 years</b>	<b>Over 5 years</b>	<b>Unspecified</b>	<b>Total</b>
<u>Financial assets</u>						
Cash and cash equivalents	540.4	-	-	-	-	540.4
Accrued investment income	-	45.1	-	-	-	45.1
Investments in securities	5,330.6	2,407.4	4,795.6	2,010.2	110.9	14,654.7
Loans and interest receivables	-	0.1	-	-	-	0.1
<u>Financial liabilities</u>						
Lease liabilities	-	25.0	37.1	2.0	-	64.1

For most premium receivables, reinsurance assets and receivables from reinsurance contracts are not yet due or overdue not more than 1 year, whereas most insurance contract liabilities - loss reserves and unearned premium reserve and amounts due to reinsurers are due within 1 year.

#### 32.4 Fair value of financial instrument

The Company uses the market approach to measure their assets that are required to be measured at fair value by relevant financial reporting standards, except when there is no active market or when a quoted market price is not available. The Company use the appropriate measurement techniques which are cost approach or income approach.

#### Fair value hierarchy

As of December 31, 2023 and 2022, the Company had the following financial assets and liabilities that were measured at fair value using different levels of inputs as follows:

<b>Unit : Million Baht</b>				
<b>Financial statements in which the equity method is applied and Separate financial statements</b>				
<b>As at December 31, 2023</b>				
<b>Fair value</b>				
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial assets measured at fair value</b>				
Investments at fair value through other comprehensive income (FVTOCI)				
Government and state enterprise securities	-	4,938.1	-	4,938.1
Private debt securities	-	3,929.0	-	3,929.0
Equity securities	2,145.5	-	102.5	2,248.0
Unit trusts	1,586.9	189.9	-	1,776.8
Warrants	-	1.0	-	1.0

Unit : Million Baht				
Financial statements in which the equity method is applied and Separate financial statements				
As at December 31, 2023				
Fair value				
	Level 1	Level 2	Level 3	Total
<b>Financial assets for which fair value are disclosed</b>				
Cash and cash equivalents	857.7	-	-	857.7
Premium receivables	2,449.1	-	-	2,449.1
Accrued investment income	53.6	-	-	53.6
Amounts due from reinsurers	379.6	-	-	379.6
Investments measured at amortised cost				
Government and state enterprise securities	-	1,775.1	-	1,775.1
Private debt securities	-	399.8	-	399.8
Deposits at financial institutions	194.9	-	-	194.9
<b>Financial liabilities for which fair value are disclosed</b>				
Amounts due to reinsurers	3,779.4	-	-	3,779.4
Lease liabilities	-	-	138.1	138.1

Unit : Million Baht				
Financial statements in which the equity method is applied and Separate financial statements				
As at December 31, 2022				
Fair value				
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Investments at fair value through other comprehensive income (FVTOCI)				
Government and state enterprise securities	-	2,611.7	-	2,611.7
Private debt securities	-	3,582.1	-	3,582.1
Equity securities	1,985.0	-	110.9	2,095.9
Unit trusts	2,027.1	1,318.5	-	3,345.6
<b>Financial assets for which fair value are disclosed</b>				
Cash and cash equivalents	540.4	-	-	540.4
Premium receivables	2,651.8	-	-	2,651.8
Accrued investment income	45.1	-	-	45.1
Amounts due from reinsurers	506.2	-	-	506.2
Investments measured at amortised cost				
Government and state enterprise securities	-	2,271.3	-	2,271.3
Private debt securities	-	411.8	-	411.8
Deposits at financial institutions	350.5	-	-	350.5
Loans and interest receivables	-	-	0.1	0.1
<b>Financial liabilities for which fair value are disclosed</b>				
Amounts due to reinsurers	4,238.4	-	-	4,238.4
Lease liabilities	-	-	60.4	60.4

The method used for fair value measurement depends upon the characteristics of the financial assets and liabilities. The Company establishes the fair value of its financial instruments by adopting the following methods:

- a) The fair value of financial assets and liabilities having short-term maturity, which are cash and cash equivalents, short-term deposits at financial institutions, premium receivables, accrued investment income, amounts due from reinsurers and amount due to reinsurers are estimated to approximate their carrying values.

- b) Investments in debts securities (government and state enterprise securities and private debt securities), are generally derived by using the yield curve as announced by the Thai Bond Market Association.
- c) For investments in equity securities, are derived from quoted market price. Fair value of investments in unit trusts are derived from quoted market price or determined by using the net asset value as announced by the Stock Exchange of Thailand or asset management companies. For investment in non-marketable securities, are determined using valuation technique i.e. discounted cash flow analysis with discount rates equal to prevailing rate of return for similar securities and relevant risks.
- d) Fair value of loans and interest receivables is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and condition.
- e) Lease liabilities is estimated by discounting expected future cash flow by the interest rate with similar to the market rate.

Reconciliation of recurring fair value measurements categorised within level 3 of the fair value hierarchy of investments in equity securities are as follows:

	<b>Unit : Million Baht</b>
Balance as at January 1, 2023	110.9
Acquired during the year	-
Disposed during the year	-
Recognised loss into other comprehensive income	(8.4)
Balance as at December 31, 2023	<u>102.5</u>

### **33. CAPITAL MANAGEMENT**

The primary objectives of the Company's capital management are to ensure that it has an appropriate financial structure in order to continue its business as a going concern, provide returns to the shareholders or stakeholders and maintain the risk-based capital in accordance with Declaration of the OIC.

### **34. EVENTS AFTER THE REPORTING PERIOD**

On February 27, 2024, the Board of Directors' Meeting passed a resolution to propose to the Annual General Meeting of the Shareholders for approval dividends in respect of the operating results for the year 2023 at Baht 5.00 per share, amounting to a total dividend of Baht 295.00 million.

### **35. APPROVAL OF THE FINANCIAL STATEMENTS**

This financial statement was authorised for issuance by the Company's Board of Director on February 27, 2024.