

THAI GROUP
HOLDINGS

รายงานประจำปี 2564 / 56-1 One Report 2564

THAI GROUP HOLDINGS

2021 ANNUAL REPORT
บริษัท เครือไทย โฮลดิ้งส์ จำกัด (มหาชน)

Table of Contents

	Page
Part 1 Business Operation and Business Overview	
1. Group Business Structure and Business Overview	1
2. Risk Management	36
3. Sustainable business Development	41
4. Management Discussion and Analysis	48
5. General and other important information	57
Part 2 Management and Corporate Governance	
6. Corporate Governance Policy	59
7. Corporate Governance Structure	108
8. Internal control and Related Party Transaction	131
Part 3 Information Authentication	151
Attachment	
Attachment 1 Information of the Board of Directors, Executives, the person taking the highest responsibility in finance and accounting and Company Secretary	152
Attachment 2 Information of Directors from Subsidiary	180
Attachment 3 Information of Head of Internal Audit and Head of Compliance	185
Attachment 4 Operating Assets	185
Attachment 5 Corporate Governance Policy and Code of Conduct full versions	185
Attachment 6 Report of the Audit Committee, Report on the Board of Directors' Responsibilities for the Financial Statements and Financial Statement	186

Part 1 Business Operation and Performance

1. STRUCTURE AND OPERATION

1.1 Policy and Business Overview

(1) Purpose

To support our customers and their families to be happy and secure life through our efficiency financial innovation

(2) Vision

Leading ASEAN Financial Group through related business expansion in the year 2025

(3) Mission

Being your companion in providing financial and life solutions in purchasing your happiness

(4) 5-year Target and Strategies

A) Smart Growth: to focus on profitability by channel and product, balancing portfolio and introducing lending

B) Customer Experiences: to focus on Customer Centric Mindset for product and service development

C) Employee Experience: to provide the great working environment, opened culture, reskill and upskill

D) Digital Transformation: to digitize in order to drive customer experience, efficiency and productivity

E) Process Efficiency: to lean and digitize process, deploy RPA and effective KPIs

F) Organization Transformation: to focus on new operating model, build and enhance capability to be a right shape and right size

(5) Culture and values: ACTSD

- Accountability
- Companionship
- Trustworthiness
- Synergy
- Dynamic

History and Key Development in the past three-year (2019-2021)

Southeast was founded after World War II. the founders of Southeast made a resolution to set up a Thai insurance company to provide insurance care for Thai people in any situation. Southeast Insurance Company Limited was granted permission from the Thai government to be established on 9 July 1946, meaning Southeast had started its business. The significant events of the Company in the past three-year (2019-2021) are as follows:

Year	Milestone
2019	<ul style="list-style-type: none"> ▪ In July 2019, Thai Group Holdings Public Company Limited (the “Company”) began trading on the Stock Exchange of Thailand in place of Thai Insurance Public Company Limited (TIC). After the restructuring process, SEG became the holding company to support business expansion in accordance with the restructuring plan of TIC and Southeast Corporation Company Limited (formerly known as Southeast Company Limited). The Company will invest in the following core businesses: <ol style="list-style-type: none"> 1) Life Insurance Business through Southeast Life Insurance Company Limited (SELIC), the subsidiary company; the core business which generates a major source of income 2) Non-Life Insurance Business through Southeast Insurance Company Limited (SEIC) and Thai Insurance Public Company Limited (TIC), and 3) Leasing Business through Southeast Capital Company Limited (SECAP).
2020	<ul style="list-style-type: none"> ▪ In January, the Company established Southeast Money Company Limited “SEMONEY” (formerly known as SEG Capital Company Limited) which is engaged in the operation of credit services. The Company holds 100% of the shares in SEMONEY. ▪ In March, the Company established Southeast Money Retail Company Limited (formerly known as SEG Money Company Limited) which is engaged in the operation for consumers’ loan. The Company holds 100% of the shares through Southeast Money Company Limited. ▪ In May, Rod Dee Det Auto Company Limited (“RDD”) in which TGH holds 100% of the paid-up capital, made voluntary a tender offer in all share capital of Indara Insurance Public Company Limited (“INSURE”). ▪ In June, Sinn Bualuang Capital Company Limited (“SBC”) changed the company name to Pro Checker Company Limited and the company’s objective to surveyor business.

Year	Milestone
	<ul style="list-style-type: none"> ▪ In July, the Company established Sentric Consulting Company Limited (“Sentric”) which is engaged in the operation of data analytic consulting. The Company holds 69.99% of the shares in Sentric. ▪ In September, <ul style="list-style-type: none"> - In the 2020 Annual General Meeting of shareholders, there was the resolution for the Company regarding registered capital as follows: <ol style="list-style-type: none"> 1) To decrease the Company’s registered capital from Baht 7,536,401,860 to Baht 7,520,978,320 by eliminating the unissued ordinary shares which were not the ordinary shares reserved for rights totaling 1,542,354 shares at par value of Baht 10.00, and amended the Memorandum of Association of the Company. 2) To increase the Company’s registered capital from 7,520,978,320 baht to Baht 12,033,565,300 under the General Mandate allocation. The objective is to maintain the status as a public limited company in the Stock Exchange of Thailand (“SET”) with free float not less than 15%. - The Company has registered the change of the registered capital to Baht 12,033,565,300 with paid-up capital of Baht 7,520,978,320 divided to 752,097,832 ordinary shares. ● In October <ul style="list-style-type: none"> - Sinn Bauluang Leasing Company Limited changed the company name to Pro Garage Company Limited and amended the company’s objective to operation of garage management and spare parts distribution business. - The Company’s Board of Directors’ Meeting resolved to appoint Mr. Thakorn Piyapan as a Chief Executive Officer in replacement of Mr. Chotiphat Bijananda, effective from November 1, 2020. ▪ In November, the Company’s minority shareholders was 19.16% of its paid-up capital in accordance with the criteria of limited company defined by SET.
2021	<ul style="list-style-type: none"> ▪ In January, the Company changed the security symbol from SEG to TGH ▪ In March, the Company invest in the subsidiary, 100% owned by the Company, namely Thai Wellness Living Company Limited of which the objective is to operate property business and wellness mixed-use development for health by providing the whole life insurance.

Year	Milestone
	<ul style="list-style-type: none"> ▪ In April <ul style="list-style-type: none"> - In the 2021 Annual General Meeting of shareholders, there was the resolution for the Company regarding registered capital as follows: <ol style="list-style-type: none"> 1) To decrease the Company's registered capital from Baht 12,033,565,300 to Baht 7,520,978,320 by eliminating the unissued ordinary shares which were not the ordinary shares reserved for rights totaling 451,258,698 shares at par value of Baht 10.00, and amended the Memorandum of Association of the Company. 2) To increase the Company's registered capital from 7,520,978,320 baht to Baht 12,033,565,300 under the General Mandate allocation. 3) The Company has registered the change of the registered capital to Baht 12,033,565,300 with paid-up capital of Baht 7,520,978,320 divided to 752,097,832 ordinary shares. ▪ In July, the Company's subsidiary entered into the connected transaction in order to acquire shares of Me Innovation Service Company Limited, formerly known as Big C Services Company Limited ("MEIS"), from Big C Super Center Public Company Limited, the related party of the Company. As a result, MEIS became the Company's subsidiary of which hold 99.99% of its issued shares by the Company. MEIS's objective is to support both life and non-life insurance business. Moreover, MEIS holds 99.99% of total issued shares of Me Insurance Broker Company Limited, formerly named Big C Insurance Broker ("MEIB") ▪ In September, the Company entered into the connected transaction in order to deposit all of ordinary shares in TIC held by the Company to Watanasub Pattana 1 Company Limited. As a result, TIC has no longer be the subsidiary of the Company (the details are appeared in section 4; Management Discussion and Analysis) ▪ The Board of Directors' Meeting resolved to appoint Mr. Chotiphath Bijananda to be an acting Chief Executive Officer, effective from December 1, 2021.

Impact and the significant change from the spread of Coronavirus ("COVID-19") epidemic

The spread of COVID-19 including new pandemic and mutation of Omicron variant of Coronavirus has significant impact on the Group performance due mainly to the operating result of 2 core businesses namely Southeast Insurance Public Company Limited ("SEIC") and Thai Insurance Public Company Limited ("TIC") which have the Coronavirus-2019 (COVID-19) accidents and illness policies. This was from the Registrar's Order No. 38/2564 prohibiting the cancellation of the termination of the Covid insurance for non-life insurance companies, issued July 16, 2021.

In January 2022, the Company's Board of Directors' Meeting resolved to approve the non-life insurance business discontinuation, which is the best benefits for all relevant stakeholders.

At the present, SEIC has proceeded with its utmost effort in accordance with the rules, method, condition and timeline specified by the Office of Insurance Commission ("OIC"). SEIC transferred some insurance policies to Indara Insurance Public Company Limited ("INSURE"), one of the insurance companies endorsed by OIC and INSURE shall be the core insurance business of the Company.

The aforementioned details have been described in section 4; Management Discussion and Analysis

1.2 Nature of Business

The Thai Group Holdings Public Company Limited is an investment business. The Company has invested through various companies in three main businesses as follows:

- 1) Life Insurance Business through Southeast Life Insurance Public Company Limited (hereinafter referred to as "**SELIC**")
- 2) Non-life Insurance Business through Southeast Insurance Public Company Limited (hereinafter referred to as "**SEIC**"), Thai Insurance Public Company Limited (hereinafter referred to as "**TIC**") and Indara Insurance Public Company Limited (hereinafter referred to as "**INSURE**")
- 3) Leasing Business through Southeast Capital Public Company Limited (hereinafter referred to as "**SECAP**")

Revenue Structure of the Company According to the Combined Financial Statements

The main revenue structure of the company according to the combined financial statements of each business group can be divided in the proportion of total revenue of the company as follows:

Details	Financial Statements for the Year Ended					
	31 December 2021		31 December 2020		31 December 2019	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Income from Life Insurance Business	12,437.57	36.97	10,068.71	43.09	11,199.97	46.35
Income from Non-Life Insurance Business	16,881.12	50.18	8,932.12	38.23	9,146.47	37.85
Income from Leasing Business	4,760.65	14.15	4,211.67	18.02	3,583.23	14.83
Income from Other Business	(439.93)	(1.30)	153.71	0.66	233.04	0.97
Total	33,639.41	100.00	23,366.21	100.00	24,162.71	100.00

Nature of Products and Services

Our subsidiaries operate three main businesses as life insurance business, non-life insurance business and leasing business which are classified into product lines as follows:

Life Insurance Business

Nature of Products or Services

The Company operates life insurance business and we have invested in business as specified by the Office of the Insurance Commission. Our products can be classified into 3 types:

(1) Ordinary Life Insurance

It is individual life insurance where the sum assured depends on the ability of the individual premium payment. The coverage and period of premium payment depend on each type of insurance, for example, 5 years, 10 years, 15 years or until the insured reaches a certain age. There may be installments of premium payment annually, 6 months, 3 months, or monthly. For this type of life insurance, the insured will earn the main benefits as coverage and savings. Different types of ordinary life insurance have different ratios of coverage and savings benefits. However, ordinary life insurance has these following insurance forms:

(1.1) Whole Life Insurance

Life insurance that defines the insurance payment conditions to the beneficiary when the insured dies or to the insured when the insured is alive on the policy maturity date which is generally set as the date when the insured reaches 90 or 99 years of age. This is an ordinary life insurance that emphasizes the benefits of death coverage and has been very popular. Mostly, whole life insurance has a lifetime plan for premium payments but may sometimes reduce the premium payment period to meet the customer needs properly, for example, 15 years, 20 years or until the insured reaches the age of 60. The policy will have many forms to respond to the customer needs for the additional policy purchase attached to a whole life insurance policy, such as a policy for children under 15 years or people of working age, etc. This type of life insurance will have the main insurance policy attached with the additional, for example, a whole life policy attached with the additional cancer protection or serious disease plans.

(1.2) Term Insurance

Life insurance that defines the insurance payment conditions to the beneficiary during a certain period when the insured dies within the specified period on the insurance policy. Mostly, the coverage or policy period is 5 years to 15 years. This type of insurance has a distinctive feature at low premium rates.

(1.3) Endowment Insurance

Life insurance that defines the insurance payment conditions to the beneficiary during a certain period when the insured dies within the specified period on the insurance policy or to the insured when the insured is alive on the policy maturity date. This type of insurance may have premium payment options in various periods and increases the benefits refund during the policy period. It is an ordinary life insurance with increased savings benefits.

(1.4) Pension or Annuity Insurance

It is a regular income life insurance that is suitable for those who expect longevity and want to earn money after retirement. This is a life insurance to cover economic losses due to loss of income when getting older or after retirement. The life insurance company will pay the same amount of money on a regular basis to the insured every month or every year since the insured's retirement or the age of 55 years, 60 years or 65 years, etc., depending on the policy conditions. As for the payment period, it depends on the insured needs to choose purchasing. Highlight of this product group is savings benefits for a guaranteed income upon retirement and earning a regular pension plus death coverage before pension earned. If death occurs during the pension receiving, it will receive the remaining pension according to the guarantee. It is also possible to bring pension insurance premiums for personal income tax deductions in addition to general life insurance premiums as stipulated by law.

(2) Group Life Insurance

It is a life insurance that one policy will have 5 or more people insured together. Most of them are a group of company employees which is a benefit that companies, stores and organizations both the government and private sectors are providing to its employees or members. The principle is to consider the risks of all people in the group at the average rate whether it is age, gender, job function or the sum insured and it will be calculated as a single premium rate then will apply to every person in that group. Group life insurance has many lower expenses so this is a positive factor and contributes to the vast majority of overall premiums lower than individual life insurance. Typically, a group life insurance policy is a year-to-year contract which has to collect the premium every year except for a specially designed policy with only one time payment throughout the coverage period.

(3) Life Insurance and Credit Protection Insurance of Financial Institutions

This is life insurance developed by our Company to provide services for financial institutions or organizations. The purpose is to protect the risk of loans in the event of the borrower's death or disability (Credit Life Insurance) such as Mortgage Insurance policy. This type of insurance means a life insurance plan that covers death or death and total permanent disability within the insured period. Coverage is according to the sum assured that is reduced by installments.

Service Channels and Target Customers of the Life Insurance Business

(1) Sales and Distribution Channels

The Company's life insurance business is distributed through main various channels i.e. bank and financial institutions. The other channels are agency and brokers telesales and others channels respectively. Moreover, there are also spreading distribution channels to expand the customer base continuously. At present, we have distribution channels as follows:

- Life Insurance Agents and Brokers: the Company has recruiting agents to distribute life insurance policies to individuals. As of December 31, 2021; there are more than 4,000 individual representatives scattered in more than 30 agency offices and more than 50 branches across all regions including distribution channels as leading life insurance brokers.
- Banks and Financial Institutions: the Company cooperates with the banks and financial institutions to develop policy forms to meet the needs of the Bank's customers. Ratio of life insurance premium from banking channels is the number one channel to distribute the company's life insurance policies.
- Telephones: the Company sells life insurance policies through phone calls, known as "Telesales," where customer databases are gathered from various sources and marketed directly to customers via telephone calls.
- Others: in addition to distributing through the three channels mentioned above, the Company has also developed life insurance policy sales through other channels such as the Bank's website and application, etc. Furthermore, the Company has continuously developed online sales channels to support the digital era.

(2) Target Customers

Target customers of the Company's life insurance business can be divided into 2 types as follows:

- Natural person customers are individual customers. They can mostly be accessed through banking agents and the other channels including personnel in the TCC Group.
- Juristic person customers are corporate customers; government agencies, state enterprises and private companies.

Non-Life Insurance Business

Nature of Products or Services

The Company operates non-life insurance business and we have invested in business as specified by the Office of the Insurance Commission. Our products can be classified into 3 types:

(1) Motor Insurance can be classified into following 2 types:

(1.1) Compulsory Motor Insurance

Compulsory motor insurance is forced by the provisions of the law to protect against loss of life and physical injury of road victims.

(1.2) Voluntary Motor Insurance

Motor Insurance that is executed voluntary by the car owner, car occupant without being forced by the provisions of the law. Coverage can be divided into 5 types as follows:

Type 1 : Covers damage to the car plus car attachments including injury and loss of life as well as legal liability for death, injury or property damage to third parties.

Type 2 : Covers only the car loss or fire including legal liability for death, injury or property damage to third parties.

Type 3 : Covers only legal liability for death, injury or property damage to third parties.

Type 4 : Covers only legal liability against the property of third parties.

Type 5 : Covers the car loss or fire as well as damage to the vehicle due to collision with land vehicles including legal liability for death, injury or property damage to third parties.

(2) Property Casualty and Marine Insurance could be classified into 3 types:

(2.1) Property Insurance

(2.1.1) Fire Insurance covers damage to the buildings arising from fire, lightning or gas explosion used for lighting or household. Moreover, this insurance also covers damage arising from the additional extra perils such as windstorms, vehicle accidents, smoke, water hazards, wetting, electrical hazards, threats from electrical appliances, explosive disasters, riots, strikes and other perils.

(2.1.2) All Risks Insurance covers physical damage to the insured property caused by any accidents that are not specified in the policy exception, for example, fire, lightning, smoke, explosion, water hazards, hit by vehicles or aircrafts including objects dropped from aircrafts, riots, strikes, acts of vandalism, acts of malicious intent and natural disasters such as winds, hail, floods, earthquakes, forest fires and other accidents that are not specified in the policy exception.

(2.2) Miscellaneous Insurance is a type of insurance apart from car insurance, property insurance, marine and transportation insurance, which can be divided as follows:

(2.2.1) Burglary Insurance covers loss or damage to the insured property arising from theft by third parties and damage to the building where the insured property is stored.

(2.2.2) Plate Glass Insurance covers breakage of plate glass caused by any accident those are not specified in the policy exception, for example, office glass, show room glass, door glass.

(2.2.3) Money Insurance covers loss of cash, checks, bonds, money orders or other assets from theft, burglary and money robbery from the safe / vault at the insured's place or during transportation, including damage to the insured's safe or vault.

(2.2.4) Neon Sign and Sign Board Insurance covers damage to the neon sign and sign board arising from fire, lightning, explosion, burglary or accidents caused by outside forces including liability to third parties.

Insurance that provides coverage for engineering work such as:

(2.2.5) Contractor's All Risk Insurance is insurance for all risks of work under the contractor's employment. It covers damage to the construction work from natural disasters, fire, explosion, negligence, loss of construction materials and other accidents during construction or maintenance periods. This coverage extends to include legal liability to third parties due to the construction work.

(2.2.6) Erection All Risk Insurance covers damage to the machines that are being installed or those arising from natural disasters, fire, explosion, negligence and other accidents. This coverage extends to include legal liability to third parties due to the machine installation.

(2.2.7) Boiler and Pressure Vessel Insurance covers damage to the boilers caused by explosion, collapsing, flattening from internal compression or external pressure. This coverage extends to include legal liability to third parties.

(2.2.8) Electronic Equipment Insurance covers damage to the electronic equipment, electronic components and record information devices arising from sudden accidents. This also covers the additional expenses incurred by the use of other electronic equipment to replace the damaged one.

(2.2.9) Contractors' Plant and Equipment Insurance covers the contractor's machines including standard accessories from the fire, external explosion, sparks or lightning, accidents from collision or overturned caused by mechanical malfunction and theft.

(2.2.10) Machinery Breakdown Insurance covers sudden damage to the machines, parts or any section of the machines from the use of incomplete quality

materials, mistake of designing, lack of installation expertise, manufacturer's defect, short circuit and explosion.

Insurance that provides coverage for legal liability such as:

(2.2.11) Public Liability Insurance covers legal liability of the Insured against loss of life, injury or property of third parties who are not employed or who are the insured's family members; caused by an accident from the insured's negligence.

(2.2.12) Directors' and Officers' Liability Insurance covers financial damage and legal defense expenses arising from the legal liability of directors and executive officers from mishandling management, for example, offense to the assigned duties, negligence, declare misinformation to the public.

(2.2.13) Workmen's Compensation Insurance covers the employer's legal liability for workers' compensation. When the employee has an accident whether performing his/her duties or not, the employee will be compensated according to the rights established by the Labor Law, such as medical expenses, compensation for dismemberment, loss of life, etc.

Insurance that provides coverage for other perils such as:

(2.2.14) Fidelity Guarantee Insurance compensates for financial losses incurred to the employer from dishonest employee or embezzlement of the employer's funds or financial instruments.

(2.2.15) Bail Bond Insurance covers the criminal case that the insured is prosecuted and detained due to negligence divided into before and after the offenses.

(2.2.16) Golfer's Indemnity Insurance covers physical injury of the insured including death, disability and dismemberment, third parties liability, golf equipment and making hole-in-one.

Other Insurance besides the various types of insurance mentioned above, the Company may also provide or maneuver other types of insurance to keep up with social change, economic conditions and diverse needs of the people.

(2.3) Marine and Transportation Insurance covers damage to the cargo and/or the ship from the origin to destination according to each type of coverage conditions

(3) Accident and Health Insurance

(3.1) Accident insurance for Individuals and groups provides coverage for the insured with an accident resulting in physical injury according to the standard insurance policy. These types of insurance provide coverage for death benefits; loss of organs, eyesight, hearing, speech or disability benefits; medical treatment benefits; hospital confinement benefits; public accident benefits and expanding coverage such as driving or traveling on a motorcycle, dangerous competitive sporting, etc. The

Company has a variety of products that meet the needs of customers with appropriate premiums and insurance plans for both individuals and groups.

(3.2) Travel insurance provides coverage for the insured in the loss of life, dismemberment, total permanent disability or injury requiring medical treatment due to an accident or sudden illness while traveling whether inside or outside of Thailand according to the specified route and date. There are both travel coverage and annual coverage. It also offers a wider range of coverage, such as luggage loss or damage, luggage delay, trip curtailment, travel delay, etc. The coverage and premium depend on the insurance plan that the customer chooses to purchase.

(3.3) Health insurance provides coverage for medical expenses due to illness or accident with both types of products in the actual package and the limiting package to each benefit. It provides coverage for hospitalization or medical treatment (hereinafter referred to as IPD: In-Patient Department) and additional outpatient coverage (hereinafter referred to as OPD: Out-Patient Department) as an option that customers can purchase. The insured does not have to pay expenses in advance if hospitalization is in the Company's partner hospitals. The health insurance products are available both individual and group. There are also cancer insurance products. The premium depends on the age of the insured and the selected sum insured.

Re-insurance

The Board of Directors has approved the establishment of Re-insurance Management Framework in accordance with the criteria and requirements of the Office of the Insurance Commission to ensure that each type of re-insurance contract structure is suitable for business operations. In addition, the mentioned contract structure can diversify risks at an acceptable level and sufficient to fund maintaining them without any impact on the Company's financial status. The types of reinsurance details are as following:

- Outward Treaty Re-insurance is a contract that re-insurers trust and give the rights in allocating work to re-insurance companies under the terms of the re-insurance contract. However, the Company has 2 types of insurance contracts which are Proportional Treaty and Non-Proportional Treaty.
- Outward Facultative Re-insurance is a re-insurance on an individual basis. The re-insurance company has the rights in selecting work, which can accept or reject as well. The re-insurance management considers the catastrophe risk management to support large-scale disasters or natural disasters that cause widespread damage. However, concentration risk of re-insurers and the selection of re-insurers' qualifications will determine the scopes of acceptability work in an appropriate ratio. It considers the financial status rating and also reviewing of each re-insurer during the policy year. If the re-insurer lacks the qualifications as specified during the policy year, the Company has set solutions to support the mentioned situation as well.

Service Channels and Target Customers of the Insurance Business

Non-life Insurance

(1) Non-life insurance business has distribution channels as follows:

The non-life insurance business has sales channels through insurance agents and brokers, bank and financial institutions, telephones, as well as the Company's network in the TCC group, etc. Furthermore, there are also sales channels through the Company's website as well as online channels, which can increase the competitive potentials in the digital era.

Re-insurance: The Company has the ability of taking on re-insurance from the Ceding Company. This enables the Company to earn revenues from taking on re-insurance from the other insurance companies.

(2) Target Customers

- Natural person customers are individual customers. They can mostly be accessed through agents and brokers, banks and financial institutions including other channels like personnel in the TCC Group.
- Juristic person customers are corporate customers like government agencies, state enterprises and private companies including SECAP and others in the TCC Group.

Leasing Business

The Company operates a leasing business with mainly focus on providing assets for corporate entrepreneurs in the leasing form through the Southeast Capital Company Limited (hereinafter referred to as "SECAP"). The leasing business is a type of property rental service where the tenants agree to enter into a property lease agreement and pay the property rental on a periodic basis. The products of SECAP are as follows:

(1) Operating Lease

SECAP mainly focuses on an operating lease for vehicle assets with long-term lease to government agencies, state enterprises and private companies including companies in the Thai Charoen Corporation Group or the TCC Group. Rental car services come with maintenance service, first class insurance, annual motor-vehicle tax paid and vehicle replacement service when the rental vehicle unavailable throughout the rental period. As of December 31, 2021; SECAP has more than 22,000 cars for rental. In addition, SECAP also provides consulting and vehicle management services for businesses and agencies.

The car rental business can be classified into 2 types: Short-term car rental, which has a service period of less than 1 year and Long-term car rental or operating lease, which has a service period of 1 year or more. Majority of the SECAP leasing business are operating Leases.

Tenants and businesses will benefit from operating leasing in various forms of financial and management purposes, such as decreasing their cash outflow burden and increasing their financial planning capability through fixed rental installments; reducing costs of vehicle repair, maintenance and insurance; reducing the risk of changing needs in vehicle; and simplify the property management complex, etc.

Furthermore, the leasing business group also sells used cars through the Rod Dee Det Auto Co., Ltd. (“RDD”), which is an approach used to manage its vehicle fleet and increase its revenue from the non-operating assets. The RDD either purchases used car from the operating lease or from the SECAP and sells them through different channels, such as auctions, pre-owned car showrooms or sell them back to the original leasing company, etc. The RDD would purchase cars from the SECAP and sell them at market price, which enables the business group to have the liquidity and the cash inflow that can be used to purchase additional vehicles that are modern and can better respond to the needs of its customers.

In addition to the operating car rental business, SECAP, SEM and SEMR also have wide range plans to expand its lending business to both auto and non-auto-related businesses as follows:

(2) New Car Hire Purchase

For customers who want to own a car with flexible terms and conditions, it gives more options to customers’ monthly hire purchase that is suitable for their income.

(3) Used Car Hire Purchase

For customers who need to buy used cars with cheaper prices than new cars by installments. This is an alternative cost saving option.

(4) Cash for Your Car

For customers who have an urgent need for cash. It allows using customers’ cars as collateral assets for taking loans with a fast approval period and flexible terms.

(5) Revolving Loan

This is a short-term loan that is given to business customers who have short-term cash needs. The customers will manage their capitals flexibly and efficiently, especially in the high season of businesses where cash is needed to prepare products and services for sale such as: inventory reserve increases during the season with high demand for food and beverages. SECAP will charge interests on short-term loans. Currently, the company has focused on providing this credit type to trading partners of companies in the TCC Group including beverage dealers of the Thai Beverage Public Company Limited.

(6) Factoring Loan

It provides another type of credit to the vendors of products and services including the trading partners of companies in the TCC Group for liquidity and circulating fund management. The creditor accepts the right to receive payments from trade and service receivables and make payments for goods or services in whole or in part to the vendor prior to the due date for goods and services payment. SECAP will charge interests on advance payments including fees for receivable operation and management. Trade accounts receivable will settle directly to SECAP when the account receivable payment is due.

(7) Project Finance

Project loans are project-focused loans with consistent cash flow for debt repayment. The project's cash flow is often used as collateral so it must be a project with high stability but low volatility in income, expense and cash flow. There is a clear and definite purchaser of products and services from such project and suppliers of raw materials, for example, utility projects like power generation projects with consistent income and cash flow including clear purchaser of electricity. At present, the company focuses on granting credit to projects in collaboration with companies in the TCC Group.

(8) Others Loan

This is a loan focused on retail customers or business partners, such as car inspection garages or companies in the TCC Group and franchisee of companies in the TCC Group. It is a personal loan to expand a complete range of financial services providing to a wider range of customers and support the retail customers and business partners of the TCC Group more liquidity and business potential. The company has established Southeast Money Retail Company Limited (formerly known as SEG Money Company Limited) to operate the unsecured personal loan business.

In addition to provide fleet management and increase income from idle assets, the leasing business group also sells used cars through Rod Dee Det Auto Company Limited (hereinafter referred to as "RDD"). RDD procures expired cars for operating leases or used cars from SECAP then sells them through various channels such as auctions, second hand car showrooms or original tenants, etc. RDD purchases cars from SECAP then sells them at market prices. These allow the business group to generate liquidity and cash inflow to provide additional modern vehicles and meet more the customer needs.

Service Channels and Target Customers**(1) Sales and Distribution Channels****Leasing Business**

Leasing Business focuses on sales by reaching customers directly through the company's sales staff who will study the needs of different groups of customers and represent services to each customer directly in order to best meet the customer's needs. SECAP's main distribution channel is the employees and sales representatives. RDD sells used cars through auctions, second hand car showrooms and original tenants.

Lending Business

For customers of trading partner groups and juristic persons, the Company focuses on direct customer sales through sale officers of the Company. The requirements of different customer groups will be studied and the service will be directly offered to each customer group, which includes cooperation with the Company's agencies in the TCC group in publicizing the loan service to the trading partners, employees, etc. The Company is in the process of developing its online system and applications, which will be another service channel.

(2) Target Customers

Leasing Business

The customer group of the operating car rental business are corporate customers that can be divided into 3 types as follows:

- Government organizations, including government agencies and state enterprises. A wide variety of cars such as passenger cars, vans, pickups, etc. are rented for personnel traveling purposes.
- Private organizations, including general private companies. A wide variety of cars are rented for different purposes. Passenger cars, vans and luxury cars are rented for traveling purposes by the company's employees and executives. Pickups and trucks are rented for transporting products.
- The Company's networks, including companies under the TCC Group have various purposes of car rental as well as general private organizations.

Lending Business

For the customer group of the lending businesses, SECAP is currently focusing on sales to personnel and business partners of various companies under the TCC group and it has a tendency to expand the granting of loans to other persons.

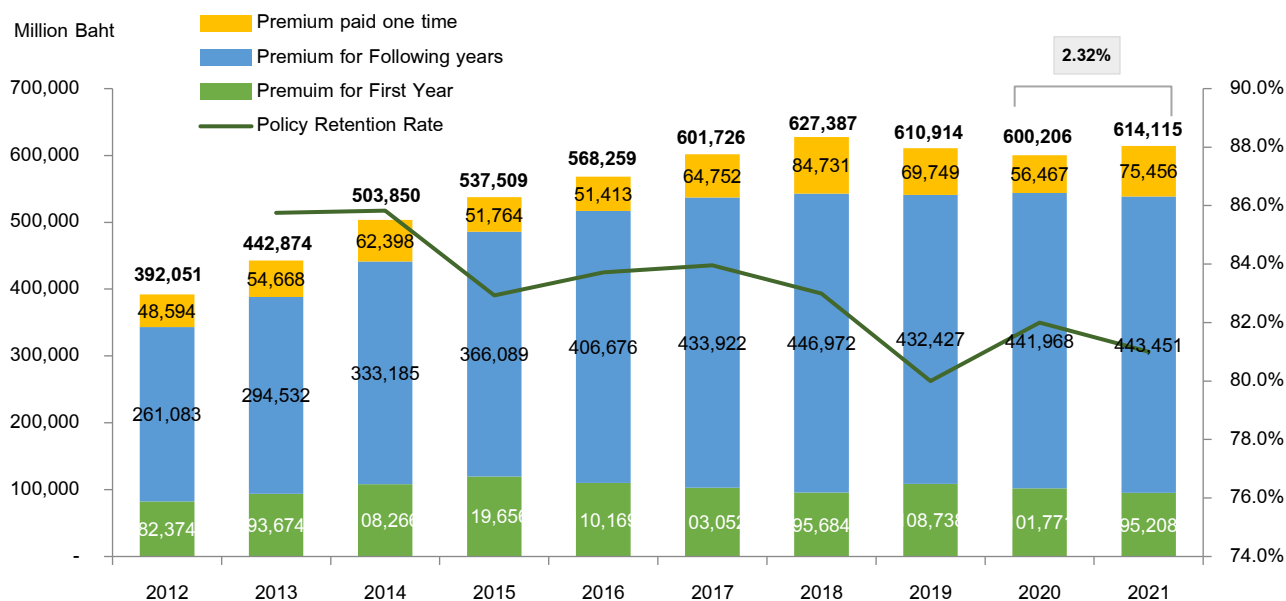
Marketing and Competition

Overview of the Thai Life Insurance Business in 2021

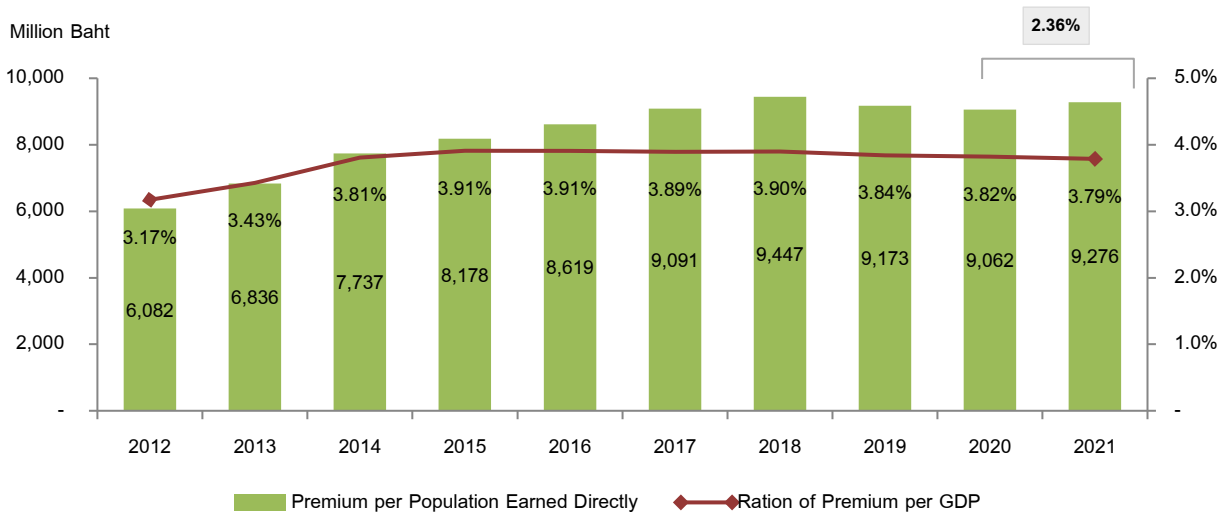
In 2021, the Thai life insurance business has achieved better growth trends than in the previous year, as the business has recovered and adjusted to the COVID-19 pandemic crisis. The COVID-19 pandemic situation has widely affected the economic system and as a result, people has come to realize the importance of financial planning. Products which combine life insurance with investment or Unit-Linked/Universal Life have become highly popular as the interest rate has declined significantly. This is due to the flexibility of the product as well as its ability to respond to the needs of the insurers, both in terms of the return on the investment and the protection coverage provided by the life insurance. In addition, life insurance products with additional healthcare and critical illness insurance also have a high growth rate as people start to become more aware and place greater importance to healthcare risk management as well as the tendency of the rising medical care costs on an annual basis. As Thailand is becoming an aging society, this results in making the pension plan life insurance product to be another type of insurance policy that achieves a high growth rate. However, the life insurance business sector still faces several challenging factors. For example, it has to adjust its sales format to a digital channel, and provide services, which include after-sales service through an online system. All of these have to be developed in order for the business to conform to the quick changes and provide an alternative approach to thoroughly respond to the needs of the customers.

In 2021, the life insurance business has obtained a total earned life insurance premium in the amount of 614,116 million baht, which is a growth rate of 2.32% when compared with the previous year and a Renewal Year Premium in the amount of 443,451 million baht. The business also has a persistency ratio of the life insurance policy of 81%, which is equivalent to a ratio of life insurance premium to GDP (Insurance Penetration Rate) of 3.79% and a ratio of direct earned premium to population (Insurance Density) of 9,276 baht per person, with a growth rate of 2.36% when compared with the previous year.

Life Insurance Premium



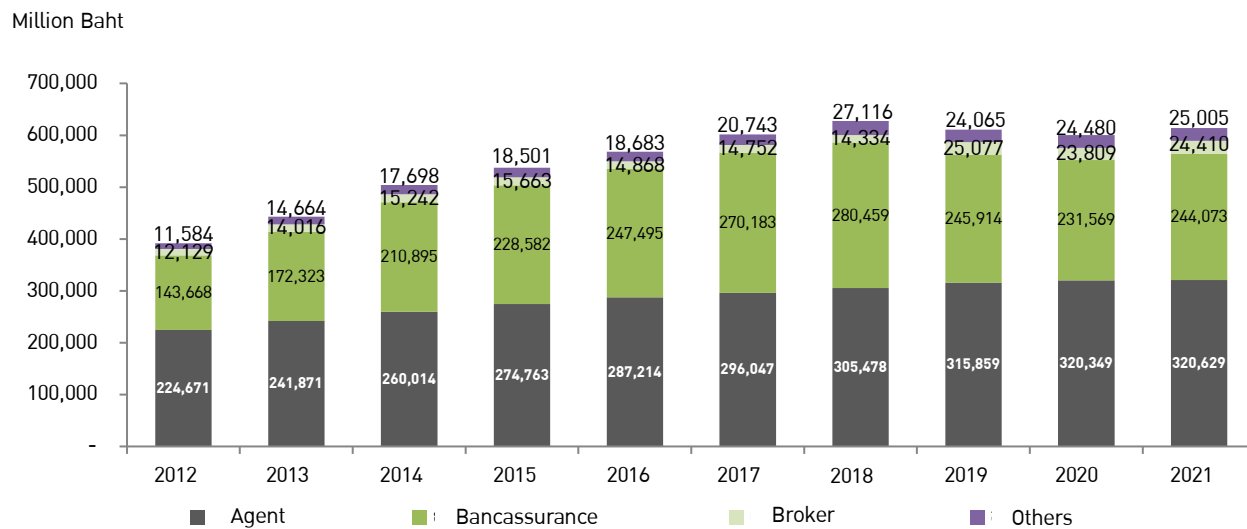
Life Insurance Premium per Population and GDP



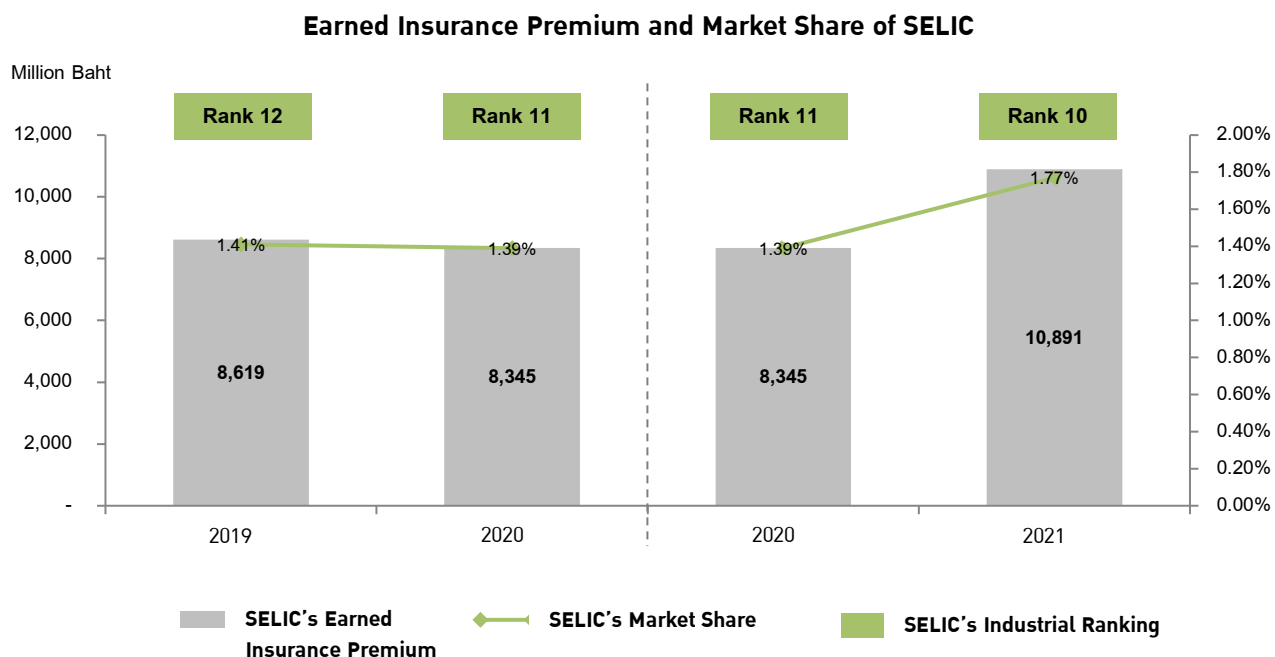
Source: The Office of Insurance Commission (OIC)

Regarding the sales channels, an agency is still the main and an important channel in selling life insurance products. As of December 2021, the sales proportion through the agency channel ranks number one, accounting for 52.21%, with the total earned life insurance premium of 320,629 million baht, which shows a declined in the growth rate of 0.09%. The second ranking sales channel is through Banks (Bancassurance), with the sales proportion of 39.74%, and the total earned life insurance premium of 244,073 million baht, which is a growth of 5.40%. The third ranking sales channel is through brokers, with a sales proportion of 3.97% and the total earned life insurance premium of 24,410 million baht, which is a growth of 2.52%. The other sales channel accounts for a sales proportion of 4.07%, with the total earned life insurance premium of 25,005 million baht and a growth of 2.14%, respectively.

Life Insurance Premium as Classified by Sales Channels



Source: The Thai Life Assurance Association



Source : The Thai Life Assurance Association

In 2021, the Southeast Insurance has a total earned insurance premium of 10,891 million baht, which accounts for a market share of 1.77 % of the total earned insurance premium of the industry. Industrial ranking of the Southeast Insurance also improved to the rank of 10, with a growth rate of 30.51 % when compared with the previous year.

■ Marketing Policy

In 2021, the Company had to adjust its product marketing strategy due to the external economic factors, a decline in the interest rate and another wave of the COVID-19 pandemic situation. The Company reduced the sales proportion of its life insurance products, which relies on the interest rate, in order to reduce the risk. The Company also focused on sales of healthcare insurance products, as well as advertisement and sales publicity via every online social media platform, in order to increase the marketing opportunity of the digital channel.

In addition, the Company also uses information about the customers and the Sales Department obtained from the Data Analytics in the design of the products, in order to offer products that meet the needs of the customers and are consistent with the specialization of the Sales Department in different sales channels (Propensity model), as well as to organize a customized marketing campaign for each target group. Each sales channel adjusts its strategy in offering the product to meet the needs of each individual customer and to be consistent with the rhythm of life or the human thought process. The strategy adjustments are conducted by using information in the marketing analysis and marketing service, as well as developing direct connecting services thoroughly with all customers via the bank LINE (B2C) and the digital partner LINE (B2B2C).

Industrial Trend and Future Competitive Conditions

In 2022, the Ministry of Finance and the Bank of Thailand assess that the economic trend will expand at the growth rate of 3.4%-4%. This assessment has already taken into account the severe impact of the Omicron COVID-19 pandemic.

Based on the afore-mentioned estimation of the economic expansion, the Company predicts that in 2022, the trend of the life insurance business may have the same growth rate as that of 2021 or slightly higher. This is because the Thai people have adjusted to the New Normal, as well as given importance and recognized more benefits of health and life insurance. In addition, the government sector has issued several economic stimulus measures in order to maintain the stability of the business sector. At the same time, life insurance industry still has higher stability and security than the insurance industrial sector, which is greatly affected from having provided the COVID-19 insurance in the past.

Regarding the competitive market conditions of the life insurance business, it is expected that there will be higher competition in the health insurance market and mortgage loan insurance as a result of the expansion of the credit business. However, there is still the vast marketing opportunity in the life insurance business because the persistency rate of life insurance policy of the Thai people is still lower than 40% when compared to that of the other countries in the ASEAN, which have persistency rates of more than 100%. In addition to having higher competition in the health insurance market, another market which also has high continuous growth rate is the insurance combined with investment product. The Company recognizes the marketing opportunity in this market and has started to form a strategy and prepared its readiness in different areas in order to offer insurance coupled with investment products to the market in 2023.

Overview of the Non-Life Insurance Business

As of the end of December 2021, the non-life insurance business has a direct earned insurance premium in the total amount of 265,849 million bath, which is an increase of 5.2%. This is because people purchased more insurance related to the COVID-19 in the categories of health and accident insurance, property insurance and marine insurance. This can be classified as the automobile insurance premium of 149,544 million baht, which is an increase of 2.1%, the miscellaneous insurance premium in the amount of 99,509 million bath, which is an increase of 9.40%, the fire insurance premium of 10,477 million baht, which is an increase of 3.5% and the marine insurance premium of 6,320 million baht, which is an increase of 19.6%.

Overview of Finance Business

Leasing Business

Overview of the automobile market in 2021, the domestic sales of automobiles has continuously contracted from the previous year. It is expected that the domestic automobile sales will be at 760,000 cars or there will a contraction of automobile sales of 4% from that of the previous year. This is due to the fact that since April 2021, the general business sector has been affected from the new wave (3rd wave) of the COVID-19 pandemic. The number of infected persons has greatly increased to thousands per day, which is more severe than previously. The government sector has issued several measures to strictly control the social and commercial activities in many areas causing the overall economic activities in the country to slow down.

Even though in 2021, the automobile sales may have decreased significantly due to the COVID-19 pandemic situation and several measures of the government sector which limit the economic activities, regarding the trend of the Thai automobile industry in 2022, there still exists the possibility that the COVID-19 would have impacts on the economy and the automobile sector, but there is confidence that the market will slowly improve little by little. At the same time, there will also be a recovery in the overall total economic sectors, as well as people would have learned to live safely with the COVID-19 situation. The shortage problem of component parts for production would be slowly resolved, leading to an expectation that the automobile sales in 2022 would be at 860,000 cars or an increase of 13.3% when compared to the previous year.

As for the operating lease business of automobiles, its overview would be a slowdown in the same direction as the economic condition, which is affected from the COVID-19 pandemic. Its overview can be summarized as follows: (1) the overall demand of operating lease market has slowed down, and (2) the high competition among entrepreneurs, it is found that there are more competitions among large and small entrepreneurs by using an extreme pricing strategy. However, with the strength of integrated and comprehensive services provided, this enables the Company to maintain the customer base of big customers such as government agencies, state enterprises, private companies, as well as subsidiaries in the TCC company group.

As for the used car industry condition (second-hand car market), during the first half of 2021, there is a recovery, particularly in pricing, however, there are still risks from the effects of the 3rd wave of the COVID-19 in the 3rd quarter. It is expected that the annual sales of used cars will recover and have a growth of 1.7% from the previous year, which is a growth of 6% when compared with the previous year. This is a result of many important driving factors such as users have health-related concerns (an increase in the demand of using private cars in place of public transportation), the used car market is an exchange market for vehicle users to be able to adjust, upgrade or change the type of the vehicle according to the needs that can change according to different ages (Life cycle) without having to rely on a big sum of cash or loan and the shortage problem of important component parts in the vehicle production causing the number of new car produced not to be according to plan.

Date Source: Information is based on information from the automobile industry group, the Federation of Thai Industries, Toyota, and Reviews from TTB Analytic / Kiatnakin Phatra Research Center

Lending Business

The lending business is another business which is directly affected by the new wave (3rd wave) of COVID-19 pandemic in which the number of infected person has risen to thousands cases per day. The government sector has issued several measures to strictly control the social and commercial activities in many areas, which causes the overall economic activities of the country to slow down. The afore-mentioned measures have direct impact on the lending business, both in term of the overall demand and the loan quality.

The Bank of Thailand has requested for cooperation from the entrepreneurs, such as providing assistance measures to debtors and relaxing the loan classification criteria, in order to provide relief for the afore-mentioned impact, as well as provide assistance to the debtors and support the credit demand to help encourage the economic recovery in the following period.

However, in 2021 the overall growth of the commercial bank loan expanded at the rate of 6.5%, which is an increase from the same period of the previous year in 2020, which has a growth rate of 5.1%. The bank loan continues to expand even with the deduction of loan performance given to the government sector and the financial assistance measures. The growth of commercial bank lending can be considered according to the types of loans with details as follows:

- 1) Business Loans** expanded at the rate of 7.9% when compared to that of the previous year. Large business loans expanded in almost every type of business reflecting the capital demand of the business sector, which is a result of the economic recovery. At the same time, loans given to the government sector continued to increase. SMEs business loans continued to expand, which are mainly due to the loan recovery measures.
- 2) Consumer Loans** expanded at a similar rate to that of the previous year at 4%. The expansion of credit card loans is consistent with the economic activities that gradually recovered. Personal loans expanded continuously according to the liquidity demands of the household. Car loans are stable and consistent with the conditions of the domestic car sales that have not yet recovered. Home loans expanded at a declining rate, which is consistent with the decrease in the housing demand from the previous year.

Regarding the loan quality of the commercial bank system in 2021, its overview remained stable from the previous year. This is mainly due to the debt restructuring and the assistance measures provided to debtors. The balance of Non-Performing Loans (NPL or stage 3) slightly increased to the amount of 530.7 billion baht, which is equivalent to a NPL ratio of 2.98%. The significant increase in credit risk (SICR or stage 2) is at 6.39%, which is a slight decline from the rate of 6.62% of the previous year.

The Company (SEM and SEMR) focuses on providing loans to the trading partners and the employees of the subsidiaries of the TCC company group, including the projects that are jointly operated with the subsidiaries of the TCC company group. Public relations of loan services provided to the trading partners and employees are carried out based on cooperation of the agencies of the companies in the TCC group. Products are designed with terms and details that motivate trading partners and employees to apply for the loan services and manage risks to be at an appropriate level.

Data source: Based on Information from the Bank of Thailand

1.3 Procurement of Products or Services

Sources of Fund

The Company's life insurance business has two main sources of funds as its paid-up capital. Primary operating cash flow is earned premium income and investment income.

The Company's non-life insurance business has two main sources of fund as its paid-up capital. Primary operating cash flow is earned premium income and investment income.

The Company's leasing business has three main sources of funds as its paid-up capital. Cash flow is from main operations and loans.

Operating Assets

As at 31 December 2021 the detail and net book valued for the operating assets as the financial statement that it was showed as follow

Detail	Net book valued (Million Baht)			Ownership	Obligation
	31 Dec 21	31 Dec 20	31 Dec 19		
Land	2,741.25	2,811.65	2,658.83	Owned asset	No obligation
Building	549.85	580.34	605.73	Owned asset	No obligation
Furniture, fixture and office equipment	42.89	68.20	79.88	Detail as table 4.1.1.3	Detail as table 4.1.1.3
Vehicle	254.69	278.83	256.48	Detail as table 4.1.2	Detail as table 4.1.2
Assets held for operating lease	11,770.30	11,989.85	12,619.61	Detail as table 4.1.2	Detail as table 4.1.2
Assets under installation	83.94	5.03	0.16	Owned asset	No obligation
Total	15,442.91	15,733.89	16,220.69		

Fixed assets as follow

(1) Land Building and Furniture, fixture and office equipment

- Land

Location	Area size (Rai-Ngan-Wa)	Objective	Net book valued (Million Baht)			Ownership	Obligation
			31 Dec 21	31 Dec 20	31 Dec 19		
Silom road, Bangruk, Bangkok	1-6-34	Head office and parking building	2,021.45	2,021.45	2,021.45	Owned asset	No obligation
Sri Ayudhaya road, Phyathai, Bangkok	0-1-68	Head office	93.14	93.14	20.28		
Branch of Life and Non-life insurance	totalling 56 locations	Branch of Life and Non-life insurance	475.95	546.35	471.30		

Location	Area size (Rai-Ngan-Wa)	Objective	Net book valued (Million Baht)			Ownership	Obligation
			31 Dec 21	31 Dec 20	31 Dec 19		
Bang Phi Yai, Bang Phi, Samutprakarn	totalling 2 locations, area 5 - 4 - 54	Office and parking for assets held for operating lease	127.61	127.61	122.70		
18/27-28, Sukhumvit road, Rayong 21000	85 square wa	Branch of Non-life insurance	12.08	12.08	12.08		
355/15-16 Mittrapab road, Khon Khen 40000	40 square wa	Branch of Non-life insurance	11.02	11.02	11.02		
Total			2,741.25	2,811.65	2,658.83		

- Building

Detail	Objective	Net book valued (Million Baht)			Ownership	Obligation
		31 Dec 21	31 Dec 20	31 Dec 19		
Silom road, Bangruk, Bangkok	Head office and parking building	348.29	359.34	370.40	Owned asset	No obligation
Sri Ayudhaya road, Phayathai, Bangkok	Head office	7.37	14.15	7.59	Owned asset	No obligation
Branch of Life and Non-life insurance totalling 56 locations	Branch of Life and Non-life insurance	194.19	206.85	227.74	Owned asset	No obligation
Total		549.85	580.34	605.73		

- Furniture, fixture and office equipment

Detail	Objective	Net book valued (Million Baht)			Ownership	Obligation
		31 Dec 21	31 Dec 20	31 Dec 19		
Furniture, fixture and office equipment	For operation	42.44	67.74	79.29	Owned asset	No obligation
Furniture, fixture and office equipment	For operation	0.45	0.46	0.59	Assets under finance leases	No obligation
Total		42.89	68.20	79.88		

(2) Rental and services agreements
- Assets held for operating lease

Detail	Objective	Net book valued (Million Baht)			Ownership	Obligation
		31 Dec 21	31 Dec 20	31 Dec 19		
Assets held for operating lease	For operating lease	11,182.22	11,395.85	12,051.04	Owned asset	Partially are collateral for long-term loans from financial institutions
Assets held for operating lease	For operating lease	588.08	594.00	568.57	Assets under finance leases	Assets under finance leases
Total		1,770.30	11,989.85	12,619.61		

- Vehicle

Detail	Objective	Net book valued (Million Baht)			Ownership	Obligation
		31 Dec 21	31 Dec 20	31 Dec 19		
Vehicle	For operation	254.55	256.94	253.50	Owned asset	No obligation
Vehicle	For operation	0.13	21.89	2.98	Assets under finance leases	No obligation
Total		254.68	278.83	256.48		

- Assets under installation


Detail	Objective	Net book valued (Million Baht)			Ownership	Obligation
		31 Dec 21	31 Dec 20	31 Dec 19		
Assets under installation	For operation	83.94	5.03	0.16	Owned asset	No obligation

(3) Intangible assets

- Software license

Detail	Objective	Net book valued (Million Baht)			Ownership	Obligation
		31 Dec 21	31 Dec 20	31 Dec 19		
Software license	For operation	258.26	288.63	302.33	Owned asset	No obligation
Software under implementation	For operation	57.91	120.07	108.23	Owned asset	No obligation
Total		316.17	408.70	410.56		

For business operation, the company has created a logo which has been registered trademark symbol by the Ministry of Commerce on April 4, 2018 as follows:

Trademark	for
	<p>Thai Group Holdings Public Company Limited by Southeast Life Insurance Public Company Limited, Southeast Insurance Public Company Limited and Southeast Capital Company Limited also sharing this trademark.</p>

Investment in Subsidiaries

Investment Policy of Subsidiaries

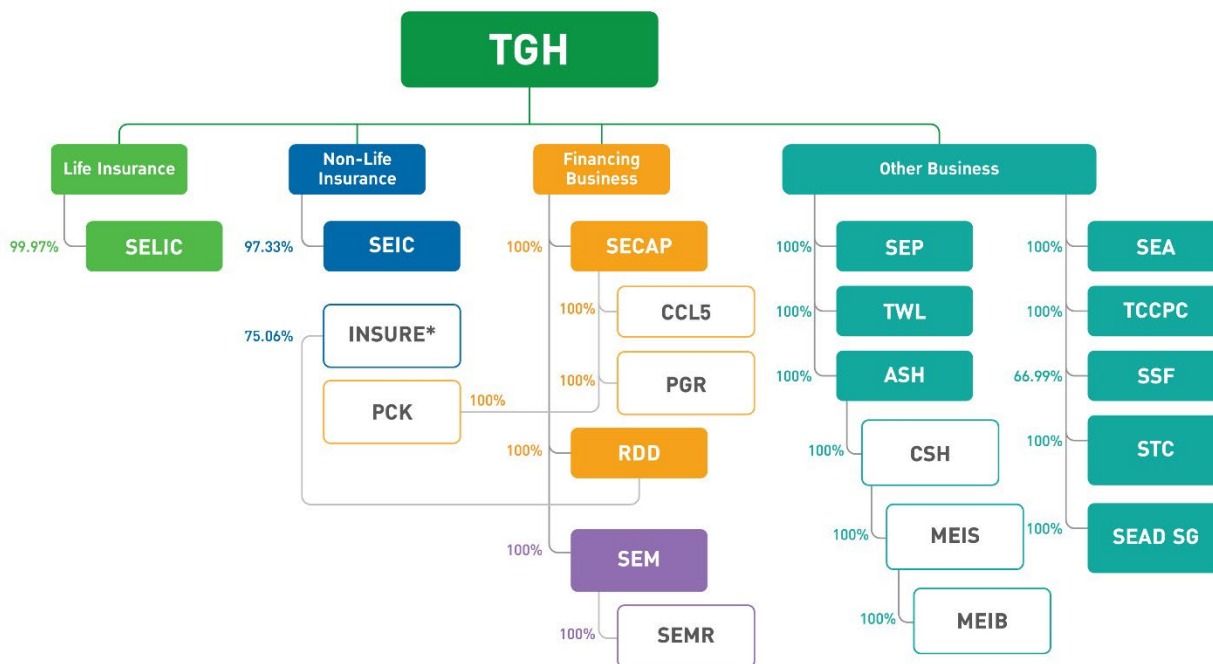
Thai Group Holdings Public Company Limited (“the Company”) set an investment and management policy for subsidiaries and associates. The investment will concentrate on the related businesses or continuous businesses in order to enhance business operation, build stability and generate good performance. The Company together with its subsidiaries and associates may consider investment in potential, valuable and profitable business, which depends on project feasibility, investment risk analysis and possible financial analysis. The Company’s investment project shall be approved from the resolution of the Board of Directors’ meetings or the Shareholders’ meeting (as the case may be). In addition, the approval shall be in accordance with the Notification of the Capital Market Supervisory Board, the Notification of the Securities and Exchange Commission and the relevant Notification of the Board of Governors of the Stock Exchange of Thailand.

Non-Delivered Work

-None-

1.4 Shareholding Structure

Investment Structure of Thai Group



* TGH and INSURE are listed in the Thai Stock Exchange of Thailand

Information as of December 31, 2021

Abbreviation – The Company and subsidiaries

TGH	Thai Group Holdings Public Company Limited
SELIC	Southeast Life Insurance Public Company Limited
SEIC	Southeast Insurance Public Company Limited
SECAP	Southeast Capital Co., Ltd. (SECAP)
INSURE	Indara Insurance Public Company Limited
PCK	Pro Checker Company Limited
CCL5	Concept Land 5 Co., Ltd.
PGR	Pro Garage Company Limited
RDD	Rod Dee Det Auto Co., Ltd.
SEM	Southeast Money Company Limited

SEMR	Southeast Money Retails Company Limited
SEP	Southeast Property Co., Ltd.
TWL	Thai Wellness Living Company Limited
ASH	Asiatic House Co., Ltd.
CSH	Capital Service Holding Co., Ltd.
MEIS	ME Innovation Service Company Limited (Formerly known as Big C Services Company Limited)
MEIB	ME Insurance Broker Company Limited (Formerly known as BIG C Insurance Broker Company Limited)
SEA	Southeast Academic Center Co., Ltd.
TCCPC	TCC Privilege Card Company Limited
SSF	S Sofin Co., Ltd.
STC	Sentrics Consulting Company Limited
SEAD	Southeast Advisory Company Limited
SEAD SG	Southeast Advisory Pte., Ltd.

Legal entities in which the Company holds 10 percent of shares or more (as of December 31, 2021)

(1) Southeast Life Insurance Public Company Limited (SELIC)

Name	Southeast Life Insurance Public Company Limited
Business type	Operation of life insurance
Holding proportion	99.97%
Head office	315 Southeast Bldg. 8-12 Fl. Silom Rd. Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 2,200,000,000
Paid-up Capital	Baht 2,200,000,000

(2) Southeast Insurance Public Company Limited (SEIC)

Name	Southeast Insurance Public Company Limited
Business type	Operation of non-life insurance
Holding proportion	97.33%
Head office	315 Southeast Bldg. G -Floor 7 Fl. Silom Rd. Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 500,000,000
Paid-up Capital	Baht 500,000,000

(3) Southeast Capital Co., Ltd. (SECAP)

Name	Southeast Capital Co., Ltd. (SECAP)
Business type	Operation of corporate auto Leasing and financing
Holding proportion	100.00%
Head office	184, 2 nd Floor, Surawong Road, Si Phraya, Bang Rak, Bangkok 10500
Registered Capital	Baht 200,000,000
Paid-up Capital	Baht 200,000,000

(4) Pro Garage Company Limited (PGR)

Name	Pro Garage Company Limited
Business type	Operation of garage and auto parts
Holding proportion	100.00%
Head office	184, 2 nd Floor, Surawong Road, Si Phraya, Bang Rak, Bangkok 10500
Registered Capital	Baht 200,000,000
Paid-up Capital	Baht 200,000,000

(5) Pro Checker Company Limited (PCK)

Name	Pro Checker Company Limited
Business type	Operation of surveyor business
Holding proportion	100.00%
Head office	184, 2 nd Floor, Surawong Road, Si Phraya, Bang Rak, Bangkok 10500
Registered Capital	Baht 100,000,000
Paid-up Capital	Baht 100,000,000

(6) Concept Land 5 Co., Ltd. (CCL)

Name	Concept Land 5 Co., Ltd.
Business type	Operation of providing parking facility to SECAP and RDD
Holding proportion	100.00%
Head office	184, 2 nd Floor, Surawong Road. Si Phraya, Bang Rak, Bangkok 10500
Registered Capital	Baht 180,000,000
Paid-up Capital	Baht 180,000,000

(7) Rod Dee Det Auto Co., Ltd. (RDD)

Name	Rod Dee Det Auto Co., Ltd.
Business type	Operation of selling and rental used automobile
Holding proportion	100.00%
Head office	71/1 Moo 20, Tapharak Road, Bangplee Yai, Bangplee, Samutprakan 10540
Registered Capital	Baht 1,000,000
Paid-up Capital	Baht 1,000,000

(8) Southeast Money Company Limited (SEM)

Name	Southeast Money Company Limited
Business type	Operation of commercial and personal loan with securities, and staff loan
Holding proportion	99.99%
Head office	184, 2 nd floor, Surawong Road, Si Phraya, Bang Rak, Bangkok 10500
Registered Capital	Baht 50,000,000
Paid-up Capital	Baht 50,000,000

(9) Southeast Monet Retails Company Limited (SEMR)

Name	Southeast Money Retails Company Limited
Business type	Operation of personal Loan
Holding proportion	99.99%
Head office	184, 2 nd floor, Surawong Road, Si Phraya, Bang Rak, Bangkok 10500
Registered Capital	Baht 50,000,000
Paid-up Capital	Baht 50,000,000

(10) Southeast Property Co., Ltd. (SEP)

Name	Southeast Property Co., Ltd.
Business type	Operation of property rental and development for commercial
Holding proportion	100.00%
Head office	315 Southeast Building, 12 Floor, Silom Road, Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 1,000,000
Paid-up Capital	Baht 1,000,000

(11) Thai Wellness Living Company Limited (TWL)

Name	Thai Wellness Living Company Limited
Business type	An advisor on property business
Holding proportion	100%
Head office	315 Southeast Building, 12 th Floor, Silom Road, Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 1,000,000
Paid-up Capital	Baht 1,000,000

(12) Asiatic House Co., Ltd. (ASH)

Name	Asiatic House Co., Ltd.
Business type	Operation of commercial property rental
Holding proportion	100.00%
Head office	No. 184, Surawong Road, Si Phraya, Bangrak, Bangkok 10500
Registered Capital	Baht 5,522,500
Paid-up Capital	Baht 5,522,500

(13) Capital Service Holding Co., Ltd. (CSH)

Name	Capital Service Holding Co., Ltd.
Business type	A holding company, invests in Big C Services Co., Ltd., a joint-venture company, operates life and non-life insurance brokers
Holding proportion	100.00%
Head office	315 Southeast Building, 12 th Floor, Silom Road, Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 100,000
Paid-up Capital	Baht 100,000

(14) ME Innovation Service Company Limited (MEIS)

Name	ME Innovation Service Company Limited
Business type	Support life and non-life insurance business
Holding proportion	100%
Head office	34/3 Soi Langsuan, Ploenchit Rd., Lumpini, Patumwan, Bangkok
Registered Capital	Baht 157,016,580
Paid-up Capital	Baht 157,016,580

(15) ME Insurance Broker Company Limited (MEIB)

Name	ME Insurance Broker Company Limited
Business type	Insurance broker for life and non-life insurance
Holding proportion	100%
Head office	34/3 Soi Langsuan, Ploenchit Rd., Lumpini, Patumwan, Bangkok
Registered Capital	Baht 124,000,000
Paid-up Capital	Baht 124,000,000

(16) Southeast Academic Center Co., Ltd. (SEA)

Name	Southeast Academic Center Co., Ltd.
Business type	Operation of staff training and skills development for TCC Group
Holding proportion	100.00%
Head office	184, 9 th Floor, Surawong Road, Si Phraya, Bang Rak, Bangkok 10500
Registered Capital	Baht 1,000,000
Paid-up Capital	Baht 1,000,000

(17) TCC Privilege Card Company Limited (TCCPC)

Name	TCC Privilege Card Company Limited
Business type	Operation of credit card service for TCC Group
Holding proportion	100%
Head office	315 Southeast Building, 12 th Floor, Silom Road, Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 100,000
Paid-up Capital	Baht 100,000

(18) S Sofin Co., Ltd. (S Sofin)

Name	S Sofin Co., Ltd.
Business type	Operation of IT development to support insurance business
Holding proportion	99.98%
Head office	No. 184, Surawong Road, Si Phraya, Bangrak, Bangkok 10500
Registered Capital	Baht 100,000
Paid-up Capital	Baht 100,000

(19) Sentric Consulting Company Limited

Name	Sentric Consulting Company Limited
Business type	Advisor for Data Analytic
Holding proportion	66.99%
Head office	315 Southeast Building, 3 Floor, Silom Road, Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 10,000,000
Paid-up Capital	Baht 10,000,000

(20) Southeast Advisory Company Limited (SEAD)

Name	Southeast Advisory Company Limited
Business type	Investment advisory
Holding proportion	100.00%
Head office	315 Southeast Building, Silom Road, Silom, Bang Rak, Bangkok 10500
Registered Capital	Baht 5,000,000
Paid-up Capital	Baht 5,000,000

(21) Southeast Advisory Pte., Ltd. (SEA PTE)

Name	Southeast Advisory Pte., Ltd.
Business type	Financial management and business consultancy
Holding proportion	100.00%
Head office	438 Alexandra road #03-03 Alexandra Point Singapore (119958)
Registered Capital	SGD 1
Paid-up Capital	SGD 1

Person may have conflict of interest

-None-

Relations with major shareholders

-None-

Shareholders

Company's shareholding structure as of March 14, 2022

	Shareholder	Number of Share	% Share
1.	Pholmankhong Business Company Limited ⁽¹⁾	338,444,024	45.00
2.	Southeast Management Company Limited ⁽²⁾	236,126,778	31.40
3.	Thai Siriwattana Company Limited	37,500,000	4.99
4.	Prestige 2015 Company Limited	37,367,000	4.97
5.	Sinthanarat Company Limited	37,000,000	4.92
6.	UBS AG SINGAPORE BRANCH	33,437,144	4.45
7.	DBS BANK LTD	22,618,800	3.01
8.	TQM Corporation Public Company Limited	3,600,000	0.48
9.	Office of the Privy Purse	765,672	0.10
10.	Thanpuying Tassanawalai Sornsongkhram	648,494	0.09
11.	Other shareholders	4,589,920	0.59
	Total	752,097,832	100.00

Remark ^{(1) (2)} the companies of which ultimate shareholders are Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi

Registered and paid-up capital of the Company

Ordinary shares

As of December 31, 2021, the Company has the registered capital of Baht 12,033,565,300, total issued and paid-up shared of Baht 7,520,978,320 and 752,097,832 ordinary shares, par value at Baht 10 each.

Other securities of the Company

- None-

Dividend Policy

(a) Dividend Policy of the Company

The Company's dividend policy is to pay out dividend to the shareholders at a rate of not less than 50% of the net profit reported in the Company's separate financial statements after deduction of corporate income tax and the appropriation of required legal reserve and other

reserve (if any) by its Articles of Association and applicable law, but must not have retained deficits in shareholder's equity. However, the dividend policy, for the consideration of the Board of Directors, will be taken into account. The dividend payment may possibly be affected by the following factors: the current economic situation, business performance, financial position, financial liquidity, reserve for business expansion, investment plan, repayment or working capital and other concerns appropriately considered by the Board of Directors. Generally, final dividend is authorized by the shareholders' resolution in the Annual General Meeting, whereas interim dividend is approved by the Board of Directors and will be reported in the next shareholders' meeting.

(b) Dividend Policy of Subsidiaries

Dividend Policy of SELIC, SEIC and SECAP

The subsidiary companies' dividend policy is to pay out dividend to their shareholders at a rate of not less than 50% of the net profit reported in the subsidiary companies' separate financial statements after deduction of corporate income tax and the appropriation of required legal reserve and other reserves (if any) by its Articles of Association and applicable law, but must not have retained deficits in shareholder's equity. However, the dividend policy, for the consideration of the Board of Directors, will be taken into account. The dividend payment may possibly be affected by the following factors: the current economic situation, business performance, financial position, financial liquidity, reserve for business expansion, investment plan, repayment or working capital and other concerns appropriately considered by the Board of Directors.

(c) Dividend Policy of Thai Insurance Public Company Limited (being a subsidiary of the Company until September 26, 2021)

The Dividend Policy of Thai Insurance Public Company Limited is to pay out dividend to their shareholders at a rate of not less than 40% of the net profit. For the dividend policy, the Board of Directors will take into account business performance, current economic situation, capital adequacy as legal requirement and business expansion.

Company's historical dividend payment information

Details of Dividend Payment	2021	2020	2019
Dividend per Share (Baht per Share)	-	0.60	-

2. RISK MANAGEMENT

2.1 Risk Policy and Risk Management Plan

The Company manages risk effectively by setting the risk management policy and framework in managing risks that occur from business operation, such as strategic risk, marketing risk, credit risk, operating risk and risks from laws and regulations, which is part of the operating risk. In addition, the Company has set the roles, duties and responsibilities of different committees and related agencies in the risk management, along with setting the acceptable risk levels and the risk management process. The risk management process consists of risk indication and evaluation, risk respond, risk monitoring and risk report, as well as determining and monitoring the important risk indices.

The Company considers the interests of all Stakeholders, which consists of shareholders, employees, customers, trading partners and supervising agency. The Company promoted and created a culture, as well as cultivated and integrated risk management principles as duties and responsibilities of everyone in the company. The Company continuously communicated and provided human resource development in order for everyone to have an awareness and understanding of the risk management principles and methods and find ways to always reduce or prevent risks to be at an acceptable level at every level of the organization.

2.2 Risk Factors in Business Operation

The risk factors which are identified in this section are material as considered by the Company. These factors may have significant negative impacts on the financial position, performance, common share value, including return on equity on negative side. Additionally, there are unexpected or unimportant risk factors, which might affect the financial position, performance, common share value, including return on equity with materiality.

2.2.1 Business risk in life insurance and non-life insurance

Strategic Risk

Currently, the outside environmental change occurs in domestic and global economies, industry competition, market, labor, consumer behavior, climate change, including other disasters. These factors influence the achievement of the Company's goals.

To reduce these risks, SELIC, SEIC and TIC as the subsidiaries set up the business plan and annual action plan in line with each company's vision. To create the plan, these subsidiaries assess current risk, expected risk and operation risk. They monitor the situation during the year in terms of economics, politics, market, competition, etc., to consider and modify the plan. Consequently, SELIC, SEIC and TIC can operate efficiently and achieve the set goals.

To meet the Company's goal, SELIC, SEIC and TIC have improved their internal control systems, with more efficient workflows, lower cost and more obvious evaluation systems. The strategic department is responsible for summarizing the situation of operation and the status of the success plan. The risk

management as mentioned above would help identify risk expectation, risk prevention or business opportunities.

Insurance Risk

SELIC, SEIC and TIC have set the insurance premium rate to correspond with risk level. They use statistics, assumption about frequency and severity of disaster as the standard of the actuary in each products' price which is an important factor to set the appropriate and competitive insurance premium rate.

The operation of these companies is directly related to various types of risk protection of the insured. Consequently, SELIC, SEIC and TIC have several risk prevention approaches as well as reinsurance with the regular review of the underwriting policy by the authorized executives. Regarding risk appetite and maximum operational efficiency, the insurance department will assess, survey, and analyze risk thoroughly including generating performance reports for the review and advice of chief executives continuously. Simultaneously, these subsidiaries have an ability to follow the insured's obligations fairly and build risk reduction which affects indemnity amounts and expected future cash flow.

SELIC, SEIC and TIC have risk diversification for all types of insurance especially high coverage insurance. The risk diversification is distributed to both domestic and foreign selected reinsurance companies with credit rating not less than A or Capital Adequacy Ratio (CAR) per the standard of the Office of the Insurance Commission (OIC) to ensure that the insured will not be affected by disaster in terms of amount and the severity of disaster; in addition, the companies get an advantage of risk prevention.

Operating Risk

Operating Risk arises from internal operation process, people, work systems or external factors that will affect the activities of SELIC, SEIC and TIC and cause damage to the company. SELIC, SEIC and TIC arrange an internal control system and qualified personnel in order to be capable of working efficiently, improve working process to keep up with business change and be capable of supporting business operation.

Additionally, SELIC, SEIC and TIC have prepared risk registration which identifies risks of each department, risk factors, risk indicators and risk control and measures for risk protection for each department. Furthermore, the board of directors of each company set up a risk management policy which includes risk management process and regular performance reports for executives in order to have efficient and effective risk management and compliance with rules and regulations of both the companies and other regulators.

In terms of impacts and external risk factors, SELIC, SEIC and TIC have arranged a business continuity plan (BCP) for the businesses' going concerns if there is business interruption.

Distribution Channel Risk

Distribution channel risk occurs from over main income from one of the distribution channels. If there are unexpected changes, it might affect the competitive advantage or business growth. Currently, SELIC generates higher insurance premium revenue from financial institution channels. The risk management policy is to develop potential and increase revenue from other channels such as sales representative, group insurance, telesales, online, including product development and technology to respond customer's requirements, which results in satisfaction and lends to continuous improvement.

Investment Risk

The investment of SELIC, SEIC and TIC continues in accordance with the scope, the requirement of OIC and other related laws which is an important mechanism in prudent and concise investment management of the Company.

Revenue on investment comes from interest income, dividend and profit (loss) from underwriting, where any change in domestic and global economics, politics as well as financial policy will influence the revenue on investment. SELIC, SEIC and TIC have a direct division responsible for investment management in situation analysis, risk assessment and strategic adjustment for any situations.

The board of directors of SELIC, SEIC and TIC have reviewed investment policy continuously to have prudent and maximum efficient investment in a risk appetite framework.

Interest Rate Risk

The movement in interest rate will influence SELIC, SEIC and TIC in many ways as follows:

The fluctuation of financial statement

The movement in interest rate has an impact on the financial statement of SELIC, SEIC and TIC, where these companies have to adjust loss reserves and outstanding claims according to the insurance policy, and the financial statements may be volatile. Therefore, SELIC, SEIC and TIC have arranged risk management by product mix strategy to suit the situation.

Return on investment from debt instruments

SELIC, SEIC and TIC have invested in debt instruments that are directly affected by the movement of interest rates. When interest rates decrease, these companies are liable to have lower return especially from government bonds, while an investment in private bonds generates higher yield than limited asset investment. Consequently, SELIC, SEIC and TIC have measured in an alternative investment for greater return, risk appetite management and the controllable Capital Adequacy Ratio (CAR).

Capital Level Maintenance Risk

SELIC, SEIC and TIC operate life insurance and non-life insurance business under the corporate governance of OIC, which sets the CAR criteria not less than 120 percent. SELIC, SEIC and TIC have measures to investigate and evaluate the CAR regularly.

2.2.2 Risk from Operation in Leasing Business

Strategic Risk

In the past, there were many leasing and hire purchase operators of which the shareholders are foreign financial institutions and automobile manufacturers. The more drastic competition causes price wars and lower returns for each company.

However, SECAP has an obvious target market selection strategy for the target group who have vehicle requirements and potential for rental payment in both public and private sectors. Moreover, SECAP has implemented computer technology systems for efficient management and thorough service tracking.

Capability for Rental Payment Risk

Rental income is the main revenue for the car leasing business, so the capability for rental payment is the important factor. If a lessee is unable to pay rental or pay, there is an impact on the liquidity, income and profit of the company. SECAP has a filtration process for customers with target market selection policy and monitoring process carefully.

Interest Rate Risk

SECAP has identified fixed rental fee throughout the contract period (mostly 3–5 years). While the borrowing costs depend on market interest rate, which might directly influence cost and profit of SECAP, SECAP has risk management policy for the following:

- (1) Duration Gap to find source of long-term investment to correspond with rental property investment and interest rate
- (2) Interest Rate Gap to maintain adequate level of interest rate gap for profitability and competition. Generally, SECAP finds a suitable source of fund or loan restructuring in accordance with the contract period.

Residual Value Management Risk

With reference to car rental operation, the operating lease for corporate lessees with rental period of 3–5 years, most assets will be sold out when the lease agreement expires. In some cases, SECAP has an agreement for its tenants or car users to exercise the right to purchase rental cars as specified in the contract's conditions. Therefore, the main revenue in the leasing business of SECAP consists of monthly car rental throughout the contract period and car sale after the expiration date.

For car rental fee calculation, SECAP will evaluate car residual value and expected costs, including other administration expenses. The residual value is the future fair value which SECAP expect to sell after the expiration date. The appraisal for residual value is very important. If SECAP underestimates the residual value, costs of sale will be higher and monthly rental fee charged to the lessees will be higher too—a disadvantage for competition. In contrast, if SECAP overestimates the residual value, cost of sales will be lower and monthly rental fee charged to the lessees will be lower too, and there is a loss from car sales after the expiration date. Therefore, SECAP has risk for residual value appraisal deviating from the future fair value, which has an impact on financial position and performance in materiality. Based on long term experience, SECAP is capable of managing residual value efficiently. Furthermore, SECAP has surveyed and collected data for second hand market car price regularly for the trend of automobile analysis.

2.2.3 Emerging Risk

The unforeseen risk that the Company has never encountered. It is difficult to estimate an opportunity and severity of occurrence because of and changes in environmental factors such as politics, law, society, technology, physical environment and natural change. These factors challenge the business, for example regulation change, rapid technology change (e.g. electric vehicle, artificial intelligence, internet of things, insure tech), consumer behavior change, new distribution channels, climate change disaster, including frequency and severity of natural disasters. The company realizes these external risk factors and connects the revised risk management to the business strategy.

In 2021, due to the pandemic of Coronavirus Disease 2019, or COVID-19, the Company revised its strategic plan from the current outbreak situation which affects the economic expansion and activated its business continuity plan (BCP) to be completely capable of responding to the requirements of customers and partners.

At present, EVs (Electric vehicles) have started to become more popular and there is an expectation that EVs will replace petrol vehicle. SECAP executives have plans to cope with this transition by preparing a clear plan in changing the port of petrol vehicles to EV. This takes into consideration many factors, such as support of the government sector, investment of car producers and response of the consumers.

3. SUSTAINABLE DEVELOPMENT

Thai Group Holdings Public Company Limited (hereinafter referred to as “the Company”) focuses on sustainable development and foresees that the sustainability of business is based on good management, good governance, transparency in operations, quality development of the group’s products and services which respond to the requirement of customers, ability to business growth as well as creation of happiness and quality of life to the stakeholders including shareholders, employees, customers and partners. With the consideration of the impact on business from operation and employees’ daily life, the Company focuses on sustainable development covering three dimensions such as economic, social and environmental way as follows:

Environmental Dimension

Presently, our country suffers from energy problems which are significant and impact on the people’s existence and the national economy. Therefore, the Company agrees that the conservation of energy is important for everyone to collaborate for efficient energy management continuously and consistently and set the energy conservation policy for efficient and maximum benefit in energy consumption with the following policy.

1. Operate and develop an energy management system appropriately with the determination of energy conservation as a part of business operation in accordance with the laws and relevant principles.
2. Operate and improve the efficiency of energy consumption continuously and appropriately to be in tune with business operations, technology and good governance.
3. Comply with laws related to energy conservation and management by planning and setting a goal for energy savings annually as well as communicating with all officers to understand and operate accurately.
4. Serve the energy conservation as the responsibility of all executives and employees for collaborate, monitor and report to the Energy Management Committee.
5. Enhance human resources, budget, working time, training and collaboration in discussions for energy development.
6. The Executives and the Energy Management Committee will review and improve policy, goal and operating plan for energy annually.

In addition, the Company supports the subsidiaries to permit project finance with special conditions in order to help the entrepreneurs who operate in green business for the environment continuously to access funds conveniently and promote the expansion of environmental business. Currently, the business operators who get credit can construct and provide electrical power from social rooftops. They can produce and sell electrical power to a total of 6 areas, totalling 55.68 MW.

Social Dimension

The Company has treated the Group's employees per the human rights principle to build a safe, hygienic working environment, submit suitable and greater welfare and provide an opportunity for discussion. The Company has also developed employees' competency to be experts and professionals continuously, capable of working development, have good performance to respond customers' requirements for competitive advantage, be happy, proud and engaged in the organization.

In addition, the Company supports employees to have civic mindedness and to be good citizens by participating in public activities for various activities such as special activities by sponsorship for medical support to hospitals in remote area and to donate funds.

To enhance the conservation of national art and culture, the Company extends to donate a book series of "the Amazing Temple of Dawn" to the libraries of the university which has Thai architectural faculty and relevant units such as UNESCO, the National Library, Bangkok City Library, the Siam Society etc.

Governance Dimension

The Company adheres to the compliance of good governance policy strictly as per the following 8 Corporate Governance principles:

- (1) The role and responsibility of the Board of Directors
- (2) The determination of objective and major goal of the Company for the sustainability
- (3) The effectiveness of reinforcement for the Board of Directors
- (4) The recruitment and development of Top Management and human resource management
- (5) The responsibility of business operations
- (6) The attention for suitable risk management and internal control
- (7) The maintenance of financial creditability and information disclosure
- (8) The encouragement of participation and communication with shareholders. Additionally, the Company sets the other policies which cover and correspond to good corporate governance and communicate with employees for policy and ethics in business operation.

In recent years, the Company joined the declaration of intent to anti-corruption and Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) project on March 31, 2021, launched the anti-corruption policy, and communicated with employees to accept and follow. The Company also opened channel to claim or complain about corruption in order that all stakeholders can claim and contact to a responsible division in case of violation rights or the encounter of illegal action to the law, regulations and ethics of the Company.

1. By mail

Contact: The Chairman of the Audit Committee

Address: Thai holdings Public Company Limited 315, 12th Floor Southeast Building, Silom Rd.,
Silom, Bangrak, Bangkok 10500

2. By E-mail

Contact: The Audit Committee

E-mail address: ztc@tgh.co.th

The Company and subsidiaries also have the guideline for all stakeholders as follows:

1. Business operation with fairness

The Company and the subsidiaries have identified in an ethical way for the stakeholders (e.g., shareholders, employees, customers, partners and environment) by supporting the free competition fairly and avoiding conflicts of interests, intellectual property violation and corruption as follows:

(1) Corporate Governance

The Company and its subsidiaries are determined to operate the business with ethics, transparency, and verifiability and take into account the benefit and effects on shareholders, customers, partners and stakeholders in order to create benefits appropriately and fairly.

(2) Social Responsibility

The Company and its subsidiaries have business operations for corporate social responsibility under the basis of ethics in order to create fairness for the stakeholders, taking into account good corporate governance and building economic, social, and environmental balance for sustainable business development.

(3) Compliance with the law, regulations and rules

The Company and its subsidiaries focus on the compliance with the law, environmental regulations and occupational health and safety in local, national and regional levels including the code of conduct for international business. The Company is determined to have the directors, the executives and employees comply with the law, regulations and rules and not violate any of the relevant laws and regulations.

(4) Compliance with intellectual property law

The Company and the subsidiaries have not encouraged the violation of intellectual law and are determined to have the directors, the executives and employees comply with the law, regulations and rules and not violate the relevant laws and regulations regarding intellectual property.

(5) The encouragement of the efficient use of resources

The Company and the subsidiaries encourage the directors, the executives and employees to use resources efficiently for maximum benefit. In addition, the Company is determined to communicate, promote and cultivate awareness to employees and related parties in resource management for maximum benefit.

2. Human rights respect

The Company and the subsidiaries have an encouragement policy of respect for human rights with its treatment to employees, community and surrounding society in view of respect for human dignity, consideration of equality and liberty, no violations of the fundamental rights and no discrimination based on race, nationality, region, language, skin colour, age, education, physical condition or social status including supervision for the group 's business not to participate in direct and indirect violation of human rights such as forced labor, child labor and sexual harassment. Furthermore, the Company

and its subsidiaries have supported the monitoring of compliance with human rights regulations and arranged for the participation and complaint channels for the violation of human rights in business operations as well as the sufficient remedies. To have efficient human rights respect, the Company and its subsidiaries has built a body of knowledge in human rights and cultivated the awareness of their employees based on the human right principles.

3. Fair treatment of the workforce

The Company and its subsidiaries are aware of the significance of human resources development and fair workforce management, which enhances its corporate value, competitive advantage and future sustainable growth. The Company has defined the following and principles.

- (1) Respect for employee 's right as a human right principle
- (2) Manage the process and conditions of employment fairly including the fair remuneration in the form of salary and/or bonuses, which is suitable for the potential of employees and the fair performance evaluation for the professional stability and progress.
- (3) Enhance the human resource development by the arrangement of training and seminars to develop knowledge, competency and attitude cultivation in virtue, ethics and teamwork.
- (4) Arrange welfare for employees per the labor law such as a social security. In addition to the labor laws, there is health insurance, accident insurance and subsidies (e.g., employee loan, funeral expenses).
- (5) Arrange annual physical check-up for all staff with the consideration of risk factors in age, sex and personal working environment.
- (6) Manage employees' safety and hygiene in the workplace with the accident prevention measures, awareness for safety and training in hygiene and safety, training management including measures for employees to have good hygiene and take care of the workplace to be consistently clean and safe.
- (7) Build a good working environment and treat employees as family without taking advantage of each other.
- (8) Give an opportunity for employees to participate or complain about unfair treatment or wrongdoing in the Company and its subsidiaries and protect the employees who complain about those issues.

4. Responsibility for customers and consumers

- (1) The Company and its subsidiaries treat the customers fairly for goods and services. No discrimination and no disclosure of customers' confidential data on their business operations is done. Moreover, the Company does not reveal customers' information to benefit themselves except under disclosure by law.
- (2) The Company and its subsidiaries give an opportunity for customers to complain and respond to customers' requirements quickly.

- (3) Conduct per the terms and conditions of agreement as stated to the customers. If a problem cannot be resolved, the Company has to negotiate with customers in advance to seek the prevention of damage.
- (4) Be determined to satisfy and build confidence with the customers to ensure that customers gain quality products and services, suitable safe technology and higher standards continuously and intentionally.
- (5) Reveal accurate, updated information of products and services and sustain positive relationships with customers.
- (6) Manage customer service system for customers' complaints for quick response to customers.
- (7) Operate with reasonable costs and with the maintenance of standards of products and services.
- (8) Don't accept, claim or pay for any corrupt benefits to customers
- (9) Provide business information for training to customers.

5. Environmental conservation

The Company and its subsidiaries focus on the conservation of natural resources and energy and realize social safety, environment, quality of life of employees and community including the impact of the business operation. Therefore, the Company sets the principles as follows:

- (1) The Company uses natural resources sparingly to save on the environment and quality of life for the population.
- (2) Arrange environmental conservation activities regularly for the benefit of society.
- (3) Cultivate consciousness in environmental responsibility for employees intentionally and continuously.

6. Co-development of community or society

The Company and its subsidiaries have a policy to operate a business beneficial to the economy and society, adhere to being a good citizen and comply with the laws and regulations. The Company also has a policy to help and develop society and support education for the youth by providing school supply donations and scholarship grants. Besides these, the Company also supports the surrounding society such as giving financial support for police stations, religious affairs and medical supplies for hospitals.

7. Innovation sharing from business operations with the responsibility to society, environment and stakeholders

The Company and its subsidiaries will encourage innovation in both working process and cooperation levels that mean the innovation or the change in ideas and production for added value. The objective of innovation is a positive change for greater improvement and increased productivity for maximum benefit to society.

The innovation sharing is the responsibility to society by direct and indirect communication and publications to stakeholders via various communication channels to ensure that the corporate information reaches the stakeholders of the Company and the subsidiaries effectively.

Social Responsibility Activities

Thai Group Holdings is committed to sustainable business practices and a policy to promote public benefits in three key areas namely health, safety, and the conservation of Thai arts and culture. Its employees are also encouraged to take part in public-benefit activities under the Company’s CSR policy on a continued basis.



Book Series “Miracle Wat Arun” were given to Ministry of Culture and Ministry of Tourism and Sports to pass on valuable knowledge of Thai arts and culture



Proceeds from the sale of Book Series “Miracle Wat Arun”, after expenses, went to the Southeast Fund for Wat Arun Restoration.



N95 Face masks were donated in support of the safety of doctors, nurses and healthcare professionals working during COVID-19 pandemic



Providing refreshments as part of the relief and encouragement to lockdown workers in the construction camps during the COVID-19



Giving vans to support the operations of medical institutions and government agencies to help



Donating money to support public activities to help the Cooperatives' family of the Royal Thai Armed Forces Development Command, such as educational scholarships in remote areas



Research and Development Fund from 1% of income by Southeast Life Insurance for the COVID-19 vaccine.



Participation of Southeast Life Insurance in the OIC project for communities No. 4, visiting Ban Laem Makhm Community, Trat Province and Ban Wang Hon Community, Nakhon Si Thammarat



Southeast volunteers helped disaster victims in Chaiyaphum and Nakhon Ratchasima.



"Southeast Charity Fun Fair Year 3" was held to raise fund for purchasing medical equipment and necessities for hospitals and related agencies in various provinces for COVID-19 patient care

4. Management Discussion and Analysis

Summary Impact of COVID-19 on Non-Life Insurance Business Performance

The operating results of Thai Group Holdings (“TGH”) for the year ended 2021 had net loss of Baht 3,360 million, which was significantly affected by the unfavorable operating results of the non-life insurance business of 2 subsidiaries namely Southeast Insurance Public Company Limited (“SEIC”) and Thai Insurance Public Company Limited (“TIC”). These 2 companies have been affected by the issuance of accident and health insurance policies covering COVID-19 infection and an order of the Registrar No. 38/2564 regarding the cancellation of the conditions for termination of insurance policies by companies in the COVID-19 insurance policy.

SEIC and TIC have been operating in the general insurance business for many decades with a commitment to provide protection to customers and all stakeholders in every circumstances that the Thai society had suffered loss. TIC has issued a COVID-19 insurance policy for the first time in 2020 to provide protection to doctors and public health personnel who have made a great sacrifices and expose themselves on epidemic infection to care for patients infected with COVID-19.

COVID-19 has undergone several mutations since 2020 from the original strain to a variety of species such as Beta, Alpha, Delta. Up to now, it has been mutated to an Omicron which had even more rapid epidemic rate but with lower severity of the disease. Daily new infected cases reported had climbed over Delta infection. This had been classified as a dynamic and beyond our expectation as such greatly affecting the burden on claims payment under the COVID-19 insurance policy. Both companies have tried their best to resolve issues that affect their operations with a great support from the major shareholder and the Board of Directors. The sequence of important events are as follows.

Significant Events in 2021 relating to the performance of TGH, SEIC and TIC

Quarter 1- 2/2021	The average daily new cases report of Covid infections has increased from 90 to 3,300 at the end of June 2020.
Quarter 2/2021	TIC stopped selling COVID-19 policies SEIC stopped selling COVID-19 policies
Quarter 3/2021	<ol style="list-style-type: none"> 1) An insurance company exercised the contractual right under the insurance policy to terminate their COVID-19 policies due to significant change in risk profile. 2) The Office of Insurance Commission (“OIC”) issued an order of the Registrar No. 38/2564 regarding the cancellation of the conditions for termination of insurance policies by companies in the COVID-19 insurance policy with retrospective effect on the policies issued by the company prior to the date of the order. 3) The average daily new cases report of Covid infections increased to 20,000.

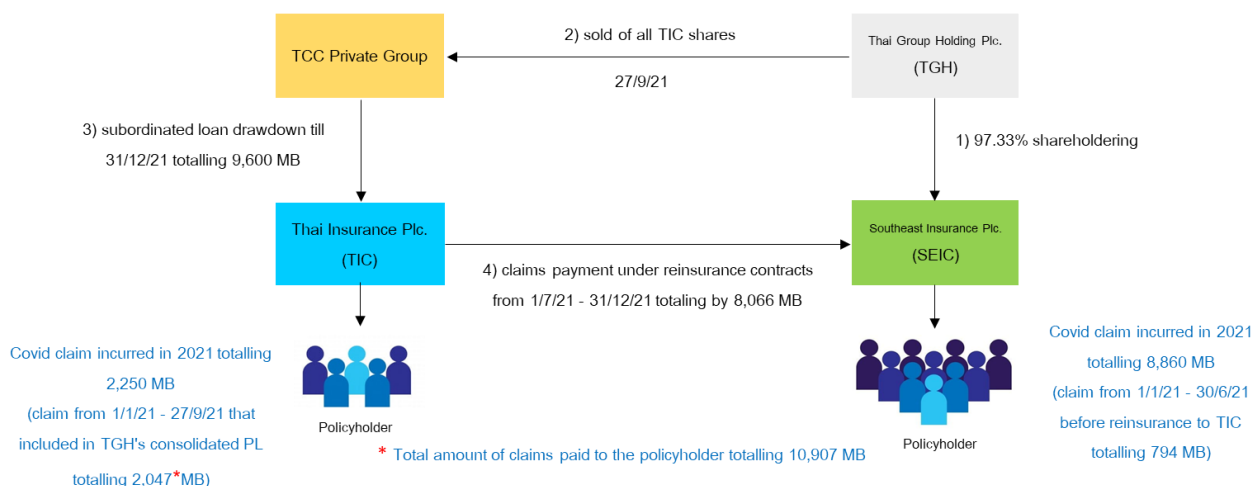
4) The major shareholder of the Company had expressed the intention to purchase TIC's shares from all existing shareholders and provide financial support for all policy obligations of TIC and partial policy obligations of SEIC in the initial amount of Baht 7,000 million. (Detail as an information disclosed to the Stock Exchange of Thailand on September 27, 2021)

Quarter 4/2021

1) The major shareholder of the Company who is the major shareholder of TIC, had provided financial support to TIC to pay claims of COVID-19 policies issued by SEIC totaling by Baht 9,600 million.

2) The average daily new cases report of Covid-19 infections has decreased to 3,400 before the situation of new outbreak of Omicron.

Picture 1 Flow of financial support from major shareholder



In conclusion, the claims for COVID-19 policies for SEIC and TIC had incurred in 2021 amounting to Baht 10,907 million. The major shareholder had provided financial support during the year 2021 totaling Baht 9,600 million*. In case that the major shareholder had not provided such financial support, the amount of claim incurred would have affected TGH's operating results to incur more than Baht 10,000 million losses. As such SEIC and TIC would not be in a position to pay claim to all insured since the quarter 4 of 2021 onward.

The table below showed details of loss from COVID-19 policy claims which had been included in the consolidated financial statements of TGH for the year 2021

Description	Amount (MB)
SEIC - COVID-19 insurance claims for infection before 1 July 2021 before the effective of reinsurance contract with TIC.	794
Unexpired risk reserve from estimated claims to be incurred from SEIC's COVID Policies from 31 December 2021 until expiry of all policies.	3,412
Total loss from COVID-19 policy claims included in consolidated financial statements of TGH	4,206

* Remark: the major shareholder additionally provided the financial support in January 2022 by Baht 300 million total Baht 9,900 million.

Financial Performance for Year 2021

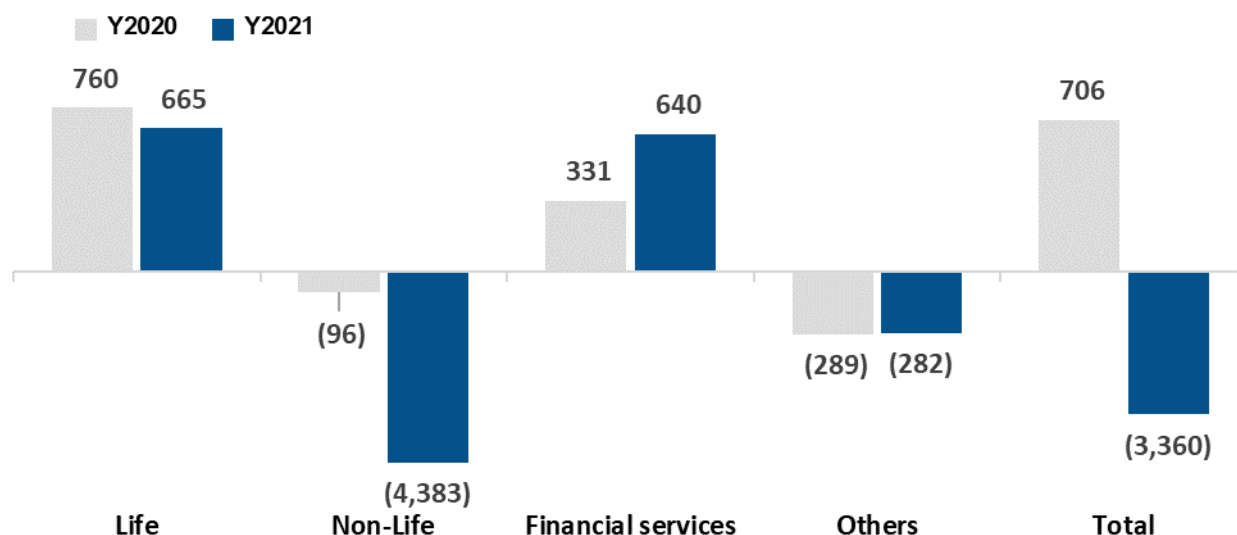
Unit: Million Baht		Jan - Dec 2021	Jan - Dec 2020	%Change YoY	
1	Total Revenue	33,616	23,208	▲	44.8%
2	Net premium earned and Commission & brokerage income	19,579	16,671	▲	17.4%
3	Income from operating lease, hire-purchase and finance lease	4,705	4,142	▲	13.6%
4	Net Investment income	2,079	2,252	▼	-7.7%
5	Gain on sell of investment in subsidiary	7,100	-	▼	-100.0%
6	Other income	153	143	▲	7.0%
7	Total Expenses	(37,198)	(22,309)	▲	66.7%
8	Underwriting expenses	(30,570)	(16,181)	▲	88.9%
9	Direct rental costs	(3,616)	(3,224)	▲	12.2%
10	Operating expenses	(2,347)	(2,451)	▼	-4.2%
11	Impairment loss from adjusting to non-going concern basis	(230)	-	▲	100.0%
12	Finance costs	(435)	(453)	▼	-4.0%
13	Profit (loss) before income tax expense	(3,582)	899	▼	-498.4%
14	Tax income (expense)	222	(193)	▲	215.0%
15	Net Profit (loss)	(3,360)	706	▼	-575.9%
1	Investment income ratio	6.2%	9.7%		
2	Operating expense ratio	7.0%	10.6%		
3	Net Profit Margin	-10.0%	3.0%		
4	Basic earnings (loss) per share	(4.35)	0.97		

* Net investment income comprised Investment income, Gain (Loss) on investments, Gain (Loss) on fair value change of investments, Gain (Loss) on exchange rate, Gain (Loss) on derivative and Expected credit loss.

Net Profit (Loss)

The breakdown of net profit (loss) by segments was shown in the figures below.

Figure 2: Net profit (loss) by segment



TGH Group reported net loss of Baht 3,360 million due to net loss from Non-life insurance business operation total Baht 4,383 million. Loss from Non-life operation is mainly due to provision for unexpired risk reserve from COVID claim total Baht 3,412 million and reserve for the expenses relating to liquidation of business amounting to Baht 278 million. Whereas the operation for Motor and Property business had an improvement in operating result from prior year as a result of reduction in claim for voluntary and compulsory Motor insurance and acquisition costs and operating expenses control during the year.

However, other business operation for both life insurance and financial services had good operating result and had net profit of Baht 665 million and Baht 640 million respectively.

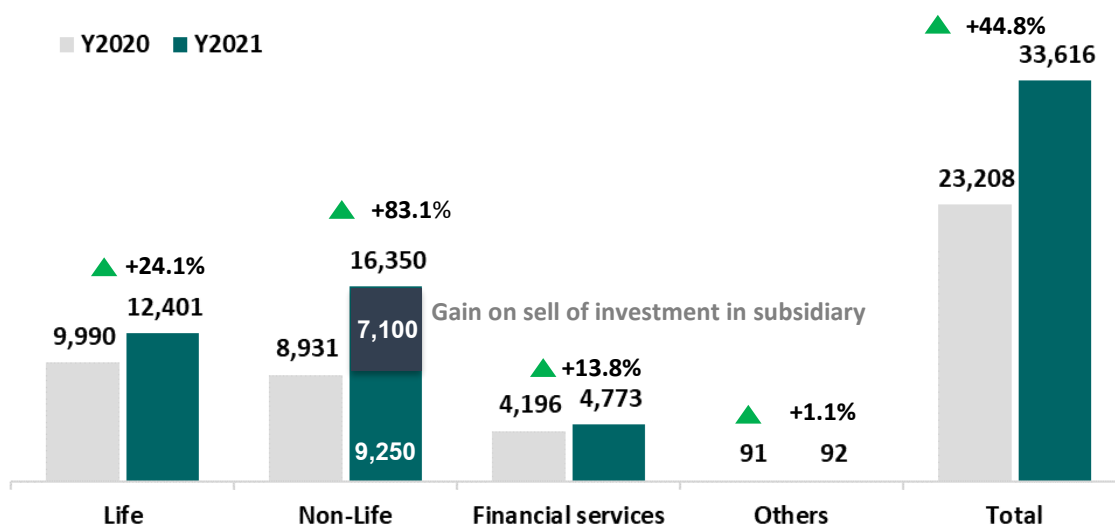
Life insurance business had net profit of Baht 665 million, slightly decrease from the previous year from investment income. Life insurance business continued to expand life premiums written and had improved its market share of new life insurance premiums written to rank No 7 in the industry. Policy persistency was running at the rate better than industry and also with more efficient control over acquisition cost and operating expenses.

Financial service business had net profit of Baht 640 million, increase by Baht 309 million due to increase in profit from sales of operating lease assets by Baht 224 million. Excellence management of sales of used cars from expired operating lease contract even though the market was continuously affected by COVID. Lower cost of fund by Baht 97 million following market interest rate reduction and with closely monitoring of operating expenses.

Total Revenue

Total revenue for the year 2021 was Baht 33,616 million, increased by Baht 10,408 million or 44.8%. The revenue breakdown by segment was as follows:

Figure 3: Revenue by Segment



- Revenue from Life insurance business** was Baht 12,401 million, increased by Baht 2,411 million or 24.1% YoY. First year premium was Baht 8,024 million, increase by Baht 3,004 million with First year premium growth rate at 59.8%. Net earned premium increased by Baht 2,481 million or 31.0% YoY mainly from single premium through Banca channel.
- Revenue from Non-Life insurance** included net earned premium, investment income and other income total Baht 9,250 million and gain on sell of investment on a subsidiary by amounting to Baht 7,100 million. The increase in net earned premium was from personal accident and health premium on COVID-19 and other health product and increase in company's retention on residential fire policy.

In addition, the Company had gain on sell of investment in The Thai Insurance Public Company Limited amounting to Baht 7,100 million as per following details:

Description	Amount (Million Baht)
Net loss from COVID-19 policy on TIC	(1,849)
Net loss from COVID-19 policy reinsured from SEIC	(6,330)
Net profit from other Non-COVID products	379
Net loss on TIC for the period from 1 January – 27 September 2021	(7,800)
Net asset on TIC as at 27 September 2021	(6,880)
Consideration from sales of investment on TIC	220
Gain on sell of investment on TIC	7,100

- Revenue from Financial services business** was Baht 4,773 million, increased by Baht 577 million or 13.8%. Sales of used cars from expired lease contracts grew by Baht 1,276 million due to an increase of 1,537 units in used car sold. The selling price had increased by 24.2% due to the higher proportion of distribution through retail channel and reduced proportion of auction.

Total Expenses

Total expenses for the year 2021 was Baht 37,194 million, increased by Baht 14,885 million or 66.7% which had detail as follows:

- **Underwriting expenses** was Baht 30,570 million, increased by Baht 14,389 million or 88.9%.
 - Life insurance business's underwriting expenses increased by 2,517 million mainly due to increase in insurance claim benefit payment amounting to Baht 5,184 million.
 - Non-life insurance business's underwriting expenses increased by Baht 11,873 million mainly derived from increase in net claim incurred of Baht 8,010 million and increase in unexpired risk reserve by Baht 3,412 million mainly from COVID-19 policy.

- **Direct rental cost** was Baht 3,616 million, increased by Baht 392 million or 12.2%.
 - Direct rental cost was increased by Baht 56 million or 2.6% mainly due to depreciation, tax expense, insurance expense and other direct expense from higher number of cars for operating lease.
 - Cost of sales of operating lease asset increased by Baht 336 million or 30.8% YoY mainly due to the higher number of cars sold.

Financial Position as of 31 December 2021

<i>Unit: Million Baht</i>		31 Dec 2021	31 Dec 2020	%Change YoY
1	Total Assets	91,562	92,627	▼ -1.1%
2	Investment assets (including Cash)	61,553	62,671	▼ -1.8%
3	Reinsurance assets and Premiums due & uncollected	7,457	7,095	▲ 5.1%
4	Operating lease assets	11,770	11,990	▼ -1.8%
5	Other assets	10,782	10,871	▼ -0.8%
6	Total Liabilities	81,545	78,856	▲ 3.4%
7	Insurance contract liabilities	57,948	54,656	▲ 6.0%
8	Borrowings	16,021	17,033	▼ -5.9%
9	Other liabilities	7,576	7,167	▲ 5.7%
10	Total Equity	10,017	13,771	▼ -27.3%
11	Share capital and premium	25,745	25,745	▲ 0.0%
12	Retained earnings	4,136	7,198	▼ -42.5%
13	Other components of equity	(19,864)	(19,172)	▼ -3.6%

Assets

Total assets were Baht 91,562 million, decreased by Baht 1,065 million from prior year due to decrease in investment assets by Baht 1,118 million. Major assets more than 67% are investment assets.

Figure 4: Total Assets as of 31 December 2021 by type

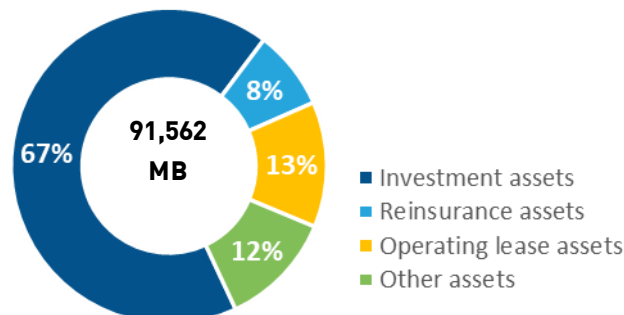
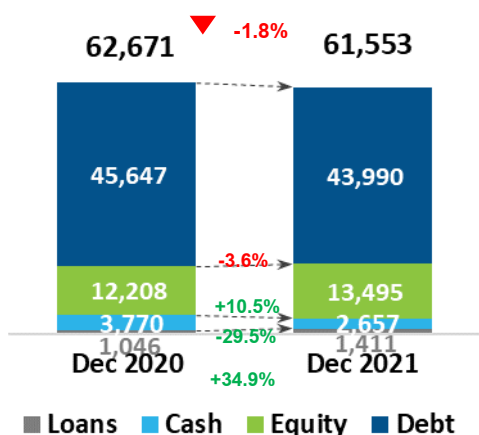


Figure 5: Investment Assets



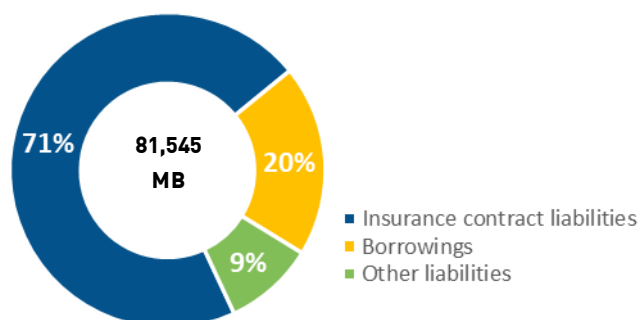
The investment assets decreased by Baht 1,118 million, from Baht 62,671 million to Baht 61,553 million, or decreased by 1.8%. The debt and equity instruments were still be the major assets. During the period, there was sales of debt securities to generate the cash flow for maturity benefits payment of life policies. Fair value of debt securities decreased due to increase in LT Government bond yield. In addition, more short-term investment to prepare for cash flow to support COVID-19 claim payment. Loans (Financial services business) increased from expansion of discounting check lending.

Liabilities

Total Liabilities were Baht 81,545 million, primarily comprising insurance contract liabilities and borrowings which represented 71% and 20% of the total liabilities respectively.

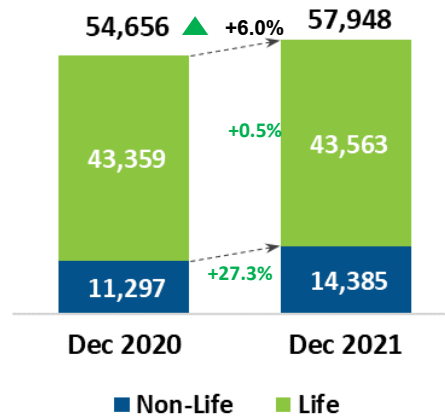
Total liabilities increased by Baht 2,689 million or 3.4% compared to the year ended 2020 mainly due to the following:

Figure 6: Total Liabilities as of 31 December 2021 by type



- The insurance contract liabilities increased by Baht 3,292 million compared to previous year, from Baht 54,656 million to Baht 57,948 million mainly arising from Non-life’s premium reserve correlating to premium written growth and increase in claims outstanding. Life policy reserve has slightly increased.

Figure 7: Insurance contract liabilities



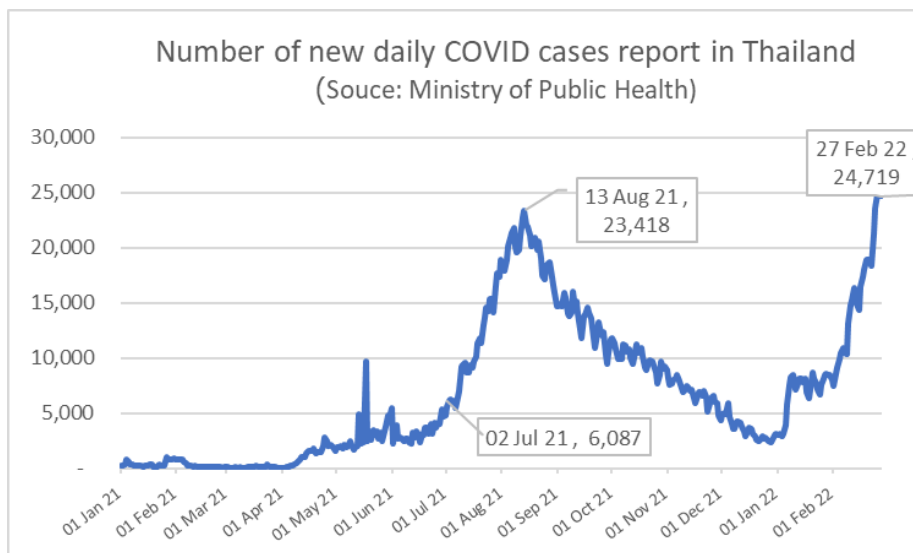
Equity

Total Equity was Baht 10,017 million, decreased by Baht 3,754 million mainly due to an increase in loss on fair value change of investments total Baht 633 million and interim dividend payment for 2020 on 5 February 2021 amounting to Baht 451 million of. (Dividend per share was 0.60 Baht per share).

Events after the reporting period

The COVID mutation into the Omicron has resulted in the total number of COVID infections significantly increase to more than 25,000 new cases as of 26 February 2022 which was higher than the highest number of reported cases previously reported on 13 August 2021.

Figure 8 : Daily report of the number of infected people in Thailand from the Ministry of Health



Significant events

25 January 2022	<p>The Board of Directors of TGH approved the non-life insurance business discontinuation of SEIC, due to certain key considerations that discontinuation of non-life insurance business would ensure the best benefits all relevant stakeholders as follows:</p> <ol style="list-style-type: none"> 1. SEIC had remaining net assets more than by Baht 1,800 million as of January 1, 2022, which can be used to pay out insurance premiums and claim to the insureds including payment to all other stakeholders without any payment to the shareholders of SEIC or major shareholder. 2. There will be no burden on the regulators and the General Insurance Fund if the payouts under the insurance policies are well managed. 3. The policyholder will continue to be covered if the policies are transferred to other insurance companies. 4. Those business partners will be fully paid the service fees owed to them if SEIC has assets over liabilities. 5. Employees will be carefully handled in accordance with the business suspension plan to be approved by the OIC. <p><i>(Details of this information as disclosed to the Stock Exchange of Thailand on January 26, 2022)</i></p>
31 January 2022	<p>OIC informed the results of the discontinuation of the non-life insurance business request and set the criteria, methods, conditions, and timing for SEIC to comply completely as required by law before the consideration of permission to discontinue the non-life insurance business. SEIC must manage and transfer all non-life insurance policies obligations.</p>
1 – 7 February 2022	<p>SEIC has announced to return full amount of insurance premiums to the policyholders who are insured for COVID-19 infection. There were more than 350,000 policyholders expressing their intention to refund the premium.</p>
23 February 2022	<p>SEIC has started to transfer all types of insurance policies except COVID-19 infection policy to insurers under approved list from the OIC.</p>

5. GENERAL AND OTHER IMPORTANT INFORMATION

General Information

Company name in Thai	: บริษัท ไทยโกลด์ โฮลดิ้งส์ จำกัด (มหาชน)
Company name in English	: Thai Group Holdings Public Company Limited
Ticker symbol	: TGH
Company registration number	: 0107561000285
Type of Business	: Investment holding company
Industry sector	: Financials
Business sector	: Insurance
Registered capital	: Baht 12,033,565,300 บาท
Paid-up capital	: Baht 7,520,978,320 dividend into 752,097,832 shares
Issued and paid-up share capital	: 752,097,832 shares
Par value	: Baht 10.00
Head office	: 315 Southeast Building, 12th Floor, Silom Road, Silom, Bangrak, Bangkok 10500 Telephone: +66 2631-1311 Website: www.segroup.co.th
Corporate Secretary	: Telephone: +66 2631-1311 ext. 5550
	: Email: comsec@segroup.co.th
Investor Relation	: Telephone: + 66 2631-1311 ext. 5094
	: Email: ir@segroup.co.th

Other references

1. Registrar

Thailand Securities Depository Co., Ltd.

Address : The Stock Exchange of Thailand Building, 93 Ratchadaphisek Road Dindaeng, Sub-District, Dindaeng District, Bangkok 10400

Telephone : 0-2009-9000

Website : www.set.or.th/tsd

2. Auditor

KPMG Phoomchai Audit Ltd.

: Miss. Pantip Gulsantithamrong - CPA Registration No.4208

Mr. Chanchai Sakulkoedsin - CPA Registration No. 6827

Mr. Chokechai Ngamwuthikul - CPA Registration No. 9728

Address : Head Office 195 Empire Tower 22 Floor, South Sathorn Road,
Yannawa Subdistrict, Sathorn District, Bangkok 10120

Telephone : 0-2677-2000

3. Legal Advisor

Weerawong, Chinnavat & Partners Ltd.

Address : 540 Mercury Tower, 22nd Floor, Phloenchit Road, Lumpini,
Phatumwan, Bangkok 10330

Telephone : 0-2264-8000

Part 2 Management and Corporate Governance

6. CORPORATE GOVERNANCE POLICY

6.1 Overview of Corporate Governance Policy and Procedure

The Board of Directors has approved the Good Corporate Governance Policy to be used as a guideline for business operations and to be the benchmark for all directors, executives and employees abiding as a guideline in performing their duties strictly. The Corporate Governance Policy has been established in accordance with the Corporate Governance Code or “CG Code” of the SEC and the SET by striving to adopt the principles of good corporate governance in the operation of the Company.

In this regard, the Board of Directors has assigned the Corporate Governance Committee responsible for overseeing and screening tasks related to corporate governance including following up, reviewing, and improving policies to be suitable for the situation and in accordance with the principles of good corporate governance by applying the CG Code to be used in corporate governance of the Company.

In the year 2021, the Company achieved score of “5 stars” or “Excellence” level from the “Corporate Governance Report of Thai Listed Companies 2021” conducted by Thai Institute of Directors (IOD).

In addition, the Company achieved a score of 100 out of 100 from the Annual General Meeting of Shareholders Assessment Project 2021 conducted by Thai Investors Association. The results mentioned above showcase the Company’s commitment and ability to conduct business according to Corporate Governance with stability and sustainable growth.

Business Ethics

Under an intensive business competition, in order for the Company and its subsidiaries to succeed in their business operations, the Company cannot look forward only to the success of the business, but also has to consider the process that can affect the business success. This process is an important basis in supporting and raising the level of good corporate governance. In addition, it is also an important foundation in enabling the business to achieve a stable and sustainable growth, as well as support the Company to achieve its business objectives.

The Company has set and disclosed the policy as well as measures in treating each group of the stakeholders by considering the rights of the said stakeholders according to the laws or the agreement with the Company. The Company will not act in any way to violate the rights of these stakeholders. Every employee will be informed and act accordingly until it becomes a corporate culture. The Company also adheres to the business ethics as well in order to attain a sustainable development. The Company will disseminate manual of good corporate governance and business ethics on the Company’s intranet and the Company’s website.

Shareholder	The Company focuses on its business operations with value growth towards sustainable and fair returns, as well as a dividend payment policy that depends on the performance and economic conditions.
Customer	The Company serves each customer with equality and fairness, as well as provides accurate, speedy and efficient information on services for them to make decisions and meet their needs. Also, the Company organizes convenient systems and effective channels for their complaints on services by telephone communication 1726.
Competitor	The Company treats all competitors under good competition rules, without damaging their reputation.
Employee	The Company emphasizes a high importance on its employees as crucial resources to achieve business goals. Therefore, human resource policies and business ethics have been developed for guidelines with fair business operations, namely training, appointment, transfer and rewards, including the maintenance of a working environment and welfare as appropriate and fair.
Partner	The Company focuses on equal and fair returns for both parties.
Community, society, environment	The Company clearly defines its policies with fair practices and social responsibilities by establishing the CSR Framework as guidelines for implementation of all agencies.
Creditor	The Company regularly reports its financial information with accuracy and completeness in a timely manner to creditors. If the Company cannot comply with agreements or contracts, it is required to negotiate with the creditors in advance for mutual solutions and prevention of damages, including financial management to ensure their confidence of the Company's financial status and ability to repay debts.
Regulatory unit / government sector	The Company operates its business strictly in accordance with the laws and legal regulations. It cooperates and facilitate well to provide information and news as requested by the authorities.

In addition to the principles of good corporate governance, the Company has other related policies as follows:

Policy on the use of insider information

- To prevent the use of inside information of the Company and its subsidiaries by having a policy that prohibits directors, executives, employees and staff from disclosing secrets and/or inside information to the public or seeking benefits for themselves or others in any ways directly or indirectly as well as with or without any returns. Also, they must not perform trading of the Company's securities by using inside information.

Policy on supervising the operations of subsidiaries and associated companies

- To supervise the operations of subsidiaries and associated companies under the same standards as the Company.

Conflicts of Interest Policy

- To manage the business activities for the maximum benefit of the Company and its shareholders, while avoiding any action that may cause conflicts of interest.

Policy on connected transactions

- To be a standard for supervising on the connected transactions of the Company and its subsidiaries according to the rules and regulations or other related specifications.

Whistleblowing Policy

- To provide appropriate action plans regarding the whistleblowing of frauds, corruption, misconduct and any practices against the Company's regulations and rules, with proper and fair protection for whistleblowers or complainants who cooperate and report any complaints or clues.

Policies and measures to maintain the security of information systems

- To monitor and support the management of information system security, with the confidence on electronic operating activities to be safe according to the notification of the Office of Insurance Commission, International Information Security Standards and other relevant laws and regulations.

Communication and Disclosure Policy

- To ensure that the communication and disclosure of information to third parties is appropriate and equitable in a timely manner by using proper channels for the protection of confidential information which shall affect securities' prices.

Policy on safety, occupational health and work environment

- To protect employees, customers, visitors and outsiders working in the building area to be safe under a good and suitable working environment, as well as a principal concept of sustainable development in economic, social and environmental dimensions to support and encourage consistent operations.

Anti-Corruption Policy

- To create a corporate culture for all employees to be aware of frauds and corruption towards their right values and higher confidence among all stakeholders for effective and concrete anti-corruption measures.

Anti-Corruption

- The Company has the intention and determination to resist all forms of corruption. The Company strictly adheres to the code of ethics, the corporate governance principles, anti-corruption policy including the regulations and relevant laws. The Company has continued the anti-corruption policy as follows:

The Company has set an anti-corruption policy for the directors, executives and employees transparently and develops to a sustainable organization. The Company prohibits directors, executive and employees from taking or giving bribes to any persons, government officers, business partners or store merchants to enhance business benefits improperly or influence business operation. However, if there is any payment or gift (including recreation) from officers, directors, employees or relevant persons to the government or organizations under the government's control, directors, executives and employees shall comply with the Company's regulations and policies for anti-corruption. The anti-corruption policy prohibits claiming, operating or accepting any corruption for self-benefit, family, friends and acquaintances.

The Company will not cooperate with or support any illegal activities relating to corruption or social danger and national security threats.

Additionally, directors, executives, employees and family members shall not accept any gifts, over recreation, including too many awards from any persons or business partners for the direct or indirect benefit of the business.

The Company determines that all departments perform risk management as the international standard regularly. Furthermore, the Company assigns all departments to generate self-risk assessment forms for anti-corruption. All departments have to report the assessment to the risk management division or the office of operation supervision to review, analyze and report to the risk management committee and the executives. The reason is that the Company can pursue and control risk appetite efficiently and plan for future risk control.

The regulation and practice for offering gifts, entertainment fee or other expenses for third parties are set for directors, executives and employees to have explicit discipline in accordance with the

anti-corruption policy and relevant regulations or laws to ensure that the operation for offering is reasonable, affordable and not bribable.

The Company communicates the anti-corruption policy, relevant regulations and describes the employees' role for whistleblowing for any corrupt conduct. The Company protects the whistleblower with no demotion or penalty to the persons who reject corruption, although those actions result in loss of business opportunity. The anti-corruption activities are communication to directors, executives and employees via the intranet system, executive discussion for anti-corruption issues, and clarification for anti-corruption policy to all divisions. In addition, there are training courses with tests for anti-corruption for new and current employees by e-learning. The policy also determines that the anti-corruption training course is arranged annually for directors, executives and staff to reiterate the principle of anti-corruption.

Additionally, the Company communicates its anti-corruption policy to the subsidiaries. For the public and stakeholders, the Company communicates by the company website, annual report, and corporate social responsibility report.

To declare the intention of service with good governance and anti-corruption, in the new year festival, the Company asked for cooperation from staff to send e-cards to partners and customers for new year's celebration, with no gifts to directors, executives and employees.

Certificate of Thai Private Sector Collective Action Against Corruption (CAC)

In September 2020, the Company announced to support Thailand's private sectors collective action coalition (CAC). In December 2020, the Company submitted self-assessment forms to apply for the certification from the CAC Committee. The CAC certified Thai Group Public Company Limited as a member of CAC on March 31, 2021 which such certification shall be valid another three years as from the date of the approval.

Whistleblowing

The Company sets a policy to report the whistleblowing of misconducts. There are channels for complaints or clues about the inaccuracy issues of financial reports, defective internal control system, Illegal actions and unethical behavior which indicate the corruption or misconducts of individuals in the organization. Employees and other stakeholders can communicate with the Company through various channels, such as electronic mail, directly via e-mail. ZTC@TGH.CO.TH (Whistleblowing Report Center). Additionally, employees can contact the Chief Executive Officer through the notification box (Tell Cho) or the Chairman of the Audit Committee or the head of the Internal Audit Office directly by calling 065-936-2404 to report clues or complaints about misconducts. Also, the Company has a policy to provide protection for those who report such complaints or clues. For instance, personal information of whistleblowers shall be kept confidential unless disclosure is required by the laws. Penalties are also imposed for those who engage in bullying, intimidation, disciplinary actions or discrimination by unfair means to those who give complaints or clues. Such persons are considered as committing a disciplinary offense and must be responsible for any damages to the Company or those affected by such actions.

In 2021, the Company did not receive any whistleblowers for corruption or violation of corporate governance policies and practices.

Significant changes and developments in policies, practices and corporate governance systems in the past year

In 2021, the Company continued to apply the Good Corporate Governance Principles for Listed Companies 2017 (CG Code) as a practice guideline that the Company's directors shall apply to supervise business operations towards a long-term good performance and trust among investors and stakeholders for the benefit of creating value for the Company's sustainable business operations to achieve the goals as follows:

1. The Company is able to compete and maintains good operating results with consideration on the long-term impacts.
2. The Company conducts business operations with ethics and respect for the rights and responsibilities of shareholders and stakeholders.
3. The Company emphasizes on the benefits to society and develops or reduces environmental impacts.
4. The Company can adapt and adjust under changing factors.

In 2021, the Company adhered to the principles of good corporate governance in accordance with the 8 principles of good corporate governance as follows:

Principle 1: Establish Clear Leadership Role and Responsibilities of the Board

Principle 2: Define Objectives that Promote Sustainable Value Creation

Principle 3: Strengthen Board Effectiveness

Principle 4: Ensure Effective CEO and People Management

Principle 5: Nurture Innovation and Responsible Business

Principle 6: Strengthen Effective Risk Management and Internal Control

Principle 7: Ensure Disclosure and Financial Integrity

Principle 8: Ensure Engagement and Communication with Shareholders

The Company applied CG Code for operating for the year 2021, however, the guideline which has not yet been adopted by the Company is summarized as follows:

Inapplicable Guideline	Explanation
<p>The Company should provide a social responsibility report as part of the annual report, or create a separate sustainable development report within the framework of the Global Reporting Initiative (GRI).</p>	<p>The Company is still in the process of studying and preparing the Sustainable Development Plans.</p>

Policy and Guidelines on the Board of Directors

The Board of Directors consists of qualified persons who have full qualifications under Section 68 of the Public Company Limited Act B.E. 2535 and relevant announcements of the Securities and Exchange Commission. All directors must be expertise and have knowledge, abilities, and experiences, including the dedication to strictly perform their duties of directors with responsibility, honesty, carefulness, and prudence. All independent directors can express their opinions independently on the Company's operations.

The Company's sub-committees comprise independent directors, non-executive and executive directors who work together for maximum benefits to the Company. The scope of duties and responsibilities of each sub-committee is clearly stated in the Charter of Sub-Committees. There are different policies and daily operations for each committee and the Charter must be reviewed at least once a year.

Responsibilities of the Board of Directors

(1) Board of Directors Structure

The Company's Board of Directors comprises of total 15 directors, consisting of 6 independent directors, 5 non-executive directors, and 4 executive directors. The Board comprises of members with a diversity of professional skills, specialized expertise, and gender. In alignment with good corporate governance principles, the Company has appointed a non-executive director as Chairman of the Board of Directors, where the positions of the Chairman of the Board and the Executive Chairman are not held by the same person. The details of the Board of Directors are appeared in Management Structure.

The Chairman of Board of Directors

The Chairman of the Board has an important role in overseeing and supporting Board Members in fully performing its duties in accordance with the Company's direction and strategy for the highest

benefit of the Company and its shareholders. The Chairman has a leadership role of the Board of Directors, with the responsibilities covering at minimum as follows:

- 1) to oversee, monitor, and ensure that the Board members perform their duties effectively and fulfill its objectives and key goals;
- 2) to ensure the involvement of all Board members in promoting the creation of an organizational culture with ethics and good corporate governance;
- 3) to set the Board of Directors' meeting agenda through consultation with the Chief Executive Officer and have measures to ensure inclusion of important issues into the meeting agenda;
- 4) to allocate an adequate time for the Board of Directors' meetings to allow the management to propose issues and the Board to carefully deliberate important topics, and promote the Board's exercise of scrupulous discretion and independent opinion; and
- 5) to promote good relationships among executive and non-executive directors, and between the Board and the management team.

The Chief Executive Officer

The Chief Executive Officer leads the management team and responsible for the successful day-to-day business management of the Company and its subsidiaries and plans the operation and business management strategy of the Company and its subsidiaries as approved by the Company's Board of Directors.

The Board of Directors will not be involved in the day-to-day management's responsibility or in the implementation of the Board's policies. The working relationship between the Company's Board and the management will be a collaborative nature.

Independent Director

The Company has set a definition for independent director in accordance with the minimum requirements as stipulated by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as follows:

- 1) Holding shares not more than one percent of the total number of shares with voting rights of the company, subsidiaries, associated companies, major shareholders, or persons with authorized control over the company, including the shareholding of related persons of that independent director.
- 2) Not being nor used to be a director taking part in management, including not being or having ever been an employee, consultant with a regular salary, or authorized control person of the company, subsidiaries, associated companies, same-level subsidiaries, major shareholders

or shareholders of authorized control persons of the company, unless they have refrained from such qualifications for at least two years prior to their appointment.

- 3) Not being an inherited person or one by legal registration in the manner of parents, spouse, sibling, and child, including the child's spouse of other directors, executives, major shareholders, authorized control persons, or persons who will be nominated as directors, executives, or authorized control persons of the company or subsidiaries.
- 4) Not having or having ever had a business relationship with the company, subsidiaries, associated companies, major shareholders, or authorized control persons of the company in a manner that may impede one's independent exercise of judgment, including not being or having ever been a significant shareholder or an authorized control person of an individual having a business relationship with the company, subsidiaries, associated companies, major shareholders, or authorized control persons of the company, unless they have refrained from such qualifications for at least two years prior to their appointment.

The business relationship under paragraph one includes normal commercial transactions for the purpose of operating a business, renting, or leasing real estate, transactions relating to assets or services, or giving or receiving financial assistance by accepting or lending, guaranteeing, giving assets as collateral for liabilities, including other similar circumstances which resulted in the obligations of the company or the parties for payment to the other party, with three percent of the company's net tangible assets, or twenty million baht, whichever is lower. The debt load calculation shall be in accordance with the method for calculating the value of connected transactions under the notification of the Capital Market Supervisory Board on the rules of connected transactions, by which the necessary changes have been carried out. The debts shall include the indebtedness incurred during one year prior to the date of having a business relationship with the same person.

- 5) Not being or having been an auditor of the company, subsidiaries, associated companies, major shareholders, or authorized control persons of the company, and not significant shareholders, authorized control persons, or partners of the audit companies which have auditors of the company, subsidiaries, associated companies, major shareholders, or authorized control persons of the affiliated company, unless they have refrained from such qualifications for at least two years prior to their appointment.
- 6) Not being or having been a service provider of any kind, including legal or financial advisory services with a service fee of more than two million baht per year from the company, subsidiaries, associated companies, major shareholders, or authorized control persons of the company, and not being a significant shareholder, authorized control person, or partner of the professional service providers, unless they have refrained from such qualifications for at least two years prior to their appointment.
- 7) Not being a director who has been appointed to represent the company's directors, major shareholders, or shareholders who are related to major shareholders.

- 8) Not operating a business with the same nature and in significant competition with the company's business, or subsidiaries', or not being a significant partner in the partnership, nor being a director who takes part in management, employees, staff, advisors who receive regular salary, nor shareholder of more than one percent of the total number of voting shares in other companies which operate a business with the same nature and in significant competition to the company or subsidiaries.
- 9) Not having any other characteristics that prevent expressing opinions independently regarding the company's operations.

After being appointed with characteristics according to 1–9, the independent director may be assigned by the board of directors to make decisions in the business operations of the company, subsidiaries, associated companies, subsidiaries of the same level, major shareholders, or authorized control persons of the company, where decisions can be made in the form of a collective decision.

Sub-committees

The Company consists of 5 sub-committees who are under the supervision of the Board of Directors. The sub-committees have a duty to help specific studying and scrutinizing various aspects. The sub-committees under the supervision of the Board of Directors consist of Audit Committee, Executive Board, Risk Management Committee, Nomination and Remuneration Committee, Corporate Governance Committee, details on each sub-committees are mentioned in Management Structure.

Scope of Duties and Responsibilities of the Board of Directors are as follows:

- 1) To perform duty of responsibilities, duty of care and fiduciary duty to comply with the law, the Company's objectives and regulations as well as the resolution of the shareholders' meeting;
- 2) To conduct corporate business operations ethically such as preparing the Corporate Governance Policy of the company and its subsidiaries according to the principles of Good Corporate Governance; Business Ethics and Code of Conduct for directors, executives and employees of the company and its subsidiaries; including declaring acknowledgment, determining compliance and monitoring performance;
- 3) To determine the details and approve the business visions, strategies, policies, goals, guidelines, operating plans and annual budget of the company and its subsidiaries as prepared by the management team and presented to the Board of Directors; including surveillance of the administration and management by the management team in accordance with the policies, plans and budgets as defined, effectively;
- 4) To incorporate the administration and performance by the management team or any person assigned to such duties in order to comply with the policy by the Board of Directors;

- 5) To monitor the performance of the company in order to comply with the operating plans and budgets of the company, successively;
- 6) To operate the management team to provide an accounting system, financial reporting and reliable auditing as well as surveillance over an adequate and appropriate internal control system;
- 7) To review the risk management process and the risk management policy including monitoring the performance of the risk management;
- 8) To consider and approve the acquisition or disposition of assets, investments and any activities in accordance with the relevant laws, announcements, requirements and regulations;
- 9) To consider and approve the Company's related party transactions in accordance with relevant laws, announcements, requirements and regulations;
- 10) To supervise and ensure that the Company's stakeholders have no conflicts of interest among them;
- 11) To consider any matters regarding the benefits of all shareholders and stakeholders of the Company to be fairly. The directors must notify the Company without delay when their stake occurred in the contract with the Company. For the transactions made with directors or persons who may have a conflict of interest, the directors with a conflict of interest shall have no right to vote on such transactions;
- 12) To establish the Corporate Governance Policy in writing, according to the principles of Good Corporate Governance and review the Corporate Governance Policy of the company to ensure the fair responsibility to all stakeholders;
- 13) To seek professional opinions from outside organizations, if necessary and to make an appropriate decision;
- 14) To consider an appointment of the Chief Executive Officer and sub-committees such as the Audit Committee and the Executive Board, etc. including determining the authority and duties of the Chief Executive Officer and sub-committees aforementioned to supervise the management and internal control systems in accordance with the established policies;
- 15) To consider an appointment of the company secretary in order to surveillance the Board of Directors and the Company to comply with the related laws, announcements, requirements and regulations;
- 16) To consider revising the authority, duties and responsibilities of the Audit Committee, Executive Board and the Chief Executive Officer as it seems appropriate and necessary;
- 17) To evaluate the performance of the Board of Directors. The Board of Directors shall evaluate their performance annually and consider process to increase efficiency of their own performance;

- 18) To conduct a proper information dissemination and declaration to stakeholders, persons with a conflict of interest and related persons in correct, complete, appropriate and punctuality;
- 19) To supervise the subsidiaries as a division of the Company and surveillance over the subsidiaries to strictly comply with its own regulations:
- 20) To consider an approval of the transactions or any operations of the subsidiaries and/or associated companies as specified in the Company's Articles of Association; except for the appointment or nomination of the directors or executives in the main business of the company (as defined in the Company's Articles of Association), at least with the proportion of the Company's shareholding in its main business. In this case, the Board of Directors may assign the executive committee as the authorized operators within the scope of authority and time period specified by the Board of Directors as it seems appropriate. The Board of Directors may cancel, revoke or amend such authority as well;
- 21) To approve the nomination of the auditors and consider the annual audit fee then propose to the shareholders for approval.

Scope of Duties and Responsibilities of the Audit Committee

- 1) Review the Company and its subsidiaries to establish accurate and adequate financial reports in accordance with financial reporting standards by coordinating external auditors and executives responsible for preparing financial reports, both quarterly and annually. The Audit Committee may recommend the auditors to review or examine any items as it seems important and necessary during the audit of the company and its subsidiaries.
- 2) Review the internal control to ensure that the Company and its subsidiaries have appropriate, adequate and efficient internal control and internal audit systems.
- 3) Consider the independence of the Internal Audit Department and approve the appointing, transferring and terminating of the head of the Internal Audit Department position or any other department responsible for internal auditing.
- 4) Exercise the authority to access all information of the Company including invitation to executives, the management team, supervisors, employees or relevant persons for meeting and information clarification including delivering and providing relevant information under the performance of duties assigned by the Board of Directors.
- 5) Consider and approve the annual budget, the rate of necessary human resources and other resources for the internal audit office operation; approve the annual audit plans; consider and approve the significant reviewing and modifying of the internal audit plans; supervise the internal audit office operation in accordance with the approved annual audit plans and the international standards practices of internal auditing; annual assess the quality of the internal audit activities including attend the meeting with the chief executive of the internal audit department to discuss significant matters at least once a year.

- 6) Review the Company to comply with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand and the Capital Market Supervisory Board or relevant laws on the Company business.
- 7) Consider, select and nominate an independent person to perform as the Company's auditor including offer the compensation of the person aforesaid by taking into the reliability and adequacy of resources; the amount of audit work of such auditing office; and the experience of the person aforesaid to operate the Company's audit work and attend the meeting with the auditors without the management team as well.
- 8) Consider the relevant transactions or items that may have conflicts of interest; acquisition or disposition of assets of the Company or its subsidiaries in terms of correct and complete to comply with relevant laws and requirements of the Stock Exchange of Thailand and the Capital Market Supervisory Board. This is to ensure that such transactions are reasonable with the best benefits to the Company and its shareholders.
- 9) Prepare the report on the corporate governance performance of the Audit Committee by disclosed in the annual report of the Company. The aforesaid report must be signed by the Chairman of the Audit Committee and contained at least the following information:
 - (1) Opinions on the accuracy, completeness and reliability of the Company's financial reports.
 - (2) Opinions on the adequacy of the internal control system of the Company and its subsidiaries.
 - (3) Opinions on the compliance with the Securities and Exchange Act, requirements of the Stock Exchange of Thailand or relevant laws on the business of the company and its subsidiaries.
 - (4) Opinions on the suitability of the auditors.
 - (5) Opinion on the transactions that may lead to conflicts of interest.
 - (6) The meeting number of the Audit Committee and such meeting attendance by each member of the Audit Committee.
 - (7) Opinions or overall remarks received by the Audit Committee from the compliance with the Charter and other items that shareholders and general investors should be notified within the scope of duties and responsibilities assigned by the Board of Directors.
 - (8) Review and monitor the risk management results of the management team and/or related departments.
 - (9) Review and propose the Charter Amendments to the Audit Committee as it seems appropriate at least once a year.

- (10) Review the performance of the recently year by performance report preparing and submitting them to the Board of Directors at least once a year.
- (11) Seek independent opinions from any other professional advisor to provide opinions or guidance within the scope of responsibilities as appropriate and necessary at the expense of the company.
- (12) Perform other duties assigned by the Board of Directors with the approval of the Audit Committee.

In performing the duties mentioned above, the Audit Committee has direct responsibility to the Board of Directors and the Board of Directors has remained responsibility to the company operations with the other parties.

The Board of Directors has the authority to amend the definition or qualifications of the independent directors and the Charter of the Audit Committee to comply with the responsibilities of the Audit Committee under the rules specified by the Securities and Exchange Commission, the Stock Exchange of Thailand, the Capital Market Supervisory Board; and/or the provisions of other relevant laws.

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

- 1) Determine policies, criterion and methods for nomination of the directors and persons with management authority of the Company then propose to the Board of Directors as well as select and nominate persons with appropriate qualifications in accordance with the relevant regulations and laws to be the directors; the sub-committees as assigned the authority, duties and responsibilities directly by the Board of Directors; the person with management authority of the company; and the chief executive of the company to propose to the Board of Directors.
- 2) Review to ensure that the size and composition of the Board of Directors is appropriate for the organization then adjust in accordance with the changing environment if necessary. The Board of Directors must consist of persons with knowledge, capability and experience in various fields.
- 3) Review to ensure that the directors and persons with management authority will receive appropriate compensation for their duties and responsibilities.
- 4) Determine the compensation and other benefits given to the directors and Chief Executive Officer then propose to the Board of Directors and set the policy on compensation and other benefits payment in clear and transparent criteria for other executives in order to consider compensation and benefits by the Human Resources Management Committee.
- 5) Create guidelines for the performance evaluation of the directors and Chief Executive Officer then propose to the Board of Directors as the guidelines for the performance evaluation by the Board of Directors; determine the annual compensation by duties, responsibilities and risks

involved including management to comply with the business plans and organizational strategies as well as the long-term increase of shareholders equity to consider the evaluation.

- 6) Disclose policies on compensation, consider various forms of compensation and prepare the compensation report including opinions of the Nomination and Compensation Committee in the annual report.
- 7) Supervise planning and recruiting the successors of the company's executives to ensure that the company's business operations have planned and prepared for critical positions.

Scope of Duties and Responsibilities of the Good Corporate Governance Committee

- 1) Propose policy on the good corporate governance and social responsibility of the company and its subsidiaries to the Board of Directors.
- 2) Supervise the Company's operations in accordance with the good corporate governance principles by the supervisory institutions such as the Office of the Insurance Commission (OIC), the Bank of Thailand and the Securities and Exchange Commission.
- 3) Supervise the Company and its subsidiaries to comply with the laws, rules, regulations and standards in business operation including the professional standards and Compliance Policy through the Office of Compliance.
- 4) Review to ensure that the Company has an effective and independent Compliance and Good Governance systems.
- 5) Provide the provision on business ethics as the good practice guidelines for the directors, executives and employees of the company and its business group then propose to the Board of Directors for approval.
- 6) Regularly review the principles of the good corporate governance and compliance by the international practice guidelines and recommendations from various regulators including consider the results of the good corporate governance of the company by the external agencies in order to suggest development approach on the good corporate governance principles to the Board of Directors for approval.
- 7) Supervise and monitor the directors and the management team performance in accordance with the good corporate governance principles.

Scope of Duties and Responsibilities of the Risk Management Committee

- 1) Determine on policy then propose to the Board of Directors for overall risk management consideration of the company and its business group. The aforementioned policy must cover the significant types of risk such as credit risks, market risks, liquidity risks, operational risks and information technology risks. Risk Appetite for the Company's business operations must

suitable for the risk level faced by the company and the risk affecting the reputation of the company and its subsidiaries, etc.

- 2) Strategize in line with the company's risk management policy to assess, monitor and supervise the risk amount at an appropriate level including determining the guidelines for classified assets reservation.
- 3) Review the adequacy of the risk management policy and system including the effectiveness of the systems and the compliance with the established policies.
- 4) Report their performance to the Board of Directors on a regular basis in order to make improvements and amendments on the established risk management policies and criterion; and notify the Audit Committee and/or the Good Corporate Governance and Compliance Committee about the matters that need improvement in order to comply with the established risk management policies and regulations.
- 5) Consider and approve various relevant guidelines and/or about the transactions, the encumbrances and the credit-like transactions in line with the risk management framework established by the company and the authorities as well as consider the warranty policy to the Board of Directors for approval.
- 6) Supervise the risk management of the Company and its subsidiaries then report to the Board of Directors as assigned.

Scope of Duties and Responsibilities of the Executive Committee

- 1) Operate and manage the business of the company and its subsidiaries in accordance with the objectives, regulations, policies, rules, regulations, orders and resolutions of the Board of Directors.
- 2) Determine on policies, visions, missions, goals, business objectives, business strategies, business plans, annual budget plans and administrative authority of the company and its subsidiaries by considering business factors appropriately then propose to the Board of Directors for approval.
- 3) Supervise, audit and monitor the business operations of the company and its subsidiaries in accordance with the visions, missions, goals, business objectives, business strategies, business plans and annual budget plans of the company and its subsidiaries which have been approved by the Board of Directors to be efficient and effective contributing to business conditions including provide the management instruction to the senior management.
- 4) Study the possibilities in the new projects investment and exercise the authority to consider and approve the company and its subsidiaries to invest or co-invest with individuals, juristic persons or any other business organizations as the Executive Committee seems appropriate to operate the business according to the objectives of the company and its subsidiaries;

consider and approve the expenditures of such investments, entering into a legal contract and/or any activities related to aforementioned matters until the completion as the specified financial amount and/or as defined by the relevant laws, regulations and/or requirements of the company and its subsidiaries.

- 5) Monitor the performance and progress of each business investment project then report the results including problems or obstacles and amendments to the Board of Directors for acknowledgment.
- 6) Provide instruction about the dividend payment of the company and its subsidiaries to the Board of Directors.
- 7) Consider and provide suggestions or opinions to the Board of Directors regarding any projects, proposals or transactions in connection with the business operations of the company and its subsidiaries including consider funding options if needed and/or defined by the applicable laws and regulations or the Articles of Association of the company to approved by the resolutions of the shareholders and/or the Board of Directors meeting.
- 8) Consider and approve the capital expenditures, financial transactions with the financial institutions to opening accounts, credits, loans, pledging, mortgages, guarantees and others including the purchase and registration of any land ownership for the business operations benefits of the company and its subsidiaries as well as entering into the legal contracts; submitting requests, proposals and making contacts with the government agencies in order to acquire the rights of the company and its subsidiaries and/or to perform any activities related to aforementioned matters until the completion as the specified financial amount and/or as defined by the relevant laws and regulations or the Articles of Association.
- 9) Consider and approve regulations, rules, policies on business managements and operations of the company and subsidiaries or any activities with obligations to the company and its subsidiaries.
- 10) Determine the organizational structure and authority to appoint and/or assign the executive committee or any one or more persons to perform any activities within the scope of the Executive Committee authority and the time period as the Executive Committee seems appropriate. The Executive Committee may cancel or revoke or amend such authority as it seems appropriate. There will be no authorization to any person who may have a conflict of interest to perform all aforementioned activities.
- 11) Encourage the executives or the employees to attend the executive committee meeting or prepare and provide information related to the subjects discussed at the executive committee meeting.
- 12) Exercise the authority, duties and responsibilities as assigned or in accordance with the policies specified occasionally by the Board of Directors including exercise the authority to nominate the persons to be the directors and to appoint the executives in the company. It also

exercises the authority to nominate the directors and executives in the main business of the company (as defined in the Company's Articles of Association), at least with the proportion of the company's shareholding in its main business within the scope of authority and time period specified by the Board of Directors as it seems appropriate to recruit an advisor or a person with independent opinions to provide opinions or suggestions as needed; report to the Board of Directors on the activities performed by the Executive Committee within the scope of the authority and duties of the Executive Committee on a regular basis including any other matters as it seems necessary and appropriate to propose to the Board of Directors for acknowledgment.

- 13) Consider and approve the operating manuals and the scope of the management responsibilities to perform various operations according to the procedures.
- 14) Consider and approve the normal transactions of the company according to the capital expenditures or the budgets approved by the Board of Directors. The financial amount for each item is as specified in the table of the approval authority approved by the Board of Directors but not more than the annual budgets approved by the Board of Directors as well; including entering into various contracts related to the aforementioned matters.
- 15) Evaluate the performance of the Chief Executive Officer and the entire Executive Committee including evaluate the performance of the individual Executive Board to consider and review the operations, problems and obstacles each year. The results of such evaluation can be used to develop and improve performance in various fields.

Scope of Duties and Responsibilities of the Chief Executive Officer

- 1) Cooperate with the Board of Directors and the management team to ensure that the visions, business directions, policies, business strategies, goals, operating plans and annual budget plans of the company and its subsidiaries are defined including determine the administrative structure and authority to propose to the Board of Directors for further approval.
- 2) Communicate the visions, business directions, policies and strategies of the company, approved by the Board of Directors to the senior management of the company as the frameworks to planning and managing each department of the business.
- 3) Supervise the company operations in accordance with various plans including the relevant laws, rules and regulations of various departments as well as the Articles of Association to reach the target goals, both in the terms of financial and non-financial goals.
- 4) Review the business reports and operation plans of the company.
- 5) Approve the expenditures including any compensation under the budgets, plans or frameworks approved by the Board of Directors according to the assigned authority.

- 6) Review to ensure that the company has an appropriate internal control system in accordance with the guidelines assigned by the Audit Committee and/or the Board of Directors.
- 7) Review to ensure that the company has an appropriate risk management and control system in accordance with the guidelines assigned by the Audit Committee and/or the Board of Directors.
- 8) Seek the new business and investment opportunities related to the main business of the company and its subsidiaries in order to increase the company income.
- 9) Review the overall human resource management of the company.
- 10) Consider and appoint the executives according to the definition specified by the Securities and Exchange Commission or the Capital Market Supervisory Board; determine the compensation and evaluate the performance of the executives aforesaid.
- 11) Approve the consultants' appointment in various fields as necessary for the business operation and comply with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 12) Represent the company in organizational promotion to the public, especially in the area of networking, building the best relationships and corporate images at the national and international level.
- 13) Represent the company in communication with the shareholders.
- 14) Support the Board of Directors in establishing regular communication channels with the shareholders appropriately and declare the information in accordance with the transparent standards.
- 15) Exercise the authority to power of attorney and/or assign the others to perform a specific task on their behalf by the power of attorney and/or such assignment within the scope of authorization under the power of attorney; and/or the regulations, requirements or orders of the Board of Directors; and/or sub-committees; and/or details as specified by the company.

In this regard, the delegation of the authority, duties and responsibilities of the Chief Executive Officer or the authorized person of the Chief Executive Officer is not the authorization or delegation to a power of attorney that allows the Chief Executive Officer or the authorized person of the Chief Executive Officer to approve the subjects that may have the interests (according to the definition announced by the Securities and Exchange Commission and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies); or the stakes; or the benefits in any ways; or the conflict of interests with the company or its subsidiaries. The exception is that the approval transactions comply with the policy and the criteria as approved by the resolutions of the shareholders and/or the Board of Directors meeting and it is the approval transactions in normal business and commercial conditions according to the announcements of the Securities and Exchange Commission

and/or the Capital Market Supervisory Board and/or the Stock Exchange of Thailand and/or related agencies.

- 16) Perform other activities as assigned by the Board of Directors and/or sub-committees under the Company's rules and regulations; the Securities and Exchange Act; the relevant notifications, regulations and rules of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand.

Scope of Duties and Responsibilities of the Company Secretary

- 1) Provide the basic information and suggestion to the directors and executives in order to comply with the relevant laws, regulations and requirements of the company business; monitor to ensure that there are properly operations and also report the significant changes in legal requirements to the directors and executives.
- 2) Monitor to ensure that there are relevant information disclosures and report the related information in accordance with the regulations, announcements and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission and the Capital Market Supervisory Board.
- 3) Conclude the reports on securities holding and changes in securities holding of the directors, managers and executives of the company including the spouse; or the person who live together as husband and wife; or underage child including the juristic persons that the directors, managers and executives of the company including the spouse; or the person who live together as husband and wife of such directors, managers and executives of the company hold the shares more than 30% of total voting rights of such juristic persons; to the Board of Directors meeting for acknowledgment on a quarterly basis.
- 4) Monitor and supervise the shareholders and the Board of Directors meeting to comply with the laws, the Articles of Association and the related practices including Monitor to ensure that there are operations comply with the resolutions of the shareholders meeting and the resolutions of the Board of Directors meeting.
- 5) Prepare and maintain the following important documents:
 - a) Directors' Registration.
 - b) Shareholders' Registration.
 - c) Invitation letter to the meeting of the Board of Directors and minutes meeting of the Board of Directors including sub-committees.
 - d) Invitation letter to the meeting of shareholders and minutes meeting of shareholders.
 - e) Annual report of the company.

- 6) Maintain the reports of interests and the certificates of independence, reported by the directors or executives; submit a copy to the chairman of the Board of Directors and the chairman of the Audit Committee within seven official days from the date the company received such reports.
- 7) Establish the knowledge and understanding about the regulations as well as stimulate the good corporate governance to the company.
- 8) Review the activities of the Board of Directors and any other activities in accordance with the laws and/or the details as specified in the notifications of the Capital Market Supervisory Board and/or as assigned by the Board of Directors.

Nomination of Directors and CEO

○ Nomination and Appointment of Directors and Independent Directors of the Company

Constitution and appointment of the Board of Directors is stated in the Charter of the Board of Directors as follows:

- 1) The shareholders' meeting specifies the number of positions for the company's directors, but not less than five persons, and independent directors from the management who have no business relationship or any other relations that may influence their independent judgment, with not less than one-third of the total number of directors, and at least three persons.
- 2) The Board of Directors shall elect one of the company's directors to be the Chairman of the Board of Directors. In the event that the Board of Directors deems it appropriate, one or more of the company's directors may be elected to be the Vice Chairman of the Board of Directors.

Qualifications of persons to be appointed as the company's directors;

- 1) Must be a qualified person and not have any prohibited characteristics according to the regulations of the Securities and Exchange Commission ("SEC"), the Stock Exchange of Thailand ("SET"), the laws of public limited companies, and other relevant regulations.
- 2) Be a person with knowledge, capability, honesty, ethics, and experience in the operation of the company's business.
- 3) The company's directors can hold director positions in other companies. However, being a director of such company must not be an obstacle to the performance of the company's directors, and must also comply with the regulations set forth by the SEC and the SET.

In the case of independent directors, there must be additional qualifications as mentioned above under topic Independent Director:

Appointment and tenure of the company's directors

- 1) Appointment of the Board of Directors shall be in accordance with the company's regulations and relevant legal requirements, which must be transparent, clear, sufficient, and beneficial for the decision of the Board of Directors and/shareholders.
- 2) At every annual meeting of shareholders, the company's directors shall retire from the post at one-third of the total number of directors at that time. If the number of directors cannot be divided into three parts, the retirement shall be at the closest number to the ratio of one-third. The directors who retire from the post upon the expiration of tenure term may be reelected.
- 3) In the event that the position of company director is vacant due to reasons other than the due term of tenure and tenure term remains of at least two months, the Board of Directors may appoint a director to replace the vacant position by appointing a qualified person without any prohibiting characteristics under the laws of public limited companies, the Securities and Exchange Law, and other legal regulations relating to the company's operations, as the replacement director at the next meeting of the Board of Directors, except where less than two months' of the tenure term of the company director remains. The resolution of the Board of Directors must consist of at least three-fourths of the votes of the remaining directors. The person who serves as a replacement director shall hold the position of director for only the remaining tenure term of the director being replaced.
- 4) The company's directors shall leave the post when:
 - (1) Due term of tenure
 - (2) Resigned
 - (3) Deceased
 - (4) Lack of qualifications or having prohibited characteristics by law or regulations of the Company
 - (5) Votes of the shareholders' meeting
 - (6) Order issued by the court
- 5) The director who retires before his due term of tenure is required to submit a retirement letter to the company. The retirement is effective from the date of intention to retire and may also be notified to the registrar under the laws of public limited companies.

The nomination of directors and independent directors of the company has been specified in the criteria and methods for nominating the company's directors; namely, the nomination of the company's directors requires that the Nomination and Remuneration Committee

consider those who have suitable and beneficial qualifications for the company's business operations in a comprehensive and transparent manner as follows:

- 1) Having qualifications that are in accordance with relevant laws and regulations, such as the Public Company Limited Act B.E. 2535, the Securities and Exchange Act B.E. 2535, the Company's Regulations, and the Company's Good Corporate Governance and Business Ethics Policy.
- 2) Considering the company director nomination criteria of the Stock Exchange of Thailand and the Good Corporate Governance Principles for Listed Companies in 2017 of the Office of the Securities and Exchange Commission.
- 3) Giving importance to those who have skills, professional experience, and specific qualifications in various fields and those which the Board of Directors is still lacking, including that which is firstly essential to the nature of the business of the company without limitation or discrimination of gender and race, or any differences in order to make the complete constitution of the Board of Directors towards the highest benefit for the company.
- 4) Considering the appropriateness of knowledge, experience, and specific capabilities that are useful for the company in the core business or services in which the company operates, as well as being knowledgeable with experience in any fields such as life and non-life insurance, commerce, industrial management, engineering, architecture, science, environment, political science, law, accounting, finance, public relations, or public administration.
- 5) Considering the dedication of the company's directors, in that the past directors shall be reelected for another term by considering the performance results during the tenure of taking such position as well as the company that each director shall hold a position in to suit the nature or business conditions.
- 6) In case of the appointment of independent directors, considering the independence of persons to be nominated as independent directors in accordance with the rules set by the Office of the Securities and Exchange Commission, as well as the definitions of an independent director of the company, with the qualifications of independence as specified in the corporate governance policy and business ethics of the company, disclosed on the company's website.
- 7) Considering the performance during the past years (if any).

Method for Nomination of Directors

For nomination of the company's directors, the Nomination and Remuneration Committee shall consider as follows:

- 1) Nominating directors according to the required agenda for the nomination of directors to the Board of Directors for consideration. The nomination may be considered by having the former directors continue the position, or opening for nomination from shareholders, or using an outside company to help with the nomination, or considering persons from the lists of committees and professions, or allowing each director to nominate an appropriate person, etc.
- 2) Considering the names of nominated persons, then selecting individuals who meet the qualifications according to the criteria.
- 3) Verifying that the nominated persons possess qualifications according to the laws and regulations of relevant authorities.
- 4) Proceeding to approach persons who are qualified to meet the specified eligibility criteria, ensuring that such individuals are willing to take up the position as director of the company, if appointed by shareholders.
- 5) Proposing the names to the Board of Directors for consideration and including their names in the notice letter for the shareholders' meeting, so that the shareholders' meeting or the Board of Directors shall consider the appointment as the case.

Terms of being the Director

Term of the company's directors is given as follows:

- 1) The Board of Directors shall have the term as specified in the company's regulations. At every annual meeting of shareholders, the directors shall retire from the position in one-third (1/3) of the number of directors at that time. If the number of directors cannot be divided into three parts, then the retirement shall be the closest number to one-third (1/3).
- 2) The Independent directors shall hold their positions continuously for no more than nine years from the date of their first appointment as independent directors. Even if the appointment is necessary to continue such position as an independent director, the Board of Directors must reasonably consider such necessity.

○ Nomination and Appointment of the Chief Executive Officer

The Nomination and Remuneration Committee considers the nomination of the Chief Executive Officer as follows:

- 1) The Nomination and Remuneration Committee is responsible for the consideration to nominate the Chief Executive Officer.
- 2) The Nomination and Remuneration Committee proposes the nominated persons to the Board of Directors for further considerations of the appointment.

The Nominating and Remuneration Committee considers nominating, appointing, and screening the qualified persons for the position of the Chief Executive Officer, with basic factors as follows:

- 1) Have the qualifications, knowledge, capability, and experience in the industry or business of the company.
- 2) The person who is nominated for the position should have ideas and visions of management in the same way as the Board of Directors towards successful operations of the organization to achieve the goals.
- 3) Possess the skills necessary for the assigned position:
 - Leadership
 - Strategic Thinking
 - Business Development
- 4) Other qualifications:
 - Good human relations
 - Honest, prudent, discreet
 - Quality of work
 - Good TEAMWORK operation

Regulations on Approval Authorities

The Company determines that the Board of Directors has the authority to approve matters of the Company in accordance with the scope of duty determined by the law, the Company's Article of Association, the Board of Directors' Charter and resolution of the shareholders' meeting, including the revision of vision, mission, and the operating strategy on an annual basis. The duties extend to the strategic plan, annual budget, investment plan and budget of the Company as well as monitoring and assessment of operating result to ensure alignment with the plans, approval of the significant related transactions. The Executive Board is obligated to the Company affairs as assigned by the Board of Directors in accordance with the Charter of Executive Board, related laws and regulations in order to approve the related transactions as usual business within the budget and approve the transaction approved by the Board of Directors.

Supervision of the Operations of Subsidiaries and Associated Companies

The company was established with the main objective to operate the business by holding shares in other companies (Holding Company), following the company's policy to effectively control and supervise the business operations that the Company invests or will invest in in the future as though it is a department or a unit in the organization of the company. Also, it can follow on the administration and the operation of the investment businesses to maintain the interests from such investment. The corporate governance

measures shall add value and increase confidence of the company's stakeholders, so they are ensured that the businesses in which the company invests shall be able to operate continuously and sustainably. This is in accordance with the Notification of the Capital Market Supervisory Board No. Tor Chor. 39/2016, Re: Application for Permission and Allowance to Offer for Sale of Newly Issued Shares (including any amendments), the Stock Exchange's Regulation, Re: Acceptance of Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (including the amendments), as well as the Good Corporate Governance Guidelines of SET, with guidelines as follows:

- 1) Any transactions or actions with significance or effects to the financial status and operating results of subsidiaries and associated companies are subject to approval from the Board of Directors or the shareholders' meeting of the Company (depending on each case). The company's directors are responsible for arranging the meeting of the Board of Directors and/or the shareholders' meeting of the company for consideration and approval before the subsidiaries and/or associated companies organize the meeting of the Board of Directors and/or the shareholders' meeting of their own for consideration and approval before making the transactions or proceeding with such matters. In this regard, the company shall disclose information and comply with the rules, conditions, procedures, and methods relating to the requested matters for approval as required by the laws of public limited companies, the Civil and Commercial Code, the Securities Law, and other relevant laws, as well as announcements, regulations, and rules of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand, with necessary modifications accordingly (as far as they are not contradicting or conflicting), completely and accurately.
- 2) In the following cases, subsidiaries or associated companies must be approved by the Board of Directors' meeting.
 - a) For the appointment or nomination of persons to be directors or executives in the company operating the core business at least in proportion to the shareholding of such company with core business operation, the directors and executives that the company nominates or appoints shall have the discretion to consider voting in the Board of Directors' meeting of the company operating the core business relating to general management and normal business operations. This shall depend on the directors and the top executives of the company operating the main business to deem it appropriate for the highest benefit to the company.

In this regard, the nominated directors or executives as mentioned above must have qualifications, roles, duties, and responsibilities, as well as lack of untrustworthy characteristics according to the Notification of the Securities and Exchange Commission concerning the determination of untrustworthy characteristics of directors and top executives of the Company.
 - b) Consideration and approval of annual dividend payment, as well as interim dividends (if any) of subsidiaries.

- c) Amendments to the regulations of subsidiaries, except for the matters according to (3) (f).
- d) Consideration and approval of the annual budget of subsidiaries.
- e) Appointment of the auditors of subsidiaries only if such auditors are not affiliated with the Office of Audits under the same network as the auditors of the company, which is not in accordance with the guidelines for the appointment of the company's auditors, in that the auditors of subsidiaries must be affiliated with the audit firm in the Office of Audits under the same network as the auditors of the company.

The items from (f) to (n) are considered important for the significant effects to financial transactions and operations of subsidiaries, which must be first approved by the Board of Directors of the company. This must be the case when calculating the transaction size that subsidiaries shall enter into compared with the size of the company, by applying the criteria for calculation of transactions according to the notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand regarding the acquisition or disposition of assets and/or the connected transactions and/or the amended announcement accordingly in force at that time (depending on each case), within the criteria to be approved by the Board of Directors as follows:

- f) In cases where the subsidiaries agree to enter transactions with the subsidiary's connected persons or those relating to the acquisition or disposition of assets of the subsidiaries.
 - g) Transfer or forfeiture of benefits, including the waiving of claims against those who cause damages to the subsidiaries.
 - h) Sale or transfer of the business of all subsidiaries or some important parts to others.
 - i) Purchase or acquisition of business transfer from another company to the subsidiaries.
 - j) Entering, making, modifying, or terminating the lease agreement of all subsidiary businesses or some important parts, as well as assigning other persons to manage or merge the businesses of the subsidiaries with others.
 - k) Renting or leasing of businesses or assets of all subsidiaries or some important parts.
 - l) Borrowing, lending, crediting, or guaranteeing, and undertaking juristic acts of the subsidiaries that are subject to additional financial obligations, or providing any other financial assistance to others and not the normal businesses of the subsidiaries.
 - m) Dissolution of the subsidiaries
 - n) Any other transactions which are not normal business transactions of the subsidiaries and the transactions with significant impacts on the subsidiaries.
- 3) In the following cases, subsidiaries must obtain approval from the shareholders' meeting of the company before the subsidiaries enter the transactions.

- a) In the event that subsidiaries agree to enter transactions with the subsidiary's connected persons or related items on the acquisition or disposition of assets of subsidiaries, the calculating of the transactions size that the subsidiaries enter into shall be compared with the size of the company using the criteria for calculation of transactions as specified in the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand board, accordingly within the criteria for approval from the shareholders' meeting of the company.
- b) In the event of increasing of capital through the issuance of the subsidiary's capital increasing shares and the allocation of shares, including the reduction of registered capital, this does not meet the shareholding proportion of the shareholders, or any other operations that result in the lower proportion of voting rights of the company, either directly and/or indirectly, at the shareholders' meeting of the subsidiaries in any levels, with the stipulated proportion under the applicable law. Also, it can enforce the company to have no control over the subsidiaries and all of these must be the case when calculating the transaction size that the subsidiaries shall enter transactions compared to the size of the company, under the criteria approved in the shareholders' meeting, by applying the criteria for calculating the transaction size as specified in the relevant notifications of the Capital Market Supervisory Board and the Stock Exchange of Thailand for enforcement accordingly.
- c) Any other actions resulting in the direct and/or indirect exercise of voting rights of the company at the shareholders' meeting of any subsidiaries, irrespective of the reduced number of shares by more than ten percent (10) of the total number of votes in the shareholders' meeting of the subsidiaries, or causing the proportion of voting rights of the company, either directly and/or indirectly, at the shareholders' meeting of the subsidiaries in any levels to be decreased to less than fifty (50) percent of the total number of votes in entering any other transactions which are not normal businesses of the subsidiaries.
- d) Dissolution of the subsidiaries, which shall be the case when calculating the size of the subsidiary's business to be dissolved compared to the size of the company, by using the criteria for calculation as specified in the Notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand on the acquisition or disposition of assets and/or the amendments currently in force accordingly, within the criteria and once approved by the shareholders' meeting of the company.
- e) Any other transactions which are not normal business transactions of the subsidiaries and those with significant impacts on the subsidiaries by using the criteria for calculation as specified in the Notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand on the acquisition or disposition of assets and/or the amendments currently in force accordingly, within the criteria and once approved by the shareholders' meeting of the company.

- f) Amendments to the regulations of subsidiaries with significant effects to their financial position and operating results, including but not limited to amendments to the regulations of subsidiaries that affect the voting rights of the company at the Board of Directors' meeting of subsidiaries and/or the shareholders' meeting of the subsidiaries, or dividend payments of the subsidiaries, etc.
- 4) The Company shall monitor the directors and top executives appointed by the Company to take the position of directors and top executives in subsidiaries and associated companies and perform their duties and responsibilities according to the laws, regulations, and policies of the Company.
- 5) The Board of Directors of the Company is required to ensure that subsidiaries and associated companies have an internal control system, risk management system, and anti-fraud system, as well as the establishment of appropriate measures to monitor the performance of subsidiaries and associated companies, with efficiency and conciseness for the operations of subsidiaries and associated companies to truly perform in accordance with the company's plans, policies, and regulations, including laws and announcements on the good corporate governance of listed companies, as well as relevant announcements, regulations, and rules of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. Also, they should have a follow-up for the subsidiaries and/or associated companies to disclose the information on the connected transactions, significant acquisition or disposition of assets and/or any other significant transactions to the company, as well as completely and accurately perform various operations in accordance with the rules of supervision and management of subsidiaries and associated companies as specified in the company's policies and regulations. Furthermore, there shall be a channel for directors and top executives of the company to obtain information of subsidiaries to monitor the performance and financial status, as well as the connected transactions, significant acquisition or disposition of assets, and other significant transactions of the subsidiaries, with efficiency.
- 6) The Company shall arrange for the appointed directors to take the position of directors of the subsidiaries, as well as to attend and vote as specified by the company in the meeting of the subsidiaries' board of directors each time when considering an agenda with significant importance to business operations of the subsidiaries.
- 7) The directors and top executives of subsidiaries who are nominated or appointed by the company shall have the duties as follows:
 - a) Disclose information on financial status and operation results, connected transactions, as well as acquisition or disposition of significant assets of subsidiaries to the Board of Directors and the top executives of the Company, completely and accurately, within the appropriate timeframe as specified by the Company.
 - b) Disclose and submit information regarding personal interest and related parties to the Board of Directors, regarding the relationship and transactions with subsidiaries or companies in a manner that may create a conflict of interest. The Board of Directors of the subsidiaries have

a duty to report such issues to the Board of Directors of the company within the timeframe specified by the company, as supporting information for any decisions or approval, and which should take into account the overall benefits of the subsidiaries and the Company as a priority.

In this regard, the directors and top executives of the subsidiaries must not participate in the approval of any issues in which they have a stake or conflict of interest, either directly/or indirectly.

- c) The following actions which cause the directors or top executives of the subsidiaries or related persons of the subsidiary's directors or top executives to receive financial benefits other than normally acquired, or lead the company or the subsidiaries to get damaged, shall be thus assumed as actions that significantly contradict the conflict of interest of the subsidiaries.
- Transactions between the company and/or the subsidiaries and the directors or top executives of the subsidiaries or related persons of the subsidiary's directors or top executives, which do not comply with the rules of connected transactions.
 - Use of the company information or the subsidiaries' which has been known, unless it is the information that has already been disclosed to the public.
 - Use of assets or business opportunities of the company and/or the subsidiaries in a manner that violates the rules or general practices as specified in the notification of the Capital Market Supervisory Board.
- d) Report of business plans, business expansion, large investment projects as approved by the company, downsizing of business, cessation of business, cessation of the unit's operations, as well as joint investments with other entrepreneurs, to the company through the monthly performance report, with clarification and/or submission of documents for consideration of such cases as requested by the company.
- e) Clarify and/or submit information or documents relating to the operations to the company when requested, as appropriate.
- f) Clarify and/or submit relevant information or documents to the company in case that they are significantly detected.
- 8) Directors, top executives, or related persons of the company and/or the subsidiaries shall perform transactions with the company and/or the subsidiaries only when such transactions are approved by the company's Board of Directors and/or the subsidiary's Board of Directors and/or the shareholders' meeting of the company and/or the shareholders' meeting of the subsidiaries (depending on each case), according to the calculated transaction size by applying the criteria for calculating the transaction size as specified in the notification of the Capital Market Supervisory Board and the announcement of the Stock Exchange of Thailand regarding connected

transactions and/or the amended announcement being enforced at that time accordingly, unless they are trade agreement transactions in the same manner as an ordinary person shall do with general contracts in the same situation, using trade bargaining power without any influence in their presence as directors, executives, or related persons, depending on each case, and as trade agreements approved by the company's Board of Directors, or in accordance with the principles having been approved by the Board of Directors.

- 9) For financial control of subsidiaries and associated companies, the company has policies for the operations as follows:
 - a) Subsidiaries and associated companies are responsible for preparing monthly operational and financial statement reports, reviewed and issued by the auditor quarterly (if any), as well as the supporting information of such financial statement of subsidiaries and associated companies to the company, with an agreement to allow the Company to use that information in the consolidated financial statement or operational report of the company, quarterly or annually, depending on each case.
 - b) Subsidiaries and associated companies are responsible for preparing a budget of operating results and comparing quarterly operating results according to the actual operational plans, including monitoring the operating results to be in accordance with the operational plans to report to the company.
- 10) Subsidiaries have duties to report significant operational and financial problems to the Company when detected or requested, as well as to submit any relevant information or documents upon request as appropriate.
- 11) It is forbidden for the directors and top executives of the Company and/or subsidiaries, employees, staff, or assignees of the company and/or subsidiaries, including the spouse and underage children of such persons to use inside information of the Company and/or subsidiaries, either from the performance of their duties or in any other ways that have or may have significant impacts on the Company and/or subsidiaries for their own benefits or that of others, either directly or indirectly, and whether or not with rewards.
- 12) The company shall closely monitor the operating results and operations of subsidiaries and associated companies, as well as present the analysis results, including opinions or suggestions to the Board of Directors of the company and subsidiaries or associated companies for consideration of policies or improvement for the business of subsidiaries and associated companies towards continuous development and growth.

Oversight on the use of Insider information

The Company gives importance to the protection of using inside information of the company and subsidiaries, while having a policy to prohibit directors, top executives, employees and staff of the company and subsidiaries from disclosing the confidential and/or inside information not yet disclosed to the public, or seeking benefits for themselves or others, either directly or indirectly, and whether or not

with rewards. Also, they must not perform trading of the company's securities by using such inside information. In this regard, the company has established guidelines to prevent the use of inside information as follows:

- 1) The Company provides knowledge to directors and top executives, including persons holding managerial positions in accounting or finance or equivalent, regarding the duty to report the securities holding for themselves, spouses, and underage children, to the Office of the Securities and Exchange Commission under Section 59 and the penalties under Section 275 of the Securities and Exchange Act B.E. 2535 (including the amendments) ("Securities and Exchange Act"), as well as the reporting the acquisition or disposition of securities for themselves, spouses and underage children to the Office of the Securities and Exchange Commission under Section 246 and the penalties under Section 298 of the Securities and Exchange Act.
- 2) The Company assigns directors and top executives, including persons holding managerial positions in accounting or finance or equivalent, to prepare and submit reports of securities holding for oneself, spouses, and underage children to the company's secretary before sending such to the Office of the Securities and Exchange Commission each time. The preparation and submission shall be done within 30 days from the date of appointment as directors and/or top executives, while reporting the changes of securities holding within three business days from the date of purchasing, selling, transferring, or accepting of such securities transfer. The company's secretary shall summarize the reports on the securities holding and the changes in holding of securities to the meeting of the Board of Directors for acknowledgment on a one-time quarterly basis.
- 3) The Company assigns directors and top executives, including those holding managerial positions in accounting or finance as department managers or above or equivalent, and related workers, as well as persons who are presumed to know or possess significant inside information under the Securities and Exchange Act, which shall affect the changes in price or value of the securities, to suspend trading, offer for purchase or sale, or solicit others to trade the company's securities, either directly or indirectly, during the period before the release of financial statements or dissemination of information about the financial status and state of the company until the company shall disclose the information to the public throughout the embargo period, which is one month prior to the announcement of the company's quarterly and annual financial results. The company shall notify directors and top executives to refrain from trading the company's securities in writing for at least one month prior to the public disclosure of information, and shall wait at least 24 hours after disclosure to the public. Additionally, they are prohibited from disclosing significant information to other persons.

Directors may sell the company's securities during the prohibition period, in the event that the company has to comply with the regulations of the Stock Exchange of Thailand on distribution of shareholding by minority shareholders, which shall notify the SET in advance before making the transactions.

- 4) It is forbidden for the directors, top executives, and employees of the company and subsidiaries, including persons who are presumed to know or possess inside information under the Securities and Exchange Act, to use inside information of the company and subsidiaries which have or may have impacts on the price changes of the company's securities that has not yet been disclosed to the public and shall be perceived for purchasing, selling, offering for purchasing and selling, or persuading others to buy, sell, or offer to buy or sell the company's securities, either directly or indirectly, and whether such actions shall be done for the benefit of themselves or others, or if such facts are revealed to allow others to do so for their own benefit or not.
- 5) The Company requires the directors, top executives and employees of the Company and subsidiaries to not disclose the inside information of the company and subsidiaries, as well as to not use the position of their duties in the company and/or subsidiaries, or bring the inside information or significant information that is known or acknowledged while working in the company and/or subsidiaries which has not yet been disclosed to the public to seek wrongful interests or disclose to third parties for their own benefit or that of others, either directly or indirectly, regardless of whether they shall receive benefits or not.
- 6) The Company requires the directors, top executives, and employees of the Company and subsidiaries to have a duty to comply with the guidelines for the use of inside information of the Securities and Exchange Act, including other relevant rules.
- 7) The Company requires the directors, top executives, and employees of the company and subsidiaries, or former directors, top executives, and employees who resigned, to have a duty to maintain confidentiality and/or keep inside information of the company and subsidiaries, as well as the confidential information of the company's partners and subsidiaries that they have known from their duties. Also, they are prohibited to bring the confidentiality and/or inside information of the Company and subsidiaries, as well as the confidential information of the company's partners and subsidiaries, to use for the benefit of other companies, or let outsiders know, even though the disclosure of such information shall not cause any damages to the company, subsidiaries, or partners.

If there is an act in violation of the above regulations, the Company shall consider it as a disciplinary offense in accordance with the Company's regulations. The punishment shall be considered as appropriate, starting from verbal or written warning, probation, as well as termination of employment as an employee.

Anti-Corruption and Corruption Policy

The Company has the intention and determination to resist all forms of corruption. The Company strictly adheres to the code of ethics, the corporate governance principles, anti-corruption policy including the regulations and relevant laws. The Company has continued the anti-corruption policy as follows:

The Company has set an anti-corruption policy for the directors, executives and employees transparently and develops to a sustainable organization. The Company prohibits directors, executive and employees from taking or giving bribes to any persons, government officers, business partners or store merchants

to enhance business benefits improperly or influence business operation. However, if there is any payment or gift (including recreation) from officers, directors, employees or relevant persons to the government or organizations under the government's control, directors, executives and employees shall comply with the Company's regulations and policies for anti-corruption. The anti-corruption policy prohibits claiming, operating or accepting any corruption for self-benefit, family, friends and acquaintances.

The Company will not cooperate with or support any illegal activities relating to corruption or social danger and national security threats.

Additionally, directors, executives, employees and family members shall not accept any gifts, over recreation, including too many awards from any persons or business partners for the direct or indirect benefit of the business.

The Company determines that all departments perform risk management as the international standard regularly. Furthermore, the Company assigns all departments to generate self-risk assessment forms for anti-corruption. All departments have to report the assessment to the risk management division or the office of operation supervision to review, analyze and report to the risk management committee and the executives. The reason is that the Company can pursue and control risk appetite efficiently and plan for future risk control.

The regulation and practice for offering gifts, entertainment fee or other expenses for third parties are set for directors, executives and employees to have explicit discipline in accordance with the anti-corruption policy and relevant regulations or laws to ensure that the operation for offering is reasonable, affordable and not bribable.

The Company communicates the anti-corruption policy, relevant regulations and describes the employees' role for whistleblowing for any corrupt conduct. The Company protects the whistle-blower with no demotion or penalty to the persons who reject corruption, although those actions result in loss of business opportunity. The anti-corruption activities are communication to directors, executives and employees via the intranet system, executive discussion for anti-corruption issues, and clarification for anti-corruption policy to all divisions. In addition, there are training courses with tests for anti-corruption for new and current employees by e-learning. The policy also determines that the anti-corruption training course is arranged annually for directors, executives and staff to reiterate the principle of anti-corruption.

Additionally, the Company communicates its anti-corruption policy to the subsidiaries. For the public and stakeholders, the Company communicates by the company website, annual report, and corporate social responsibility report.

To declare the intention of service with good governance and anti-corruption, in the new year festival, the Company asked for cooperation from staff to send e-cards to partners and customers for new year's celebration, with no gifts to directors, executives and employees.

Auditor's remuneration

Audit Fee

For the fiscal year ended December 31, 2020, the Company and subsidiaries paid audit fees to the auditors from KPMG Phoomchai Audit Ltd. ("KPMG"). The annual audit fee for the Company is Baht 1,870,000. The quarterly review fee is Baht 1,650,000. The audit fee of 7 subsidiaries for which each shall be liable is Baht 14,490,000 in total. The total of audit fee for the Company and subsidiaries is Baht 18,010,000.

Other subsidiaries shall be liable for their own audit fees paid to other auditing companies, as audit compensation in amount of 614,600.

Non-Audit Fee

The Company and subsidiaries paid audit fees according to mutually agreed methods to KPMG in the amount of Baht 431,342.

Compliance Unit

The Company has established a compliance unit to support the company in supervising the performance of the top executives, employees, and various departments of the company to be in accordance with the laws and regulations of the supervisory authorities, such as the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as coordinating with supervisory authorities to ensure the company's operations are in compliance with the relevant rules and regulations.

In 2021, Ms. Chawandhorn Muangmee, the Corporate Secretary, serves as a supervisor for the operations of the Company, with no violation of any laws, rules, and regulations of the SEC and SET.

Compliance with good corporate governance in other areas

1) Rights of shareholders

The Board of Directors has established the principles of corporate governance by taking into account the rights of shareholders as required by laws, including the rights to attend the shareholders' meeting, rights to assign other individuals to attend the meeting and vote on their behalf, rights to vote on an election or to remove a director individually, rights to vote on the directors' remuneration annually, rights to vote for appointment and remuneration of the auditor, rights to participate and perceive significant changes within the company, and rights to receive information when there are changes in the capital structure, control power, or trading assets. In addition, the Company provides shareholders with the opportunity to express their opinions and ask questions at the shareholders' meeting, rights to propose the agenda of the shareholders' meeting, rights to nominate persons to be elected as directors of the company, rights to take part in enhancing the company's performance, rights to share in the company's profits, and rights to receive adequate and timely information, etc. At the same time, the Board of Directors is

committed to encouraging all shareholders to fully exercise their rights. The Company shall not take any actions that violate or deprive the rights of shareholders.

Shareholders' meeting

(1) Setting the date, time, and venue of the meeting to facilitate and encourage shareholders of all groups, including institutional investors, to attend the meeting

The Company requires an Annual General Meeting of Shareholders within four months from the end of the fiscal year of the Company. The setting of the date, time, and venue of the meeting shall facilitate and promote all groups of shareholders, including institutional shareholders, as follows:

- The meeting shall not be held on public holidays and commercial bank holidays. The meeting shall begin from 08.30-16.00 hrs., with the opportunity for all shareholders to submit a registration form or an authorization letter to the company for advance registration.
- As a result of the spread of Covid-19, the Company conducted the 2021 Annual General Meeting of Shareholders through Electronic Meeting (E-AGM). In order to facilitate all shareholders to attend the Meeting, the process of program installation together with attending the E-AGM has been informed the shareholders in advance.
- There shall be information on the date, time, venue, and agenda of the meeting, with explanations and reasons for each agenda, or the requested resolution as specified in the invitation letter for the Annual General Meeting of Shareholders and Extraordinary General Meeting of Shareholders, or in the attachment of the meeting agenda.
- There shall be no limit on the opportunity of shareholders to study the information of the Company.
- If there is an urgent need for a special agenda which affects or involves the benefits of shareholders or relates to conditions or rules or applicable laws that require the shareholders' approval, the company shall call for an extraordinary meeting of shareholders on a case-by-case basis.

In 2021, the Company held one shareholders' meeting, the 2021 Annual Meeting of Shareholders, on Thursday, April 29, 2021 through Electronic Meeting (E-AGM) with live from the 13th floor Meeting Room, the Southeast Building, Silom Road, Silom Sub-district, Bangrak District, Bangkok. The Company has comprehensively followed the laws and regulations regarding Electronics Meeting.

(2) Meeting attendance of directors and top executives

The Company conducted the 2021 Annual Meeting of Shareholders in accordance with the Public Company Limited Act B.E. 2538, the regulations of the Stock Exchange of Thailand,

and the Securities and Exchange Commission in order that the meeting was performed according to the laws and related regulations, in line with the quality assessment of holding the general meeting of shareholders. In the 2021 Annual Meeting of Shareholders, voting is considered in sequence according to the specified agenda. Before the start of every meeting, the person assigned by the chairman is served to explain the voting methods and the counting of votes through E-AGM.

All of the 12 directors of the Company attended the meeting. There were also the Company's top executives, consultants, advisors from external law firms, and licensed auditors attending the meeting from the start of the meeting. The Company gave shareholders an opportunity to be a witness for the vote counting as well.

(3) Before the date of the shareholders' meeting

- The Company publishes an invitation letter for the shareholders' meeting and supporting information for each agenda item to shareholders in advance on the company's website, at least 21 days before the date of the shareholders' meeting. The company assigns the Securities Depository (Thailand) Co., Ltd., as the company's securities registrar, to send the invitation letter to shareholders in advance by mail, at least 21 days before the meeting date.
- The mailing of an invitation letter for the meeting contains all important agendas in accordance with laws, the regulations of the Stock Exchange of Thailand, and the Articles of Association of the Company. There are sufficient details on the agenda for decision making, including the clear presenting of opinions of the Board of Directors in each agenda, annual reports, along with supporting documents required for the authorization and clearly specified method for authorization, without any complexities or difficulties for the shareholders to consider 14 days in advance, while having the notice of the meeting in a daily newspaper for three consecutive days and at least three days before the meeting date, in order to inform the shareholders in advance with sufficient time for preparation and study of information for consideration on the agenda before attending the meeting. The invitation letter will be sent to all shareholders whose names appear in the shareholder register book of the Company as of the Record Date. The shareholders can assign authorized persons to attend the meeting on their behalf, or have the Company's independent directors be authorized persons to attend the meeting. The Company shall propose a list of independent directors along with brief profiles in the invitation letter for shareholders to consider.
- The Company provides an opportunity for minority shareholders to nominate persons to be elected as directors in advance through the company's website. For the 2021 Annual Meeting of Shareholders, shareholders can propose from December 1, 2020 until December 30, 2021, along with specifying criteria and shareholder's forms to clearly fill the details on those matters. The company shall inform such news through the

information system of the Stock Exchange of Thailand and disclose the information on the company's website under the section "Shareholder Rights Criteria."

- To present the agenda for approval of dividend payment/ no dividend payment, the Company discloses the dividend payment policy, amount of dividend to be paid/not to be paid, together with reasons and information to compare the dividend payment rate with the past year (if any) for consideration.
- For the agenda to consider the election of directors in place of those who are due to retire by rotation, the company provides complete information on the directors who are proposed to shareholders for consideration.
- For the agenda to consider the remuneration of directors, the company gives information on policies and methods for determining directors' remuneration, in addition to the forms and amounts of compensation offered to shareholders for approval.
- For the agenda to consider the appointment of auditors and the audit fee, the Company discloses complete details of the auditors proposed to be appointed for the shareholders' consideration, such as the name of auditors, affiliated companies of the auditors, number of years that the auditors have worked for those affiliated companies, auditors' experience, and independence of the auditors, as well as service fee of the auditors and audit fee for subsidiaries.
- The Company disseminates information to shareholders regularly through the channels of the Stock Exchange of Thailand, various media or publications, including the Company's website.

(4) On the shareholders' meeting date

- The Company sets the date, time at 10.00 hrs. through Electronic Meeting (E-AGM), such that it can be easily attended by every shareholder and the shareholders or proxies can register for the meeting, two hours before the meeting time. The Company provides supporting documents for the meeting, and sends them together with the notice of the meeting to let the shareholders know the meeting process, as well as the checking of documents and evidence showing the rights to attend the meeting.
- There is no additional agenda or change of important information without prior notice to shareholders. The meeting time is adequately allocated and the meeting is conducted appropriately and transparently. During the meeting, there will be an opportunity for shareholders to offer thorough comments and raise questions before giving a vote. The resolution of each agenda item is summarized.
- The Company gives the rights to shareholders to attend the shareholders' meeting after the meeting begins. They have rights to vote in the agenda being considered and not yet being voted for.

- Before starting to consider the agenda of the shareholders' meeting, the shareholders are informed of the rules and processes for attending the meeting. The company explains the process of voting, ways to count votes, including the practice in expressing opinions, giving feedback, and asking questions on the matters related to the company during the shareholders' meeting. The Chairman of the Board, acting as the Chairman of the meeting, conducts the meeting in accordance with the agenda stated in the meeting invitation. There are no additional agenda items without prior notice to shareholders. The discussion is allocated with appropriate and adequate time. The shareholders are given equal opportunity to express their opinions and ask questions with appropriate time. The relevant directors can provide explanations and complete information to the shareholders.

(5) After the shareholders' meeting

- The Company informs the shareholders' resolution through the news system of the Stock Exchange of Thailand on the meeting date, or within the next business day and through the company's website by specifying the results of the voting (agree/disagree/abstain) on each agenda item and submits the reports on the shareholders' meeting which records the names of directors, top executives, auditors, legal advisors, witness in the vote counting at the meeting, voting process, ways to display the scores, results of voting (agree/ disagree/ abstain) on the agenda for acceptance/approval from the shareholders, including questions from shareholders in each agenda, which shall be reported to the Stock Exchange of Thailand within 14 days of the shareholders' meeting. They are also published on the company's website for shareholders to access quickly and easily.

2) Equitability to shareholders

The Board of Directors gives importance and oversees the equality of all shareholders, with fair and sustainable manners, whether they are major shareholders, minor shareholders, institutional investors, or foreign shareholders, as follows:

- Provide an opportunity for shareholders to propose additional agenda of the shareholders' meeting in advance. The announcement is made through the channels of the Stock Exchange of Thailand before the meeting, along with the announcement of the rules and procedures for the consideration clearly on the company's website.
- Give an opportunity for shareholders to nominate persons to be elected as directors. The nominated persons must meet all the requirements of the company and also give consent for nominating by announcing the acceptance of nominations, including various criteria through the channels of the Stock Exchange of Thailand in advance of the meeting. Such information is published on the company's website. For the selection of directors at the meeting, the company arranges for individual voting during the election of directors.

- For the 2022 Annual General Meeting of Shareholders (AGM), the Company gives shareholders an opportunity to propose matters that they consider important and which deserve to be included in the agenda, including names of persons to be appointed as directors in the 2022 AGM in advance, from December 1, 2021 to January 31, 2022 by informing the shareholders through the news system of the Stock Exchange of Thailand, along with the announcement of the rules and complete process on the company's website www.tgh.co.th.
- Give equal voting rights to shareholders according to the number of shares they hold.
- The shareholders' meetings are always conducted according to the agenda stated in the notice of the meeting, with a policy not to have additional agenda items in the meeting without prior notice to the shareholders. This is so the shareholders have the opportunity to study the information on the agenda before making a decision.
- Prepare the authorization forms as specified by the Ministry of Commerce (Form A, Form B, and Form C), in which the shareholders can determine the voting direction by themselves on each agenda together with the meeting invitation letter. This is so that the shareholders who are unable to attend the meeting in person shall be able to authorize independent directors or other persons to attend and vote on their behalf. All meeting documents are also posted on the company's website in order for shareholders to be able to download as well as view details and procedures for giving the authorization.
- Encourage shareholders to use voting cards for every agenda item. This is so that the shareholders can vote as they deem appropriate. The ballots are collected in the meeting room to calculate the voting results with the votes that have been pre-approved in the authorization form before reporting the scores on each agenda item at the meeting.
- Record the minutes of the meeting accurately and completely, then submit the minutes to the Stock Exchange of Thailand and the Securities and Exchange Commission (SEC) 14 days after the meeting and with the report to be published on the company's website.

Conflict of Interest Policy

- The Company does not support the entering into transactions between the company and directors, top executives, major shareholders, and related persons (Connected Transactions) to avoid possible conflicts of interest between the company and those persons. However, from time to time, the company may be required to enter into connected transactions due to related operations the company's business. In this regard, entering into such transactions must be in accordance with the methods and scopes of the relevant regulations of the company, with procedures for conducting connected transactions and those that may lead to conflicts of interest, so that the agreement to enter into the said transactions has complete guidelines through a careful consideration process, reasons, and independence within a

framework of good ethics, important for benefits of business groups and shareholders as a whole.

- Directors or top executives of the company who have interests or are involved in transactions must report such interests prior to the consideration of those transactions and not participate in the decision-making process for reviewing those transactions in order to make decisions towards the full interests of business groups.
- The Audit Committee of the Company has the power to review the connected transactions and disclose information of such transactions in accordance with the laws and regulations of the Stock Exchange of Thailand in order to ensure that such transactions are reasonable and in the best interest of the Company. In the past year, the Company has not at all violated nor failed to comply with the rules of connected transactions.
- In securities trading, the directors and top executives of business groups, including spouses and underage children, shall conduct their trading in securities in compliance with basic requirements, without taking unfair advantages of others or through unethical or illegal means. Also, such transactions must be performed on a regular basis and the same basis as transactions with customers.

3) Considering the role of stakeholders

The Company gives importance to the rights of all groups of stakeholders. There is a policy to fully monitor the impacts of business operations in order to assure relevant persons that the company's business operations take into account the environmental factors for sustainable development. In particular, stakeholders shall be protected fairly, whether they are internal stakeholders, including employees, top executives of the company, or external stakeholders.

The company has a policy to conduct businesses with social responsibility. This is so that the directors, top executives, and employees of the company have guidelines in performing their duties with social responsibility, covering 10 issues including good corporate governance, fair business operation, anticorruption, respect of human rights, fair treatment of employees, responsibility to consumers, community and social development, environmental management, innovation and dissemination of innovation from corporate social responsibility, and preparation for a sustainable report.

3.1) Involvement of stakeholders to enhance the company's performance

- The Company has developed the company's website as another channel for stakeholders to take part in enhancing the company's performance. Stakeholders, whether they are customers, business partners, competitors, employees, shareholders, or creditors, can send their suggestions through the website to the company's management. This is a process to promote cooperation between the company and stakeholders in building financial stability and corporate sustainability.

3.2) Provision of a channel for complaints or information of malpractice and protection of informants or reporters

- The Company has a channel for complaints or information of malpractice regarding the accuracy of financial reports, defective internal control system, illegal practice, unethical behavior, and behavior that may imply corruption or misconduct of individuals in the organization by employees and other stakeholders. They can communicate with the company through various channels, such as contact via e-mail directly to the company at ZTC@TGH.CO.TH (Complaints Center) or the company's complaint center (Complaint Hotline 1726). In addition, employees of the company can contact the Chief Executive Officer through the channel – Tell Cho or the Chairman of Investigation or the Chairman of the Internal Audit Office, or directly call 065-936-2404 to report clues or complaints from malpractice.
- The Company has a mechanism to protect reporters and informants who act in good faith. The company will not act in any way that is unfair to employees, staff, or any other persons hired to work for the company due to such complaints or reports of malpractice. The company pays attention to keep such information, complaints and evidence secret, which shall be recognized only among the people who are assigned and involved, or disclosed under the law only. In addition, the complainants can be submitted in a confidential manner. The investigation shall be processed for the facts, and the disciplinary action shall be considered as specified by the Company.

3.3) Practices towards different groups of stakeholders

The Board of Directors has established guidelines for dealing with various groups of stakeholders in the principles of corporate governance. This is to ensure that all stakeholders are treated fairly in accordance with the rights and agreements that exist with the company. The practices towards various groups of stakeholders can be summarized as follows:

a) Role, conduct, and responsibility towards shareholders

The company is committed to conduct businesses with care and prudence to achieve good performance and competition with stable and sustainable growth, focusing on the current and future risk conditions. The company adds value to the shareholders in the long term, with a duty to operate and disclose information to be transparent and fair to both major and minor shareholders towards the best interests of shareholders as a whole and the protection of the property and reputation.

b) Role, conduct, and responsibility towards customers

The Company considers the highest satisfaction and confidence of the customers in the Company as extremely important. The Company is committed to creating innovations in the design and development of products and services, together with

improving work processes to deliver quality products and excellent services to customers. The company takes the needs and benefits of the customer into account, as well as discloses information about products and services completely, accurately, without distorting the facts for the benefits of customers, and responsibly through advertising and public relations. The Company does not create misunderstandings or take advantage of the misunderstanding of the customers, nor creates unwanted habits nor stipulates unfair trading conditions. The company provides a system for monitoring the implementation of agreements given to customers with honesty, attentiveness, and consistency. The company also maintains confidentiality of customers and does not publish customer information, except as permitted by the customers or with a duty to disclose such as required by law. The company shall not profit from disclosing customer confidential information. Employees are prohibited from consulting businesses related to their customers with unrelated employees. In addition, the business groups adhere to other laws and regulations that impose additional restrictions on the confidentiality of customer information.

The Company monitors customer satisfaction and receives comments to develop and improve the company's products and services. The company also listens to complaints about products and services of the business groups. The relevant departments are required to urgently investigate and provide remedial actions.

c) Role, conduct, and responsibility towards employees

All employees of the Company are highly valuable resources and key factors in business success. The Company therefore continuously promotes the development of knowledge, skills, and abilities of employees. This is to develop employees' potentials to be at the standard level when compared with other leading companies in the business and to be an important force in the development of the business groups as a leading financial institution that can provide good services to customers.

The Company has a human resource management system for appointments, transfers, as well as rewards, and sanctions in good faith, based on knowledge, capabilities, and suitability of employees. The company also respects the human rights of all employees by treating all employees with respect of their individual rights, and keeps personal information of employees confidential. The company does not tolerate discrimination on basis of race, nationality, religion, gender, age, disability, or sexual orientation. The company does not accept any form of illegal discrimination.

The Company has appropriate compensation and welfare systems comparable to other domestic operators in the same industry, as well as compensation upon retirement for employees to build up stability in life. Employee benefits include provident funds, Social Security Fund, Group health insurance, Group life insurance,

Group accident insurance, Annual health check-up, and nursing room. The company also continues to support undergraduate scholarships for employees, with welfare in relation to the allowance for employees on various occasions, etc.

For safety and hygiene, the company manages the workplace environment regarding safety, sanitation, and good environmental conditions to facilitate employees' performance. The company also arranges security systems in office buildings. In addition, the company has announced guidelines for safety, and in case of abnormal events, to create safety for the premises and for all employees. There are procedures for office safety systems.

During the year 2021, there was no accident, sickness or stop working occurred by the working process.

The Company has managed and treated employees fairly, equitably, and politely, giving them the opportunity to work at all levels with a focus on developing and enhancing corporate culture and a good working atmosphere.

The Company communicates to employees to understand objectives, main goals, corporate culture, and corporate strategy towards a common goal of creating corporate value. There is a business code of conduct that specifies guidelines for the performance of employees according to the values that the company expects. In addition, an anti-corruption policy is set for the benefit of establishing a standard of working behavior of employees with honesty. The company has distributed the business ethics and anti-corruption policy to all employees to be considered as guidelines in conjunction with the regulations and rules of the employees of the Company and the companies in the business group, and always follows up on performance results.

d) Roles, conduct, and responsibility towards creditors, including guarantee creditors

The Company strictly complies with all agreements and obligations with its creditors and guarantors, regardless of the purpose for use of funds, repayment, quality of collateral, and any other matters that have made an agreement with the creditors and guarantee creditors of the Company.

The Company will report the Company's financial position and financial information to creditors with accuracy and honesty on a regular basis. In case one of the conditions cannot be met, the Company will promptly notify creditors to jointly find solutions based on reasonableness. The company is determined to maintain a lasting relationship with creditors and to trust each other.

The Company has established capital management strategies for stability and strength to prevent the company from being in a difficult position when repaying

debts to creditors. In addition, there is liquidity management in order to prepare for the timely repayment of debts to creditors of the Company.

The Company assigns the Risk Management Committee to plan, monitor, and control the capital fund status to suit the financial activities of the business groups. There is a plan to assess the adequacy of funds (Internal Capital Adequacy Assessment Process) that is appropriate and able to handle all aspects of significant risks, both under normal conditions and crisis, including compliance with the Bank of Thailand's Pillar 2 regulatory guidelines.

e) Role, conduct, and responsibility towards trading partners

The Company has always realized the importance of trading partners due to the success of the company partly from the support of partners. The Company therefore treats all trading partners with equality and fairness in doing business, in compliance with contracts or various conditions that strictly agree. In the event that one of the conditions cannot be met, the company and companies in the business groups will hurry to notify business partners in order to jointly find solutions based on reasonableness.

The Company has policies, regulations, and practices governing procurement. In the selection of vendors, contractors, or consultants, it must be based on the principle that the company must receive the best benefit, under the selection process that is transparent, free from bias, and can be examined. The Company provides an opportunity for all contractors who meet the company's selection standards to participate in the offering of prices. Also, employees are prohibited from receiving various benefits from those who are selected. If there appears to be any information on calling or accepting or paying any benefits dishonestly, the company will disclose details to trading partners and jointly resolve the problems fairly and quickly.

The Company's procurement process consists of recruiting vendors/service providers, comparing prices and conditions for fair competition, negotiating prices and conditions in order to maintain the best interest of the company, verifying the identity of the seller/supplier (Know Your Supplier), reviewing products/services, evaluating the performance of the seller/service provider after each delivery and yearly, and preparing a list of vendors/suppliers, approved supplier list, which takes into account factors such as product/service quality, vendor/service expertise, and experience from past jobs, financial status, complaints/reputation claims, reliability, after-sales service, and security in the information of the company, etc. For regular procurement, the Company checks prices with at least three vendors/service providers to compare and select the most suitable vendors/service providers. In case of continuous procurement or emergency, the company will ask for prices from

vendors/service providers that it deems appropriate from the list of sellers/service providers who meet at least one criterion and negotiate prices.

The business groups have a system to monitor that the confidential information of trade partners is not used to be disclosed or for business operations by illegal means. The business groups will not cooperate or support any persons or organizations which do illegal business or pose a threat to society and national security, or any activities related to corruption.

f) Role, conduct, and responsibility towards business competitors

The Company operates its business according to rules, regulations, and ethics, with a system to monitor any actions to obtain or use any competitor's trade secret information through illegal means. The company does not damage the reputation of the trading competitors or accuse it in a bad way without basis.

Attempting to increase sales by slandering third-party products and services is against the company's policy. This is because the company aims to expand the business by offering better products and services.

g) Role, conduct, and responsibility towards community, society and environment

The company acts as a good citizen, promoting a democratic government with the King as Head of State, and politically neutral. The employees have political rights and freedom, which are considered private rights. Employees are prohibited from exercising political rights or advocating on behalf of the business groups.

The company has performed or controlled to strictly adhere to the requirements and related laws, disclose the anti-corruption policy to the public, not cooperate or support any persons or organizations conducting illegal business related to corruption or a threat to society and the security of the country. The company does not operate any business contributing to the community, public society, and environment being damaged, and does not create profits on the burden of society.

The company is committed to harmonizing the benefits of the organization, employees, customers and shareholders in line with the benefits of the country's economic development, with a focus on growth in conjunction with supporting knowledge adoption, expertise in the business of the company, and employees, such as management, implementation and law, etc., to be used to benefit the community and society as a whole.

The company encourages the education and training of employees to continuously and seriously instill a sense of responsibility towards the community, society, and the environment among employees at all levels, including campaigning and raising awareness among employees in the conservation and use of various resources and

energy wisely and efficiently, as well as encouraging people to volunteer or take part in social activities and charitable work.

The company has allocated a budget to help the community, society, and public charities appropriately, not limited to tax-benefit projects and activities only, as well as contributing to society by supporting and promoting activities that uphold good traditions and culture, along with behaving as a good sacrament by consistently supporting religious activities, encouraging the surrounding communities of the company and other communities to be strong and self-sufficient, helping and supporting each other towards a good quality of life, happiness, and harmonization.

(Details on conducting business with responsibility towards the community, society, and environment of the business groups appear in section Sustainable Business Development).

h) Channels for reporting information or complaints

The Company provides a channel for complaints or information on issues regarding the accuracy of financial reports, defective internal control system, illegal and unethical behavior, behavior that may imply corruption or misconduct of individuals in the organization. Employees and other stakeholders can communicate with the company through various channels, such as contacting the company via e-mail directly at ZTC@TGH.CO.TH (Complaints Center) or the company's complaint center (Complaint Hotline 1726). In addition, employees of the company can contact the Chief Executive Officer via the channel – Tell Cho or the Chairman of the Internal Audit Committee, or the Head of the Internal Audit Office, or directly call 065-936-2404 to report clues or complaints from misconduct.

Development of the Directors

- (1) The Company arranges the directors to attend the training courses in order to promote the performance development of the Board of Directors including to develop, support and encourage the duties performance of the committee.
- (2) The Company will disclose information on the directors' attendance for development and training in the recently year.
- (3) The Company promotes and encourages the directors to continuous train and strengthens their knowledge on a regular basis related to the committee's operations in order to keep up with the changes in business that may be occurred.
- (4) The Company promotes and encourages the directors to increase their knowledge about the Company's operations continuously in order to increase the operations efficiency of the committee.

- (5) In 2021, the Company organized an orientation for new directors and prepared orientation documents with useful information for their performance of duties, including the Company's nature of business and guidelines.

In the year 2021, the director attended the training course as follows:

Director	Course
1. Mr. Buranawong Sowapruux	Director Leadership Certification Program (DLCP) 2021,
2. Mr. Apichai Boontherawara	Graduate Diploma program for Health Innovation Digital Age (HIDA), Suan Sunandha Rajabhat University [23 February 2021 - 30 November 2021

Self-Assessment of the Board of Directors

Annual Assessment of the Board of Directors;

The Board of Directors conducts the annual evaluation of individual and group of directors for their performance assessment according to the guidelines of the Stock Exchange of Thailand.

The individual assessment is divided into 3 items: (1) Structure of Directors' Qualifications, (2) The Board of Directors' Meeting, (3) Roles, Duties and Responsibilities of the Board of Directors.

The group performance assessment of the Board of Directors is divided into 3 items: (1) Structure and Qualifications of the Board of Directors, (2) Roles, Duties and Responsibilities of the Board of Directors, (3) The Board of Directors' Meeting.

The assessment process is as follows:

- (1) The individual and group performance of committees and sub-committees must be assessed at least once a year.
- (2) The Nomination and Remuneration Committee reviews the assessment for further consideration and approval by the Board of Directors.
- (3) The Nomination and Remuneration Committee proposes results and guidelines for improvement of the Board of Directors' performance efficiency.

Result of the Self-Assessment of the Board of Directors for the year 2021

	Individual Assessment (%)	Group Assessment (%)
<i>Board of Directors</i>	94.9	94.3
<i>Audit Committee</i>	-	94.0
<i>Nomination and Remuneration Committee</i>	-	92.6
<i>Corporate Governance Committee</i>	-	93.4
<i>Risk Management Committee</i>	-	96.2

Executive development

- (1) The Company defines managerial competency for the development of new executives in terms of skills, knowledge, and abilities to work successfully.
- (2) The Company provides training courses and other development guidelines as appropriate and consistent with managerial competence for the Company's executives.
- (3) The Company organizes an orientation for new executives to support their management roles, responsibilities, and expectations as appropriate.
- (4) The Company encourages executives to share their work experiences with other executives and employees to create an atmosphere of learning and development within the organization.

Employee development

- (1) The Company defines functional competency for employees in each job to develop their skills, knowledge, and abilities to work successfully, such as professional presentation courses, use of Microsoft Excel, etc.
- (2) The Company provides guidelines for employee development at the supervisor level as appropriate and consistent with the managerial competency, such as leadership training courses, good coaching, and personnel management for supervisors, etc.
- (3) The Company organizes an orientation to provide new employees with an understanding of the Company's vision, values, code of conduct and business ethics, policies and directions of business operations.
- (4) The Company requires all employees to create an annual individual development plan (IDP) and establish a process to monitor their development according to the plan.

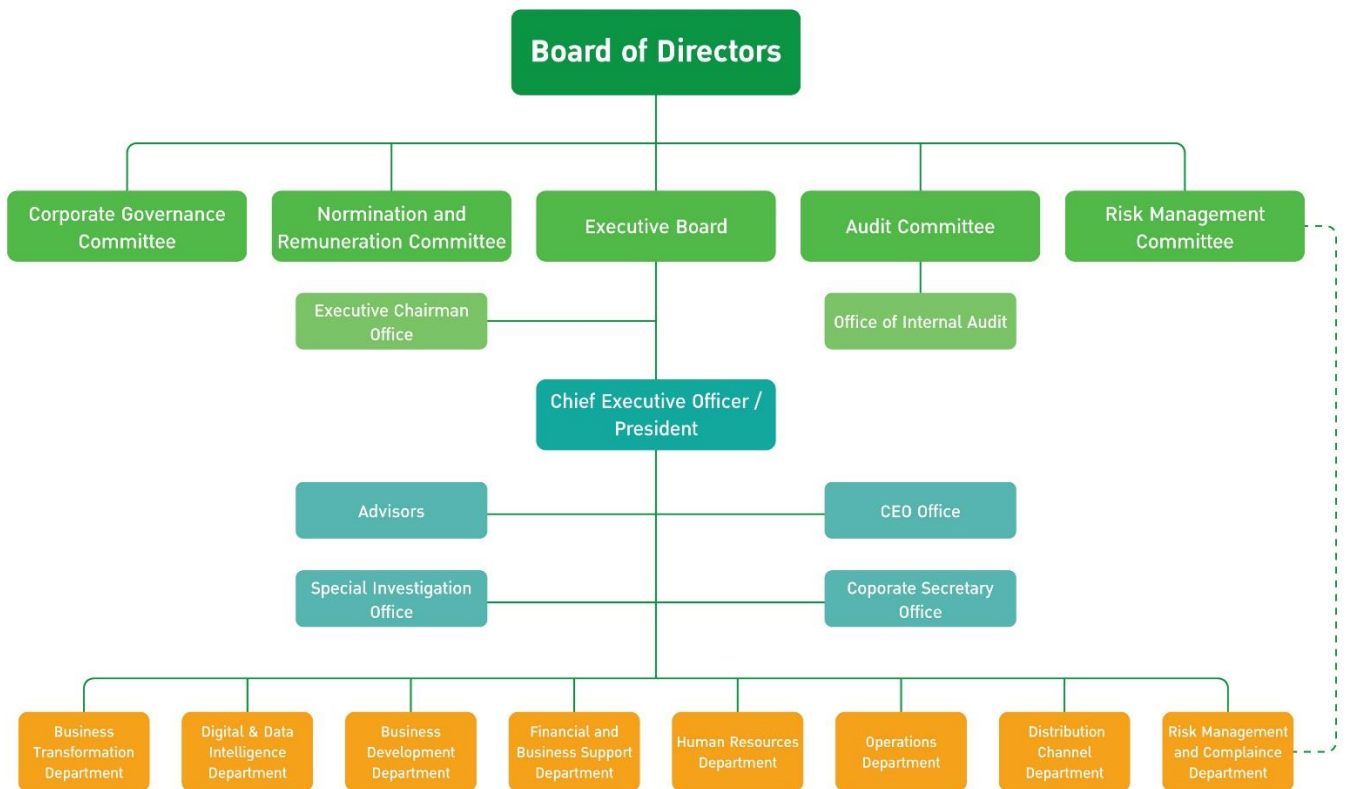
7. CORPORATE GOVERNANCE STRUCTURE

Management Structure

The management structure of the Company, as of December 31, 2021, consists of the Board of Directors and the following five sub-committees appointed by the Board of Directors:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Governance Committee
4. Risk Management Committee
5. Executive Board

Organization Chart



Board of Directors

Composition of the Board of Directors

In accordance with its Articles of Association, the Company will have a Board of Directors comprised of at least five members to conduct the Company's business, not less than half of whom must reside within the country. There must be at least one third of independent directors out of total directors, and at least 3 persons. (Specified in the Charter of the Board)

As of December 31, 2021, the directors of the Company comprise of 15 qualified members. It covers skill diversity, covering skills, knowledge, expertise, and experiences of each Board member. There are 5 non-executive directors, 6 independent directors and 4 executive directors.

The five non-executive directors consist of (1) Mr. Charoen Sirivadhanabhakdi, (2) Khunying Wanna Sirivadhanabhakdi, (3) Mr. Areepong Bhoocha-oom, (4) Mr. Boontuck Wungcharoen and (5) Mr. Thapana Sirivadhanabhakdi.

The six independent directors consist of (1) Mrs. Kulpatra Sirodom, (2) Mr. Yothin Pibulkasetkij, (3) Mr. Padungdej Indralak, (4) Pol. Gen. Jate Mongkolhutthi, (5) Mr. Vachara Tuntariyanond and (6) Mr. Buranawong Sowaprux. These six independent directors comply with the qualifications of an independent director of the company and in accordance with the requirements of the Capital Market Supervisory Board.

As of December 31, 2021, the Board of Directors consists of 15 members as follows:

Directors	Position	Appointment date as a director
1. Mr. Charoen Sirivadhanabhakdi	Chairman of the Board of Directors	June 29, 2018
2. Khunying Wanna Sirivadhanabhakdi	Vice-Chairman of the Board of Directors	June 29, 2018
3. Mr. Areepong Bhoocha-oom	Vice-Chairman of the Board of Directors / Chairman of the Corporate Governance Committee	July 11, 2018
4. Mr. Boontuck Wungcharoen	Vice-Chairman of the Board of Directors	April 29, 2021
5. Mrs. Kulpatra Sirodom	Independent Director / Chairman of the Audit Committee / Member of the Corporate Governance Committee	July 11, 2018

Directors	Position	Appointment date as a director
6. Mr. Yothin Pibulkasetkij	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee	July 11, 2018
7. Mr. Padungdej Indralak	Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration / Member of the Risk Management Committee	July 11, 2018
8. Pol. Gen. Jate Mongkolhutthi	Independent Director / Chairman of the Risk Management Committee	July 11, 2018
9. Mr. Vachara Tuntariyanond	Independent Director	April 29, 2021
10. Mr. Buranawong Sowaprun	Independent Director	April 29, 2021
11. Mr. Thapana Sirivadhanabhakdi	Directors / Member of the Corporate Governance Committee	June 29, 2018
12. Mr. Chotiphat Bijananda	Director / Chairman of the Executive Board / Member of the Nomination and Remuneration Committee	June 29, 2018
13. Mrs. Atinant Bijananda	Director / Member of the Executive Board	June 29, 2018
14. Mr. Somchai Sujjapongse	Director / Member of the Executive Board / Member of the Corporate Governance Committee / Member of the Risk Management Committee	July 11, 2018
15. Mr. Apichai Boontharawara	Director / Member of the Executive Board	June 29, 2018

Remark:

- No. 5 Mrs. Kulpatra Sirodom and No. 6. Mr. Yothin Pibulkasetkij directors have extensive knowledge and experience to review the reliability of the financial reports
- The 2021 AGM on April 29, 2021 resolved to appoint additional directors; (1) Mr. Boontuck Wungcharoen (2) Mr. Vachara Tuntariyanond (3) Mr. Buranawong Sowaprun (4) Mr. Thakorn Piyapan. Mr. Thakorn Piyapan resigned for the directorship of the Company effective on October 4, 2021.

Since the Chairman of the Board is the non-executive director, in order to comply with the Good Corporate Governance for Listed 2560 and to support the check and balance between the Board of Directors and the management, the Board of Directors' Meeting No. 3/2018 dated December 27, 2018 resolved to appoint Pol Gen Jate Mongkolhutthi to be reconcile the agenda of the Board of Directors' Meeting.

Information of the Board of Directors' roles and responsibilities

-Refer to section 6 Corporate Governance Policy-

Authorized Director

Pursuant the Company's Affidavit as of October 7, 2021, the Company's authorized directors are Mr. Charoen Sirivadhanabhakdi, Khunying Wanna Sirivadhanabhakdi, Mr. Areepong Bhoocha-oom, Mr. Chotiphat Bijananda, Mrs. Atinant Bijananda, Mr. Thapana Sirivadhanabhakdi, Mr. Somchai Sujjapongse and Mr. Apichai Boontharawara. Any two of these eight directors can jointly sign with the Company's seal affixed.

Qualifications of the Directors

The directors have qualified and no prohibited qualifications specified by Public Limited Companies Act (PLCA), Securities Exchange Act, Stock Exchange of Thailand and related regulations.

Meeting of the Board of Directors

The Company scheduled at least a quarterly meeting of the Board of Directors. The meeting schedule has been set in advance and notified to each director by January of each year in order to allocate time to attend the meeting. In recent years, the Company had 13 meetings of the Board of Directors and each director has the attending proportion at least percentage of 75 of all meetings throughout the year. The average attending the meetings of entire directors at percentage of 98.95 of which details are as follows:

Directors	Meeting Attended/ Total Meetings (during January 1 – December 31, 2021)	
	Board of Directors	Shareholders
1. Mr. Charoen Sirivadhanabhakdi	13/13	1/1
2. Khunying Wanna Sirivadhanabhakdi	13/13	1/1
3. Mr. Areepong Bhoocha-oom	13/13	1/1
4. Mr. Boontuck Wungcharoen	10/10	0/0
5. Mrs. Kulpatra Sirodom	13/13	1/1
6. Mr. Yothin Pibulkasetkij	13/13	1/1

Directors	Meeting Attended/ Total Meetings (during January 1 – December 31, 2021)	
	Board of Directors	Shareholders
7. Mr. Padungdej Indralak	12/13	1/1
8. Pol. Gen. Jate Mongkolhutthi	13/13	1/1
9. Mr. Vachara Tuntariyanond	9/10	0/0
10. Mr. Buranawong Sowapru	10/10	0/0
11. Mr. Thapana Sirivadhanabhakdi	13/13	1/1
12. Mr. Chotiphat Bijananda	13/13	1/1
13. Mrs. Atinant Bijananda	13/13	1/1
14. Mr. Somchai Sujjapongse	13/13	1/1
15. Mr. Apichai Boontherawara	13/13	1/1

- Remarks**
- (1) Directors No. 7 and 9 who were absent from the meeting(s) are due to prior scheduled commitments.
 - (2) AGM means the 2021 Annual General Meeting of Shareholders held on April 29, April 2021
 - (3) Mr. Thakorn Piyapan was the director of the Company from April 29, 2021 to October 4, 2021 and attended the Board of Directors' Meeting of 5 / 5 meetings.

Sub-Committee

(1) Audit Committee

The Company's Board of Directors approved to appoint the members of the Audit Committee whose have the qualification as required by law specified by Stock Exchange of Thailand (SET). As of December 31, 2021, the Audit Committee comprised of three independent directors as the following details;

Name	Position	Appointment Date	Meeting Attended/ Total Meetings (during Jan1 – Dec 31, 2021)
1. Mrs. Kulpatra Sirodom	Chairman	February 28, 2019	13/13
2. Mr. Yothin Pibulkasetkij	Member	July 11, 2018	13/13
3. Mr. Padungdej Indralak	Member	July 11, 2018	13/13

Remark: Mrs. Kulpatra Sirodom and Mr. Yothin Pibulkasetkij have extensive knowledge and experience to review the reliability of the financial reports

Mr. Vichan Assawarangsi serves as the secretary to the Audit Committee.

Composition and Appointment of the Audit Committee

The audit committee must consist of 3 members at least and be appointed by the Board of Directors. Each member must be an independent director who can exercise his or her own discretion independently with ability to read and understand the fundamentals of the financial statements, which are required to perform as the audit committee's member. At least one member of the audit committee must have sufficient knowledge and experience to perform the duty of reviewing the financial statements' reliability. The audit committee can communicate directly with the external auditors, internal auditors and the management team of the company and its subsidiaries.

The Audit Committee or the Board of Directors will appoint an audit committee member as the chairman of the audit committee.

The Audit Committee is responsible for an appointment of the head of the Internal Audit function to serve as secretary of the Audit Committee then support the Audit Committee in performances, meeting appointments and other tasks assigned by the Audit Committee.

Scope of Duties and Responsibilities of the Audit Committee

-Refer to section 6 Corporate Governance Policy-

(2) Nomination and Remuneration Committee

The Board of Directors approved to appoint the Nomination and Remuneration Committee in order to nominate and consider the remuneration of the member of the board of directors, member of other sub-committees and Chief Executive Officer in accordance with transparency. As of December 31, 2021, the member of Nomination and Remuneration Committee comprises of three members and more than half of them are independent directors as follows:

Name	Position	Appointment Date	Meeting Attended/ Total Meetings (during Jan 1 –Dec 31, 2021)
1. Mr. Yothin Pibulkasetkij	Chairman	January 30, 2020	2/2
2. Mr. Padungdej Indralak	Member	January 30, 2020	2/2
3. Mr. Chotiphat Bijananda	Member	January 30, 2020	2/2

Ms. Chawandhorn Muangmee serves as the secretary to the Nomination and Remuneration Committee.

Composition and Qualifications of the Nomination and Compensation Committee

- 1) The Nomination and Compensation Committee consists of 3 members at least.
- 2) Chairman of the Nomination and Compensation Committee shall be an independent director.
- 3) The Nomination and Compensation Committee shall be appointed by the Board of Directors.

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

-Refer to section 6 Corporate Governance Policy-

(3) Corporate Governance Committee

The Board of Directors approved to appoint the Corporate Governance Committee in order to supervise the Company's directors and management to be company with good corporate governance. As of December 31, 2021, the member of Corporate Governance Committee comprises of four members as follows:

	Name	Position	Appointment Date	Meeting Attended/ Total Meetings (during Jan1 – Dec 31, 2021)
1.	Mr. Areepong Bhoocha-oom	Chairman	August 9, 2019	2/2
2.	Mr. Thapana Sirivadhanabhakdi	Member	August 9, 2019	2/2
3.	Mrs. Kulpatra Sirodom	Member	August 9, 2019	2/2
4.	Mr. Somchai Sujjapongse	Member	August 9, 2019	2/2

Ms. Rotjana Udomthongkon serves as secretary to the Corporate Governance Committee

Composition of the Corporate Governance Committee

The Good Corporate Governance Committee consists of the persons appointed by the Board of Directors. Aforementioned persons have beneficial knowledge, abilities and experience to the business operation including intention, business ethics and sufficient time devoted to the company; and pay the best attention to perform their duties.

Scope of Duties and Responsibilities of the Good Corporate Governance Committee

-Refer to section 6 Corporate Governance Policy-

(4) Risk Management Committee

The Board of Directors approved to appoint the Risk Management Committee in order to manage the organization risk. As of December 31, 2021, the member of Risk Management Committee comprises of three members as follows:

Name	Position	Appointment Date	Meeting Attended/ Total Meetings (during Jan1 – Dec 31, 2021)
1. Pol. Gen. Jate Mongkolhutthi	Chairman	August 9, 2019	5/5
2. Mr. Padungdej Indralak	Member	August 9, 2019	5/5
3. Mr. Somchai Sujjapongse	Member	August 9, 2019	5/5

Mr. Amarin Phoyen serves as the secretary to the Risk Management Committee

Composition of the Risk Management Committee

The Risk Management Committee consists of the persons appointed by the Board of Directors. Aforementioned persons have beneficial knowledge, abilities and experience to the business operation including intention, business ethics and sufficient time devoted to the company; and pay the best attention to perform their duties.

Scope of Duties and Responsibilities of the Risk Management Committee

-Refer to section 6 Corporate Governance Policy-

(5) Executive Board

As of December 31, 2021, the members of Executive Board comprise of 4 members as follows:

Name	Position	Appointment Date	Meeting Attended/ Total Meetings (during Jan1 – Dec 31, 2021)
1. Mr. Chotiphat Bijananda	Chairman	July 11, 2018	22/22
2. Mrs. Atinant Bijananda	Vice Chairman	July 11, 2018	22/22
3. Mr. Somchai Sujjapongse	Member	July 11, 2018	22/22
4. Mr. Apichai Boontherawara	Member	July 11, 2018	22/22

Ms. Chawandhorn Muangmee serves as the secretary to the Executive Board.

Scope of Duties and Responsibilities of the Executive Committee

-Refer to section 6 Corporate Governance Policy-

The special sub-committee

The Board of Directors' Meeting No. 8/2021 dated September 23, 2021 resolved to appoint the Transformation Committee in order to mainly support the Board of Directors to stabilize and create potential for long term competitiveness for the Group company.

The Transformation Committee's Member comprise of;

- | | |
|-------------------------------|----------|
| (1) Mr. Boontuck Wungcharoen | Chairman |
| (2) Mr. Chotiphat Bijananda | Director |
| (3) Mr. Buranawong Sowapru | Director |
| (4) Mrs. Kittiya Todhanakasem | Director |

Remark: Due to the special sub-committee, there was no meeting allowance for the Transformation Committee members

The Company's Management

The Company's Management as defined by the Securities and Exchange Commission

Top 4 executives from the Chief Executive Officer as of December 31, 2021 as follows:

รายชื่อ	ตำแหน่ง
1. Mr. Chotiphat Bijananda	Acting Chief Executive Officer and President
2. Mr. Trirong Butragaht	Chief Business Development Officer
3. Mr. Mahatana Ampornpisit	Chief Digital & Data Intelligence Officer
4. Mr. Montri Vongtharuar	Chief Distribution Channel
5. Miss. Paisri Chutiviriyakarn	Chief Risk Management and Compliance Officer
6. Miss. Fah Mahanavanont	Chief Financial and Business Support Officer
7. Miss. Lisa Patvivatsiri	Chief Operations Officer

- Remarks**
- The appointment and resignation of the executives
 - The Board of Directors' Meeting No. 8/2021 dated September 23, 2021 resolved to appoint Mr. Chotiphat Bijananda to be acting Chief Executive Officer and President
 - The Board of Directors' Meeting No. 11/2021 dated November 16, 2021 resolved to appoint Mr. Montri Vongtharuar to be Chief Distribution Channel and Miss Paisri Chutiviriyakarn to be Chief Risk Management and Compliance Officer
 - The Board of Directors' Meeting No. 12/2021 dated December 1, 2021 approved the revised organization chart of the Company by increase the following

position; president, Chief People, Chief Operation and appointed Mr. Chotiphat Bijananda to be the acting of those 3 positions effective on December 1, 2021

- The Board of Directors' Meeting No. 13/2021 dated December 24, 2021 approved the revised Organization Chart of the Company by increase Digital & Data Intelligence Department and appointed Mr. Mahatana Ampornpisit to be Chief Digital & Data Intelligence Officer and appointed Miss Lisa Patvivatsiri to be Chief Operations Officer, effective on December 24, 2021.
- Mr. Thakorn Piyapan resigned from the Chief Executive Officer effective on December 1, 2022
- Miss Rungthong Jintanamalagit resigned from the Executive Vice President, Strategy and Transformation, effective from August 16, 2021
- Miss Orawan Vorapanya resigned from Executive Vice President, Operation, effective from November 15, 2021

Mrs. Pachara Ampornpaisalkit, Assistant Vice President, is the person supervising accounting

Remuneration for Directors and Executives

Directors' Remuneration

(1) Monetary Remuneration

Refer to the 2021 Annual General Meeting of Shareholders dated April 29, 2021, the Meeting resolved to approve the directors' remuneration for the year 2021 as the meeting allowance as follows:

Components of Remuneration	Unit: (THB per person)	
	2021	2022
1. Remuneration for Director		
▪ Chairman of the Board	70,000	70,000
▪ Vice Chairman of the Board	50,000	50,000
▪ Director	40,000	40,000
2. Remuneration of Audit Committee		
▪ Chairman of Audit Committee	50,000	50,000
▪ Director	40,000	40,000
3. Remuneration for other Sub-committee:		
▪ Chairman	40,000	40,000
▪ Director	30,000	30,000

(2) Extra-remunerations (Bonus)

The Board of Directors is authorized to consider and allocate as appropriate based on the performance result of the Company.

-no other benefit-

Mr. Charoen Sirivadhanabhakdi and Khunying Wanna Sirivadhanabhakdi expressed their intention to not receive the remuneration for the year 2021.

As of December 31, 2021, the Company paid the remuneration to directors and members of the sub-committees, at the number of 15 directors out of 15 directors, totaling Baht 8,670,000 comprises of meeting allowance. There was no monthly retainer and bonus. The remuneration details are as follows:

Directors	Position	Remuneration (Baht)
1. Mr. Charoen Sirivadhanabhakdi	Chairman of the Board of Directors	not receive the remuneration
2. Khunying Wanna Sirivadhanabhakdi	Vice-Chairman of the Board of Directors	not receive the remuneration
3. Mr. Areepong Bhoocha-oom	Vice-Chairman of the Board of Directors / Chairman of the Corporate Governance Committee	680,000
4. Mr. Boontuck Wungcharoen	Vice-Chairman of the Board of Directors	360,000
5. Mrs. Kulpatra Sirodom	Independent Director / Chairman of the Audit Committee / Member of the Corporate Governance Committee	1,190,000
6. Mr. Yothin Pibulkasetkij	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee	1,040,000
7. Mr. Padungdej Indralak	Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration / Member of the Risk Management Committee	1,140,000
8. Pol. Gen. Jate Mongkolhutthi	Independent Director / Chairman of the Risk Management Committee	680,000
9. Mr. Vachara Tuntariyanond	Independent Director	320,000

Directors	Position	Remuneration (Baht)
10. Mr. Buranawong Sowapru	Independent Director	360,000
11. Mr. Thapana Sirivadhanabhakdi	Directors / Member of the Corporate Governance Committee	540,000
12. Mr. Chotiphat Bijananda	Director / Chairman of the Executive Board / Member of the Nomination and Remuneration Committee	510,000
13. Mrs. Atinant Bijananda	Director / Member of the Executive Board	480,000
14. Mr. Somchai Sujjapongse	Director / Member of the Executive Board / Member of the Corporate Governance Committee / Member of the Risk Management Committee	690,000
15. Mr. Apichai Boontherawara	Director / Member of the Executive Board	480,000
16. Mr. Thakorn Piyapan	Director / Member of the Executive Board	200,000
Total		8,670,000

Remark: Mr. Thakorn Piyapan resigned from the directorship of the Company effective from October 4, 2021

(2) Other remunerations

The Company provides health insurance and D&O insurance.

Other benefits

-None-

Remuneration for Executives

The company provides the remuneration to the executives by regularly comparing the compensation with the leading companies in the same industry. As such the remuneration aforesaid is at the competition level with other companies and at the consistent rate with the Company performance each year to create the work motivation of the Company.

(1) Monetary Remuneration

As of December 31, 2021, the company paid the compensation to the executives of the Company, excluding the accounting or financing managers, as salary, annual bonus and provident fund in amount of approximately 12 million baht.

(2) Other Remuneration

The Company provides health insurance, life insurance, accident insurance, annual health check and welfare related to the employees' financial assistance according to the Company policy.

Employee of the Company and Subsidiaries

As of December 31, 2021, the total number of employees (excludes executives) of the Company and its subsidiaries was 2,382 persons, with remuneration in 2021 as salary, bonuses, overtime, social security, provident fund and welfare for employees as follows:

(1) Compensation of the Employee

The company has the policy on the compensation management with fairness. It can be comparable to the companies in the same industrial business. The consideration factors are the qualifications, experience, duties and responsibilities by the position and market labor rate according to the appropriate reference market point in line with the company's business operations adhere to the changing circumstances, living conditions, economic conditions and market competition with the similar nature of business.

In addition, the company provides the welfare for the employees to promote the good quality of life among the happy working society and environment (Live a Happy Life). It also provides the sports clubs, recreational activities and activities to promote the good health and hygiene. Furthermore, the company also provides the benefits and discounts on various products and services of the companies in the group of Thai Group Holdings Public Company Limited and the primary welfare protection to the employees as well, such as the provident fund, medical expenses, dental treatment fees, annual health check-ups, life and accident insurance, etc.

(2) Provident Fund

The company and its subsidiaries have provided the provident fund for the employees of the company and its subsidiaries. The company and its subsidiaries have contributed as follows:

Year of service	Contribution % of salary
Since being placed in the position	5
The employees employed before April 1, 2006 (SELIC / SEIC only)	10

In 2021, the Company and its subsidiaries have contributed to the provident fund for the employees by 51.96 million baht, totally.

Currently, the group of companies has the provident fund under the management of the company [12 companies].

(3) Labor Disputes

In 2021, the Company had five labor disputes due to the dismissal of employees without compensation in 4 cases (3 cases of misconduct and 1 case of absence from work for more than 3 days without reasonable cause). Also, the Company terminated employment contract of 1 employee (while being an employee at the Southeast Life Insurance). These lawsuits were obtained from the Labor Court. The Company assigned a lawyer for those cases, which remained under the process of consideration by the Labor Court (3 cases). The Court of First Instance decided that the Company won the lawsuits in 2 cases.

(4) Policy on the Human Resource Development

The Company realizes the importance of the Human Resource as a key mechanism to drive and lead the organization to sustainable success and growth according to the vision, mission and business strategies as determined. Therefore, the company has established the policy on the human resource management by placing the system and process of the human resource management to be clear, transparent, fair and consistent with the whole organization.

In 2021, the employees of the company and its subsidiaries are developed and trained for a total of 2,063 people of which 49 courses from the in-house training and 370 courses from the outside training.

Number of Employees in 2021	Number of Trained Employees In 2021	Trained Employees Proportion	In-house Training	Outside Training	Total number of training hours in 2021	Average number of training hours/person
2,382	2,063	86%	1,875	479	33,548.40	16.26

However, with the situation of COVID 19 including Social Distancing measures, the working nature of the employees has changed to “Work from Home”. Thus, it is necessary to adjust the nature of the employees’ development, trainings / seminars from the organized training room to the Virtual Classroom as follows:

- Learning and doing workshops through the Microsoft Team program.
- Learning through E-Learning system, both compulsory and voluntary courses to develop the knowledge and skills required for the job.
- Learning through short VDO and articles from HR Update and HR Portal.

Therefore, the year of 2021 was an important year that the company and the employees had to adapt, both in the terms of working and learning by technology applying to the situation and making the most benefits.

Policy on the Human Resource Management has been approved by the Board of Directors which requires all supervisors to responsible for the human resource management within their

departments in accordance with the Company's Human Resource Management system and guidelines. The personnel are obliged to abide by these following:

- Core Values;
- Code of Business Ethics;
- Requirements about the Ethics for the Executives and the Employees;
- Regulations in the company operation by perform work with competence, responsibility, determination and dedication to the success of the work.

The Company adheres to the moral system that considers knowledge significantly. Thus, the career advancement rewards and incentives will depend on these following:

- Quality and Achievement of the Work;
- Knowledge and Capability;
- Attitude and Potential of the Employees in accordance with the Needs of the Company.

The Company promotes the personnel creation and development systematically and continuously to provide the company's personnel with necessary knowledge, skills and competence for future business operations. There are career advancement opportunities and leadership development for the employees at all levels, as well as the systematic approach to promote and develop the outstanding personnel (Talent Management); Create the successor plan (Succession Planning) to prepare personnel for growing with the organization under the values and corporate cultures focusing on building the committed spirit to thrive the unlimited success; deliver excellent professional results and services according to the needs of our customers.

The Company also focuses on building employee engagement with the company through regular employee survey in order to improve, develop and manage various factors that make the personnel happy. In addition, it maintains the personnel which are smart, good and qualify. to be proud of being a part of the organization and also creates the good corporate images (Employer Branding) to the public and encourages people to join the company as well (Employer of Choice).

1. Policy on the Recruiting Potential Personnel and Taking Care of New Personnel (Talent Acquisition and Onboarding)

Recruiting and selecting personnel with potential, knowledge, capabilities, characteristics and work experience that meet the needs of the company is essential and necessary for continuous growth in order to support the business expansion to develop the competitiveness of the company along with the digital transformation. Therefore, in order to make the company known and be reached by the new generation applicants (Millennials) with different attributes, communication methods, goals and lifestyles from the previous

generations; the company must improve the recruitment and selection processes to be fast and reliable.

Under the company's guidelines, the company hires and qualifies the employees as needed with the work practicability. The employees who will be hired and qualified must pass the following considerations:

- Qualifications
- Experiences
- Suitable competence for the job position.
- Specific qualifications according to the company regulations.

In the selection process, the company has implemented the powerful candidate screening tools such as the corporate value assessment form, professional knowledge and skills test, Behavioral Event Interview (BEI) technique and introducing applicants from the employee of the company (Employee Referral), which are the sources of information that can be referenced.

When going through the recruitment, selection and hiring processes completely; all new employees of the company are required to take the Onboarding Program, a program designed to introduce employees to the company; the business in the group of Thai Group Holdings and the TCC Group; the TGH Corporate Culture and Core Values including the basic knowledge in products and services like non-life insurance, life insurance and other financial services of the Group (Product Knowledge); the laws and regulations that must be known to comply with the business framework; the work regulations; the benefits and welfare of the employee; and the personnel management and development approaches (My Career Pathway) to be the outstanding employees with knowledge, skills and competence to create excellent work results including potential to grow with the company according to the corporate visions and missions as determined.

2. Policy on the Compensation and Benefits

The company has the policy on the compensation management with fairness. It can be comparable to the companies in the same industrial business. The consideration factors are the qualifications, experience, duties and responsibilities by the position and market labor rate according to the appropriate reference market point in line with the company's business operations adhere to the changing circumstances, living conditions, economic conditions and market competition with the similar nature of business.

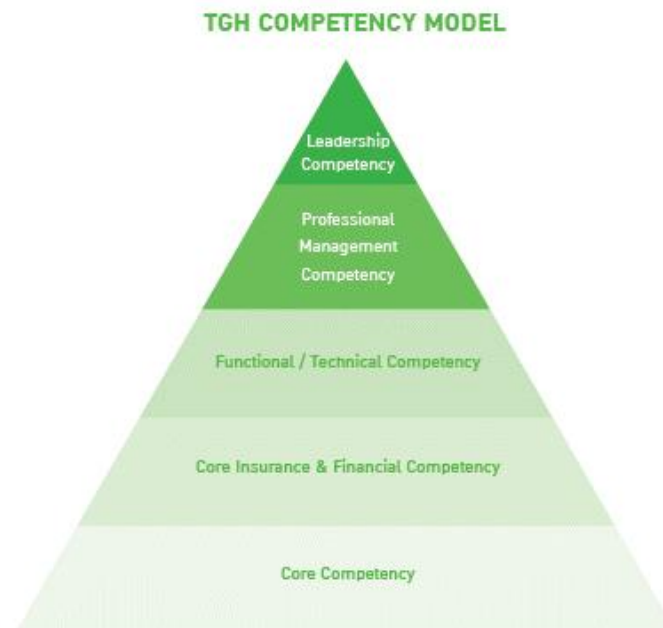
In addition, the company provides the welfare for the employees to promote the good quality of life among the happy working society and environment (Live a Happy Life). It also provides the sports clubs, recreational activities and activities to promote the good health and hygiene. Furthermore, the company also provides the benefits and discounts on various products and services of the companies in the group of Thai Group Holdings and the TCC Group including the primary welfare protection to the employees as well, such as the

provident fund, medical expenses, dental treatment fees, annual health check-ups, life and accident insurance, etc.

3. Policy on the Talent and People Capability Development

The company emphasizes the continuous learning and development of its personnel to provide employees with knowledge, skills or competence (Competency Development) that is consistent with their responsibilities and facilitates the performance of work according to the objectives and standards of the specified work (Technical Proficiency). Moreover, the company also promotes professional advancement (Career Planning and Development), learning techniques, working methods, new science and technology. This is to enable employees to develop their necessary potentials for their performance, both in the present and in the future. By organizing trainings and seminars within the organization; sending employees to trainings, seminars and study visits with external institutions, both domestic and overseas; especially giving scholarship to employees in a professional specific field; all of these are necessary to operate the company business.

In order to strengthen the knowledge base of the organization (Knowledge Management), the Company also encourages exchange and learning among each other in the organization through campaigns or learning activities (Knowledge Sharing); coaching; the specialist community establishing (Community of Practice: COP) by utilizing various electronic channels; all of these are facilitating employees' resources to reach out and develop themselves easily.



The company has classified the human resource development according to competency as follows:

1. Core Competency Development of is the development of abilities and characteristics that everyone in the organization needs. The same ability will make the company unique, both in the terms of meeting the customer needs and competition in the same industry. It is the foundation that will lead the organization to its intended vision.
2. Core Insurance and Financial Competency Development has the objectives to provide basic knowledge and understanding of non-life insurance, life insurance and other financial services including other laws and regulations that all employees have to learn and understand to further apply in the operations.
3. Functional/ Technical Competency Development are the development of knowledge, skills and characteristics that personnel need in order to perform their duties to achieve the specified goals. This type of competence reflects the level of competence that personnel must possess before they will be assigned to their duties.
4. Professional / Management Competency Development are the development of general administration and management knowledge, skills and characteristics that are necessary for employee responsibilities at the manager level or the general employees who have to use such knowledge and skills in their duties performing to achieve the intended goals.
5. Leadership Competency Development is the creation and development of leadership for employees at all levels in the organization. Beyond the general leader characteristics, the TGH Leadership Model must have the DNA characteristics of the organization to be a unique leader and make the organization different from the others.

In addition, the company has developed the outstanding personnel (Talent Management) by focusing on their own potential finding and developing in collaboration with their supervisors, using the Individual Development Plan (IDP). The employees will manage their development time in the way they want, using the Blended Learning Model 70:20:10 to also make such learning more efficient than traditional learning.

- Experiential / On the Job Learning: 70%
- Workplace Learning / Coaching & Monitoring: 20%
- Formal Learning / Classroom:10%

4. Policy on the Performance Based Rewards

The Company has developed a performance appraisal system by applying Key Performance Indicators (KPIs) along with considering desirable behavior according to the employee's corporate values to enable employees participating in setting up their career goals. The company therefore supports the role of supervisors in communicating the goals at the corporate level to the individual level in accordance with the same direction by focusing on the corporate strategy. This target connection by the gradient will create the clarity and

inspiration for employees and also the driving force to the employee performance across the organization in line with the goals and missions and lead to excellent performance. When clear goals and indicators are established for the employees at all levels; the results from the performance appraisal are used as information in determining appropriate salary adjustments, bonuses and promotions annually with fairness to create the work incentives for the employees as well.

The Company will continuously promote the development of human resources in order to provide the employees with knowledge, abilities and efficiency in their work and responsibilities. The employee will perform the work in accordance with the planned goals to achieve the work success by adhering to these following guidelines:

- Supervisors are responsible with the HR department to plan, assess, monitor and provide information in order to promote the development of subordinates and support their work success.
- Employees must determine to achieve the planned goals, seek knowledge and self-develop on a regular basis, both in their duties and responsibilities including the other parts of the company.

5. Policy on the Future Successors and Personnel Planning (Succession and Workforce Planning)

To support the continuity of the business and the sustainable growth of the organization, Succession Planning for the senior management and the key positions of the organization are important and essential that must be done systematically, in principle, and to be agreed upon based on the factors considered to identify the main positions of the organization; criteria to replace positions by the qualified persons; methods to assess succession readiness in order to use the data obtained (Gap Analysis) to create an Individual Development Plan (IDP); all of these are necessary to prepare the human resource to carry on the organization missions; build in the good management confidence; and protect the interests of the stakeholders, trade partners and company customers.

Guidelines for Succession Planning

The Company has prepared the Succession Planning by specifying methods and procedures for selecting and developing personnel in order to replace senior management (Assistant Managing Director and above); middle management (Department Director and Senior Director); as well as other key positions that are important and necessary because of the specific nature and responsibility to the company's business operations (Critical / Key Positions). In order to get a qualified replacement, these following actions must be taken:

1. When there is the managerial position and the primary position with the specific nature and responsibility becomes available or a new position; the company will consider the employees who meets the criteria that the company deems to hold such positions. The selection and appointment of those employees will be selected the employees aforementioned first unless there is no one who the company deems

appropriate. Then the company will select and appoint the employees by other means instead.

2. This procedure is used by the company only.
3. Direct supervisors along with the line of work (Department Director and above) has the primary responsibility for the employees' development in their respective responsibilities to continuously perform the work better.

Other important information

○ **Company Secretary**

The resolution of the Board of Directors' Meeting No. 8/2020 dated August 13, 2020 approved the appointment of Ms. Chawandhorn Muangmee to serve as the Company Secretary, as specified by the Securities Exchange Act B.E. 2551, effective from August 13, 2020 onward. The Company Secretary has scope of duties and responsibilities to provide the basic information and suggestion to the directors and executives in order to comply with the relevant laws, regulations and requirements of the company business, organize meetings as well as other activities of the Board of Directors so that directors can perform their duties effectively and create the maximum benefit to the company and prepare and maintain the important documents; directors' registration, shareholders' registration, invitation letter to the meeting of the Board of Directors and minutes meeting of the Board of Directors including sub-committees, invitation letter to the meeting of shareholders and minutes meeting of shareholders, annual report of the company and the reports of interests and the certificates of independence, reported by the directors or executives

○ **Head of Internal Audit**

The Company has an Internal Audit Office which is independent and directly reports to the Audit Committee. In the audit committee meeting on September 24, 2019, there was a resolution to appoint Mr. Vichan Assawarangi to be the internal audit controller with good qualifications in education, operational experience and training. His qualifications are sufficient for internal audit operational control and he is capable of supervising the internal audit control correctly and completely. The performance of the Internal Audit Control Office is trustworthy for high executives in efficient and effective operation management, sufficient and efficient internal control system for acceptable risk appetite, good asset protection and prevention, and cost-effective payment including good corporate governance compliance. The Audit Committee has authority to approve the designation, transfer and resignation of the position of internal audit controller.

○ **Compliance Unit**

The Company has established a compliance unit to support the company in supervising the performance of the top executives, employees, and various departments of the company to be in

accordance with the laws and regulations of the supervisory authorities, such as the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), as well as coordinating with supervisory authorities to ensure the company's operations are in compliance with the relevant rules and regulations.

In 2021, Ms. Chawandhorn Muangmee, the Corporate Secretary, serves as a supervisor for the operations of the Company, with no violation of any laws, rules, and regulations of the SEC and SET.

○ **Head of Investor Relations**

Mr. Anon Chonmaitree, Senior Vice President, serves as the Company's Investor Relations

Report of Changes in Securities holding of Directors and Executives as at December 31, 2021

Directors	Number of ordinary shares		Increase/(decrease)
	31 Dec 2021	31 Dec 2020	
1. Mr. Charoen Sirivadhanabhakdi			
Spouse and Minor child	-	-	-
Juristic persons which holding more than 30%	574,570,802*	562,207,942	12,362,860
2. Khunying Wanna Sirivadhanabhakdi	-	-	-
Spouse and Minor child	574,570,802*	562,207,942	12,362,860
Juristic persons which holding more than 30%	-	-	-
3. Mr. Areepong Bhoocha-oom	-	-	-
Spouse and Minor child	-	-	-
4. Mr. Boontuck Wungcharoen	-	-	-
Spouse and Minor child	-	-	-
5. Mrs. Kulpatra Sirodom	-	-	-
Spouse and Minor child	-	-	-
6. Mr. Yothin Pibulkasetkij	-	-	-
Spouse and Minor child	-	-	-
7. Mr. Padungdej Indralak	-	-	-
Spouse and Minor child	-	-	-
8. Pol. Gen. Jate Mongkolhutthi	-	-	-
Spouse and Minor child	-	-	-
9. Mr. Vachara Tuntariyanond	-	-	-
Spouse and Minor child	-	-	-
10. Mr. Buranawong Sowapruux	-	-	-
Spouse and Minor child	-	-	-
11. Mr. Thapana Sirivadhanabhakdi	-	-	-
Spouse and Minor child	-	-	-
12. Mr. Chotiphat Bijananda	-	-	-
Spouse and Minor child	-	-	-
13. Mrs. Atinant Bijananda	-	-	-
Spouse and Minor child	-	-	-
14. Mr. Somchai Sujjapongse	-	-	-
Spouse and Minor child	-	-	-

Directors	Number of ordinary shares		Increase/(decrease)
	31 Dec 2021	31 Dec 2020	
15. Mr. Apichai Boontharawara	-	-	-
Spouse and Minor child	-	-	-

Executive	Number of ordinary shares		Increase/(decrease)
	31 Dec 2021	31 Dec 2020	
1. Mr. Trirong Butragaht	-	-	-
Spouse and Minor child	-	-	-
2. Mr. Mahatana Ampornpisit	-	-	-
Spouse and Minor child	-	-	-
3. Mr. Montri Vongtharuar	-	-	-
Spouse and Minor child	-	-	-
4. Miss. Paisri Chutiviriyakarn	-	-	-
Spouse and Minor child	-	-	-
5. Miss. Fah Mahanavanont	-	-	-
Spouse and Minor child	-	-	-
6. Miss. Lisa Patvivatsiri	-	-	-
Spouse and Minor child	-	-	-

Remark *The total number of shares held by Mr. Charoen and Khunying Wanna Sirivadhanabhakdi through the juristic person which holding more than 30%

8. INTERNAL CONTROL AND RELATED PARTY TRANSACTION

The summary of the opinion of the Board of Directors about the sufficiency and adequacy of the internal control system.

The Board of Directors focuses on the good internal control system and risk management; they continue to supervise for the corporate governance. A good internal control system is an important mechanism for management and operation to meet the goals effectively and sustainably. With the independent committee, the Board of Directors supervises the Audit Committee, the Risk Management Committee, the Corporate Governance Committee and the compliance to the corporate anti-corruption policy sufficiently and efficiently. In addition, the Board of Directors oversees the compliance to the regulations and related law, prohibition of beneficial conflicts, intercompany transactions, corporate asset protection and corruption avoidance.

To have an investigation mechanism for balancing authority, the corporation created the Internal Audit Office which is independent and directly reports to the Audit Committee. The function of the Internal Audit Office is to investigate and assess the sufficiency of internal control, risk management, and corporate governance of the Group.

The Board of Directors has an agreement with the Audit Committee for the results of internal control assessment as per the international internal control framework of The Committee of Sponsoring Organizations of the Treadway Commission (COSO). The scope of internal audit is to appraise the corporate internal control as specified in internal audit assessment forms created by the Securities and Exchange Commission, Thailand (“SEC”). The assessment consists of corporate internal control, risk assessment, operational control, information technology system and data communication including a monitoring system. The objective of the assessment is to ensure the corporate internal control is sufficient and adequate to have efficient operation and management, asset protection and reliable and correct financial reporting.

In 2019, the Company hires the outsource professional consultant, PricewaterhouseCoopers ABAS Ltd. (“PWC”) to develop the internal control system, and set up an annual audit plan as a Risk-Based-Audit as part of the 3-year operating plan. In 2021, the Internal Audit Office achieved the set goal.

However, in the year 2021, KPMG Phoomchai Audit Limited, the Company’s auditor, who review and 2021 Financial Statement has the opinion that no significant defect which affect on the Company’s performance. The Company’s internal control system is appropriate and sufficient.

The summary of opinion of the Board of Directors to internal control

The Board of Directors have an opinion that the Company and the subsidiaries have sufficient and proper internal control systems, asset protection from corruption or unauthorization. The executives improve the corporate internal control if any fact finding is detected.

The Audit Committee has an agreement with the Board of Directors, and there is no material fact findings from an auditor's comment. In addition, intercompany and related transactions have no beneficial conflict. The transactions are normal for general business and reasonable with the market price. The disclosure of these transactions is shown in the note to the financial statement.

Every year, the Company sets an internal audit form as per the SEC's standards. In 2021, there was an assessment for the adequacy of internal control with the cooperation from the executives. The Audit Committee and the Board of Directors has reviewed the internal control assessment report and discussed with the executives for an agreement and determination of proper practice.

Related Party Transaction

- ❖ Related party transactions with persons who may have a conflict of interest were carried out at market prices or at arm's length basis of which details disclosed in the Note No. 5 of Financial Statement ended December 31, 2021.
- ❖ Related party transactions of the Company and subsidiaries, as appropriateness of the transactions incurred during the year 2021, 2020 and 2019, are according to normal business, market price or at arm's length basis, could be described below.

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Gross premium written		1,405.89	1,030.98	953.54	
Life business		-	-	-	
F&N Dairies (Thailand) Limited	Controlling equity holders hold substantial share indirectly	11.09	2.11	12.74	Transactions with related parties were as a gross premium written from group insurance policy, directors, committee shareholders and etc.
TCC Asset Management Co., Ltd.	Controlling equity holders hold substantial share indirectly	5.37	6.94	2.69	
The QSR Of Asia Company Limited	Controlling equity holders hold substantial share indirectly	10.64	-	-	
Oishi Group Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	4.48	6.18	13.08	
Thai Glass Industries Public Company Limited	Controlling equity holders hold substantial share indirectly	3.50	4.49	4.82	
Thai Malaya Glass Company Limited	Directors and controlling equity holders hold substantial share indirectly	3.48	3.91	3.96	
Frasers Property Industrial (Thailand) Co., Ltd.	Controlling equity holders hold substantial share indirectly	3.65	-	-	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Frasers Property Home (Thailand) Co., Ltd.	Controlling equity holders hold substantial share indirectly	5.55	-	-	
Amarin Book Center Co., Ltd.	Controlling equity holders hold substantial share indirectly	3.30	-	-	
Non-life business					
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	141.56	151.72	154.59	Transactions with related parties were as a gross premium written from industrial all risk (IAR), property damage (PD), business interruption (BI)
Beer Thai (1991) Public Company Limited	Controlling equity holders hold substantial share indirectly	20.35	32.14	20.32	
Beertip Brewery (1991) Co., Ltd.	Controlling equity holders hold substantial share indirectly	15.23	32.14	14.88	
Sernsuk Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	31.27	31.28	23.52	
Frasers Property (Thailand) Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	29.73	27.25	17.17	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	20.42	23.29	3.58	
Thip Sugar Kamphaengphet Co.,Ltd.	Controlling equity holders hold substantial share indirectly	18.27	23.24	13.34	
Thai Malaya Glass Company Limited	Directors and controlling equity holders hold substantial share indirectly	27.94	21.26	19.58	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Oishi Trading Company Limited	Directors and controlling equity holders hold substantial share indirectly	20.02	18.58	20.47	
Sangsom Co., Ltd.	Controlling equity holders hold substantial share indirectly	19.11	16.86	11.69	
Berli Jucker Cellox Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	17.34	11.70	11.38	
Sura Bangyikhan Co., Ltd.	Controlling equity holders hold substantial share indirectly	10.51	9.90	10.42	
The QSR Of Asia Company Limited	Controlling equity holders hold substantial share indirectly	9.19	9.80	11.37	
Berli Jucker Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	5.87	2.22	2.97	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	968.02	585.97	580.95	
Income from operating lease contracts		662.50	818.23	771.59	
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	55.76	58.88	54.46	Transactions with related parties were as a income from operating lease contracts which were a truck, delivery car, personal car
Cash Van Management Company Limited	Controlling equity holders hold substantial share indirectly	93.07	88.22	54.02	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	42.28	39.63	36.48	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Sermsuk Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	42.86	35.97	32.48	from executive and staff
Numrungrud Co., Ltd.	Controlling equity holders hold substantial share indirectly	27.14	27.94	28.26	
Pomcharoen Co., Ltd.	Controlling equity holders hold substantial share indirectly	21.25	26.28	27.77	
Pomtip (2012) Co., Ltd.	Controlling equity holders hold substantial share indirectly	24.09	23.87	23.25	
Num Kijjakarn Co., Ltd.	Controlling equity holders hold substantial share indirectly	21.75	21.92	22.20	
Pomkit Co., Ltd.	Controlling equity holders hold substantial share indirectly	20.91	21.42	21.56	
Pomklung Co., Ltd.	Controlling equity holders hold substantial share indirectly	20.98	21.33	21.16	
Num Palung Co., Ltd.	Controlling equity holders hold substantial share indirectly	21.02	21.20	21.08	
Num Muang Co., Ltd.	Controlling equity holders hold substantial share indirectly	18.57	19.47	20.13	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	252.82	412.10	408.75	
Income from hire-purchase and financial lease contracts		2.85	3.50	4.07	
Thip Sugar Kamphaengphet Co.,Ltd.	Controlling equity holders hold substantial share indirectly	1.89	2.44	2.91	Transactions with related parties

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Thip Sugar Sukhothai	Controlling equity holders hold substantial share indirectly	0.55	0.82	1.05	were as a income from hire purchase and financial lease contracts
Gaew Grung Thai Co., Ltd.	Controlling equity holders hold substantial share indirectly	0.24	0.24	0.10	
Thai Alcohol Public Company Limited	Controlling equity holders hold substantial share indirectly	0.07	-	-	
Sintekpanich Co., Ltd.	Controlling equity holders hold substantial share indirectly	0.07	-	-	
Siam Realty Co., Ltd.	Controlling equity holders hold substantial share indirectly	0.03	-	-	
Dividend income		79.83	87.20	93.23	
Golden Ventures Leasehold Real Estate Investment Trust	Common director and indirect equity holders hold substantial trust indirectly	29.51	30.70	38.02	Transaction with related parties was a dividend income from investment in securities
Hemaraj Leasehold Real Estate Investment Trust	Common director	31.49	34.66	32.45	
Frasers Property Thailand Industrial Freehold&leasehold Reit	Indirect equity holders hold substantial trust indirectly	12.46	11.39	14.44	
Frasers Property (Thailand) Public Company Limited	Common director and indirect equity hold substantial share indirectly	3.49	6.17	4.11	
Berli Jucker Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	2.04	2.91	2.62	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Frasers Hospitality Trust	Directors and controlling equity holders hold substantial share indirectly	0.84	1.37	1.12	
Sino-Thai Engineering and Construction Public Company Limited	Common director	-	-	0.48	
Interest income		151.54	141.84	106.19	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	61.27	60.62	56.93	Transactions with related parties was a interest income from investment in securities
Berli Jucker Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	39.04	36.60	23.13	
Frasers Property (Thailand) Public Company Limited	Common director and indirect equity hold substantial share indirectly	27.88	24.91	11.69	
Frasers Property Thailand Industrial Freehold&leasehold Reit	Indirect equity holders hold substantial trust indirectly	19.90	14.26	9.00	
Frasers Property Holdings (Thailand) Co., Ltd.	Controlling equity holders hold substantial share indirectly	3.45	5.45	5.44	
Gain on disposal of investments		(1.51)	(2.41)	192.42	
Golden Ventures Leasehold Real Estate Investment Trust	Common director and indirect equity holders hold substantial trust indirectly	-	-	107.98	
Frasers Property Thailand Industrial Freehold&leasehold Reit	Indirect equity holders hold substantial trust indirectly	0.02	-	85.75	Transactions with related parties was a gain on disposal from investment in securities
Hemaraj Leasehold Real Estate Investment Trust	Common director	-	-	16.21	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	8.80	-	0.43	
Frasers Hospitality Trust	Directors and controlling equity holders hold substantial share indirectly	-	-	0.15	
Frasers Property (Thailand) Public Company Limited	Common director and indirect equity hold substantial share indirectly	1.95	-	(0.85)	
Frasers Property Holdings (Thailand) Co., Ltd.	Controlling equity holders hold substantial share indirectly	2.58	5.45	5.44	
Berli Jucker Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	(14.86)	(8.84)	(3.96)	
Sino-Thai Engineering and Construction Public Company Limited	Common director	-	0.98	(18.73)	
Gain on sale of investment in subsidiary		7,099.76	-	-	
The Thai Insurance Public Company Limited	Controlling equity holders hold substantial share indirectly	7,099.76	-	-	Transaction with related parties was a gain on sale of investment in subsidiary
Other income		4.30	38.68	28.65	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	4.30	38.68	28.65	Transactions with related parties were as a service income, penalty from operating lease and other
Benefit payments		473.46	148.40	- 89.38	
TCC Commercial Property Management Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	4.12	23.54	16.07	Transactions with related parties were as a benefit payment from insurers
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	39.79	22.16	14.51	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	66.49	-	-	
Berli Jucker Logistics Limited	Controlling equity holders hold substantial share indirectly	48.03	-	-	
Coffee Concepts Retail Co., Ltd.	Controlling equity holders hold substantial share indirectly	24.30	-	-	
Thai Beverage Recycle Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	19.75	17.44	3.52	
Frasers Property (Thailand) Public Company Limited	Common director and indirect equity hold substantial share indirectly	17.05	13.75	10.35	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Grand Unity Development Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	4.08	12.52	5.51	
Berli Jucker Cellox Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	15.05	12.30	-	
TCC Asset Management Co., Ltd.	Controlling equity holders hold substantial share indirectly	12.51	9.15	3.43	
Sermasuk Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	8.13	7.79	4.64	
Oishi Trading Company Limited	Directors and controlling equity holders hold substantial share indirectly	2.02	6.30	(229.39)	
Oishi Ramen Company Limited	Controlling equity holders hold substantial share indirectly	1.36	5.19	5.18	
Thai Glass Industries Public Company Limited	Controlling equity holders hold substantial share indirectly	25.77	2.09	(8.01)	
Terragro Fertilizer Co., Ltd.	Controlling equity holders hold substantial share indirectly	5.25	1.01	11.23	
Asset World Retail Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	4.42	0.76	2.03	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	175.34	14.40	71.55	
Benefit payments from reinsurance		4,415.62	-	-	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
The Thai Insurance Public Company Limited	Controlling equity holders hold substantial share indirectly	4,415.62	-	-	Transaction with related parties was a benefit payments from reinsurance
Commissions and brokerage expense		382.65	405.13	481.01	
Sara Insurance Broker Co., Ltd.	Director related to key management of a subsidiary	382.65	405.13	469.03	Transactions with related parties
Millenium Insurance Broker Co., Ltd.	Director related to key management of a subsidiary	-	-	11.98	was as a commissions and brokerage expense
Finance costs		0.01	90.23	111.91	
The Southeast Group International Limited	Common directors (major shareholder until 7 June 2019)	0.01	90.23	111.91	Transactions with related parties was as a gurantee fee from long-term loan from financial institution
Operating expenses		95.09	44.83	47.88	
Siam Realty Co., Ltd.	Controlling equity holders hold substantial share indirectly	-	-	27.44	Transactions with related parties
TCC Technology Co., Ltd.	Controlling equity holders hold substantial share indirectly	44.25	17.95	19.82	were as a operating

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	25.49	22.26	-	expenses which were a computer rental and IT expense
Other related parties	Directors and controlling equity holders hold substantial share indirectly	25.35	4.62	0.62	
Premiums due and uncollected		241.61	206.27	321.06	
One Bangkok Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	54.57	54.66	70.94	Balance of premiums due and uncollected from life business and non-life business with related parties
Kasemsubbhakdi Co., Ltd.	Controlling equity holders hold substantial share indirectly	10.78	-	-	
Sermasuk Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	10.70	9.53	15.64	
Thai Beverage Logistics Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	4.57	33.03	26.82	
Oishi Group Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	4.55	0.08	0.11	
Cash Van Management Company Limited	Controlling equity holders hold substantial share indirectly	2.71	0.24	0.40	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	1.86	4.20	4.84	
TCC Asset Management Co., Ltd.	Controlling equity holders hold substantial share indirectly	0.55	0.42	14.80	
TCC Asset (Thailand) Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	0.17	0.36	-	
Thai Glass Industries Public Company Limited	Controlling equity holders hold substantial share indirectly	0.27	0.24	-	
Allowance for doubtful account	Directors and controlling equity holders hold substantial share indirectly	(5.18)	(4.45)	(4.21)	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	156.06	107.96	191.72	
Reinsurance assets		1,168.91	-	-	
The Thai Insurance Public Company Limited	Controlling equity holders hold substantial share indirectly	1,168.91	-	-	Balance of reinsurance assets with related parties
Operating lease receivables		83.29	81.38	78.36	
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	14.43	10.26	12.41	Balance of operating lease receivables from lease business

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
					with related parties
Cash Van Management Company Limited	Controlling equity holders hold substantial share indirectly	9.69	7.91	7.30	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	3.76	4.03	3.50	
Sermsuk Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	4.58	3.46	3.06	
Pomcharoen Co., Ltd.	Controlling equity holders hold substantial share indirectly	1.78	2.27	2.44	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	49.05	53.45	49.64	
Finance lease receivables		30.25	21.60	24.86	
Thip Sugar Kamphaengphet Co.,Ltd.	Controlling equity holders hold substantial share indirectly	9.50	13.16	16.24	Balance of financial lease receivables from lease business with related parties
Thip Sugar Sukhothai	Controlling equity holders hold substantial share indirectly	2.44	4.30	5.85	
Gaew Grung Thai Co., Ltd.	Controlling equity holders hold substantial share indirectly	5.45	4.14	2.77	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Thai Alcohol Public Company Limited	Controlling equity holders hold substantial share indirectly	6.89	-	-	
Sintekpanich Co., Ltd.	Controlling equity holders hold substantial share indirectly	4.83			
Siam Realty Co., Ltd.	Controlling equity holders hold substantial share indirectly	1.14	-	-	
Investments in securities		5,989.50	6,433.71	5,668.73	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	2,037.48	1,887.36	1,901.72	Balance of investments in securities with related parties
Berli Jucker Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	1,136.98	1,345.17	872.54	
Frasers Property (Thailand) Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	939.16	1,328.27	1,052.89	
Frasers Property Thailand Industrial Freehold&leasehold Reit	Indirect equity holders hold substantial trust indirectly	954.89	725.42	567.80	
Golden Ventures Leasehold Real Estate Investment Trust	Common director and indirect equity holders hold substantial trust indirectly	409.78	503.53	626.54	
Hemaraj Leasehold Real Estate Investment Trust	Common director	460.97	403.60	379.90	
Frasers Property Holdings (Thailand) Co., Ltd.	Controlling equity holders hold substantial share indirectly	-	188.94	189.61	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Frasers Hospitality Trust	Directors and controlling equity holders hold substantial share indirectly	50.24	51.42	69.21	
Sino-Thai Engineering and Construction Public Company Limited	Common director	-	-	8.52	
Other assets		170.54	38.65	61.23	
Thai Beverage Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	16.48	17.68	18.86	Balance of accrued income from service area, penalty from operating lease income, accrued interest income from investment in securities and other with related parties
Berli Jucker Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	7.84	8.33	5.93	
Frasers Property (Thailand) Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	4.07	4.61	4.97	
Frasers Property Holdings (Thailand) Co., Ltd.	Controlling equity holders hold substantial share indirectly	-	2.01	2.01	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Frasers Property Thailand Industrial Freehold&leasehold Reit	Indirect equity holders hold substantial trust indirectly	-	1.81	0.10	
Southeast Joint Venture Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	-	-	0.36	
The Thai Insurance Public Company Limited	Controlling equity holders hold substantial share indirectly	142.15	-	-	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	-	4.21	29.01	
Loss reserves and outstanding claims		232.20	144.92	624.04	
Thai Beverage Recycle Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	4.62	17.35	1.74	Balance of loss reserves and outstanding claims from life business and non-life business with related parties
Berli Jucker Cellox Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	15.04	12.30	2.99	
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	27.02	9.10	23.13	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Grand Unity Development Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	5.15	8.67	7.92	
Sermasuk Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	6.23	5.43	1.46	
Berli Jucker Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	10.88	5.17	2.86	
TCC Commercial Property Management Co., Ltd.	Directors and controlling equity holders hold substantial share indirectly	5.56	4.05	16.98	
Frasers Property (Thailand) Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	11.91	3.85	7.73	
TCC Asset Management Co., Ltd.	Controlling equity holders hold substantial share indirectly	8.46	2.81	7.47	
Thai Glass Industries Public Company Limited	Controlling equity holders hold substantial share indirectly	24.74	2.09	1.20	
Oishi Trading Company Limited	Directors and controlling equity holders hold substantial share indirectly	-	1.02	485.39	
Thai Malaya Glass Company Limited	Directors and controlling equity holders hold substantial share indirectly	-	0.21	7.70	

Name of Related Parties	Nature of Relationships	Amount (million Baht)			Description
		31 Dec 21	31 Dec 20	31 Dec 19	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	112.59	72.87	57.47	
Reinsurance payables		1,168.91	-	-	
The Thai Insurance Public Company Limited	Controlling equity holders hold substantial share indirectly	1,168.91	-	-	Balance of reinsurance payable with related parties
Other liabilities		52.42	101.81	91.65	
Sara Insurance Broker Co., Ltd.	Director related to key management of a subsidiary	45.16	49.40	64.20	Balance of accrued operating expense and accrued service fee with related parties
Big C Supercenter Public Company Limited	Directors and controlling equity holders hold substantial share indirectly	7.26	-	-	
The Southeast Group International Limited	Common directors (major shareholder until 7 June 2019)	-	42.59	17.96	
Siam Realty Co., Ltd.	Controlling equity holders hold substantial share indirectly	-	-	8.82	
Other related parties	Directors and controlling equity holders hold substantial share indirectly	-	9.82	0.67	

Part 3 Certification of Information

Certification of Information

The Company has reviewed the information on this 56-1 One Report with care and hereby certifies that the information is accurate, complete, not false or misleading, and does not lack material information that should be notified. In addition, the Company certifies that:

(1) The financial statements and financial information summarized in this annual registration statement/annual report show material information accurately and completely regarding the financial condition, the operating results and the cash flows of the Company and the subsidiaries;

(2) The Company has provided an efficient disclosure system to ensure that the material information of the Company and the subsidiaries is disclosed accurately and completely, and has supervised compliance with such disclosure system;

(3) The Company has provided an efficient internal control system, supervised compliance with the system, and already submitted the latest information on the internal control assessment to the auditor and the Audit Committee, which covers deficiencies, significant changes on the internal control system, and wrongful acts that may affect the preparation of financial reporting of the Company and the subsidiaries.

In this regard, as proof that all the documents are identical to those certified by the Company, the Company has authorized Mr. Chotiphath Bijananda to sign on every page of the documents, and the absence of the authorized signature of Mr. Chotiphath Bijananda on any document shall be deemed that such unsigned document has not been certified by the Company.

Name	Position	Signature
1. Mr. Chotiphath Bijananda	Director	
2. Mr. Apichai Boontharawara	Director	

Authorized person:

Mr. Chotiphath Bijananda Acting Chief Executive Officer

Attachment 1

Information of the Board of Directors, Executives, the person taking the highest responsibility in finance and accounting and Company Secretary

1. Directors Information

Mr. Charoen Sirivadhanabhakdi

Age 77 years

Education / Training

- Honorary Doctoral Degree in Social Work from Mahamakut Buddhist University
- Honorary Doctoral Degree in Marketing from Rajamangala University of Technology Isan
- Honorary Doctoral Degree in Buddhism (Social work) from Mahachulalongkornrajavidyalaya, Thailand
- Honorary Doctoral Degree in Business Administration from Sasin Graduate Institute of Business Administration of Chulalongkorn University, Thailand
- Honorary Doctoral Degree in Hospitality and Tourism from Christian University of Thailand
- Honorary Doctoral Degree in Sciences and Food Technology from Rajamangala University of Technology Lanna, Thailand
- Honorary Doctoral Degree in International Business Administration from the University of the Thai Chamber of Commerce, Thailand
- Honorary Doctoral Degree in Management from Rajamangala University of Technology Suvarnabhumi, Thailand
- Honorary Doctor of Philosophy Degree in Business Administration from Mae Fah Luang University, Thailand
- Honorary Doctoral Degree in Business Administration from Eastern Asia University, Thailand
- Honorary Doctoral Degree in Management from Huachiew Chalermprakiet University, Thailand
- Honorary Doctoral Degree in Industrial Technology from Chandrakasem Rajabhat University, Thailand
- Honorary Doctoral degree in Agricultural Business Administration from Maejo Institute of Agricultural Technology, Thailand

Director Training

- Directors Accreditation Program (DAP) BJC/2004
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

● Listed Companies

- | | |
|------------------------|---|
| 29 June 2018 - present | Chairman of the Board of Directors
Thai Group Holdings Public Company Limited |
| 2018 - present | Chairman of the Board of Directors / Chairman of the Executive Committee
Asset World Corp Public Company Limited |

2001 - present Chairman of the Board of Directors/ Chairman of the Executive Committee
Berli Jucker Public Company Limited

● **Non-listed Companies**

Present Chairman of the Board of Directors, Bang Yikhan Liquor Co., Ltd.
 Present Director, Beer Chang Co., Ltd.
 Present Directors, Nam Jai Thaibev (Social Enterprise) Co., Ltd.
 Present Director, Baanboun Vetchakij Co., Ltd.
 2020 - present Chairman of the Board of Directors, TCC Business Management Co., Ltd.
 2017 - present Chairman of the Board of Directors, TCC Assets (Thailand) Co., Ltd.
 2017 - present Chairman of the Board of Directors, TCC Asset World Corporation Co., Ltd.
 2015 - present Chairman of the Board of Directors, TCC Holding (2519) Co., Ltd.
 2013 - present Chairman of the Board of Directors, Frasers Property Limited
 2013 - present Chairman of the Board of Directors, Fraser and Neave Limited
 2008 - present Chairman of the Board of Directors, TCC Corporation Co., Ltd.
 2001 - present Chairman of the Board of Directors, Beer Thai (1991) Public Company Limited
 2006 - present Chairman of the Board of Directors, Siriwana Co., Ltd.
 2006 - present Chairman of the Board of Directors, Cristalla Co., Ltd.
 2006 - present Chairman of the Board of Directors, Planteon Co., Ltd.
 2005 - present Chairman of the Board of Directors, TCC Land Co., Ltd.
 2003 - present Chairman of the Board of Directors / Chairman of the Executive Committee
Thai Beverage Public Company Limited

● **Other Companies that compete with/related to the Company** -None-

Shareholding in the Company (as of Personal: -None- *
Spouse or minor child: -None- *

December 31, 2021):

Relationship among Family with Other Directors and Executive:

- The spouse of Khunying Wanna Sirivadhanabhakdi (Vice Chairman)
- The father of Mrs. Atinant Bijananda (Director) and Mr. Thapana Sirivadhanabhakdi (Director)
- The father-in-law of Mr. Mr. Chotiphat Bijananda (Director)

* indirect shareholding of the Company through Pholmankhong Business Co., Ltd. and Southeast Management Company Limited which hold shares in the Company 338,444,024 shares (45%) and 236,126,778 (31.40%) respectively.

Khunying Wanna Sirivadhanabhakdi

Age 78 years

Education / Training

- Honorary Doctoral Degree in Buddhism (Social Work) from Mahachulalongkornrajavidyalaya, Thailand
- Honorary Doctorate of Philosophy (Business Management) from Mahidol University, Thailand
- Honorary Doctorate of Philosophy (Business Management) from the University of Phayao, Thailand.
- Honorary Doctoral Degree in Business Administration Management from Rajamangala University of Technology Tawan-ok, Thailand
- Honorary Doctoral of Philosophy Degree in Social Sciences from Mae Fah Luang University, Thailand
- Honorary Doctoral Degree from Chiang Mai University, Thailand
- Honorary Doctoral Degree in Business Administration, Agricultural Business Administration from Maejo Institute of Agricultural Technology, Thailand
- Honorary Doctoral Degree in Bio-technology from Ramkhamhaeng University, Thailand

Director Training

- Directors Accreditation Program (DAP) BJC/2004
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

● Listed Companies

29 June 2018 - present	Vice Chairman of the Board of Directors Thai Group Holdings Public Company Limited
2018 - present	Vice Chairman of the Board of Directors Vice Chairman of the Executive Committee Asset World Corp Public Company Limited
2001 - present	Vice Chairman of the Board of Directors Berli Jucker Public Company Limited

● Non-listed Companies

Present	Chairman of the Board of Directors, Sangsom Co., Ltd.
Present	Vice Chairman, Bhumirajanakarindra Kidney Institute Foundation
Present	Director, Ramathibodi Foundation
Present	Director, Siriraj Foundation
Present	Director, The Foundation for The Crown Prince Hospitals
Present	Director, Elephant Reintroduction Foundation
Present	Director, The Committee of Blood Donors supplying and supporting, The Thai Red Cross Society
Present	Director, Salachalermkrung Foundation
Present	Chairman, Asset World Foundation for Charity
2020 - present	Vice Chairman of the Board of Directors, TCC Business Management Co., Ltd.

2017 - present	Vice Chairman of the Board of Directors, TCC Asset World Corporation Co., Ltd.
2017 - present	Vice Chairman of the Board of Directors, TCC Assets (Thailand) Co., Ltd.
2016 - present	Director, Nam Jai Thaibev (Social Enterprise) Co., Ltd.
2015 - present	Director, TCC Holding (2519) Co., Ltd.
2014 - present	Vice Chairman of the Board of Directors, Frasers Property Limited
2013 - present	Vice Chairman of the Board of Directors, Fraser and Neave Limited
2008 - present	Vice Chairman of the Board of Directors, TCC Corporation Co., Ltd.
2006 - present	Vice Chairman of the Board of Directors, Siritwana Co., Ltd.
2006 - present	Vice Chairman of the Executive Committee, Cristalla Co., Ltd.
2006 - present	Vice Chairman of the Board of Directors, Planteon Co., Ltd.
2005 - present	Vice Chairman of the Board of Directors, TCC Land Co., Ltd.
2004 - present	Chairman of the Board of Directors, Beer Thip Brewery (1991) Co., Ltd.
2003 - present	Vice Chairman of the Board of Directors, The 1st Vice Chairman of the Executive Committee, Thai Beverage Public Company Limited
1991 - present	Director, Baanbong Vetchakij Co., Ltd.
1986 - present	Director, Beer Chang Co., Ltd.

- **Other Companies that compete with/related to the Company** -None-

Shareholding in the Company (as of December 31, 2021):

Personal: -None- *
Spouse or minor child: -None- *

Relationship among Family with Other Directors and Executive:

- The spouse of Mr. Charoen Sirivadhanabhakdi (Chairman)
- The mother of Mrs. Atinant Bijananda (Director) and Mr. Thapana Sirivadhanabhakdi (Director)
- The mother-in-law of Mr. Chotiphat Bijananda (Director)

* indirect shareholding of the Company through Pholmankhong Business Co., Ltd. and Southeast Management Company Limited which hold shares in the Company 338,444,024 shares (45%) and 236,126,778 (31.40%), respectively.

Mr. Areepong Bhoocha-oom

Age 64 years

Education / Training

- Ph. D in Finance, University of Mississippi, USA
- M.A. in Finance, Marshall University, USA
- B.A. in International Management, Boston University, USA

Director Training

- Director Certification Program (DCP) Class 3/2000
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

11 July 2018 - present	Vice Chairman of the Board of Directors Thai Group Holdings Public Company Limited
9 August 2019 - present	Chairman of the Corporate Governance Committee Thai Group Holdings Public Company Limited
2018 - present	Chairman of Board of Directors Maybank Kim Eng Securities (Thailand) Public Company Limited
2019 - present	Independent Director T.K.S Technologies Public Company

- **Other Companies that compete with/related to the Company -None-
Shareholding in the Company (as of December 31, 2021):**

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Mr. Boontuck Wungcharoen**Age** 65 years**Education / Training**

- Master of Business Administration, New York University, USA
- Bachelor of Engineering Program in Chemical Engineering, Chulalongkorn University

Director Training

- Directors Accreditation Program (DAP) Class 75/2008 Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

April 2021 – present	Vice Chairman, Thai Group Holdings Public Company Limited
9 July 2020 – present	Vice Chairman, Asset World Corp Public Company Limited
29 May 2020 - July 2021	Independent Director, Thai Airways International Public Company Limited
2019 – present	Independent Director, Synnex (Thailand) Public Company Limited
24 October 2018 – present	Vice Chairman of Executive Board / Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee Asset World Corp Public Company Limited
7 September 2018 – present	Director, Asset World Corp Public Company Limited
2018 – present	Independent Director, Esso (Thailand) Public Company Limited

- **Non-listed Companies**

Present	Chairman, Betagro Public Company Limited.
---------	---

- **Other Companies that compete with/related to the Company:** -None-

Shareholding in the Company Personal: -None-

(as of December 31, 2021): Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Mrs. Kulpatra Sirodom**Age** 65 years**Education / Training**

- Ph.D. (Finance), University of Pittsburgh, U.S.A.
- Master of Business Administration (Finance) West Virginia University, U.S.A.
- BBA (First Class Honors-Finance), Thammasat University

Director Training

- Director Certification Program (DCP) Class 0/2000
Thai Institute of Directors Association (IOD)
- Advance Audit Committee Program (ACP) Class 29/2009
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

28 February 2019 - present	Chairman of the Audit Committee, Thai Group Holdings Public Company Limited
9 August 2019 - present	Member of the Corporate Governance Committee Thai Group Holdings Public Company Limited
11 July 2018 - present 2019 - present	Independent Director, Thai Group Holdings Public Company Limited Independent Director, Chairman of the Audit Committee and Member of Corporate Governance Committee TISCO Financial Group Public Company Limited
2017-present	Independent Director and Chairman of the Audit Committee The Erawan Group Public Company Limited
2013 - present	Independent Director/ Chairman of The Audit Committee / Chairman of The Corporate Governance Committee, Thai Wacol Public Company Limited
1994 - present	Independent Director and Chairman of The Audit Committee Thai President Foods Public Company Limited

- **Non-listed Companies**

2021 – present	Director, The Stock Exchange of Thailand
2019 – present	Independent Director and Member of the Audit Committee TISCO Bank Public Company Limited
2018 – present	Director and Chairman of the Board Mae Fah Luang Foundation under Royal Patronage
2018 – present	Member and Treasurer, Social Enterprise Thailand Association
2017 – present	Director and Chairman of Audit Committee, Thai Listed Companies Association
2015 – present	Director, SCB Foundation
2013 – present	Honorary Director, Sripatum University Council
2013 – present	Director, Southeast Bangkok College Council
2006 – present	Director, Professor Sangvian Indaravijaya Foundation

Other Companies that compete with/related to the Company: -None-**Shareholding in the Company (as of December 31, 2021):** Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: - None –

Pol. Gen. Jate Mongkolhutthi**Age** 68 years**Education / Training**

- Entrepreneurship and Business Skill Class 7, NIDA
- Police Management for Top Executives Class 16, Police College
- Justice Management for Top Executives Class 6, Office of the Attorney General
- Certificate of The National Defence College Class 45
- LL.M., Chulalongkorn University, Chulalongkorn University
- LL.B., Ramkhamhaeng University

Director Training

- Director Accreditation Program (DAP) Class 17/2004
Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) Class 8/2004
Thai Institute of Directors Association (IOD)
- Advance Audit Committee Program Class 14/2006
Thai Institute of Directors Association (IOD)
- Finance for Non-Finance Director (FN) Class 30/2006
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

28 February 2019 – present	Chairman of the Risk Management Committee Thai Group Holdings Public Company Limited
11 July 2018 – present	Independent Director Thai Group Holdings Public Company Limited
2020 – present	Chairman of the Board Lease It Public Company Limited
1999 – present	Independent Director SINO-Thai Engineering and Construction Public Company Limited
1999 – present	Independent Director STP&I Public Company Limited

- **Non-listed Companies**

2013 – present	Independent Director and Member of the Audit Committee Southeast Life Insurance Public Company Limited
2020 – present	Chairman of the Board One Power Company Limited

- **Other Companies that compete with/related to the Company:** -None-
- Shareholding in the Company (as of December 31, 2021):** Personal: -None-
- Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: - None -

Mr. Yothin Pibulkasetkij**Age** 75 years**Education / Training**

- Bachelor Degree of Accounting, Chulalongkorn University
- Advanced Bank Management, Asian Institute of Management, Philippines
- Financial Leadership Program, The Wharton School, University of Pennsylvania

Director Training

- Director Certification Program (DCP) Class 127/2010
Thai Institute of Directors Association (IOD)
- Company Secretary Program Class 18/2006, Thai Institute of Directors
Thai Institute of Directors Association (IOD)
- Advance Audit Committee Program Class 32/2010, Thai Institute of Directors
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

- | | |
|---------------------------|--|
| 30 January 2020 – present | Chairman of the Nomination and Remuneration Committee
Thai Group Holdings Public Company Limited |
| 11 July 2018 – present | Independent Director and Member of the Audit Committee
Thai Group Holdings Public Company Limited |

- **Non-listed Companies**

- | | |
|----------------|--|
| 2020 – present | Director, Policy and Information Technology Management Committee
Chulabhorn Royal Academy |
| 2019 – present | Director, Financial Policy and Asset Management Committee
Chulabhorn Royal Academy |
| 2015 – present | Independent Director and Chairman of the Audit Committee
Southeast Life Insurance Public Company Limited |
| 2015 – present | Independent Director and Chairman of the Audit Committee
Southeast Capital Company Limited |
| 2010 – present | Independent Director and Chairman of the Audit Committee
Cambodian Commercial Bank, Royal Kingdom of Cambodia |

- **Other Companies that compete with/related to the Company:** -None-

Shareholding in the Company (as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: - None-

Mr. Padungdej Indralak**Age** 67 years**Education / Training**

- Bachelor Degree in Economic, Chulalongkorn University
- Postgraduate Diploma, North London Polytechnic

Director Training

- Director Accreditation Program (DAP) Class 103/2013
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

11 July 2018 – present	Independent Director and Member of the Audit Committee Thai Group Holdings Public Company Limited
28 February 2019 – present	Member of the Risk Management Committee Thai Group Holdings Public Company Limited
30 January 2020 – present	Member of the Nomination and Remuneration Committee Thai Group Holdings Public Company Limited
2017 – present	Independent Director / Chairman of the Audit Committee Zappe Public Company Limited

- **Non-listed Companies**

2014 – present	Independent Director / Chairman of the Audit Committee ANZ Bank (Thai) Public Company Limited
2014 – present	Independent Director/ Member of the Audit Committee/ Member of the Risk Management Committee, Southeast Life Insurance Public Company Limited
2014 – present	Independent Director/ Member of the Audit Committee/ Member of the Risk Management Committee, Southeast Capital Company Limited

- **Other Companies that compete with/related to the Company:** -None-

Shareholding in the Company Personal: -None-**(as of December 31, 2021):** Spouse or minor child: -None-**Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries:** -None -

Mr. Vachara Tuntariyanond**Age** 64 years**Education / Training**

- Master Degree, Science in Management Administration, Northrop University, California, USA

Director Training

- Thai Institute of Directors Association (IOD)
- Corporate Governance for Capital Market Intermediaries (CGI) Class 6/2015
- Audit Committee and Continuing Development Program (ACP) Class 41/2012
- Monitoring the Quality of Financial Reporting (MFR) Class 16/2012
- Monitoring the Internal Audit Function (MIA) Class 13/2012
- Monitoring Fraud Risk Management (MFM) Class 8/2012
- Director Certification Program (DCP) Class 94/2007

Directorship Positions / Other Positions at Present

- **Listed Companies**

- April – present Independent Director, Thai Group Holdings Public Company Limited
- 2018 – present Independent Director / Member of the Audit Committee
Asset World Corp Public Company Limited
- 2016 – present Independent Director / Member of the Audit Committee
M Pictures Entertainment Public Company Limited
- 2013 – present Chairman / Independent Director, Eastern Polymer Group Public Company Limited

- **Non-listed Companies**

- December 2020 – present Independent Director, Southeast Life Insurance Public Company Limited
- December 2020 – present Independent Director, Southeast Capital Company Limited
- 2014 – present Chairman / Member of the Risk Management Committee
Krungthai Asset Management Public Company Limited
- 2010 – present Consultant, The Fiscal Policy Office, the Ministry of Finance
- 2008 – present Consultant, National Power Supply Public Company Limited
- 2007 – present Consultant, ACE CAPITAL CO., LTD.
- 2006 – present Consultant, Double A (1991) Public Company Limited.

- **Other Companies that compete with/related to the Company: -None-
Shareholding in the Company (as of December 31, 2021):**

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Mr. Buranawong Sowaprun

Age 64 years

Education / Training

- Bachelor of Engineering Program in Mechanical Engineering, Chulalongkorn University
- Master of Engineering Program, Texas A&M University, Texas, USA
- Ph.D. in Engineering, Texas A&M University, Texas, USA

Director Training

- Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP), 2019
 - Advance Audit Committee Program (AACP), 2019
 - Director Leadership Certification Program (DLCP), 2021

Directorship Positions / Other Positions at Present

● Listed Companies

- | | |
|------------------------|--|
| April 2021 – present | Independent Director, Thai Group Holdings Public Company Limited |
| 8 April 2019 – present | Independent Director / Chairman of the Nomination and Remuneration Committee / Member of the Audit Committee
Esso (Thailand) Public Company Limited |

● Non-listed Companies

- | | |
|-----------------------|---|
| 18 May 2020 – present | Director, Energy for Environment Foundation |
| 2019 – present | Observer, Anti-Corruption Organization of Thailand |
| 2015 – present | Independent Director, The Blue Circle PTE LTD (Singapore) |
| 2015 – present | Director, Able Asset Group CO., LTD |

● Other Companies that compete with/related to the Company: -None- Shareholding in the Company (as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Mr. Thapana Sirivadhanabhakdi**Age** 46 years**Education / Training**

- Honorary Doctoral Degree in Science (Logistics Management) from King Mongkut's Institute of Technology Ladkrabang
- Honorary Doctoral Degree of Arts, Rajamangala University of Technology Phra Nakhon
- Honorary Doctoral Degree in Hospitality, Rajamangala University of Technology Krungthep
- Honorary Doctoral Degree in Community Development, Chiang Mai Rajabhat University
- Honorary Doctoral Degree of Business Administration in Strategic Logistic and Supply Chain Management, Suan Sunandha Rajabhat University
- Honorary Doctoral Degree of Philosophy in General Management, Ramkhamhaeng University
- Master of Science Administration in Financial Economics, Boston University, USA
- Bachelor of Business Administration (Finance), Boston University, USA

Director Training

- Director Accreditation Program (DAP) 2004
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

11 July 2018 – present	Director, Thai Group Holdings Public Company Limited
9 August 2019 – present	Member of the Corporate Governance Committee Thai Group Holdings Public Company Limited
October 2020 – present	Chairman of the Executive Committee Univentures Public Company Limited
June 2020 – present	Independent Director The Siam Cement Public Company Limited
November 2017 – present	Vice Chairman and Chairman of the Executive Committee Amarin Printing and Publishing Public Company Limited
July 2007 – present	Vice Chairman of the Board Univentures Public Company Limited

- **Non-listed Companies**

Present	Director, TCC Group of Companies
21 May 2021 – present	Director, Asia Breweries Limited (Incorporated in Singapore)
21 May 2021 – present	Director, Siam Breweries Limited (Incorporated in Singapore)
21 June 2021 – present	Chairman, South East Asia Logistics Pte. Ltd. (Incorporated in Singapore)

19 July 2021 – present	Director, Chang Corporation Company Limited
1 August 2021 – present	Independent Director, SCG Chemicals Company Limited
December 2019 – present	Director, BeerCo Limited (Incorporated in Singapore)
June 2018 – present	Chairman, Red Bull Distillery Group of Companies
February 2018 – present	Vice Chairman / Executive Chairman, Beer Thai (1991) Public Company Limited
January 2008 – present	President, Thai Beverage Public Company Limited
December 2017 – present	Director / Executive Chairman, GMM Channel Holding Co., Ltd.
October 2016 – present	Chief Center of Excellence, Thai Beverage Public Company Limited
April 2016 – present	Director, Pracharath Rak Samakkee Social Enterprise (Thailand) Co., Ltd.
March 2013 – present	Vice Chairman, Times Publishing Limited
February 2013 – present	Director, Fraser and Neave, Limited
November 2012 – present	Director, InterBev Investment Limited
September 2011 – present	Director, Plantheon Co., Ltd.
January 2008 – present	Vice Chairman, Southeast Life Insurance Public Company Limited
January 2008 – present	Vice Chairman, Southeast Capital Company Limited
July 2007 – present	Director, Adelfos Co., Ltd.
September 2003 – present	President, International Beverage Holdings Limited

- **Other Companies that compete with/related to the Company:** -None-

Shareholding in the Company (as of December 31, 2021):

Personal: - None-

Spouse or minor child: -None -

Relationship among Family with Other Directors and Executives:

- The son of Mr. Charoen Sirivadhanabhakdi (Chairman) and Khunying Wanna Sirivadhanabhakdi (Vice Chairman)
- The brother of Mrs. Atinant Bijananda (Director)

Mr. Chotiphat Bijananda**Age** 58 years**Education / Training**

- Master Degree in Business Administration, Finance and Banking, University of Missouri, United States of America
- Bachelor of Laws Programme, Thammasat University.

Director Training

- Directors Certification Program (DCP) Class 155/2012 Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present● **Listed Companies**

29 June 2018 – present	Director, Thai Group Holdings Public Company Limited
11 July 2018 – present	Chairman of Executive Board, Thai Group Holdings Public Company Limited
9 August 2019 – present	Member of the Nomination and Remuneration Committee Thai Group Holdings Public Company Limited
May 2021 – present	Director / Chairman of Executive Board Siam Food Products Public Company Limited
2017 – present	Director/ Chairman of the Risk Management Committee / Member of the Nomination and Remuneration Committee, Frasers Property (Thailand) Public Company Limited

● **Non-listed Companies**

Present	Director, Frasers Property (Australia) Company Limited
2017 – present	Director, Frasers Property Company Limited
2013 – present	Director, Frasers and Neave Limited
2011 – present	Director and Vice Chairman No. 2, Sermsuk Public Company Limited
October 2021 – present	Chairman, Sentrics Consulting Company Limited
October 2021 – present	Chairman, ME Innovation Service Company Limited
2021 – present	Chairman, Siam Food (2513) Company Limited
2021 – present	Chairman, Thai Wellness Living Company Limited
April 2021 – present	Chairman, Rod Dee Det Auto Company Limited
2020 – present	Chairman, Southeast Money Company Limited
2020 – present	Chairman, Southeast Money Retails Company Limited
2019 – present	Chairman, Southeast Property Company Limited
2019 – present	Director, Pholmankhong Business Company Limited
2018 – present	Chairman, S Sofin Company Limited
2018 – present	Director, TCC Assets (Thailand) Company Limited
2016 – present	Chairman, OHCHO Co., Ltd
2016 – present	Chairman, Southeast Advisory Co., Ltd.
2015 – present	Chairman, Permsub Siri 3 Co., Ltd.
2015 – present	Chairman, Permsub Siri 5 Co., Ltd.
2015 – present	Chairman, Southeast Academic Center Company Limited

2015 – present	Chairman, DL Engineering Solutions Co., Ltd.
2015 – present	Chairman, Suansilp Pattana 1 Co., Ltd.
2014 – present	Chairman, TCC Privilege Card Co., Ltd.
2014 – present	Chairman, Southeast Joint Venture Co., Ltd.
2014 – present	Chairman, Concept Land 5 Co., Ltd.
2013 – present	Chairman, Asiatic House Co., Ltd.
2013 – present	Director, Frasers Centerpoint Limited
2013 – present	Chairman, Pattana Bovornkij 4 Co., Ltd.
2007 – present	Vice Chairman / Chairman of the Executive Board / Chairman of the Investment Committee / Member of the Risk Management Committee Southeast Life Insurance Public Company Limited
2007 – present	Vice Chairman / Chairman of the Executive Board / Member of the Risk Management Committee, Southeast Capital Company Limited
1993 – present	Director, Tep Nimitr Thanakorn (2001) Co., Ltd.
1994 – present	Chairman, Pro Garage Company Limited
2003 – present	Director, Charm Corp Circle Co., Ltd.

● **Other Companies that compete with/related to the Company: -None-
Shareholding in the Company (as of December 31, 2021):**

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives:

- Husband of Mrs. Atinant Bijananda, the director
- Husband of Mrs. Atinant Bijananda, daughter of Mr. Charoen Sirivadhanabhakdi (the Chairman) and Khunying Wanna Sirivadhanabhakdi (the Vice Chairman)

Mrs. Atinant Bijananda**Age** 49 years**Education / Training**

- MBA, Imperial College London, UK
- MS. in Management, Boston University, USA
- Bachelor in Accounting, Thammasat University

Director Training

- Director Certification Program (DCP) 3/2019
Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) 10/2004
Thai Institute of Directors Association (IOD)
- Finance for Non-Finance Director (FN) 10/2004
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

- **Listed Companies**

29 June 2018	Director, Thai Group Holdings Public Company Limited
11 July 2018	Vice-Chairman of Executive Board, Thai Group Holdings Public Company Limited

- **Non-listed Companies**

April 2021 – present	Director, Rod Dee Det Auto Company Limited
2021 – present	Vice Chairman, Thai Wellness Living Company Limited
April 2021 – present	Director, Southeast Money Retails Company Limited
2020 – present	Director, Southeast Money Company Limited
2020 – present	Chairman, Tawee Pattanasub Company Limited
2019 – present	Director, S Sofin Co., Ltd.
2019 – present	Director, Southeast Property Co., Ltd.
2019 – present	Director, Pholmankhong Business Co., Ltd.
2016 – present	Director, OHCHO Co., Ltd
2016 – present	Director, Southeast Advisory Co., Ltd.
2015 – present	Director, Pattana Bovornkij 4 Co., Ltd.
2015 – present	Director, Southeast Academic Center Company Limited
2015 – present	Director, Permsub Siri 3 Co., Ltd.
2015 – present	Director, Permsub Siri 5 Co., Ltd.
2015 – present	Director, Suansilp Pattana 1 Co., Ltd.
2014 – present	Director, Concept Land 5 Co., Ltd.
2014 – present	Director, TCC Privilege Card Co., Ltd.
2013 – present	Director, Asiatic House Co., Ltd.
2012 – present	Director, Golden Land Property Development Public Company Limited

2007 – present	Director / Member of the Risk Management Committee / Member of the Investment Committee, Southeast Life Insurance Public Company Limited
2007 – present	Director / Member of the Risk Management Committee Southeast Capital Company Limited
1994 - present	Director, Pro Garage Company Limited
1994 – July 2021	Director, Pro Checker Company Limited

- **Other Companies that compete with/related to the Company:** -None-

Shareholding in the Company (As of December 31, 2021): Personal: -None-
Spouse or minor child: -None-

Relationship among Family with Other Directors and Executive:

- The daughter of Mr. Charoen Sirivadhanabhakdi (Chairman) and Khunying Wanna Sirivadhanabhakdi (Vice Chairman)
- The Spouse of Mr. Chotiphat Bijananda (Director)
- The sister of Mr. Thapana Sirivadhanabhakdi (Director)

Mr. Somchai Sujjapongse

Age 60 years

Education / Training

- Ph. D, Economics, Ohio State University, USA
- Master Degree in Economics, Ohio State University, USA
- Bachelor Degree in Economics, Chulalongkorn University
- Rule of Law for Democracy, Class 3, College of the Constitutional Court
- Capital Market Academy Programs Class 2, Capital Market Academy
- Diploma, The National Defence College Class 20, Thailand National Defence College
- Top Executive Program in Commerce and Trade (TEPCoT) Class 2/2552, University of the Thai Chamber of Commerce
- Corporate Governance Program for director and senior executive of State Enterprise and Public Organization (PDI) year 2011, by King Prajadhipok Institute
- The Executive Program in Energy Literacy for a Sustainable Future, Class 3, Thailand Energy Academy

Director Training

- Directors Certification Program (DCP) Class 75/2006
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present

● Listed Companies

11 July 2018 – present	Director and Member of Executive Board Thai Group Holdings Public Company Limited
28 February 2019 – present	Member of Risk Management Committee Thai Group Holdings Public Company Limited
9 August 2019 – present	Member of Corporate Governance Committee Thai Group Holdings Public Company Limited

● Non-listed Companies

April 2021 – present	Director, Rod Dee Det Auto Company Limited
2020 – present	Director, Pro Garage Company Limited
2020 – present	Director, Southeast Academic Center Co., Ltd.
2020 – present	Director, Southeast Money Company Limited
2020 – present	Director, Southeast Money Retail Company Limited
2020 – July 2021	Director, Pro Checker Company Limited
2019 – present	Director, S Sofin Co., Ltd.

● Other Companies that compete with/related to the Company: -None- Shareholding in the Company (as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: - None -

Mr. Apichai Boontherawara**Age** 67 years**Education / Training**

- Ph. D. in Economic, Washington University
- Master Degree in Business Administrative, Thammasat University
- Bachelor Degree in Economics, Thammasat University
- Graduate Diploma program for Health Innovation Digital Age (HIDA) Suan Sunandha Rajabhat University

Director Training

- Monitoring the Internal Audit Function (MIA) 12/2012
Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP) 17/2004
Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 53/2005
Thai Institute of Directors Association (IOD)
- Advance Audit Committee Program 8/2005
Thai Institute of Directors Association (IOD)
- Strategic Board Master Class (SBM) 9/2020
Thai Institute of Directors Association (IOD)

Directorship Positions / Other Positions at Present● **Listed Companies**

- | | |
|------------------------|---|
| 29 June 2018 – present | Director, Thai Group Holdings Public Company Limited |
| 11 July 2018 – present | Member of the Executive Board
Thai Group Holdings Public Company Limited |
| 2017 – present | Director, Kang Yong Electric Public Company Limited |
| 2014 – present | Independent Director/ Member of Audit Committee / Chairman of
Nomination and Remuneration Committee, WHA Corporation Public
Company Limited |

● **Non-listed Companies**

- | | |
|----------------------|--|
| April 2021 – present | Director, Rod Dee Det Auto Company Limited |
| 2020 – present | Director, Pro Garage Company Limited |
| 2020 – present | Director, Sentricks Co., Ltd. |
| 2020 – present | Director, Southeast Money Company Limited |
| 2020 – present | Director, Southeast Money Retail Company Limited |
| 2019 – present | Director, S Sofin Company Limited |
| 2019 – present | Director, Southeast Property Co., Ltd. |
| 2016 – present | Director, Southeast Advisory Co., Ltd. |
| 2015 – present | Director, Southeast Academic Center Co., Ltd. |
| 2014 – present | Director, Concept Land 5 Co., Ltd. |

2013 – present	Director, Asiatic House Co., Ltd.
2011 – present	Director/ Member of Investment Committee Southeast Life Insurance Public Company Limited
2011 – present	Director/ Member of Audit Committee Southeast Capital Company Limited
2009 – present	Member of Audit Committee and Risk Management Committee, Chiang Mai University

- **Other Companies that compete with/related to the Company:** -None-

Shareholding in the Company (as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: - None -

2. Company's Executive

Company's executives as of December 31, 2021 as follows:

Name	Position
1. Mr. Chotiphat Bijananda	Acting Chief Executive Officer and President
2. Miss. Paisri Chutiviriyakarn	Chief Risk Management and Compliance Officer
3. Miss. Fah Mahanavanont	Chief Financial and Business Support Officer
4. Mr. Trirong Butragaht	Chief Business Development Officer
5. Mr. Montri Vongtharuar	Chief Distribution Channel
6. Mr. Mahatana Ampornpisit	Chief Digital & Data Intelligence Officer
7. Miss. Lisa Patvivatsiri	Chief Operations Officer

- Remarks
- (1) The Board of Directors' Meeting No. 8/2021 dated September 23, 2021 resolved to appoint Mr. Chotiphat Bijananda to be acting Chief Executive Officer and President. The resignation of Mr. Thakorn Piyapan was effective on December 1, 2021
 - (2) Miss Rungthong Jintanamalagit resigned from the Executive Vice President, Strategy and Transformation, effective from August 16, 2021
 - (3) Miss Orawan Vorapanya resigned from Executive Vice President, Operation, effective from November 15, 2021
 - (4) The Board of Directors' Meeting No. 10/2565 dated November 12, 2021 resolved to appoint the executives No.2 and No. 3, effective on November 15, 2021.
 - (5) The Board of Directors' Meeting No. 13/2021 dated December 24, 2021 resolved to appoint the executives No. 6 and No. 7.

Ms. Paisri Chutiviriyakarn**Position** Chief Risk Management and Compliance Officer**Date of Appointment** November 15, 2021**Age** 60 years**Education / Training** - Master of Business Administration, Thammasat University
- Bachelor, Statistics, Chulalongkorn University**Working Experience (during the recent 5 years) and/or Important Positions**

November 2006 – present Senior Deputy Managing Director, Southeast Insurance Public Company Limited

2004 – November 2006 Deputy Managing Director, Operations and Insurance Mathematics, Southeast Insurance Public Company Limited

1995 – 1997 Deputy Managing Director, Sahaviriya Group

Other Companies that compete with/related to the Company -None-**Shareholding in the Company (as of December 31, 2021):**

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-**Ms. Fah Mahanavanont****Position** Chief Financial and Business Support Officer**Date of Appointment** July 2018**Age** 47 years**Education / Training** - MS (CIS) Computer Information System, Assumption University
- BBA (Accounting), Assumption University**Working Experience (during the recent 5 years) and/or Important Positions**

2019 – present Director, Southeast Property Co., Ltd.

2018 – present Director, Asiatic House Co., Ltd.

2018 – present Director, S Sofin Co., Ltd.

2017 – present Deputy Managing Director, Southeast Insurance Public Company Limited

2016 – 2017 CFO, Chubb Samaggi Insurance Public Company Limited

Other Companies that compete with/related to the Company: -None-**Shareholding in the Company (as of December 31, 2021):**

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Mr. Trirong Butragaht

Position	Chief Business Development Officer
Date of Appointment	July 2018
Age	51 years
Education / Training	<ul style="list-style-type: none"> - Master of International Management – Finance International, University of Japan - BA, Business Administration and Marketing, Thammasat University

Working Experience (during the recent 5 years) and/or Important Positions

June 2018 – present	Director, Thai Insurance Public Co., Ltd.
2018 – present	Director, S Sofin Co., Ltd.
2015 – present	Director, Fourspoons Company Limited
2017 – present	Director, Gentle and Natural Company Limited

Working Experience (during the recent 5 years) and/or Important Positions: -None-

Shareholding in the Company (as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Mr. Montri Vongtharuar

Position	Chief of Distribution Channel
Date of Appointment	November 15, 2021
Age	58 years
Education / Training	<ul style="list-style-type: none"> - Master of Business Administration, Thammasat University - Bachelor of Education, Srinakharinwirot University

Working Experience (during the recent 5 years) and/or Important Positions

November 2020 – November 2021	Managing Director, Southeast Insurance Public Company Limited
2019 – 2020	Assistant Managing Director, Southeast Insurance Public Company Limited
2017 – November 2020	Senior Deputy Managing Director, Customer Service (Corporate)
2014 – 2017	Deputy Managing Director, Branch

Other Companies that compete with/related to the Company: -None-

Shareholding in the Company (as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Mr. Mahatana Ampornpisit

Position	Chief Digital & Data Intelligence Officer
Date of Appointment	24 December 2021
Age 44 years	
Education / Training	<ul style="list-style-type: none"> - Ph.D. in Economics, Claremont Graduate University, USA (Thai Government scholarship) - Master of Arts in Economics, Claremont Graduate University, USA (Thai Government scholarship) - Master of Arts in Economics, Suffolk University, USA (Thai Government scholarship) - Master of Arts in International Economics and Finance, Chulalongkorn University - Bachelor of Arts in Economics, University of California, USA

Working Experience (during the recent 5 years) and/or Important Positions

16 November 2021 – 28 January 2022	Managing Director, Southeast Insurance Public Company Limited
2020 – 15 November 2021	Managing Director, Thai Insurance Public Company Limited
2019	Member of Business Development Committee, Thai General Insurance Association
2018 – 2019	Senior Vice President, Business Development, Thai Group Holdings Public Company
2017	Member of Risk-Based Capital Subcommittee, Office of Insurance Commission
2016	Member of Insurance Business Development Subcommittee, Office of Insurance Commission
2015 – 2018	Head of Insurance Policy Sub Division, Bureau of Financial Benefit Policy Protection System Policy, Fiscal Policy Office, Ministry of Finance
2015 – 2018	Office of the Permanent Secretary, Ministry of Finance

Other Companies that compete with/related to the Company: -None-

Shareholding in the Company (as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Ms. Lisa Patvivatsiri

Position	Chief Operations Officer
Date of Appointment	24 December 2021
Age	43 years
Education / Training	<ul style="list-style-type: none"> - Ph.D. in Industrial Engineering, Texas Tech University, Lubbock, Texas, USA (Alpha Pi Mu Honor) - Master Degree, Industrial Systems Engineering, Virginia Tech, Blacksburg, Virginia, USA - Bachelor Degree, Industrial Engineering, Chulalongkorn University

Working Experience (during the recent 5 years) and/or Important Positions

April 2021 – present	Executive Vice President, Strategy and Transformation Thai Group Holdings Public Company Limited
2011 – March 2021	Krungsri Consumer Co., Ltd. <ul style="list-style-type: none"> - Head of Business Transformation - Special Project Team Leader - Quantity Management Leader

Other Companies that compete with/related to the Company: -None-

Shareholding in the Company

(as of December 31, 2021):

Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

3. Company Secretary

Scope of Duties and Responsibilities of the Company Secretary

the resolution of the Board of Directors' Meeting No. 8/2020 dated August 13, 2020 approved the appointment of Ms. Chawandhorn Muangmee to serve as the Company Secretary, as specified by the Securities Exchange Act B.E. 2551, effective from August 13, 2020 onward. The Company Secretary is appointed by the Board of Directors from the person as the Board of Directors seems appropriate by the qualifications, knowledge, capability and experience. The qualifications, authority and duties are clearly as follows:

- 1) Provide the basic information and suggestion to the directors and executives in order to comply with the relevant laws, regulations and requirements of the company business; monitor to ensure that there are properly operations and also report the significant changes in legal requirements to the directors and executives.
- 2) Monitor to ensure that there are relevant information disclosures and report the related information in accordance with the regulations, announcements and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission and the Capital Market Supervisory Board.
- 3) Conclude the reports on securities holding and changes in securities holding of the directors, managers and executives of the company including the spouse; or the person who live together as husband and wife; or underage child including the juristic persons that the directors, managers and executives of the company including the spouse; or the person who live together as husband and wife of such directors, managers and executives of the company hold the shares more than 30% of total voting rights of such juristic persons; to the Board of Directors meeting for acknowledgment on a quarterly basis.
- 4) Monitor and supervise the shareholders and the Board of Directors meeting to comply with the laws, the Articles of Association and the related practices including Monitor to ensure that there are operations comply with the resolutions of the shareholders meeting and the resolutions of the Board of Directors meeting.
- 5) Prepare and maintain the following important documents:
 - a) Directors' Registration.
 - b) Shareholders' Registration.
 - c) Invitation letter to the meeting of the Board of Directors and minutes meeting of the Board of Directors including sub-committees.
 - d) Invitation letter to the meeting of shareholders and minutes meeting of shareholders.
 - e) Annual report of the company.
- 6) Maintain the reports of interests and the certificates of independence, reported by the directors or executives; submit a copy to the chairman of the Board of Directors and the chairman of the Audit Committee within seven official days from the date the company received such reports.
- 7) Establish the knowledge and understanding about the regulations as well as stimulate the good corporate governance to the company.
- 8) Review the activities of the Board of Directors and any other activities in accordance with the laws and/or the details as specified in the notifications of the Capital Market Supervisory Board and/or as assigned by the Board of Directors.

Miss Chawandhorn Muangmee**Position** Company Secretary**Date of Appointment** August 2020**Age** 40 years**Education / Training**

- Master of Arts in Economics law, Chulalongkorn University
- Master of Arts in Southeast Asia Studies, Chulalongkorn University
- Bachelor of Arts, Faculty of Humanities, Kasetsart University
- Advances for Corporate Secretaries Program, 2020, Thai Listed Companies Association
- Corruption Risk and Control Workshop (CRC), Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP 72/2016), Thai Institute of Directors Association (IOD)
- Fundamental Practice for Corporate Secretary (FPCS) Class 28, Thai Listed Companies Association

Working Experience (during the recent 5 years) and/or Important Positions

June 2019 – July 2020	Vice President, Company Secretary, Allianz Ayudhya Capital Public Company Limited
2015 – 2019	Manager, Corporate Secretary Office Gulf Energy Development Public Company Limited
2009 – 2015	Assistant Manager, Corporate Secretary Office, Gulf JP Company Limited

Other Companies that compete with/related to the Company: -None-**Shareholding in the Company (as of December 31, 2021):** Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-**4. The Person Supervising Accounting****Mrs. Pachara Ampornpaisalkit****Position** Assistant Vice President**Date of Appointment** March 2019**Age** 39 Years**Education / Training**

- Master of Business Administration, National Institute of Development Administration
- Bachelor of Accountancy, Kasetsart University

Working Experience (during the recent 5 years) and/or Important Positions

July 2018 – February 2019	Financial and accounting manager, Sharp Solar Solution Asia Company Limited
April 2016 – June 2018	Assistant accounting director, Southeast Capital Company Limited
October 2015 – March 2016	General Manager, Accounting Department, Eli Lilly Asia, Inc. Thailand

Other Companies that compete with/related to the Company: -None-**Shareholding in the Company (as of December 31, 2021):** Personal: -None-

Spouse or minor child: -None-

Relationship among Family with Other Directors and Executives: -None-

Attachment 2

Details of directors of the subsidiaries

1. Details of directors of main operating subsidiaries

Southeast Life Insurance Public Company Limited (SELIC), Southeast Insurance Public Company Limited (SEIC) and Southeast Capital Public Company Limited (SECAP) are the company's subsidiaries that operate main business as of March 31, 2022 as follows;

Directors		SELIC	SEIC	SECAP
1. Mr. Sanit	Vorapanya	A	-	A
2. Mr. Chotiphat	Bijananda	B, G	-	B, G
3. Mr. Thapana	Sirivadhanabhakdi	B, G	-	B, G
4. Pol. Gen. Jate	Mongkolhutthi	D, E	-	-
5. Mr. Yothin	Pibulkasetkij	C, D, E	-	C, E
6. Mr. Padungdej	Indralak	D, E	-	E
7. Mrs. Atinant	Bijananda	F, G	-	F, G
8. Mrs. Kittiya	Todhanakasem	F	-	-
9. Mr. Vachara	Tuntariyanond	D	-	F
10. Mr. Apichai	Boontherawara	F, G	-	F, G
11. Mr. Pathom	Khanyanathom	-	A, C, G	-
12. ACTING SUB LT. Thakoon	Chantarangsi	-	B, G	-
13. Mr. Pomrithirong	Mahuppon	-	F, G	-
14. Mr. Piriya	Laohapipattana	-	D, E	-
15. Mr. Thosaphon	Lertsuthiluk	-	D, E	-

Remark 1. abbreviation for directorship and sub-committees

A	=	Chairman
B	=	Vice Chairman
C	=	Chairman of the Audit Committee
D	=	Independent Director
E	=	Member of the Audit Committee
F	=	Director
G	=	Authorized Director

2. Record of the Change of Directors of Southeast Insurance Public Company Limited (SEIC)

- Mr. Thakorn Piyapan resigned from the directorship of SEIC on October 4, 2021
- Mrs. Atinant Bijananda, Mr. Vachara Tuntariyanond, Mr. Thapana Sirivadhanabhakdi and Mrs. Kittiya Todhanakasem resigned from the directorship of SEIC on January 6, 2022.

- The Board of Directors' Meeting No. 3/2022 dated January 21, 2022 resolved to appoint the following persons to replace the resigned directors:
 - (1) appointed Mr. Pathom Khanyanathom as a director in replacement of Mrs. Atinant Bijananda, effective on January 21, 2022;
 - (2) appointed ACTING SUB LT. Thakoon Chantarangsi as a director in replacement of Mr. Thapana Sirivadhanabhakdi as a director, effective on January 21, 2022;
 - (3) appointed Mr. Pomrithirong Mahuppon as a director in replacement of Mr. Vachara Tuntariyanond effective on January 21, 2022;
 - (4) appointed Mr. Piriya Laohapipattana as a director in replacement of Mr. Thakorn Piyapan, effective on January 21, 2022;
 - (5) appointed Mr. Thosaphon Lertsuthiluk as a director in replacement of Mrs. Kittiya Todhanakasem effective on January 21, 2022.
- Mr. Sanit Vorapanya, Mr. Chotiphat Bijananda, Mr. Apichai Boontherawara, Pol. Gen. Jate Mongkolhutthi, Mr. Yothin Pibulkasetkij and Mr. Padungdej Indralak resigned from directorship of SEIC effective from January 24, 2022 onwards.

The information of the directors No. 2-7 and No. 9-10 appeared in Attachment 1.

The Information of directors of core business No. 1, No. 8 and No. 11 – 15 are as follows:

Mr. Sanit Vorapanya	
Age	83 years
Nationality	Thai
Education / Training	<ul style="list-style-type: none"> - National Defence College, class 30 - International Marketing Institute (IMI), Harvard - Master in Economics, Wisconsin, USA - Bachelor of Economics, Thammasat University - Director Accreditation Program (DAP)
Director Training	
Directorship Positions / Other Positions at Present	
<ul style="list-style-type: none"> ● Other listed companies 	
2013 – present	Chairman, Forth Corporation Public Company Limited
<ul style="list-style-type: none"> ● Other non-listed companies 	
2015 – present	Director, Thai Summit Harness Public Company Limited
2013 – present	Director, Thai Research and Training Company Limited
<ul style="list-style-type: none"> ● Other Companies that compete with/related to the Company -None- 	
Shareholding in the Company	Personal: -None-
(as of December 31, 2021):	Spouse or minor child: -None-
Relationship among Family with Other Directors and Executive:	-None-

Mrs. Kittiya Todhanakasem

Age	64 years
Nationality	Thai
Education / Training	- MBA in Accounting, University of Illinois, Champaign Urbana, USA - Bachelor of Accounting (honor), Thammasat University
Director Training	- Directors Accreditation Program (DAP) 45/2005 - Directors Certification Program (DCP) 76/2006 - Role of the Nomination and Governance Committee (RNG) 4/2013 - Role of the Chairman Program (RCP) 36/2015

Directorship Positions / Other Positions at Present

- **Other listed companies**

2021 – present Independent Director, Thaire Life Assurance Public Company Limited

- **Other non-listed companies**

2021 – present Director / Chairman of Risk Management Committee

Alpha X Company Limited

2018 – present Chairman / Chairman of Risk Management Committee

SCB Asset Management Company Limited (SCBAM)

2018 – present Audit Committee, Thailand Professional Qualification Institute (Public Organization)

2018 – present Director of Thai Banking Institutions (Thai Banking Academy)

- **Other Companies that compete with/related to the Company** -None-

Shareholding in the Company Personal: -None-

(as of December 31, 2021): Spouse or minor child: -None-

Relationship among Family with Other Directors and Executive: -None-

Mr. Pathom Khanyanathom

Age	62 years
Nationality	Thai
Education / Training	Bachelor of Laws Program, Ramkhamhaeng University
Director Training	-None-

Directorship Positions / Other Positions at Present

- **Other listed companies** -None-

- **Other non-listed companies**

2019 – present Managing director, Prach Rapee Company Limited

- **Other Companies that compete with/related to the Company** -None-

Shareholding in the Company Personal: -None-

(as of December 31, 2021): Spouse or minor child: -None-

Relationship among Family with Other Directors and Executive: -None-

ACTING SUB LT. Thakoon Chantarangsi

Age	44 years
Nationality	Thai
Education / Training	- Barrister - Bachelor of Laws, Thammasat University
Director Training	-None-
Directorship Positions / Other Positions at Present	
<ul style="list-style-type: none"> ● Other listed companies -None- ● Other non-listed companies <ul style="list-style-type: none"> 2019 – present Managing director, Prach Rapee Company Limited 2015 – present Owner and managing director, Thakoon Chantarangsi Law Office Company Limited 2010 – present Consulting attorney for private companies ● Other Companies that compete with/related to the Company -None- 	
Shareholding in the Company (as of December 31, 2021):	Personal: -None- Spouse or minor child: -None-
Relationship among Family with Other Directors and Executive	-None-

Mr. Pomrithirong Mahuppon

Age	60 years
Nationality	Thai
Education / Training	B.A.(Communication Arts), Chulalongkorn University
Director Training	-None-
Directorship Positions / Other Positions at Present	
<ul style="list-style-type: none"> ● Other listed companies -None- ● Other non-listed companies <ul style="list-style-type: none"> 2021 – present Founder, Daily Water Franchise 2021 – present Consultant for BIZ MASTERS (NATION TV22) ● Other Companies that compete with/related to the Company -None- 	
Shareholding in the Company (as of December 31, 2021):	Personal: -None- Spouse or minor child: -None-
Relationship among Family with Other Directors and Executive:	-None-

Mr. Piriya Laohapipattana

Age	59 years
Nationality	Thai
Education / Training	- Master of Science-Computer University of Maryland, USA. - Bachelor of Engineering, Computer Engineering, Chulalongkorn University
Director Training	-None-
Directorship Positions / Other Positions at Present	
	<ul style="list-style-type: none"> • Other listed companies: -None- • Other non-listed companies: -None- • Other Companies that compete with/related to the Company: -None-
Shareholding in the Company (as of December 31, 2021):	Personal: -None- Spouse or minor child: -None-
Relationship among Family with Other Directors and Executive	-None-

Mr. Thosaphon Lertsuthiluk

Age	64 years
Nationality	Thai
Education / Training	Bachelor of Business Administration Program in Accounting, Ramkhamhaeng University
Director Training	-None-
Directorship Positions / Other Positions at Present	
	<ul style="list-style-type: none"> • Other listed companies -None- • Other non-listed companies -None- • Other Companies that compete with/related to the Company -None-
Shareholding in the Company (as of December 31, 2021):	Personal: -None- Spouse or minor child: -None-
Relationship among Family with Other Directors and Executive	-None-

Attachment 3

Information of Head of Internal Audit and Compliance

Information of Head of Internal Audit

In the audit committee meeting on September 24, 2019, there was a resolution to appoint Mr. Vichan Assawarangsi to be the internal audit controller with good qualifications in education, operational experience and training. His qualifications are sufficient for internal audit operational control and he is capable of supervising the internal audit control correctly and completely.

The Audit Committee has authority to approve the designation, transfer and resignation of the position of internal audit controller.

Information of Head of Internal Audit as follows:

Mr. Vichan Assawarangsi

Position	Vice President, Internal Audit
Date of Appointment	September 2019
Age	48 years
Education / Training	- BBA, Accountancy, Rachamonkol University of Technology Thanyaburi - MBA, University of the Thai Chamber of Commerce
Working Experience (during the recent 5 years) and/or Important Positions	
2019 – present	Vice President, Internal Audit, Thai Group Holdings Public Company Limited
2010 – 2019	Vice President, Internal Audit, Summit Capital Leasing Company Limited
Other Companies that compete with/related to the Company: -None-	
Shareholding in the Company	Personal: -None-
(as of December 31, 2021):	Spouse or minor child: -None-
Relationship among Family with Other Directors and Executives: -None-	

Information of Compliance

Ms. Chawandhorn Muangmee, the Corporate Secretary, serves as a supervisor for the operations of the Company. The details as shown in attachment 1

Attachment 4 Operating Assets

-The details are shown in section 1 Group Business Structure and Business Overview-

Attachment 5 Policy and Guidelines for Corporate Governance and Business Code of Conduct (Full Version)

-The details are shown under topic Good Corporate Governance on the Company's website www.tgh.co.th -

Attachment 6

Report of the Audit Committee,

Report on the Board of Directors' Responsibilities for the Financial Statements and Financial Statement

Report of the Audit Committee

The Audit Committee of the Thai Group Holdings Public Company Limited consists of the following 3 independent directors namely; Mrs. Kulpatra Sirodom as the Chairman of the Audit Committee, Mr. Yothin Pibulkasetkij and Mr. Padungdej Indralakas as the directors of the Audit Committee. Mr. Vichan Assawarangsi, Head of Internal Audit serves as a secretary to the Audit Committee.

The Audit Committee has operated as designated from the Board of Directors per the charter of the Audit Committee approved by the Board of Directors and as identified in the regulations of the Stock Exchange of Thailand. The Audit Committee focuses on the determination of the systematic structure and working process, the review of the compliance by the Company to have the good corporate governance, and the sufficient risk management including efficient and effective internal controls.

In 2021, the Audit Committee had a total of 13 meetings; the joint agenda with the external auditors was to discuss the material issues from the financial statement audit and the auditor's recommendations. The Audit Committee also have the discussion with external auditor without management. The results from each meeting were reported to the Board of Directors every time. The summary of the main points for the Audit Committee's operation are as follows:

1. The review of financial reports The Audit Committee has reviewed the consolidated financial statements of the Company and the subsidiaries quarterly and annually which are reviewed and audited by the Certified Public Account (hereinafter referred to as the "CPA"). The joint meeting of the Audit Committee, CPA and the Financial Controller has an objective to consider the financial reports, the disclosure of notes to the financial statement, significant accounting policies and estimates, explanatory information, financial analysis including audit findings to ensure the financial statement complies with the law, financial reporting standards, General Accepted Accounting Principles and has accuracy and trustworthiness. Furthermore, the disclosure of the financial information is adequate and beneficial for the users of accounting information because the financial statement is certified and reviewed by the CPA unconditionally.

2. The review of internal control The Audit Committee and the internal auditors have reviewed the internal audit results quarterly for effective operations. The Committee has agreed that Company has an adequate and sufficient internal control system. In addition, there is the revision and improvement in accordance with the operating regulations, the principles of the Company as well as the opinions of the CPA that there is no material audit findings to affect the financial statement. Moreover, the Audit Committee focuses on internal control; in 2021, the meeting with the executives took place to monitor the revision and preventive measures for the effective internal control.

For the supervision of internal control, the Audit Committee has reviewed an annual audit plan, plan operations, audit results from the Internal Audit Office, internal audit reports as the subsidiaries' annual plan, the compliance to corporate policies and regulations, efficient resource consumption, property custody, damage prevention and leakage or corruption to ensure that the Company has good internal controls, good compliance to the laws, rules and corporate's regulations.

3. The review of the intercompany transactions or the related party transactions The Audit Committee has reviewed, supervised and recommended the material of related party transactions before reporting to the Board of Directors. The reason is that the disclosure is transparent, reasonable and beneficial to the Company, investors, stakeholders and in compliance with the corporate governance code of the Stock Exchange of Thailand.

4. The review of good corporate governance The Audit Committee has reviewed the compliance to the policy of corporate good governance and ethics of the Company. The objective is to disclose information transparently with business ethics and build confidence among the shareholders, investors, stakeholders and related parties for normal business operations.

5. The auditor appointment for the year 2021 The Audit Committee has appointed the auditor, set an audit fee for the year 2021 with the consideration of experience, competency, expertise, independence and reasonable audit fee and proposed such to the Board of Directors. In the 2021 Annual General Meeting of Shareholders, the meeting resolved to elect KPMG PHOOMCHAI Audit Limited, and the lists of the auditors are as follows:

1. Mr. Chokechai Ngamwuitikul Certified Public Accountant No.9728 and/or
2. Mr. Chanchai Sakulkoedsin Certified Public Accountant No.6827 and/or
3. Miss Pantip Gulsantithamrong Certified Public Accountant No. 4208

The Audit Committee focuses on the corporate governance, internal control and risk management continuously. Moreover, the Audit Committee has operated independently with competency and prudence. The Committee also gives creative and beneficial opinions for the stakeholders equitably. The Audit Committee agrees that the financial reporting of the Company is accurate and reliable. In addition, there is transparent information disclosure, good corporate governance, sufficient and adequate internal control including the compliance to the relevant laws, and principles to the business operation.

On behalf of the Audit Committee

-Kulpatra Sirodom-

(Mrs. Kulpatra Sirodom)

Chairman of the Audit Committee

Report on the Board of Directors' Responsibilities for the Financial Statements

Thai Group Holdings Public Company Limited is responsible for the Company's financial statements and its subsidiaries consolidated financial statements, including the financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with Thailand generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable, and sufficient to retain its assets as well as to prevent fraud or materially irregular operations.

In this regard, the Board has appointed the Audit and Risk Committee comprising of independent directors to be responsible for reviewing the quality of the financial reports, internal controls, internal audit, and risk management system. The Audit and Risk Committee has also reviewed a disclosure of related party transactions or any potential conflict of interest. All their comments on these issues are presented in the Audit and Risk Committee Report included in this annual report 2021 / Form 56-1 One Report 2021.

The Board considers the Company's overall internal control system satisfactory and provides credibility and reliability to Thai Group Holdings Public Company Limited and its subsidiaries consolidated financial statements for the year ended December 31, 2021.

-Charoen Sirivadhanabhakdi-
(Mr. Charoen Sirivadhanabhakdi)
Chairman of the Board

-Chotiphat Bijananda-
(Mr. Chotiphat Bijananda)
Chairman of the Executive Board

Part 3 Financial Statements

Independent Auditor's Report

To the Shareholders of Thai Group Holdings Public Company Limited

Qualified Opinion

I have audited the consolidated and separate financial statements of Thai Group Holdings Public Company Limited and its subsidiaries (the "Group") and of Thai Group Holdings Public Company Limited (the "Company" or "TGH"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2021, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of my report, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Qualified Opinion

COVID-19 infection of policy beneficiaries underwritten by Southeast Insurance Public Company Limited and The Thai Insurance Public Company Limited

During January - June 2021, insurance policies were underwritten by Southeast Insurance Public Company Limited ("SEIC") and The Thai Insurance Public Company Limited ("TIC") which provide benefits in the event of COVID-19 infection of policy beneficiaries (the "COVID-19 policies"). The amount included in "benefits payments and insurance claim expenses" incurred in respect of these policies is dependent on the estimation of unexpired risk reserve on those policies.

Thailand's COVID-19 infection rate has fluctuated significantly since April 2021 and in particular due to the Omicron variant, the future infection rate is uncertain, which gives rise to a range of possible scenarios for the amount of claims that will be incurred during the remaining coverage period. The coverage periods of the majority (86% of SEIC's policies) of these policies are due to expire during April-June 2022.

As mentioned in Note 2 of the consolidated financial statements, on 22 January 2022, the Board of Directors of SEIC, resolved to discontinue the insurance business, transfer in-force policies to other insurers approved by Office of Insurance Commission ("OIC"), a regulator, and return the insurance license to OIC due to continued losses and uncertainty as to future losses in relation to the COVID-19 policies.

As a consequence;

- a. As at 31 December 2021, SEIC recorded unexpired risk liabilities on COVID-19 policies of Baht 3,412 million, as disclosed in note 22 - insurance contract liabilities, which includes certain details of the assumptions and sensitivities with respect to the unexpired risk on COVID-19 policies including data and assumptions that management applied and the sensitivity analysis.
- b. As disclosed in note 16, on 27 September 2021, the Group ceased to control TIC and has deconsolidated it with effect from that date. The Group recognized a gain on sale of investment of Baht 7,099 million in the consolidated statement of comprehensive income, which resulted mainly from the deconsolidation of accumulated losses booked in connection with claims and unexpired risks of COVID-19 policies estimated on TIC's disposal date.

Due to the material uncertainty regarding the future infection rate of policy beneficiaries, I was not able to obtain sufficient audit evidence to satisfy myself that the settlement amount of unexpired risks of COVID-19 policies would not differ materially from the recorded reserve and the amount of unexpired risks of COVID-19 policies estimated on TIC's disposal date. Accordingly, I was not able to determine whether any adjustments might be necessary to the amounts recorded in the consolidated financial statements for unexpired risk reserves of SEIC of Baht 3,412 million and "benefits payments and insurance claim expenses" in respect of the COVID-19 policies and the "gain on sale of investment in subsidiary" of Baht 7,099 million as at and for the year ended 31 December 2021.

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my qualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my 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 consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

If, based on the work I will perform, I conclude that there is a material misstatement of this other information, I am required to report that fact. However, as described in the Basis for Qualified Opinion section above, I was unable to obtain sufficient appropriate evidence about SEIC's settlement amount of the URR on the COVID-19 policies of Baht 3,412 million and "benefits payments and insurance claim expenses" in respect of the COVID-19 policies and the "gain on sale of investment in subsidiary" of Baht 7,099 million. Accordingly, if management prepares the other information based on these financial statements, I will be unable to conclude whether or not the other information is materially misstated with respect to this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, I have determined the matters described below to be the key audit matters to be communicated in my report.

Valuation of premiums due and uncollected	
Refer to notes 3 (g) and 7 to financial statements	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2021, premiums due and uncollected under insurance contracts before allowance for doubtful accounts recorded in the consolidated financial statements amounted to Baht 1,450 million, of which of Baht 45 million was overdue for more than 90 days and less than 1 year and Baht 64 million was overdue for more than 1 year. Premiums due and uncollected net of allowance for doubtful accounts represented 1.50% of total assets. These overdue premiums due and uncollected have been considered and an allowance for doubtful accounts was recorded of Baht 74 million or 5.13% of these premiums due and uncollected. There is uncertainty as to the collection of these receivables.</p> <p>Allowance for doubtful accounts is assessed primarily on an analysis of payment histories and management's assumptions regarding future expectation of customer payments, this involves significant judgement. This allowance could materially affect the amount of the recorded assets and expense. I have determined this to be a Key Audit Matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> ▪ Performing the risk assessment procedures on the underwriting and collection processes, testing the operating effectiveness of relevant internal controls on a sample basis; ▪ Considering the reasonableness of allowance for doubtful accounts on the basis of historical recovery of collection of premiums due and uncollected; ▪ Testing on a sample basis post period end collection of premiums due and uncollected with related documentation; ▪ Considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.

Valuation of hire-purchase and finance lease receivables	
Refer to notes 3 (i) and 10 to financial statements	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2021, hire-purchase and finance lease receivables before allowance for expected credit losses recorded in the consolidated financial statements amounted to Baht 968 million, of which Baht 549 million was due within 1 year, Baht 359 million was due over 1 year but within 2 years, and Baht 60 million was due over 2 years or more. The Group sets up the allowance for expected credit losses of hire-purchase and finance lease receivables based on the aging of payments due, applicable loss factors and collateral valuation. Expected credit losses amounting to Baht 84 million was booked against hire-purchase and finance lease receivables. Hire-purchase and finance lease receivables net of allowance for expected credit losses represented 0.96% of total assets.</p> <p>The Group has applied TFRS 9 <i>Financial Instruments</i> which requires the Group to consider allowance for expected credit losses (“ECL”). Management has estimated the allowance for expected credit losses based on credit models which are complex and dependent on significant management judgements and estimates including establishment of the criteria for determining whether credit risk has increased significantly since initial recognition, development of models used to measure ECL, including determination of reference rate in case data is insufficient for credit model.</p> <p>Due to the significant management judgment involved, I consider this to be a Key Audit Matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> ■ Considering factors which could significantly affect the valuation, including understanding the Group’s assumptions and methodology, and the appropriateness of the Group’s accounting policy for allowance for expected credit losses. ■ Evaluating the design and implementation of controls of collection, aging and allowances for expected credit losses process; ■ Evaluating accuracy of data and reasonableness of assumptions used by management to assess relevance and reliability of information used in calculation of accounting estimate; ■ Considering the reliability of the collateral valuation by comparing samples with the market price and the historical selling price of similar collateral; ■ Evaluating the reasonableness of the Group’s assumptions and allowance for expected credit losses policy by considering historical information and information after the year-end including sample testing the subsequent receipts of debtors after the year-end with related documents; ■ Testing the mathematical accuracy of the expected credit losses of hire-purchase and finance lease receivables; ■ Considering the adequacy of the disclosures in accordance with the relevant Thai Financial Reporting Standards.

Valuation of inventories and assets held for operating lease	
Refer to notes 3 (k), 3 (p), 14 and 19 to financial statements	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2021, inventories and assets held for operating lease with net book values of Baht 154 million and Baht 11,770 million, respectively, are recorded in the consolidated financial statements.</p> <p>Due to fluctuations in the used car market and other factors, the actual sales value of inventories and assets held for operating lease at the end of lease term may differ from these estimates. The estimates involve subjective judgements and accordingly I have determined this is to be a Key Audit Matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> ▪ Understanding assumptions, methodology and the appropriateness of accounting policy; ▪ Considering the net realisable value of inventories by sample testing sales subsequent to the year-end with related documents, the disposal plan as well as comparing with external prices and estimated costs to sell; ▪ Considering the residual value and disposal plan of assets held for operating lease by comparing to historical selling price and/or external prices derived from the market; ▪ Considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.
Valuation of loss reserves and outstanding claims - short-term technical reserves	
Refer to notes 3 (g) and 22 to financial statements	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2021, loss reserves and outstanding claims recorded in the consolidated financial statements amounted to Baht 5,054 million, representing 6.20% of total liabilities.</p> <p>Valuation of loss reserves regarding the ultimate estimated losses for claims reported and claims incurred but not reported (IBNR) as at the statement of financial position date are estimated based on actuarial models, the results of which may depend on the quality and consistency of underlying data and significant subjective judgements on assumptions made by management. This could materially affect the amount of the recorded liabilities and expense. Accordingly I have determined this is to be a Key Audit Matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> ▪ Performing the risk assessment procedures on the claims process and testing the operating effectiveness of relevant controls on a sample basis; ▪ Using our actuarial specialist employed by KPMG to evaluate the reasonableness of key assumptions and methodology used in the calculation of claims incurred but not reported (IBNR) used by the Group; ▪ Re-performing the reconciliations between the claims data recorded in the policy administration systems and the data used in the actuarial reserving calculations; ▪ Comparing the samples of claims case reserves to relevant documentation; ▪ Considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.

Valuation of liabilities under insurance contracts - long-term technical reserves	
Refer to notes 3(g) and 22 to financial statements	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2021, long-term technical reserves recorded in the consolidated financial statements amounted to Baht 42,464 million, representing 52.28% of total liabilities.</p> <p>The valuation of long-term technical reserves is based on actuarial models, the results of which may depend on the quality and consistency of underlying data and significant subjective judgements on assumptions made by management. This could materially affect the amount of the recorded liabilities and expense. Accordingly I have determined this is to be a Key Audit Matter.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> ● Performing the risk assessment procedures on the underwriting and benefits and claims process and testing the operating effectiveness of relevant controls on a sample basis; ● Using actuarial specialists employed by KPMG to assess the methodology and assumptions used in calculating the reserves based on Net level Premium Reserve method (NPV), including assessing the reasonableness of the mortality table, estimated future contractual cash flows, discount rate, that were established at the time when the insurance product was designed and were approved by the Office of Insurance Commission; ● Comparing liability calculated using Gross Premium Valuation method (GPV), of policies in force at the reporting date based on the best estimate adjusted current risk-free interest rate with the gross carrying amount of liability calculated on Net level Premium valuation method; ● Re-performing the reconciliations between the data recorded in the systems and the data used in the actuarial reserving calculations; ● Considering the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.

Emphasis of Matters

1. I draw attention to Note 2 of the consolidated financial statements, regarding the basis of preparation of the financial statements for SEIC in the consolidated financial statements. As disclosed in note 2, on 22 January 2022, the Board of Directors of SEIC resolved to discontinue the insurance business, transfer in-force policies to other insurers approved by Office of Insurance Commission (“OIC”), a regulator, and return the insurance license to OIC due to continued losses and uncertainty as to future losses and the reinsurance recoveries in relation to a portfolio of COVID-19 policies. The Board of Directors of SEIC has determined that the continued use of the going concern basis of accounting by SEIC is inappropriate and accordingly the results of SEIC in the consolidated financial statements include certain adjustments to reflect the manner in which the assets of SEIC are expected to be realized and the liabilities settled.
 2. I draw attention to Note 45 – event after the reporting period of the consolidated financial statements. On 23 February 2022, SEIC has transferred all in-force policies, except for the COVID-19 policies, to Indara Insurance Public Company Limited (a subsidiary of TGH) and 3 non-related insurance companies. The transfer includes related assets and liabilities.
 3. I draw attention to note 4 which describes the effect of the business combination under common control; The corresponding figures presented are based on the audited consolidated financial statements as at and for the year ended 31 December 2020 after making the adjustments described in note 4.
- My opinion is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group’s and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s and the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and 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 my 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 consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and 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 my 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 Group's and 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 Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

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



(Chokechai Ngamwutikul)
Certified Public Accountant
Registration No. 9728

KPMG Phoomchai Audit Ltd.
Bangkok
28 February 2022

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2021	2020	2021	2020
			(Restated)		
			(in Baht)		
Cash and cash equivalents	6	2,657,493,355	3,770,915,281	54,284,917	28,644,714
Investment receivables		296,904,393	-	-	-
Premiums due and uncollected	7	1,375,981,237	1,475,699,688	-	-
Reinsurance assets	22	5,615,201,725	4,737,907,311	-	-
Reinsurance receivables	8	465,764,940	881,153,752	-	-
Operating lease receivables	9	461,588,478	444,452,466	-	-
Hire-purchase and finance lease receivables	10	883,387,320	1,014,674,821	-	-
Financial assets - Debt securities	5, 11, 38	43,989,627,871	45,646,700,266	-	-
Financial assets - Equity securities	5, 12, 38	13,494,853,126	12,207,576,217	234,000,000	234,000,000
Derivative assets	5, 13, 38	23,803,912	69,954,942	-	-
Inventories	14	154,237,707	254,261,186	-	-
Loans	15	1,410,639,140	1,045,938,719	8,140,367,868	8,485,379,633
Investments in associate and joint venture	5, 16	-	-	-	-
Investments in subsidiaries	16	-	-	2,094,553,198	3,283,376,567
Investment properties	17	480,313,598	529,113,527	-	-
Leasehold rights	18	1,311,772,530	1,334,520,030	-	-
Property, plant and equipment	19	15,442,905,302	15,733,885,592	1,781,329	695,151
Right-of-use assets		12,161,688	46,521,577	25,371,554	31,328,194
Intangible assets		316,171,799	408,701,062	18,754,469	19,724,913
Deferred tax assets	35	1,059,669,484	701,187,498	126,031,882	3,072,324
Goodwill	16	-	84,140,909	-	-
Other assets	20	2,109,143,433	2,240,001,129	237,874,180	118,726,870
Total assets		91,561,621,038	92,627,305,973	10,933,019,397	12,204,948,366

The accompanying notes are an integral part of these financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2021	2020	2021	2020
			(Restated)		
		<i>(in Baht)</i>			
Liabilities					
Investment payables		266,784,869	17,011,718	-	-
Borrowings	5, 21	15,370,054,518	16,602,544,538	8,249,000,000	8,189,000,000
Insurance contract liabilities	5, 22	57,947,558,268	54,655,741,294	-	-
Reinsurance payables	23	3,884,418,211	3,599,669,526	-	-
Derivative liabilities	13, 38	241,075,514	209,170,122	-	-
Current income tax payable		81,819,268	55,230,556	-	-
Lease liabilities	21	651,127,960	430,635,618	26,194,132	32,037,237
Provision for employee benefits		564,279,408	360,830,045	21,551,460	15,361,621
Deferred tax liabilities	35	155,762,696	498,321,227	-	-
Other liabilities	24	2,381,962,108	2,427,313,264	41,255,868	64,353,785
Total liabilities		81,544,842,820	78,856,467,908	8,338,001,460	8,300,752,643
Equity					
Share capital	25				
Authorised share capital <i>(1,203,356,530 ordinary shares, par value at Baht 10 per share)</i>		<u>12,033,565,300</u>	<u>12,033,565,300</u>	<u>12,033,565,300</u>	<u>12,033,565,300</u>
Issued and paid-up share capital <i>(752,097,582 ordinary shares, par value at Baht 10 per share)</i>		7,520,978,320	7,520,978,320	7,520,978,320	7,520,978,320
Acquiree's equity held before business combination		-	(111,959,475)	-	-
Share premium on ordinary shares		18,224,269,226	18,224,269,226	18,224,269,226	18,224,269,226
Retained earnings					
Appropriated					
Legal reserve	26	365,299,777	388,799,777	37,850,816	37,850,816
Other reserve		7,714,962	27,714,962	-	-
Unappropriated		3,763,256,462	6,893,602,677	(584,967,770)	724,210,016
Other components of equity	26	<u>(19,901,966,485)</u>	<u>(19,349,960,203)</u>	<u>(22,603,112,655)</u>	<u>(22,603,112,655)</u>
Equity attributable to owners of the parent		9,979,552,262	13,893,445,284	2,595,017,937	3,904,195,723
Non-controlling interests		<u>37,225,956</u>	<u>177,392,781</u>	<u>-</u>	<u>-</u>
Total equity		10,016,778,218	13,770,838,065	2,595,017,937	3,904,195,723
Total liabilities and equity		91,561,621,038	92,627,305,973	10,933,019,397	12,204,948,366

The accompanying notes are an integral part of these financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
			(Restated)		
			(in Baht)		
Revenue					
Gross premium written	5	23,836,294,623	20,208,591,242	-	-
Less Premium ceded		(5,483,204,658)	(5,624,803,763)	-	-
Net premiums written		18,353,089,965	14,583,787,479	-	-
Add (Less) Decrease (increase) in unearned premium reserve					
from previous year		(607,141,865)	138,253,260	-	-
Net premium earned		17,745,948,100	14,722,040,739	-	-
Commission and brokerage income		1,833,268,698	1,949,135,415	-	-
Income from operating lease contracts	5	3,079,935,108	3,184,789,554	-	-
Income from hire-purchase and finance lease contracts	5	171,396,821	63,862,726	-	-
Income from sales of operating lease assets		1,453,256,260	893,425,949	-	-
Investment income	5, 28	1,701,032,559	1,859,489,993	205,724,036	882,070,789
Gain on financial instruments	29	258,328,731	169,035,677	-	-
Gain on fair value change of financial instruments	30	136,144,150	252,855,651	-	-
Gain on sale of investment in subsidiary	16	7,099,763,845	-	-	-
Gain on foreign exchange		1,839,194	-	1,651,858	-
Cumulative gain from reclassification of cash flow hedges					
previously recognised in other comprehensive income		5,180,924	128,294,087	-	62,862,331
Advisory fee income	5	-	-	153,000,000	4,800,000
Other income	5	153,306,964	143,278,787	7,679,639	25,357
Total revenue		33,639,401,354	23,366,208,578	368,055,533	949,758,477
Expenses					
Long-term technical reserve increase from previous year		3,829,835,490	2,731,345,029	-	-
Benefits payments and insurance claims expenses	5	27,974,949,737	11,101,634,664	-	-
Less Benefits payments and insurance claims expenses					
recovered from reinsurers		(6,459,602,622)	(2,631,232,022)	-	-
Net benefits payment and insurance claims expenses		21,515,347,115	8,470,402,642	-	-
Commissions and brokerage expenses		3,153,345,321	2,895,499,682	-	-
Other underwriting expenses		2,071,938,848	2,083,867,283	-	-
Direct rental costs		2,191,858,424	2,136,206,196	-	-
Cost of sales of operating lease assets		1,423,919,567	1,088,284,578	-	-
Operating expenses	5, 31	2,345,024,715	2,450,931,955	156,610,943	136,097,523
Loss on foreign exchange		-	93,174,915	-	65,226,695
Loss on sale of investment in subsidiary	16	-	-	532,253,339	-
Impairment loss on investment in subsidiary	16	-	-	437,993,550	-
Loss from adjusting to non-going concern basis	2	230,078,801	-	-	-
Finance costs	5	435,476,541	453,343,678	173,644,618	92,945,708
Hedging loss for hedge of group of items with offsetting risk positions		13,790,708	58,047,312	-	-
Expected credit loss	34	10,351,438	6,364,714	49,000,000	-
Total expenses		37,220,966,968	22,467,467,984	1,349,502,450	294,269,926
Profit (loss) before income tax expense		(3,581,565,614)	898,740,594	(981,446,917)	655,488,551
Tax (expense) income	35	221,774,624	(192,537,196)	122,959,557	36,074,992
Profit (loss) for the year		(3,359,790,990)	706,203,398	(858,487,360)	691,563,543

The accompanying notes are an integral part of these financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2021	2020	2021	2020
			(Restated)		
			(in Baht)		
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements		146,475,279	(27,530,782)	-	-
Loss on remeasurement of investments measured at fair value through other comprehensive income		(935,483,026)	(4,733,570,762)	-	-
Gain (loss) on cash flow hedges		(7,255,643)	18,719,016	-	-
Gain on deferred cost of hedging reclassified subsequently to profit or loss		4,689,853	43,767,099	-	-
Income tax relating to items that will be reclassified		158,314,707	934,216,929	-	-
Total items that will be reclassified subsequently to profit or loss		(633,258,830)	(3,764,398,500)	-	-
<i>Items that will not be reclassified to profit or loss</i>					
Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income		323,847,282	2,069,739,736	-	-
Gain (loss) on revaluation of assets		17,125,343	36,104,154	-	-
Gain on remeasurements of defined benefit plans		(47,553,890)	7,163,639	710,342	6,548,426
Income tax relating to items that will not be reclassified		(58,683,747)	(422,601,506)	(142,069)	(1,309,685)
Total items that will not be reclassified to profit or loss		234,734,988	1,690,406,023	568,273	5,238,741
Other comprehensive income (expense) for the period, net of tax		(398,523,842)	(2,073,992,477)	568,273	5,238,741
Total comprehensive income (expense) for the year		(3,758,314,832)	(1,367,789,079)	(857,919,087)	696,802,284
Profit (loss) attributable to:					
Owners of the parent		(3,260,470,236)	728,446,070	(858,487,360)	691,563,543
Acquiree's equity before business combination		(11,304,763)	(33,150,641)	-	-
Non-controlling interests		(88,015,991)	10,907,969	-	-
Profit (loss) for the year		(3,359,790,990)	706,203,398	(858,487,360)	691,563,543
Total comprehensive income (expense) attributable to:					
Owners of the parent		(3,652,818,735)	(1,334,063,091)	(857,919,087)	696,802,284
Acquiree's equity before business combination		(11,304,763)	(33,150,641)	-	-
Non-controlling interests		(94,191,334)	(575,347)	-	-
Total comprehensive income (expense) for the year		(3,758,314,832)	(1,367,789,079)	(857,919,087)	696,802,284
Basic earnings (loss) per share (in Baht)	36	(4.34)	0.97	(1.14)	0.92

The accompanying notes are an integral part of these financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries

Statement of changes in equity

Note	Consolidated financial statements (Restated)														Equity attributable to owners of the parent	Non-controlling interests	Total equity	
	Retained earnings						Other components of equity											
	Issued and paid-up share capital	Acquiree's equity held before business combination	Share premium on ordinary shares	Legal reserve	Other reserves	Unappropriated	Gain (loss) on cash flow hedges	Gain (loss) on investments in equity instruments designated at fair value through comprehensive income	Gain (loss) on deferred cost of hedging subsequently to profit or loss	Gain (loss) on remeasurement of investments measured at fair value through other comprehensive income	Excess of cost over book value of acquired subsidiaries	Difference from business combination under common control	Other items of other comprehensive income	Total other components of equity				
	(in Baht)																	
Year ended 31 December 2020																		
Balance at 1 January 2020	7,520,978,320	105,914,318	18,224,269,226	344,221,600	27,714,962	6,229,378,463	110,087,231	(2,062,388,888)	(15,722,497)	5,253,499,813	(68,789,288)	(22,562,115,381)	2,225,194,865	(17,120,234,145)	15,331,342,744	111,763,312	15,443,106,056	
Transactions with owners, recorded directly in equity																		
<i>Changes in interests from business combination</i>																		
Impact of business combination under common control	4	-	(183,823,152)	-	10,000,000	-	11,975,758	-	-	(9,859,885)	-	(70,682,362)	-	(80,542,247)	(242,389,641)	63,808,710	(178,580,931)	
Total changes in interests from business combination		-	(183,823,152)	-	10,000,000	-	11,975,758	-	-	(9,859,885)	-	(70,682,362)	-	(80,542,247)	(242,389,641)	63,808,710	(178,580,931)	
<i>Changes in ownership interests in subsidiaries</i>																		
Acquisition of non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,396,106	2,396,106	
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,396,106	2,396,106	
Total transactions with owners, recorded directly in equity		-	(183,823,152)	-	10,000,000	-	11,975,758	-	-	(9,859,885)	-	(70,682,362)	-	(80,542,247)	(242,389,641)	66,204,816	(176,184,825)	
Comprehensive income (expense) for the year																		
Profit (loss)		-	(33,150,641)	-	-	-	728,446,070	-	-	-	-	-	-	-	-	695,295,429	10,907,969	706,203,398
Other comprehensive income (expense)		-	-	-	-	-	6,217,040	14,990,910	1,657,046,199	35,002,824	(3,776,905,379)	-	-	1,139,245	(2,068,726,201)	(2,062,509,161)	(11,483,316)	(2,073,892,477)
Total comprehensive income (expense) for the year		-	(33,150,641)	-	-	-	734,663,110	14,990,910	1,667,046,199	35,002,824	(3,776,905,379)	-	-	1,139,245	(2,068,726,201)	(1,367,213,732)	(575,347)	(1,367,789,079)
Transfer to legal reserve		-	-	-	34,578,177	-	(34,578,177)	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings		-	-	-	-	-	(47,836,477)	-	64,787,108	-	-	-	-	(16,950,631)	47,836,477	-	-	-
Transfer to profit or loss		-	-	-	-	-	-	(127,908,555)	-	(385,532)	-	-	-	-	(128,294,087)	(128,294,087)	-	(128,294,087)
Balance at 31 December 2020		7,520,978,320	(111,959,475)	18,224,269,226	388,799,777	27,714,962	6,899,602,677	(2,830,414)	(346,555,581)	18,894,795	1,466,734,549	(68,789,288)	(22,632,797,743)	2,209,383,479	(19,349,960,203)	13,593,445,284	177,392,781	13,770,838,064

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of changes in equity

Note	Consolidated financial statements																
	Retained earnings						Other components of equity										
	Issued and paid-up share capital	Acquiree's equity held before business combination	Share premium on ordinary shares	Legal reserve	Other reserves	Unappropriated	Gain (loss) on cash flow hedges	Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income	Gain (loss) on hedging reclassified subsequently to profit or loss	Gain (loss) on remeasurement of investments measured at fair value through other comprehensive income	Excess of cost over book value of acquired subsidiaries	Difference from business combination under common control	Other items of other comprehensive income	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Year ended 31 December 2021																	
Balance at 1 January 2021	7,520,978,320	(111,959,475)	18,224,269,226	388,799,777	27,714,962	6,893,602,677	(2,830,414)	(340,555,581)	18,894,795	1,466,734,549	(68,789,288)	(22,632,797,743)	2,209,383,479	(19,349,960,203)	13,593,445,284	177,392,781	13,770,838,065
Transactions with owners, recorded directly in equity																	
<i>Distributions to owners of the parent</i>																	
Dividends	37	-	-	-	-	(451,258,699)	-	-	-	-	-	-	-	-	(451,258,699)	-	(451,258,699)
Total distributions to owners of the parent		-	-	-	-	(451,258,699)	-	-	-	-	-	-	-	-	(451,258,699)	-	(451,258,699)
<i>Changes in interests from business combination</i>																	
Acquiree's issued share capital before business combination	16	-	57,016,580	-	-	-	-	-	-	-	-	-	-	-	57,016,580	-	57,016,580
Impact of business combination under common control	4	-	66,247,658	-	-	34,140,996	-	-	-	-	-	1,321,669	-	1,321,669	101,710,323	-	101,710,323
Total changes in interests from business combination		-	123,264,238	-	-	34,140,996	-	-	-	-	-	1,321,669	-	1,321,669	158,726,903	-	158,726,903
<i>Changes in ownership interests in subsidiaries</i>																	
Sale of interests in subsidiary with a change in control	16	-	-	(23,500,000)	(20,000,000)	-	-	-	-	-	68,789,288	(29,230,071)	-	39,559,217	(3,940,783)	(45,975,491)	(49,916,274)
Total changes in ownership interests in subsidiaries		-	-	(23,500,000)	(20,000,000)	-	-	-	-	-	68,789,288	(29,230,071)	-	39,559,217	(3,940,783)	(45,975,491)	(49,916,274)
Total transactions with owners, recorded directly in equity		-	123,264,238	(23,500,000)	(20,000,000)	(417,117,703)	-	-	-	-	68,789,288	(27,908,402)	-	40,880,886	(296,472,579)	(45,975,491)	(342,448,070)
Comprehensive income (expense) for the year																	
Loss		-	(11,304,763)	-	-	(3,260,470,236)	-	-	-	-	-	-	-	-	(3,271,774,999)	(88,015,991)	(3,359,790,990)
Other comprehensive income (expense)		-	-	-	-	-	(5,801,450)	276,788,637	3,753,060	(746,297,377)	-	-	79,208,631	(392,348,499)	(392,348,499)	(6,175,343)	(308,523,842)
Total comprehensive income (expense) for the year		-	(11,304,763)	-	-	(3,260,470,236)	(5,801,450)	276,788,637	3,753,060	(746,297,377)	-	-	79,208,631	(392,348,499)	(3,664,123,498)	(94,191,334)	(3,758,314,832)
Transfer to retained earnings		-	-	-	-	547,241,724	15,575,200	(211,321,886)	-	47,683,431	-	-	(52,475,414)	(200,538,669)	346,703,055	-	346,703,055
Balance at 31 December 2021		7,520,978,320	-	18,224,269,226	365,299,777	7,714,962	3,763,256,462	6,943,336	(275,888,830)	22,647,855	768,120,603	(22,660,706,145)	2,236,116,696	(19,901,966,485)	9,979,552,262	37,225,956	10,016,778,218

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries

Statement of changes in equity

	Separate financial statements							
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity		Total other components of equity	Total equity
			Legal reserve	Unappropriated	Gain (loss) on cash flow hedges <i>(in Baht)</i>	Difference from business combination under common control		
Year ended 31 December 2020								
Balance at 1 January 2020	7,520,978,320	18,224,269,226	3,272,639	61,985,909	62,862,331	(22,603,112,655)	(22,540,250,324)	3,270,255,770
Comprehensive income (expense) for the year								
Profit	-	-	-	691,563,543	-	-	-	691,563,543
Other comprehensive income	-	-	-	5,238,741	-	-	-	5,238,741
Total comprehensive income (expense) for the year	-	-	-	696,802,284	-	-	-	696,802,284
Transfer to legal reserve	-	-	34,578,177	(34,578,177)	-	-	-	-
Transfer to profit or loss	-	-	-	-	(62,862,331)	-	(62,862,331)	(62,862,331)
Balance at 31 December 2020	7,520,978,320	18,224,269,226	37,850,816	724,210,016	-	(22,603,112,655)	(22,603,112,655)	3,904,195,723

The accompanying notes form an integral part of these financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Separate financial statements						Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity		
				Legal reserve	Unappropriated (in Baht)	Difference from business combination under common control	Total other components of equity	
Year ended 31 December 2021								
Balance at 1 January 2021		7,520,978,320	18,224,269,226	37,850,816	724,210,016	(22,603,112,655)	(22,603,112,655)	3,904,195,723
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the parent</i>								
Dividends	37	-	-	-	(451,258,699)	-	-	(451,258,699)
Total distributions to owners of the parent		-	-	-	(451,258,699)	-	-	(451,258,699)
Comprehensive income (expense) for the year								
Loss		-	-	-	(858,487,360)	-	-	(858,487,360)
Other comprehensive income		-	-	-	568,273	-	-	568,273
Total comprehensive income (expense) for the year		-	-	-	(857,919,087)	-	-	(857,919,087)
Balance at 31 December 2021		7,520,978,320	18,224,269,226	37,850,816	(584,967,770)	(22,603,112,655)	(22,603,112,655)	2,595,017,937

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2021	2020	2021	2020
		(Restated)		
		(in Baht)		
<i>Cash flows from operating activities</i>				
Profit (loss) for the year	(3,359,790,990)	706,203,398	(858,487,360)	691,563,543
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax expense (income)	221,774,624	192,537,196	(122,959,557)	(36,074,992)
Finance costs	435,476,541	453,343,678	173,644,618	91,853,897
Depreciation and amortisation	1,818,010,025	1,795,073,448	14,278,865	12,593,208
Impairment loss on investment in subsidiary	-	-	437,993,550	-
Impairment loss (reversal) on subrogation recoveries	33,062,164	29,088,918	-	-
(Reversal of) Provision for employee benefits	253,726,938	63,661,728	6,758,113	(1,052,437)
Reserve from insurance contracts	(127,249,379)	2,731,345,029	-	-
Loss incurred from loss reserve	4,525,481,042	4,745,336,461	-	-
Unearned premium reserve	(6,603,290,386)	(8,183,547,246)	-	-
Unrealised loss on exchange	(1,839,194)	93,174,915	-	-
Loss (gain) on sell of investment in subsidiary	(7,099,763,845)	-	532,253,339	-
Loss from adjusting to non-going concern basis	230,078,801	-	-	-
Loss on revaluation of derivative	40,845,643	45,723,361	-	-
(Reversal of) bad and doubtful debts expenses	24,025,307	3,460,782	-	-
(Reversal of) losses on decline in value of inventories and properties foreclosed	(51,928,659)	22,438,124	-	-
Gain on disposal of investments	78,056,423	(169,035,677)	-	-
Loss on disposal of properties foreclosed	-	451,598	-	-
Loss (gain) on disposal of property, plant and equipment	-	25,516	-	-
(Reversal of) Impairment loss on property, plant and equipment	-	(133,000)	-	-
Loss from written-off withholding tax	-	136,004	-	-
Dividend income	(479,192,021)	(618,082,950)	(2,850,000)	(679,988,431)
Interest income	(1,221,840,538)	(1,241,407,045)	(202,874,036)	(202,082,359)
	(11,284,357,504)	669,794,238	(22,242,468)	(123,187,571)
<i>Changes in operating assets and liabilities</i>				
Premiums due and uncollected	77,191,070	187,645,242	-	-
Reinsurance assets	5,788,857,586	(2,430,829,134)	-	-
Reinsurance receivables	415,388,812	(179,407,379)	-	-
Operating lease receivables	(17,379,318)	(97,283,617)	-	-
Hire-purchase and finance lease receivables	131,287,500	(724,083,100)	-	-
Investment in securities	1,232,431,281	(5,203,803,682)	-	-
Inventories	(834,992,133)	1,014,252,693	-	-
Right-of-use assets	34,359,889	(46,521,577)	-	-
Goodwill	84,140,909	-	-	-
Other assets	97,840,438	761,793,888	(123,218,609)	(16,149,344)
Insurance contract liabilities	(1,169,277,026)	5,747,494,103	-	-
Reinsurance payable	284,748,685	(135,111,162)	-	-
Other liabilities	(120,415,639)	52,952,741	(24,108,273)	(17,217,284)
Employee benefit paid	(12,234,463)	(27,578,734)	-	-
Net cash generated from (used in) operating activities	(5,292,409,913)	(410,685,480)	(169,569,350)	(156,554,199)
Interest received from insurance business	1,197,210,371	1,273,074,412	-	-
Dividends received from insurance business	476,306,617	646,514,345	-	-
Tax paid	(896,226,429)	(111,000,374)	(510,212)	(1,714,003)
Net cash from (used in) operating activities	(4,515,119,354)	1,397,902,903	(170,079,562)	(158,268,202)

The accompanying notes are an integral part of these financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2021	2020 (Restated)	2021	2020
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Acquisition of subsidiaries, net of cash acquired	-	-	-	(56,699,960)
Proceeds from sell of investment in subsidiary	219,576,460	-	219,576,460	-
Acquisition of investment properties	21,414,372	(6,371,554)	-	-
Proceeds from sale of property, plant and equipment	16,988,747	59,308,657	85,150	-
Acquisition of property, plant and equipment	(2,413,887,247)	(2,885,720,027)	(1,661,735)	(394,394)
Acquisition of intangible assets	36,310,154	(34,805,556)	(1,088,750)	(7,575,100)
Proceeds from sell of intangible assets	-	5,359,053	-	-
Investment in subsidiaries	-	-	(999,980)	-
Loans	(637,827,368)	(376,794,438)	(7,330,387,220)	(5,283,294,120)
Proceeds from repayment of loans	402,527,789	956,230,303	7,675,398,985	2,432,182,355
Dividends received	2,885,404	5,455,511	2,850,000	679,988,431
Interest received	22,483,190	49,298,681	207,455,546	155,303,579
Net cash from (used in) investing activities	(2,329,528,499)	(2,228,039,370)	771,228,456	(2,080,489,209)
<i>Cash flows from financing activities</i>				
Proceeds from borrowings	17,064,367,346	11,326,442,138	22,288,000,000	19,106,431,949
Repayment of borrowings	(10,037,659,612)	(10,916,280,339)	(22,228,000,000)	(16,798,382,858)
Proceeds from issue of shares	-	3,300,000	-	-
Payment of lease liabilities	(392,183,757)	(270,604,181)	(12,718,094)	(12,307,944)
Payment Dividend	(451,258,699)	(903,894)	(451,258,699)	-
Finance costs paid	(370,183,757)	(453,051,702)	(171,531,898)	(90,057,855)
Net cash from (used in) financing activities	5,813,081,521	(311,097,978)	(575,508,691)	2,205,683,292
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	(1,031,566,332)	(1,141,234,445)	25,640,203	(33,074,119)
Foreign currency translation differences for foreign operations	(81,855,594)	(27,530,782)	-	-
Net increase (decrease) in cash and cash equivalents	(1,113,421,926)	(1,168,765,227)	25,640,203	(33,074,119)
Cash and cash equivalents at 1 January	3,770,915,281	4,939,680,509	28,644,714	61,718,833
Cash and cash equivalents at 31 December	2,657,493,355	3,770,915,282	54,284,917	28,644,714
<i>Non-cash transactions</i>				
Payables for purchase of property, plant and equipment	-	279,140,254	-	-
Transfer equipment to inventories	-	1,107,784,547	-	-
Purchases of property, plant and equipment under finance lease agreements	-	70,134,030	-	-

The accompanying notes are an integral part of these financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Acquisitions of subsidiaries and non-controlling interests
5	Related parties
6	Cash and cash equivalents
7	Premiums due and uncollected
8	Reinsurance receivables
9	Operating lease receivables
10	Hire-purchase and finance lease receivables
11	Financial assets - Debt securities
12	Financial assets - Equity securities
13	Derivatives
14	Inventories
15	Loans
16	Investments in subsidiaries, associate, and joint venture
17	Investment properties
18	Leasehold rights
19	Property, plant and equipment
20	Other assets
21	Interest-bearing liabilities
22	Insurance contract liabilities
23	Reinsurance payable
24	Other liabilities
25	Share capital
26	Reserves
27	Segment information and disaggregation of revenue
28	Investment income
29	Gain (loss) on financial instruments
30	Gain (loss) on fair value change of financial instruments
31	Operating expenses
32	Employee benefit expenses
33	Expenses by nature
34	Expected credit loss (reversal)
35	Income tax expense
36	Earnings per share
37	Dividend
38	Risk management and financial instruments
39	Capital management
40	Securities and assets pledged with the Registrar
41	Restricted and collateral securities
42	Contribution to insurance fund
43	Commitments with non-related parties
44	Contingent liabilities
45	Events after reporting period
46	Reclassification of accounts

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 28 February 2022.

1 General information

Thai Group Holdings Public Company Limited “Company”, is incorporated in Thailand on 29 June 2018 and was listed on the Stock Exchange of Thailand on 31 July 2019. The Company’s registered office at 315 Southeast Building, Silom Road, Silom, Bangrak, Bangkok.

The Company’s major shareholders during the financial year were Pholmankhong Business Company Limited (45% shareholding) and Southeast Management Company Limited (31.4% shareholding). Both companies were incorporated in Thailand.

The principal activity of the Company is as a holding company. The principal activities of the Group are underwriting life assurance, underwriting non-life insurance, leasing, hire purchase services, lending and sales of second hand cars.

2 Basis of preparation of the financial statements

(a) *Statement of compliance*

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”); guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission, and the Notification of the Office of Insurance Commission (“OIC”) regarding “Rules, Procedures, Conditions and Timing for the Preparation and Submission of the Financial Statements and Reporting of the Operations of Life and Non-Life Insurance Companies” B.E. 2562 (No. 2), dated 4 April 2019, which are effective for annual periods beginning on or after 1 January 2020.

The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies which are disclosed in note to the financial statements have been applied consistently to all periods presented in these financial statements.

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in an associate and a joint venture. The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

(b) Basis of preparation of the financial statements for Southeast Insurance Public Company Limited (Subsidiary) (“SEIC”)

On 22 January 2022, the Board of Directors of Southeast Insurance Public Company Limited (“SEIC”), a subsidiary, resolved to discontinue the insurance business, transfer in-force policies to other insurers approved by Office of Insurance Commission (“OIC”), a regulator, and return the insurance license to OIC due to continued losses and uncertainty as to future losses and the reinsurance recoveries in relation to the COVID-19 policies.

As a consequence, the Board of Directors of SEIC has determined that the continued use of the going concern basis of accounting by SEIC is inappropriate, and accordingly the results of SEIC in the consolidated financial statements include certain adjustments, some of which involve a high degree of management judgment, to reflect the manner in which the assets of SEIC are expected to be realized and the liabilities settled. In particular:

1. The unexpired risk liability of the remaining COVID-19 policies – assumptions used in the estimation of this liability are shown in Note 22. As at 31 December 2021, SEIC recorded the gross unexpired risk reserve of Baht 3,412 million.
2. The transfer value of all non-COVID19 policies to other insurers. On 23 February 2022, SEIC has transferred all in-force policies, except for the COVID-19 policies, to Indara Insurance Public Company Limited (a subsidiary of TGH) and other 3 non-related insurance companies. No adjustment has been made to the carrying amount of these balances at 31 December 2021 as such transfers are not expected to result in a loss to SEIC
3. Management made certain other provisions in relation to the discontinuance of business of Baht 230 million.

In the separate financial statements of the Company, as noted in Note 16, the investment in SEIC was recorded at cost of Baht 438 million. The Company has recorded a full provision for the investment. The Company has no further exposure to possible losses of SEIC in separate financial statement.

(c) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- 3(r) Leases:
- whether an arrangement contains a lease;
 - whether the Group is reasonably certain to exercise extension options;
 - whether the Group exercise termination options;
 - whether the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees.
- 3(w) and 28 Revenue recognition:
- whether performance obligations in a bundled sale of products and services are capable of being distinct;
 - whether revenue from sales of products is recognised over time or at a point in time;
 - commission revenue: whether the Group acts as an agent in the transaction rather than as a principal;
- 16 Equity-accounted investees: whether the Group has significant influence over an investee;

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

(d) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2021 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

3(r)	Determining the incremental borrowing rate to measure lease liabilities;
3(g) 7 and 8	Measurement of allowance for doubtful debts of premiums due and uncollected reinsurance receivables;
3(d) 9 10 15 38	Measurement of ECL allowance for operating lease receivables, hire-purchase and finance lease receivables, loans, trade receivables and contract assets: key assumptions in determining the loss rate;
14	Measurement of net realisable value of inventory
17 and 19	Impairment test of investment properties; and property, plant and equipment: key assumptions underlying recoverable amounts
22	The estimation of unexpired risk liabilities according to the insured amount of COVID-19 products.
3(q) and 4	Impairment test of goodwill: key assumptions underlying recoverable amounts;
35	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised.
3(w) and 44	Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.
3(d) and 38	Determining the fair value of financial instruments on the basis of significant unobservable inputs.

Insurance contract liabilities

Insurance contract liabilities consist of long-term technical reserves and short-term technical reserves. The carrying amount as at the reporting date is provided in note 22.

Process involved in determining assumptions for long-term technical reserves

The Group determines the long-term technical reserves by using Net Level Premium Valuation based on assumptions such as mortality, morbidity and discount rates that were established at the time when insurance products were designed and were approved by the Office of Insurance Commission. The assumptions used for calculating the liabilities over the life of the contract are generally unchanged.

The Group determines the long-term technical reserves by using mortality rates based on Thai Mortality Table 2017 for insurance products which were designed and submitted to the Office of Insurance Commission since 1 September 2017 onward.

Process involved in determining assumptions of short-term technical reserves

The Group determined the loss reserve and outstanding claims in accordance the company procedures. The assumptions used in the estimation of liabilities are intended to result in provisions which are sufficient to cover any liabilities arising out of insurance contracts to the extent that can be reasonably foreseen.

However, given the uncertainty in establishing a provision for insurance claims, it is likely that the final outcome could prove to be significantly different from the estimated liability.

Provision is made at the reporting date for the expected ultimate cost of settlement of all claims incurred in respect of events up to that date, whether reported or not, together with related claims handling expenses, less amounts already paid.

The Group uses several statistical techniques to incorporate the various assumptions made in order to estimate the ultimate cost of claims, for example:

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

The Chain-ladder technique involves the analysis of historical claims development factors and the selection of estimated development factors based on this historical pattern. The selected development factors are then applied to cumulative claims data for each accident year. Chain-ladder techniques are most appropriate for those accident years and classes of business that have reached a relatively stable development pattern.

The Bornhuetter-Ferguson method uses a combination of a benchmark or market-based estimate and an estimate based on claims experience. The former is based on a measure of premiums; the latter is based on the paid or incurred claims to date. The two estimates are combined using a formula that gives more weight to the experience-based estimate as time passes. This technique has been used in situations in which developed claims experience was not available for the projection (recent accident years or new classes of business).

The choice of selected results for each accident year of each class of business depends on an assessment of the technique that has been most appropriate to observed historical developments.

Process involved in determining unexpired risk reserves

The Group determines the unexpired risk reserves based on the greater amount of unearned premium reserves and unexpired risk reserves.

Further information about the methods used in calculating the unearned premium reserves is disclosed in note 3(g).

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 2 (b) Basis of preparation of the financial statements for Southeast Insurance Public Company Limited (Subsidiary) ("SEIC").

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in an associate and a joint venture.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there are changes in the Group's interest in a subsidiary that do not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control are accounted for as other surpluses or deficits in shareholders' equity.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

The Group recognised investments in associates and joint ventures using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

The Group elect to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is an assets rather than a business acquisition when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquired is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business combination under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the transaction date. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

(b) Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payments is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

(c) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investments, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

(d) Financial instruments

(d.1) Classification and measurement

Debt securities that the Group issued are initially recognised when they are originated. Other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition or issue of the securities, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition or issue of the securities are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method or FVTPL. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

Financial assets measured at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss, gain or loss on derecognition are recognised in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividends income are recognised as income in profit or loss on the date on which the Group's right to receive payments is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(d.2) Derecognition and offsetting

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting or hedges of net investment in a foreign operation, in which case recognition of any resultant gain or loss depends on nature of the item being hedged (see note 4(d.4)).

(d.4) Hedging

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in a cash flow hedging reserve within equity.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the cash flow hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

(d.5) Impairment of financial assets other than trade accounts receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI, lease receivables, and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group/Company in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Significant estimates and judgements

The Group's and the Company's expected credit loss calculations are based on complex models with a series of underlying assumptions. The significant judgements and estimates in determining expected credit loss include criteria for assessing if there has been a significant increase in credit risk and development of expected credit loss models, including the choice of inputs relating to macroeconomic variables. The calculation of expected credit loss also involves expert credit judgement to be applied by management based upon counterparty information they receive from various internal and external.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Measurement

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.

Expected credit losses are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information. This includes forward looking information.

For material portfolios, the estimate of expected cash shortfalls is determined by multiplying the probability of default (“PD”) with percentage of the loss given default (“LGD”) with the expected exposure at the time of default (“EAD”).

Forward-looking macroeconomic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk. These assumptions are determined using all reasonable and supportable information, which includes both internally developed forecasts and those available externally and are consistent with those used for financial and capital planning.

Multiple forward-looking scenarios are incorporated into the range of reasonably possible outcomes for all material portfolios both in terms of determining the PD, LGD and EAD, where relevant, and in determining the overall expected credit loss amounts.

The estimate of expected cash shortfalls on a collateralised financial instrument reflects the amount and timing of cash flows that are expected from foreclosure on the collateral less the costs of obtaining and selling the collateral, irrespective of whether foreclosure is probable.

Cash shortfalls are discounted using the original effective interest rate on the financial instrument.

Expected credit loss recognition - Staging

Stage 1 Financial assets that are not significant increase in credit risk (Performing)

Expected credit losses are recognised at the time of initial recognition of a financial instrument and represent the cash shortfalls arising from possible default events up to 12 months into the future from the reporting date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of the instrument or the instrument becomes credit-impaired. If an instrument is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

Stage 2 Financial assets that are significant increase in credit risk (Under-performing)

If a financial asset experiences a significant increase in credit risk (“SICR”) since initial recognition, an expected credit loss is recognised for default events that may occur over the expected life of the financial instrument. SICR is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination, the significance of which being determined by using a number of quantitative and qualitative factors. Financial assets that are 30 or more days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

Stage 3 Financial assets that are credit-impaired (Non-performing)

Financial assets that are credit impaired or in default represent those that are at least/over 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit impaired where the customers 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 asset.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

Evidence that a financial asset is credit impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or borrower;
- Breach of contract such as default or a past due event;
- In process of asset repossession; and
- In process of litigation

Allowance for impairment loss against credit impaired financial assets are determined based on an assessment of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, representing the difference between the present value of the cash flows expected to be recovered, discounted at the instrument's original effective interest rate, and the gross carrying value of the instrument prior to any credit impairment.

Modifications of financial instruments

Where the original contractual terms of a financial asset have been modified for credit reasons and the instrument has not been derecognised, the resulting modification loss is recognised within impairment credit loss in profit or loss with a corresponding decrease in the gross carrying value of the asset.

Expected credit losses for modified financial assets that have not been derecognised and are not considered to be credit-impaired will be recognised on a 12-month basis, or a lifetime basis, if there is a significant increase in credit risk. These assets are assessed to determine whether there has been a significant increase in credit risk subsequent to the modification.

Write-offs of credit impaired instruments and reversal of impairment credit loss

To the extent a financial debt instrument is considered irrecoverable, the applicable portion of the gross carrying value is written off against the related allowance for impairment loss. Such financial instruments are written off after all the necessary procedures have been completed, it is decided that there is no realistic probability of recovery and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of impairment credit loss in the profit or loss.

If, in a subsequent period, the amount of the allowance for impairment loss decreases and the decrease can be related objectively to an event occurring after the credit impairment was recognised, such as an improvement in the debtor's credit rating, the previously recognised impairment loss is reversed by adjusting the allowance for impairment loss. The amount of the reversal is recognised in the profit or loss.

Improvement in credit risk

A period may elapse from the point at which instruments enter stage 2 or stage 3 and are reclassified back to stage 1. For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to stage 1 when the original PD based transfer criteria are no longer met. Where instruments were transferred to stage 2 due to an assessment of qualitative factors, the issues that led to the reclassification must be cured before the instruments can be reclassified to stage 1. This includes instances requiring that action to be resolved before financial instruments are reclassified to stage 1.

(d.6) Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

(d.7) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(e) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits, and highly liquid short-term investments, with maturity of three months or less at the date of acquisition to cash equivalents.

(f) Classification of insurance contracts and investment contracts

The Group issues life insurance contracts that transfer insurance risk. These are classified as insurance contracts.

Insurance contracts are those contracts under which the Group accepts significant insurance risk from the policyholder by agreeing to compensate the policyholder or other beneficiary if a specified uncertain future event adversely affects the policyholder or other beneficiary. Once a contract had been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period.

Investment contracts are those contracts that transfer financial risk with no significant risk.

The Group defines as significant insurance risk the possibility of having to pay benefits on the occurrence of an insured event that are at least significant level more than the benefits payable if the insured event did not occur.

The Group does not unbundle any insurance contracts as its accounting policy recognises all premium, premium ceded, claims and loss adjustment expenses, and claims and loss adjustment expenses recovered from reinsurers through the profit or loss.

(g) Recognition and measurement of insurance contracts

Premiums due and uncollected

Premiums due and uncollected are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Insurance contract liabilities consist of long-term technical reserves, loss reserve and outstanding claims and premium reserves.

Long-term technical reserves

A liability for contractual benefits and claims that are expected to be incurred in the future is recorded when the premiums are recognised and is released when benefits and claims are incurred. The liability is measured using assumptions considered to be appropriate for the policies in force. The reserves are calculated by an internal actuary of the Group and using an actuarial method "Net Level Premium Valuation" based on assumptions for mortality, morbidity and discount interest rate that were established at the time when insurance products were designed and were approved by the Office of Insurance Commission.

Loss reserve and outstanding claims

The purpose of loss reserve and outstanding claims is to cover the ultimate cost of settling an insurance claim. Claims reserves are not discounted.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

The loss reserve and outstanding claims include claims incurred and reported, and claims incurred but not reported (IBNR) as well as claim handling costs including unallocated loss adjustment expenses (ULAE). The outstanding claims are recorded based on formal written confirmation of the claim amount to be paid, surveyor report or the Group's past experience on claim development. IBNR calculation is based on historical claims data, current trends, and actual payment patterns for all insurance business lines and anything else that could impact amounts to be paid in accordance with actuarial technique.

Premium reserve

Premium reserves consist of unearned premium reserve (UPR) and unexpired risk reserve (URR). Premium reserve is unearned premium reserve and is calculated using written premiums for short-term insurance contracts and group insurance in accordance with the pattern of risk underwritten or a pro-rata basis of the premium based on the remaining duration of each policy. Unearned premium reserve (UPR) represents the prorated portion of written premiums that relates to the unexpired period.

Unexpired risks reserve

Unexpired risks reserve is the reserve for the claims, which may occur, of the in-force policy. Unexpired risks reserve is set aside using an actuarial method. The reserve is calculated as the best estimate of the claims, which are expected to occur during the remaining coverage periods, based on the historical claims data.

As at the end of reporting period, the Group compares the amount of unexpired risks reserve with unearned premium reserve, and if unexpired risks reserve is higher than unearned premium reserve, the difference is recognised as unexpired risks reserve in the financial statements.

Unpaid policy benefits

Unpaid policy benefits represent claims and benefits payable to policyholder in relation to deaths, surrenders, dividends, maturities and policyholder deposits in respect of maturities and other payments and policyholder deposits in respect of maturities and including related interest payable. Unpaid policy benefits are recognised at cost.

Due to insured

Due to insured consist of the advance premium received from insured and the money as the Group has to pay to insured other than the benefit under the insurance policy condition. Due to insured are recognised at cost.

Premiums

Short-term insurance contracts

Premium income on non-life / short-term insurance contracts is recognised as revenue on the inception date of the insurance contract that meets the risk transfer requirement and are presented gross of premium ceded and commission and brokerage expense. Net premium earned are presented net premium written and change in unearned premium reserve. Otherwise, deposit accounting shall be applied. For inward reinsurance, premiums are recorded based on the declaration made by the ceding company or the term specified on the reinsurance contracts.

The Group recognises premium of multiple-year contracts as premium received in advance and records related expenses as prepaid. The prepaids are expensed over the contractual period of the unexpired risk.

Long-term (life) insurance contracts

First year premium written for long-term (life) insurance contracts is recognised as revenue when the insurance policy is effective (or premium is received and insurance policy is approved). Renewal premium income is recognised as revenue when premium is due and if the policy is still inforce at the end of the reporting period. First year premium written and renewal premium income are presented gross of premium ceded and commissions and brokerage expenses.

Premium received in advance is not recognised until the due date.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Commission and brokerage income

Commission and brokerage income are charged to current operations as incurred.

Benefits, claims and loss adjustment expenses

Benefits, claims and loss adjustment expenses consist of benefit, claims and loss adjustment expenses of direct insurance and reinsurance, and include the amounts of claims, related expenses and loss adjustments of current and prior period incurred or approved during the year, less residual value and other recoveries (if any) and claims refundable from reinsurers.

Benefits, claims and loss adjustment expenses of direct insurance are recognised upon the receipt of the claims advice from the insured, based on the claims notified by the insured and estimates made by the Group's management or when benefits are due as stipulated in the insurance policy terms. The maximum value of claims estimated is not however, to exceed the sum-insured under the relevant policy.

Claims and loss adjustment expenses of reinsurance are recognised as expenses when the reinsured company submits the loss advice or the statement of accounts with the Group.

Salvage and subrogation recoveries

Salvage and subrogation recoveries are included in other assets. For salvage recoveries, the amount recognised is the amount that can be reasonably recovered from the disposal of that asset. For subrogation reimbursements is the amount that can reasonably be expected to be recovered from the action against the liable third party and is recorded net of related cost and allowance for doubtful accounts. The allowance for doubtful accounts is assessed primarily on the analysis of recovery and future expectation of recovery from third parties.

Commission and brokerage expenses

Acquisition costs which represent commission and other direct related expenses are charged to current operations as incurred.

Reinsurance transactions

Transactions relating to reinsurance assumed and ceded are accounted for and presented in the statements of financial position and comprehensive income in the same manner as the direct business transactions. The reinsurance arrangements do not relieve the Group from its direct obligations to its policyholders.

Reinsurance receivables and assets are the Group's net contractual rights under reinsurance agreements. These consist of accrued reinsurance commission, claim receivables and other amounts due from reinsurers. The allowance for impairment of reinsurance assets is established based on latest publicly available credit rating information and past collection experiences.

Due to reinsurers represents the amounts payable to reinsurers and the amounts withheld on reinsurance. Outstanding payables consist of reinsurance premiums and other payables due to reinsurers.

The reinsurance assets and liabilities are presented on a net basis in the statement of financial position when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. The measurement of reinsurance assets is consistent with the measurement of the underlying insurance contracts.

Premium ceded, reinsurer's share of change in unearned premium reserve, fee and commission income and claims and loss adjustment expenses recovered from reinsurers are recognised as expense or income in accordance with the pattern of reinsurance service received when incurred.

Amounts recoverable under reinsurance contracts are assessed for impairment at reporting date. Such assets are deemed impaired if there is objective evidence, as a result of an event that occurred after its initial recognition, that the Group may not recover all amounts due and that the event has a reliably measurable impact on the amounts that the Group will receive from the reinsurer.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Liability adequacy test

Short-term insurance contracts

The liability of the Group under short-term insurance contracts is tested for adequacy by comparing the best estimate of future contractual cash flows with the carrying amount of gross insurance contract provisions for unearned premiums and insurance claims at the end of reporting period by using an actuarial method based on historical claims and expense. Where an expected shortfall is identified, additional provisions are made for unearned premiums or insurance claims and are recognised in profit or loss.

Long-term life insurance contracts

The liability of the Group under long-term insurance contracts is tested for adequacy by comparing the best estimate of future contractual cash flows by using current assumptions with the carrying amount of gross insurance contract provisions for long-term technical reserves. Where an expected shortfall is identified, additional provisions are made for long-term technical reserves and are recognised in profit or loss.

An additional provision for liability inadequacy is made where the reserves calculated by using another actuarial method "Gross Premium Valuation" of policies in force at the reporting date based on the best estimate basis exceeds the liabilities, which calculated by the Net Level Premium Reserves method.

The assumptions used in the Gross Premium Valuation is in accordance with the Notification of Office of Insurance Commission regarding Assessment of Assets and Liabilities of Life Insurance Company B.E. 2554 except for the discount interest rate which the Group uses the adjusted current risk-free interest rate for the purpose of the liability adequacy test in accordance with industry practice.

(h) *Operating lease receivables and other receivables*

Operating lease receivables and other receivables are stated at their invoice value less allowance for expected credit loss.

(i) *Hire-purchase and finance lease receivables*

Hire-purchase and finance lease receivables are stated at the outstanding balances plus deferred commission expense and deferred initial direct cost net from unearned interest income after deducting allowance for expected credit loss.

(j) *Factoring receivables*

Factoring receivables is stated at principal balance less allowance for expected credit loss.

(k) *Inventories*

Assets held for operating leases are transferred to inventories on the date that they cease to be rented and are held for sale. These are measured at the lower of the book value at that date and net realisable value. Cost of inventories is calculated using the specific method. Cost includes direct costs incurred in acquiring the inventories. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sell.

(l) *Loans*

Loans are stated at principal amounts less allowance for expected credit loss.

(m) *Property foreclosed*

Properties foreclosed are acquired through loan settlement or auction purchase under the order of the court or receiver. Foreclosed properties are initially recognised at cost and subsequently measured at revalued amounts, less impairment loss.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Property foreclosed under hire purchase and finance lease contracts, which were repossessed from default customers, are valued at the lower of the net receivable balance and the market value of such repossessed vehicles after deduction of allowance for losses on decline in value in the statement of income.

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or disposal group, are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and investment properties. Impairment losses on initial classification as held for sale or held for distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

The Group recognises gains (losses) on disposal of assets in profit or loss when the assets are disposed.

(n) Investment properties

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of building and building improvements 5 - 30 years and recognised in profit or loss. The Group does not charge depreciation on freehold land and assets under construction.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

(o) Leasehold rights

Leasehold rights are measured at cost less accumulated depreciation and impairment losses.

The cost of leasehold rights comprises specifically identified costs, including directly attributable cost for leasehold rights, development expenditure, borrowing costs and other related expenditure. Borrowing cost payable on loans funding land leasehold rights are capitalized, on a specific identification basis, as part of the cost of the leasehold rights until the completion of development.

Amortisation is charged to cost of investment properties (work in process) on a straight-line basis over the lease period as follows:

Leasehold rights	60 years
------------------	----------

(p) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses except for land and buildings which are measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss. When there is a disposal of revalued assets, the amount recognised in revaluation reserve is reclassified to retained earnings.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Revaluations of assets are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date. Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the “revaluation reserve” in other components of equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset, the increase is recognized in profit or loss. A decrease in value is recognised in profit or loss to the extent it exceeds the revaluation reserve previously recognised in other comprehensive income in respect of the same asset. The revaluation reserve is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset’s original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation reserve is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. The estimated useful lives are as follows:

Buildings and building improvements	20 - 94 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	3 - 12 years
Assets held for operating lease	Over the lease period

No depreciation is provided on freehold land or assets under installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(q) Intangible assets

Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Other intangible assets

Intangible assets that have finite useful lives are measured at cost less impairment losses. Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and is recognised in profit or loss. The estimated useful lives for the current and comparative periods are as follows:

Software licence	3 and 10	years
Leasehold rights	27.4	years

No amortisation is provided on software under implementation.

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(r) Leases

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Group is an intermediate lessor, the Group classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Right-of-use assets is presented in the investment properties.

The Group recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of rental income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as rental income in the accounting period in which they are earned.

The Group derecognises and determines impairment on the lease receivables as disclosed in note 3(d).

(s) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(t) Employee benefits

Defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(u) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(v) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(w) Revenue from contracts with customers

(1) Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

Revenue for rendering of services is recognised over time based on stage of completion. The stage of completion is assessed based on surveys of work performed. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

(2) Contract Balances

Contract assets are recognised when the Group has recognised revenue before it has an unconditional right to receive consideration. The contract assets are measured at the amount of consideration that the Group is entitled to, less allowance for expected credit loss. The contract assets are classified as trade receivables when the Group has an unconditional right to receive consideration.

Contract liability are the obligation to transfer goods or services to the customer. The contract liability are recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

A refund liability is the obligation to refund some or all of the consideration received from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The refund liability is reassessed at each reporting date and make a corresponding change to the amount of revenue recognized.

(x) Other incomes

Income from operating lease contracts

Income from operating lease contracts is recognised in profit or loss using sum total of rental income from the contracts on a straight-line basis (monthly) over the term of the lease. In case of renewal of lease contracts after prior contracts are expired, income from operating lease contracts is recognised using sum total of rental income from new contracts on a straight-line basis (monthly) over the term of the new lease.

Income from hire-purchase contracts and finance lease contracts

Income from hire-purchase contracts and finance lease contracts are recognised in profit or loss over the term of lease by using the effective interest rate method.

Income from sale of assets under operating lease contracts

Revenue from sale of assets under operating leases contracts (inventory) is recognised on the date on which the goods are delivered to the customers. For contracts with a right of return, the Group estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

Gains or losses from sale and leaseback

For sale and leaseback transactions resulting in finance leases, gains are deferred and amortised on a straight-line basis over the lease term, while losses are recognised immediately in the statement of comprehensive income. For sale and leaseback transactions resulting in operating leases, gains and losses on transactions established at fair value are recognised immediately in the statement of comprehensive income. If the selling price exceeds fair value, then that excess is deferred and amortised over the period for which the asset is expected to be used. If the selling price is at or below fair value, then the gain or loss is recognised immediately in the statement of comprehensive income.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

(y) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(z) Investments income

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

(aa) Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred.

(bb) Expenses

Commissions and direct cost from hire purchase

Initial direct expenses at the inception of a hire purchase are to be amortised using the effective interest method, with amortisation deducted from interest income throughout the contract period, in order to reflect the effective rate of return on the contracts.

Other underwriting expenses, investment expenses and operating expenses

Other underwriting expenses, investment expenses and operating expenses are recognised in profit or loss as expenses on an accrual basis.

(cc) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(dd) Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding during the period.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

(ee) Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

(ff) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Acquisition of subsidiaries and non-controlling interests

4.1 Business combination with Me Insurance Services Company Limited ("MEIS")

On 1 July 2021, Capital Services Holding Co., Ltd. ("CSH") the indirect subsidiary, which the Company hold through Asiatic House Co., Ltd. ("ASH") 99.99% of the total shares to signed an ordinary share purchase agreement with Big C Supercenter Public Company Limited to acquire 10.80 million ordinary shares, total acquisition cost 1 Baht for 68.79% equity interest in Me Innovation Service Services Co., Ltd. ("MEIS") formerly known as Big C Services Co., Ltd. so the shareholding of Capital Services Holding Co., Ltd. increase from 31.21% to 99.99% of total issue and paid up share of as MEIS. Therefore, CSH ASH and the Group obtained the control over MEIS and changed their status from an associated company to an indirect subsidiary of the Group. These major shareholders and the Company are under common control of the ultimate controlling shareholder before and after the acquisition date and that control was not transitory. Consequently, the Group obtained the control over MEIS as at the acquisition date and the consolidated financial statements have been prepared on the basis of a business combination under common control. The acquired net assets and interest of share purchased are accounted for at book values as similar to pooling of interests' method. In this regard, the Company has prepared the consolidated financial statements (restated) for comparative purposes by presenting the Company and its subsidiaries which are under common control as one economic unit.

The difference between the fair value of consideration transferred and book value of net assets of the MEIS Group at the acquisition date amounting to Baht 1.32 million presented as "Difference arising from business combination under common control" and recognised directly in equity of the consolidated financial statements.

The major classes of the carrying amounts of assets acquired and liabilities from MEIS Group, which was the date of the business combination under common control are as follow:

	The Group of Me Innovation Services Company Limited (in thousand Baht)
Cash and cash equivalents	22,710
Property, plant and equipment	1,059
Intangible assets	17,513
Deferred tax assets	526
Other assets	34,865
Borrowing	(45,514)
Provision for employee benefits	(2,632)
Other liabilities	(27,205)
Total identifiable net assets - net from intra-group transactions	1,322
<i>Less</i> Non-controlling interest (0.01%)	-
Total identifiable net assets received - according to shareholding	1,322
The fair value of consideration transferred	-
Difference arising from business combination under common control	1,322

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

4.2) Business combination with Indara Insurance Public Company Limited (“INSURE”)

In the meeting of Board Of Directors of Thai Group Holding Public Company Limited (“the Company” or “TGH” held on 23 March 2020, it was resolved to approved Rod Dee Det Auto Company Limited (“RDD” or “Tender Offeror”) the subsidiary, which the Company holds 99.99% of all shares to submit Application Form for Voluntary Tender Offer for all of the ordinary shares of Indra Insurance Public Company Limited (“INSURE”). Accordingly, on 26 March 2020, the Tender Offeror submitted an announcement of intention to make a tender offer (Form 247-3), to the Office of the Securities and Exchange Commission (“SEC”) and the Stock Exchange of Thailand (“SET”) and INSURE.

This Tender Offer is for a business restructuring aiming to eliminate conflicts of interest arising from having the major shareholder holds shares in a listed company operating the same business and in order to comply with the rules to eliminate conflicts of interest in accordance with the announcement of the Capital Market Supervisory Board and to increase the clarity in the business operations of insurance and finance under TCC group, whereby TGH is the parents’ company together with the objective of strengthen the insurance business of the TGH Group by expanding distribution channels and increasing market share in retail insurance segment, as well as, combining the expertise of both companies to enhance competitiveness and opportunities for mutual future business growth.

On 7 April 2020, Rod Dee Det Auto Company Limited (“RDD”), submitted a tender offer for all issued shares of INSURE to the office of the Securities and Exchange Commission, the Stock Exchange of Thailand and INSURE. For a tender offer period starting from 8 April 2020 until 15 May 2020, having a close period starting from 8 May 2020 until 15 May 2020 during which the tender offer submitted cannot be revoked.

On 12 May 2020 (the acquisition date), RDD and ultimately the Company obtained the control over INSURE when the major shareholder TCC Land Company Limited along with other minority shareholder submitted their tender offer totaling 7,497,409 shares, representing 74.97% of total issued and paid up share of INSURE. On 15 May 2020, (the closing date of tender offer), RDD obtained shares of INSURE from the complete tender offer, totaling 7,506,358 shares, representing 75.06% of total issued and paid up shares of INSURE. RDD paid the consideration in cash amounting to Baht 262.72 million to the offeree representing 35 Baht per share acquired.

This transaction is the business combination under common control as the Company and INSURE were all under common control of the same ultimate controlling shareholders before and after the acquisition date, and that control was not transitory. The consolidated financial statements have been prepared on the basis of a business combination under common control. The acquired net assets and interest of share purchased are accounted for at book values as similar to pooling of interests’ method. In this regard, the Company has prepared the consolidated financial statements (restated) for comparative purposes by presenting the Company and its subsidiaries which are under common control as one economic unit.

The difference between the fair value of consideration transferred and book value of net assets of INSURE at the acquisition date amounting to Baht 70.68 million presented as “Difference arising from business combination under common control” and recognised directly in equity of the consolidated financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

The following summarises the consideration transferred for business combination under common control, and the recognised amounts of net assets transferred from INSURE:

Consideration transferred	Fair value <i>(in thousand Baht)</i>
Cash and cash equivalents	262,723
	<u>262,723</u>
	Consolidated financial statements <i>(in thousand Baht)</i>
Cash and cash equivalents	55,031
Premiums due and uncollected	29,706
Accrued investment income	2,058
Reinsurance assets	173,047
Reinsurance receivables	2,138
Investments in securities	383,889
Loans and accrued interest	139
Properties foreclosed	570
Property, plant and equipment	122,812
Right-of-use assets	13,012
Intangible assets	193
Deferred tax assets	29,059
Other assets	44,055
Insurance contract liabilities	(420,782)
Reinsurance payables	(112,159)
Lease liabilities	(13,078)
Provision for employee benefits	(18,058)
Other liabilities	(35,783)
Total identifiable net assets	<u>255,849</u>
<i>Less Non-controlling interest (24.94%)</i>	<u>(63,809)</u>
Total identifiable net assets received	192,040
<i>Add Difference arising from business combination under common control</i>	<u>70,683</u>
Consideration transferred	<u><u>262,723</u></u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

5. Related parties

Relationships with subsidiaries, associates and joint ventures are described in notes 16. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities/persons	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Pholmankhong Business Company Limited	Thailand	Major shareholder, holding 45.00% shares
Southeast Management Company Limited	Thailand	Major shareholder, holding 31.40% shares
Big C Supercenter Public Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Thai Beverage Public Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Berli Jucker Public Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Thip Sugar Kamphaengphet Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Thip Sugar Sukhothai Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Sermsuk Public Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Oishi Group Public Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
T.C.C. Commercial Property Management Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
TCC Hotel Collection Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Thai Beverage Logistic Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Thai Malaya Glass Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Asset World Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Cristalla Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
DL Engineering Solution Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly
Horeca Management Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Fraser's Centrepoint Limited	Singapore	Controlling equity holders hold substantial share indirectly
Terragro Fertilizer Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Num Kijjakarn Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Num Nakorn Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Num Turakij Company Limited	Thailand	Controlling equity holders hold substantial share indirectly

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Name of entities/persons	Country of incorporation/ nationality	Nature of relationships
Num Palang Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Num Muang Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Num Yuk Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Numrunrod Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pomkit Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pomklung Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pomcharoen Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pomchok Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pomthip (2012) Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pomnakorn Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pomburapa Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Pompalang Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Cash Van Management Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Southeast Management Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
Siam Realty Company Limited	Thailand	Controlling equity holders hold substantial share indirectly
The Thai Insurance Public Company Limited	Thailand	Controlling equity holders hold substantial share indirectly (TGH's subsidiary until 27 September 2021)
The Southeast Group International Limited	British Virgin Islands	Common directors
Sara Insurance Broker Company Limited	Thailand	Director related to key management of a subsidiary
Millennium Insurance Broker Company Limited	Thailand	Director related to key management of a subsidiary
Frasers Property Holdings (Thailand) Company Limited	Thailand	Indirect equity holders
Frasers Property (Thailand) Public Company Limited. (formerly "TICON Industrial Connection Public Company Limited")	Thailand	Common director and indirect equity hold substantial share indirectly
Sino-Thai Engineering and Construction Public Company Limited	Thailand	Common director
Hemaraj Leasehold Real Estate Investment Trust	Thailand	Common director
Golden Ventures Leasehold Real Estate Investment Trust	Thailand	Common director and indirect equity holders hold substantial trust indirectly

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Name of entities/persons	Country of incorporation/ nationality	Nature of relationships
Frasers Property Thailand Industrial Freehold&leasehold Reit (formerly “TICON Freehold and Leasehold Real Estate Investment Trust”)	Thailand	Indirect equity holders hold substantial trust indirectly
Frasers Hospitality Trust	Singapore	Directors and controlling equity holders hold substantial share indirectly
Southeast Joint Venture Company Limited	Thailand	Directors and controlling equity holders hold substantial share indirectly

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Gross premium written	Agreed prices
Income from operating lease contracts	Agreed prices
Income from hire-purchase and finance lease contracts	Agreed prices
Dividend income	As declared
Interest income	Rate as mutually agreed with reference to interest rates
Other income	Agreed prices
Benefits payments	Agreed prices
Commissions and brokerage expense	Agreed rates
Finance costs	Rates as mutually agreed with reference to interest
Operating expenses	Agreed prices
Sale on investment property	Market prices
Rental expense	Market price, Contractual price
Advisory fee income	Agreed prices
Income from sale of investment	Agreed prices

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2021	2020
<i>(in thousand Baht)</i>					
Subsidiaries					
Advisory fee income		-	-	153,000	4,800
Interest income		-	-	202,704	201,999
Dividend income		-	-	-	674,589
Other income		-	-	7,321	-
Operating expenses		-	-	16,237	14,351
Key management personnel					
Key management personnel compensation					
Short-term employee benefits <i>(included director remuneration)</i>		135,036	196,702	12,023	33,744
Post-employment benefits		15,248	16,794	928	3,773
Other long-term benefits		4,772	6,756	623	1,239
Total key management personnel compensation		155,056	220,252	13,574	38,756
Other related parties					
Gross premium written		1,405,887	1,030,978	-	-
Income from operating lease contracts		662,502	818,233	-	-
Income from hire-purchase and finance lease contracts		2,844	3,504	-	-
Dividend income		79,830	87,196	-	-
Interest income		151,546	141,841	-	-
Loss on disposal of investments		(1,507)	(7,856)	-	-
Gain (loss) on sell of investment in subsidiary	16	7,099,764	-	(532,253)	-
Other income		4,299	38,678	-	-
Benefit payments		473,462	148,400	-	-
Benefit payment from reinsurance		4,415,616	-	-	-
Commissions and brokerage expense		382,654	405,131	-	-
Finance costs		88	90,229	-	-
Operating expenses		95,090	44,834	282	-

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Balances as at 31 December with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated) <i>(in thousand Baht)</i>	2021	2020
<i>Premiums due and uncollected</i>				
Other related parties	246,785	210,650	-	-
Less allowance for doubtful accounts	(5,177)	(4,446)	-	-
Net	241,608	206,204	-	-
Bad and doubtful debts expense for the year	731	233	-	-
<i>Reinsurance assets</i>				
Other related parties	1,168,909	-	-	-
<i>Operating lease receivables</i>				
Other related parties	83,294	81,382	-	-
<i>Finance lease receivables</i>				
Other related parties	30,254	21,603	-	-
<i>Investments in securities</i>				
Other related parties	5,989,512	6,433,715	-	-
<i>Other assets</i>				
Subsidiaries	-	-	257,730	105,585
Other related parties	170,538	38,652	-	-
Total	170,538	38,652	257,730	105,585
<i>Loss reserves and outstanding claims</i>				
Other related parties	232,201	144,915	-	-
<i>Reinsurance payables</i>				
Other related parties	1,168,909	-	-	-
<i>Other liabilities</i>				
Subsidiaries	3,888	-	7,528	563
Other related parties	52,421	101,814	-	42,592
Total	56,309	101,814	7,528	43,155

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Movements for the year ended 31 December of loans to related parties were as follows:

	Interest rate		Separate financial statements			At 31 December 2021
	At 31 December 2020 (% per annum)	At 31 December 2021	At 31 December 2020	Increase Decrease (in thousand Baht)		
Short-term loans to Subsidiaries	2.34 - 2.88	2.31 - 2.61	2,953,412	7,319,387 (7,443,099)		2,829,700
Long-term loans to Subsidiaries	2.18 - 2.55	2.14 - 2.51	5,531,968	11,000 (232,300)		5,310,668
			<u>8,485,380</u>			<u>8,140,368</u>

Significant agreements with related parties

Reinsurance agreements

As at 15 June 2021, two subsidiaries entered into a reinsurance agreement. Then in September 2021 the status of the reinsurance company changed to related party as mentioned in note to financial statement 16. The reinsurance agreements are insurance policies under personal accident insurance and illness from Corona virus 2019 (COVID-19) of both group and personal for the protection against infection since 1 July 2021. As at 31 December 2021, the Group had reinsurance assets with the said related party of Baht 1,168.91 million and reinsurance payable of Baht 1,168.91 million in respect of Cash Call received in advance.

Leasehold rights

During the year 2019, a subsidiary has entered into two long-term lease agreements with a related party; the first contract is valid for 30 years since 1 September 2019 until 31 August 2049 and the second contract is valid for 30 years since 1 September 2049 until 31 August 2079. As such, during September 2019, the subsidiary has paid total amount in advance of land use rights of Baht 1,364.85 million. Subsequently, the Board of Directors of the subsidiary has resolved to cancel the property development project and to use this property as subsidiary's office building or welfare of employees as appropriate. At present, it has been in processing of subsidiary's head office construction.

Office rental and services agreements

A subsidiary entered into office rental and services agreements with the Company and related parties to provide office rental and services. The agreements for the period of 2 years starting from 1 January 2020 to 31 December 2021. The Group and the Company committed to pay rental and service fees at the rates as stipulated in the agreements.

Service agreement

During the year, the Group entered a support service agreement of the consultation of management with subsidiaries. The agreement period is 12 months starting from 1 January 2021 to 31 December 2021 and continuing one year except for the cancel agreement by each party in advance notice 30 days. Subsidiaries committed to pay a service fee at the rate as stipulated in the agreement.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

6. Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	8,552	10,284	133	33
Cash at banks - Call deposits	2,326,270	3,159,596	54,152	28,612
Cash at bank - Time deposits	20,000	20,000	-	-
Highly liquid short-term investments	302,671	581,035	-	-
Cash and cash equivalents	2,657,493	3,770,915	54,285	28,645

7. Premiums due and uncollected

Aging analyses for premiums due and uncollected were as follows:

<i>At 31 December</i>	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Related parties		
Within credit terms	151,080	106,750
Overdue:		
less than 30 days	23,496	30,129
30 - 60 days	57,556	68,410
60 - 90 days	1,084	(214)
90 days - 1 year	12,843	6,533
more than 1 year	725	(958)
Total	246,784	210,650
Less allowance for doubtful accounts	(5,177)	(4,446)
	241,607	206,204
Other parties		
Within credit terms	935,951	1,026,559
Overdue:		
less than 30 days	74,955	110,071
30 - 60 days	86,680	76,144
60 - 90 days	10,103	25,545
90 days - 1 year	32,435	67,173
more than 1 year	63,544	103,695
Total	1,203,668	1,409,187
Less allowance for doubtful accounts	(69,294)	(139,691)
	1,134,374	1,269,496
Net	1,375,981	1,475,700
Reversal bad and doubtful debts expense for the year	(69,666)	(21,873)

The normal credit term of insured, agents and brokers granted by the Group for non-life insurance business ranges from 30 days to 60 days.

For premiums due and uncollected from agents and brokers, the Group has established collection guidelines in accordance with the regulatory requirement for premium collection. For overdue premiums due and uncollected, the Group is pursuing legal proceedings against such agents and brokers.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

The allowable grace period of life insurance policies is 31 days and 90 days from the due date for individual and group policies, respectively.

For individual policies which are over the grace period the premium due and uncollected will be settled by granting an automatic policy loan where the policy has a cash surrender value.

8. Reinsurance receivables

Reinsurance receivable consist of due from reinsurers and deposit on reinsurance.

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Due from reinsurers	497,399	912,783
Deposit on reinsurance	-	5
Total	497,399	912,788
<i>Less</i> allowance for doubtful accounts	<i>(31,634)</i>	<i>(31,634)</i>
Net	465,765	881,154
Reversal bad and doubtful debts expense for the year	-	(55,483)

Aging analyses for due from reinsurers were as follows:

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
<i>At 31 December</i>		
Other parties		
Within due	341,412	345,583
Overdue:		
less than 1 year	83,358	336,139
within 1 - 2 years	38,969	196,108
more than 2 years	33,660	34,953
Total	497,399	912,783
<i>Less</i> allowance for doubtful accounts	<i>(31,634)</i>	<i>(31,634)</i>
Net	465,765	881,149

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

9. Operating lease receivables

Aging analyses for operating lease receivables were as follows:

<i>At 31 December</i>	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Related parties		
Within credit terms	71,282	70,030
Over due:		
less than 3 months	9,462	10,446
3 - 6 months	1,798	906
6 - 12 months	752	-
	83,294	81,382
Other parties		
Within credit terms	300,760	288,306
Over due:		
less than 3 months	74,096	63,655
3 - 6 months	4,048	5,875
6 - 12 months	2,059	5,765
more than 12 months	1,117	976
Total	382,080	364,577
<i>Less</i> allowance for expected credit loss	(3,786)	(1,507)
	378,294	363,070
Net	461,588	444,452

The normal credit term of operating lease receivables granted by the Group ranges from 30 days to 60 days.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

10. Hire purchase and finance lease receivables

	Consolidated financial statements						
	2021						
	Portion due within one year	Portion due over one year but within two years	Portion due over two years but within three years	Portion due over three years but within four years	Portion due over four years but within five years	Portion due over five years	Total
	<i>(in thousand Baht)</i>						
Hire purchase receivables	55,470	44,386	26,647	17,811	10,376	3,725	158,415
Finance lease receivables	581,213	331,114	4,794	3,553	1,597	-	922,271
	<u>636,683</u>	<u>375,500</u>	<u>31,441</u>	<u>21,364</u>	<u>11,973</u>	<u>3,725</u>	<u>1,080,686</u>
Add deferred commission expense	874	705	422	282	165	59	2,507
	<u>637,557</u>	<u>376,205</u>	<u>31,863</u>	<u>21,646</u>	<u>12,138</u>	<u>3,784</u>	<u>1,083,193</u>
Less unearned interest income	(88,781)	(17,613)	(4,179)	(2,855)	(1,626)	(527)	(115,581)
Total	548,776	358,592	27,684	18,791	10,512	3,257	967,612
Less allowance for expected credit loss	(30,013)	(23,843)	(13,808)	(9,215)	(5,405)	(1,941)	(84,225)
Net	518,763	334,749	13,876	9,576	5,107	1,316	883,387

	Consolidated financial statements						
	2020						
	(Restated)						
Portion due within one year	Portion due over one year but within two years	Portion due over two years but within three years	Portion due over three years but within four years	Portion due over four years but within five years	Portion due over five years	Total	
	<i>(in thousand Baht)</i>						
Hire purchase receivables	162,467	35,353	21,881	6,407	2,130	655	228,893
Finance lease receivables	189,783	578,146	328,189	916	170	-	1,097,204
	<u>352,250</u>	<u>613,499</u>	<u>350,070</u>	<u>7,323</u>	<u>2,300</u>	<u>655</u>	<u>1,326,097</u>
Add deferred commission expense	1,882	411	254	74	25	8	2,654
	<u>354,132</u>	<u>613,910</u>	<u>350,324</u>	<u>7,397</u>	<u>2,325</u>	<u>663</u>	<u>1,328,751</u>
Less unearned interest income	(130,300)	(85,083)	(13,562)	(809)	(260)	(80)	(230,094)
Total	223,832	528,827	336,762	6,588	2,065	583	1,098,657
Less allowance for expected credit loss	(59,566)	(12,994)	(8,043)	(2,355)	(783)	(241)	(83,982)
Net	164,266	515,833	328,719	4,233	1,282	342	1,014,675

	Consolidated financial statements	
	2021	2020
	(Restated)	
	<i>(in thousand Baht)</i>	
Expected credit loss for the year	<u>243</u>	<u>3,529</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Aging analyses for hire-purchase and finance lease receivables were as follows:

<i>At 31 December</i>	<i>Note</i>	Consolidated financial statements	
		2021	2020 (Restated)
		<i>(in thousand Baht)</i>	
Related parties			
Within credit terms		34,097	26,439
Less unearned interest income		(3,843)	(4,836)
Total	5	<u>30,254</u>	<u>21,603</u>
Other parties			
Within credit terms		1,020,208	1,240,764
Overdue:			
less than 3 installments		17,520	44,343
4 - 6 installments		2,781	6,660
6 - 12 installments		2,786	3,145
more than 12 installments		3,294	4,746
		<u>1,046,589</u>	<u>1,299,658</u>
Add deferred commission expense		2,507	2,654
		<u>1,049,096</u>	<u>1,302,312</u>
Less unearned interest income		(111,738)	(225,258)
Total		<u>937,358</u>	<u>1,077,054</u>
Less allowance for expected credit loss		(84,225)	(83,982)
		<u>853,133</u>	<u>993,072</u>
Net		<u>883,387</u>	<u>1,014,675</u>

As at 31 December 2021 and 2020, total gross investments under hire purchase and finance leases contracts and the present value of minimum lease payments receivable were as follows:

	Consolidated financial statements			
	2021		2020 (Restated)	
	Total the gross investments under the lease contracts	Present value of minimum lease payments receivable	Total the gross Investments under the lease contracts	Present value of minimum lease payments receivable
	<i>(in thousand Baht)</i>			
Within one year	636,683	547,902	352,250	221,952
After one year				
but within five years	440,278	414,005	973,192	873,476
Over five years	3,725	3,198	655	575
	<u>1,080,686</u>	<u>965,105</u>	<u>1,326,097</u>	<u>1,096,003</u>
Add deferred commission expense	2,507	2,507	2,654	2,654
	<u>1,083,193</u>	<u>967,612</u>	<u>1,328,751</u>	<u>1,098,657</u>
Less unearned interest income	(115,581)		(230,094)	
	<u>967,612</u>		<u>1,098,657</u>	
Less allowance for expected credit loss	(84,225)		(83,982)	
Total gross investments under hire purchase and financial lease contracts	<u>883,387</u>		<u>1,014,675</u>	

Information relating to credit risks are disclosed in note 38.4

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

11. Financial instruments - Debt securities

Debt securities comprise of:

	Consolidated financial statements			
	2021		2020 (Restated)	
	Cost/ amortised Cost	Fair value <i>(in thousand Baht)</i>	Cost/ amortised Cost	Fair value
<i>Debt securities measured at fair value through profit or loss</i>				
Government and state enterprise debt securities	174,810	174,753	250,400	254,110
Domestic debt securities	2,757,187	2,902,565	3,039,009	3,271,159
Foreign debt securities	908,951	986,787	337,200	386,553
Total	3,840,948	4,064,105	3,626,609	3,911,822
Add gain from measurement of investments	223,157	-	285,213	-
Total debt securities measured at fair value to profit or loss	4,064,105	4,064,105	3,911,822	3,911,822
<i>Debt securities measured at fair value through other comprehensive income</i>				
Government and state enterprise debt securities	20,381,025	20,811,894	21,067,950	22,383,397
Domestic debt securities	15,766,686	16,128,155	15,458,901	16,135,304
Foreign debt securities	1,677,814	1,846,075	1,817,350	2,035,606
Total	37,825,525	38,786,124	38,344,201	40,554,307
Add gain from measurement of investments	960,599	-	2,210,106	-
Total debt securities measured at fair value through other comprehensive income	38,786,124	38,786,124	40,554,307	40,554,307
Allowance for expected credit loss	(20,841)	(20,841)	(14,230)	(14,230)
<i>Debt securities measured at amortised cost</i>				
Deposit at banks with original maturity over 3 months	1,140,150	1,140,150	1,181,095	1,181,095
Less allowance for expected credit loss	(751)	(751)	(524)	(524)
Total debt securities measured at amortised cost	1,139,399	1,139,399	1,180,571	1,180,571
Total financial instruments - Debt securities	43,989,628	43,989,628	45,646,700	45,646,700

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Debt securities measured at fair value through other comprehensive income

	Consolidated financial statements 2021	
	Fair Value	Allowance for expected credit loss recognised in other comprehensive income
	<i>(in thousand Baht)</i>	
Debt securities - no significant increase in credit risk/performing (stage1)	38,786,124	(20,841)
Total	38,786,124	(20,841)

	Consolidated financial statements 2020 (Restated)	
	Fair Value	Allowance for expected credit loss recognised in other comprehensive income
	<i>(in thousand Baht)</i>	
Debt securities - no significant increase in credit risk/performing (stage1)	40,554,307	(14,230)
Total	40,554,307	(14,230)

12. Financial instruments - Equity securities

Equity securities comprise of:

	Consolidated financial statements 2021		Separate financial statements	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
<i>Equity securities measured at fair value through other comprehensive income</i>				
Domestic equity securities	11,505,366	10,947,927	234,000	234,000
Foreign equity securities	2,327,398	2,541,299	-	-
Others	6,087	5,627	-	-
Total	13,838,851	13,494,853	234,000	234,000
<i>Less loss from measurement of investments</i>	<i>(343,998)</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total equity securities measured at fair value through other comprehensive income	13,494,853	13,494,853	234,000	234,000
Total equity securities	13,494,853	13,494,853	234,000	234,000

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2020		2020	
	Cost	Fair value (Restated) (in thousand Baht)	Cost	Fair value
<i>Equity securities measured at fair value through other comprehensive income</i>				
Domestic equity securities	10,307,782	10,144,011	234,000	234,000
Foreign equity securities	1,980,731	2,031,253	-	-
Others	6,087	32,312	-	-
Total	12,294,600	12,207,576	234,000	234,000
Less loss from measurement of investments	(87,024)	-	-	-
Total equity securities measured at fair value through other comprehensive income	12,207,576	12,207,576	234,000	234,000
Total equity securities	12,207,576	12,207,576	234,000	234,000

	Consolidated financial statements		Separate financial statements	
	2021		2021	
	Fair value	Dividend income (in thousand Baht)	Fair value	Dividend income
<i>Equity securities measured at fair value through other comprehensive income</i>				
Domestic equity securities	10,947,927	402,964	234,000	2,850
Foreign equity securities	2,541,299	73,378	-	-
Others	5,627	2,850	-	-
Total equity securities measured at fair value through other comprehensive income	13,494,853	479,192	234,000	2,850

	Consolidated financial statements		Separate financial statements	
	2020		2020	
	Fair value	Dividend income (Restated) (in thousand Baht)	Fair value	Dividend income
<i>Equity securities measured at fair value through other comprehensive income</i>				
Domestic equity securities	10,144,011	554,894	234,000	5,400
Foreign equity securities	2,031,253	57,789	-	-
Others	32,312	5,400	-	-
Total equity securities measured at fair value through other comprehensive income	12,207,576	618,083	234,000	5,400

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

13. Derivatives

As at 31 December 2021, balances of derivatives not elected for hedge accounting were as follows:

Type of contract	Objectives	No. of contracts	Notional value	Consolidated financial statements 2021		Gain on fair value of derivatives
				Book value / Fair value Assets	Liabilities	
Warrants	To protect against exchange risk from investments in foreign currencies	-	-	441	-	435
Total		<u>-</u>	<u>-</u>	<u>441</u>	<u>-</u>	<u>435</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

As at 31 December 2021, balances of derivatives **electd for hedge accounting** were as follows:

Type of contract	Objectives	No. of contracts	Notional value	Consolidated financial statements 2021		Gain (loss) on fair value of derivatives
				Book value / Fair value Assets	Liabilities	
Cross currency swap	To protect against exchange risk from investments in debt securities in foreign currencies	17	1,568,768	-	118,352	(187,023)
Cross currency swap	To protect against exchange risk from investments in equity securities in foreign currencies	9	1,910,793	23,363	-	27,066
Interest rate swap	To protect against floating interest rate risk from investments in debt securities	12	1,740,190	-	113,122	70,053
Interest rate swap	To protect against floating interest rate risk from borrowings in Thai Baht currency	4	1,600,000	-	9,602	14,916
Total		42	6,819,751	23,363	241,076	(74,988)

As at 31 December 2020, balances of derivatives **not electd for hedge accounting** were as follows:

Type of contract	Objectives	No. of contracts	Notional value	Consolidated financial statements 2020 (Restated)		Gain on fair value of derivatives
				Book value / Fair value Assets	Liabilities	
Warrants	To protect against exchange risk from investments in foreign currencies	-	-	4	-	4
Total		-	-	4	-	4

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

As at 31 December 2020, balances of derivatives electd for hedge accounting were as follows:

Type of contract	Objectives	No. of contracts	Notional value	Consolidated financial statements 2020 (Restated)		Loss on fair value of derivatives
				Book value / Fair value Assets	Fair value Liabilities	
Cross currency swap	To protect against exchange risk from investments in debt securities in foreign currencies	21	1,895,642	69,951	1,198	(100)
Interest rate swap	To protect against floating interest rate risk from investments in debt securities	15	2,056,245	-	183,454	(4,955)
Interest rate swap	To protect against floating interest rate risk from borrowings in Thai Baht currency	4	1,600,000	-	24,518	(722)
Total		40	5,551,887	69,951	209,170	(5,777)

As at 31 December 2021, the Group had cross currency swap contracts with financial institutions for the investments in available for sale debentures of USD 49.94 million equivalent to Baht 1,568.77 million (2020: USD 59.94 million equivalent to Baht 1,895.64 million).

As at 31 December 2021, the Group had interest rate swap contracts with financial institutions for the investments in available for sale debentures of Baht 1,740.19 million (2020: Baht 2,056.25 million).

As at 31 December 2021, the Group had cross currency swap contracts with financial institutions for the investments in equity securities of Baht 1,910.79 million (2020: nil).

As at 31 December 2021, the Group had interest rate swap contracts with financial institutions for the borrowings of Baht 1,600 million (2020: Baht 1,600 million).

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

14. Inventories

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Vehicles	270,671	314,673
Less Allowance for realisable value	<u>(116,433)</u>	<u>(60,412)</u>
Net	<u>154,238</u>	<u>254,261</u>
Inventories recognised as an expense in cost of sales of operating leases assets:		
- Cost	1,286,855	1,065,847
- Write-down to net realisable value	<u>137,065</u>	<u>22,438</u>
Net	<u>1,423,920</u>	<u>1,088,285</u>

15. Loans

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2021	2020
		<i>(in thousand Baht)</i>			
Short-term loans					
Related parties	5	-	-	2,829,700	2,953,412
Other parties		<u>534,087</u>	<u>192,985</u>	-	-
Total		<u>534,087</u>	<u>192,985</u>	<u>2,829,700</u>	<u>2,953,412</u>
Less allowance for expected credit loss		<u>(146,077)</u>	<u>(146,077)</u>	-	-
Total short-term loans - net		<u>388,010</u>	<u>46,908</u>	<u>2,829,700</u>	<u>2,953,412</u>
Current portion of long-term loans					
Related parties	5	-	-	206,000	258,600
Other parties		<u>31,934</u>	<u>25,853</u>	-	-
Total current portion of long-term loans		<u>31,934</u>	<u>25,853</u>	<u>206,000</u>	<u>258,600</u>
Long-term loans					
Related parties	5	-	-	5,104,668	5,273,368
Other parties		<u>253,704</u>	<u>212,575</u>	-	-
Total		<u>253,704</u>	<u>212,575</u>	<u>5,104,668</u>	<u>5,273,368</u>
Less allowance for expected credit loss		<u>(387)</u>	<u>(387)</u>	-	-
Total long-term loans		<u>253,317</u>	<u>212,188</u>	<u>5,104,668</u>	<u>5,273,368</u>
Policy loans		<u>546,645</u>	<u>575,399</u>	-	-

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated) <i>(in thousand Baht)</i>	2021	2020
Mortgage loans				
Principal of mortgage loans	431,754	425,620	-	-
Less allowance for expected credit loss	<u>(241,021)</u>	<u>(240,029)</u>	-	-
Net	<u>190,733</u>	<u>185,591</u>	-	-
Total loans	<u>1,410,639</u>	<u>1,045,939</u>	<u>8,140,368</u>	<u>8,485,380</u>
Expected credit loss for the year	<u>992</u>	<u>3,656</u>	-	-

Aging analyses for loans were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated) <i>(in thousand Baht)</i>	2021	2020
Related parties				
Within credit terms	-	-	8,140,368	8,485,380
	<u>-</u>	<u>-</u>	<u>8,140,368</u>	<u>8,485,380</u>
Other parties				
Within credit terms	1,353,474	989,716	-	-
Overdue:				
less than 3 months	809	5,600	-	-
3 - 6 months	3,740	-	-	-
6 - 12 months	4,545	-	-	-
Over 12 months	<u>435,556</u>	<u>437,116</u>	-	-
Less allowance for expected credit loss	<u>(387,485)</u>	<u>(386,493)</u>	-	-
	<u>1,410,639</u>	<u>1,045,939</u>	-	-
Net loans	<u>1,410,639</u>	<u>1,045,939</u>	<u>8,140,368</u>	<u>8,485,380</u>

Short-term loan to other parties

As at 31 December 2021, a subsidiary entered into short-term loans agreements which are unsecured promissory notes with business partners of related party of Baht 534.09 million (2020: Baht 192.99 million). The promissory note bear interest at MOR minus 1.65% per annum and fixed rate 3.225% per annum (2020: MOR minus 1.65% per annum and fixed rate 3.225% per annum). The maturity term is due within 60 days. As at 31 December 2021, The Group had allowance for expected credit loss of Baht 146.08 million in the consolidated statement of financial position (2020: Baht 146.08 million).

Long term loans to other party

As at 31 December 2021, a subsidiary entered into long-term loans agreements which are secured loans with a business partner of related party of Baht 191.60 million (2020: Baht 186.72 million). Such loans bear interest at fixed rate ranging from 4% to 10% per annum (2020: 4% to 10% per annum). The maturity terms are within 13 years. Under the terms of the agreement's borrowers must strictly comply with the conditions and restrictions including requirements to maintain certain ratios as specified in the agreements.

Policy loans represent loans grant to the policyholders at an amount not exceeding the cash value of the policy and change interest rates of 4% to 10% per annum, as approved by the Office of Insurance Commission.

At 31 December 2021, other long-term loans include personal guarantee loans to staff with average interest rates of 4.36% per annum (2020: 4.36% per annum).

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

16. Investments in subsidiaries, associate, and joint venture

<i>Material movement for the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated) <i>(in thousand Baht)</i>	2021	2020
<i>Subsidiaries</i>				
At 1 January	-	-	3,283,377	3,226,677
Acquisitions	-	-	1,000	56,700
Disposal	-	-	(751,830)	-
Less Impairment losses	-	-	(437,994)	-
At 31 December	-	-	2,094,553	3,283,377
<i>Associate</i>				
At 1 January	-	-	-	-
At 31 December	-	-	-	-
<i>Joint venture</i>				
At 1 January	-	-	-	-
At 31 December	-	-	-	-

Increase of investment in direct subsidiaries

During the year 2021, the Company made a new investment 99.99% of the issued and paid up capital of Thai Wellness Living Company Limited, a company incorporated in Thailand, which had issued and paid up share capital of Baht 1.0 million (divided into 100,000 ordinary share at Baht 10 par value).

During the year 2020, the Company made a new investment 67.00% of the issued and paid up capital of Sentric Consulting Company Limited, a company incorporated in Thailand, which had issued and paid up share capital of Baht 6.7 million (divided into 1,000,000 ordinary share at Baht 10 par value).

During the year 2020, the Company made a new investment in 100% of the issued and paid up capital of Southeast Money Company Limited (formerly SEG Capital Company Limited) a company incorporated in Thailand, which had issued and paid up share capital of Baht 50.0 million (divided into 5,000,000 ordinary share at Baht 10 par value).

Decrease of investment in direct subsidiaries

On 27 September 2021, the Company sold of all 21,957,646 ordinary shares or 93.44% of the issued and paid up capital in The Thai Insurance Public Company Limited (“TIC”) which is a subsidiary of the Company, held by the Company to Watanasab Pattana 1 Company Limited which is related party, at the offering price of Baht 10 per share, amount of Baht 219.58 million. As result, the Group ceased the control in TIC and has deconsolidated it with effect from that date. The Group recognized a gain on sale of investment of Baht 7,099 million in the consolidated statement of comprehensive income, which resulted mainly from the deconsolidation of accumulated losses booked in connection with claims and unexpired risks of COVID-19 policies estimated on TIC’s disposal date. TIC’s URR has been estimated using similar assumptions as disclosed in NFS 22 of SEIC’s COVID-19 insurance policies. Any changes to the estimated net liabilities would have a corresponding offsetting impact to the recorded gain on sale of investment in TIC.

The Group recognized gain from sale of investment of Baht 7,099.76 million in the consolidated statement of comprehensive income and loss from sale of investment of Baht 532.25 million in the separate statement of comprehensive income.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Increase of investment in indirect subsidiaries and decrease of investment in associate

As at 29 June 2021, Big C Services Co., Ltd. has increased authorised share capital from Baht 100 million to Baht 157.02 million by issuing 5,701,658 ordinary shares at Baht 10 par value for the right offering. As Capital Service Holding Co., Ltd. (“CSH”) the indirect subsidiary, which the Company hold through Asiatic House Co., Ltd. (“ASH”) 99.99% of the total shares has waived the right to purchase the new authorised share capital so the shareholding of Capital Service Holding Co., Ltd. represents 31.21% of total authorised share capital of Big C Services Co., Ltd.

As at 1 July 2021, Capital Service Holding Co., Ltd. (“CSH”) signed an ordinary share purchase agreement with Big C Supercenter Public Company Limited to acquired 68.79% of the issued and paid up capital of Me innovation services Co., Ltd. (“MEIS”) formerly known as Big C Services Co., Ltd. Therefore, CSH ASH and the Group obtained the control over MEIS and changed their status from an associated company to an indirect subsidiary of the Group. As mention in note to financial statement 2.

During the year 2020, Rod Dee Det Auto Company Limited, a subsidiary, which the Company holds 99.99% of all shares, made a tender offer for Indara Insurance Public Company Limited’s securities and acquired 7,506,358 shares, representing 75.06% of total issued and paid up shares.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Investments in joint venture as at 31 December 2021 and 2020, were as follows:

	Type of business	Country of incorporation	Consolidated financial statements				Separate financial statements					
			Ownership interest		At equity method		Cost		Impairment		At cost - net	
			2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
			(%)		(Restated)		(in thousand Baht)					
Joint venture												
Dhipaya Insurance Co., Ltd.	Underwriting insurance	Laos People's Democratic Republic	10.00	10.00	-	-	6,400	6,400	(6,400)	(6,400)	-	-
Total							6,400	6,400	(6,400)	(6,400)	-	-

None of the Group's joint venture are publicly listed and consequently do not have published price quotation.

The Group and the Company has not recognised losses relating to certain investments accounted for using the equity method where its share of losses exceeds the carrying amount of those investments. As at 31 December 2021, the Group's and Company's cumulative share of unrecognised losses was Baht 2.88 million (2020: Baht 3.92 million).

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Investments in direct and indirect subsidiaries as at 31 December 2021 and 2020, were as follows:

Type of Business	Country of incorporation	Separate financial statements				Cost	Impairment		At cost - net	
		Ownership interest		2021	2020		2021	2020	2021	2020
		2021	2020							
			(%)							
<i>Direct subsidiaries</i>										
Southeast Life Insurance Public Company Limited	Underwriting life assurance, personal accident insurance and health insurance	Thai	99.97	99.97	1,704,849	1,704,849	-	-	1,704,849	1,704,849
Southeast Insurance Public Company Limited	Underwriting non-life insurance	Thai	97.33	97.33	437,994	437,994	(437,994)	-	-	437,994
The Thai Insurance Public Company Limited	Underwriting non-life insurance	Thai	-	93.44	-	751,830	-	-	-	751,830
Southeast Capital Company Limited	Provide leasing and hire purchase services	Thai	100.00	100.00	325,999	325,999	-	-	325,999	325,999
Asiatic House Company Limited	Rental and development of real estate	Thai	100.00	100.00	55	55	-	-	55	55
TCC Privilege card Company Limited	Purchases via credit card in the Group	Thai	99.98	99.98	100	100	-	-	100	100
Southeast Academy Center Company Limited	Consultant and training services	Thai	100.00	100.00	250	250	-	-	250	250
Southeast Advisory Pte., Ltd.	Management and consultant services	Singapore	100.00	100.00	-	-	-	-	-	-
Southeast Advisory Company Limited	Investing consultant service	Thai	100.00	100.00	5,000	5,000	-	-	5,000	5,000
Rod.Dea Det Auto Company Limited	Provide leasing and sales of second hand cars	Thai	100.00	100.00	250	250	-	-	250	250
S Sofin Company Limited	Insurance technology development	Thai	99.98	99.98	100	100	-	-	100	100
Southeast Property Company Limited	Rental and development of real estate	Thai	100.00	100.00	250	250	-	-	250	250
Southeast Money Company Limited (Formerly SEG Capital Company Limited)	Lending fund company	Thai	100.00	100.00	50,000	50,000	-	-	50,000	50,000
Sentrics Consulting Company Limited	Provide consultation of management.	Thai	67.00	67.00	6,700	6,700	-	-	6,700	6,700
Thai Wellness Living Company Limited	Provide consultation of management.	Thai	99.99	-	1,000	-	-	-	1,000	-
Total					2,532,547	3,283,377	(437,994)	-	2,094,553	3,283,377

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Type of Business	Country of incorporation	Separate financial statements		2021	Cost		Impairment		At cost - net	
			Ownership interest			2021	2020	2021	2020	2021	2020
			2021 2020 (%)					(in thousand Baht)			
<i>Indirect subsidiaries</i>											
<i>Held by Southeast Capital Company Limited</i>											
Pro Garage Company Limited (Formerly Sinn Bualuang Leasing Company Limited.)	Leasing and lending business	Thai	99.99	99.99	-	-	-	-	-	-	-
Pro Checker Company Limited (Formerly Sinn Bualuang Capital Company Limited)	Outsource surveyor	Thai	99.99	99.99	-	-	-	-	-	-	-
Concept Land 5 Company Limited	Investment properties	Thai	99.99	99.99	-	-	-	-	-	-	-
<i>Held by Asiatic House Company Limited</i>											
Capital Services Holding Company Limited.	Holding company	Thai	99.99	99.99	-	-	-	-	-	-	-
<i>Held by Southeast Money Company Limited (Formerly SEG Capital Company Limited)</i>											
Southeast Money Retail Co., Ltd (Formerly SEG Money Company Limited)	Lending fund company Provide credit service	Thai	100.00	100.00	-	-	-	-	-	-	-
<i>Held by Rod Dee Det Auto Company Limited</i>											
Indara Insurance Public Company Limited	Underwriting non-life insurance	Thai	75.06	75.06	-	-	-	-	-	-	-

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

17. Investment properties

	Note	Consolidated financial statements			Total
		Land	Building and building improvements (in thousand Baht)	Assets under construction	
Cost					
At 1 January 2020		442,844	226,779	11,613	681,236
Additions		-	-	6,373	6,373
Transfers in	18	-	-	22,747	22,747
At 31 December 2020 and 1 January 2021		442,844	226,779	40,733	710,356
Additions		-	40	348	388
Transfers in	18	-	-	22,747	22,747
Transfers out		-	-	(63,828)	(63,828)
At 31 December 2021		442,844	226,819	-	669,663
Depreciation and impairment losses					
At 1 January 2020		15,995	156,193	-	172,188
Depreciation charge for the year		-	9,054	-	9,054
At 31 December 2020 and 1 January 2021		15,995	165,247	-	181,242
Depreciation charge for the year		-	8,108	-	8,108
At 31 December 2021		15,995	173,355	-	189,350
Net book value					
At 31 December 2020		426,849	61,532	40,733	529,114
At 31 December 2021		426,849	53,464	-	480,313

Year ended 31 December	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Amounts recognised in profit or loss		
Rental income	371	4,371
Repair and maintenance expense: - property that generated rental income	714	887
Minimum lease payments under non-cancellable operating lease are receivable:		
within 1 year	261	261
1 - 5 years	-	-
after 5 years	-	-
Total	261	261

The fair value of the Group's investment properties as at 31 December 2021 of Baht 1,078.35 million (2020: Baht 1,078.35 million) was determined by independent professional valuers, at discounted cash flow using risk-adjusted discount rates. The fair value of investment property has been categorised as a Level 3 fair value.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Security

At 31 December 2021 the Group's investment properties with a net book value of Baht 469.31 million (2020: Baht 477.38 million) had been pledged as collateral to secure loans from a financial institution (see note 21).

Measurement of fair value

Fair value hierarchy

The fair value of investment properties was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment properties portfolio on an annual basis.

The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<ul style="list-style-type: none"> • Expected market rental growth (2021: 3.5%, 2020: 3.5%). • Void periods (2021 and 2020: average 8 years). • Occupancy rate (2021: 82%, 2020: 82%). • Risk-adjusted discount rates (2021: 10%, 2020: 10%). 	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> • Expected market rental growth were higher (lower); • Void periods were shorter (longer); • The occupancy rate were higher (lower); or • The risk-adjusted discount rate were lower (higher).

18. Leasehold rights

Movement during the year ended 31 December are as follows:

	<i>Note</i>	Consolidated financial statements	
		2021	2020 (Restated)
<i>(in thousand Baht)</i>			
Net book value at 1 January		1,334,520	1,357,267
Amortisation charge for the year transferred to investment properties	17	<u>(22,747)</u>	<u>(22,747)</u>
Net book value at 31 December		<u>1,311,773</u>	<u>1,334,520</u>

Information relating to lease agreements are disclosed in note 5.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

19. Property, plant and equipment

	Consolidated financial statements						Total
	Land	Building and building improvements	Furniture, fixtures and office equipment	Vehicles <i>(in thousand Baht)</i>	Assets held for operating lease	Assets under installation	
Cost / revaluation							
At 1 January 2020	2,658,831	986,308	470,699	428,973	16,557,397	156	21,102,364
Additions	-	570	15,299	4,058	3,062,594	1,203	3,083,724
Surplus on revaluation	152,816	3,974	-	-	-	-	156,790
Transfers in (out)	-	-	-	73,824	(3,131,609)	3,674	(3,054,111)
Disposals / write off	-	-	(8,747)	(40)	(11,346)	-	(20,133)
At 31 December 2020 and 1 January 2021	2,811,647	990,852	477,251	506,815	16,477,036	5,033	21,268,634
Additions	-	822	11,361	5,242	2,802,876	18,908	2,839,209
Reversal surplus on revaluation	-	-	-	-	-	-	-
Transfer in (out)	(47,302)	(12,141)	-	(5,000)	(2,388,648)	59,998	(2,393,093)
Disposals / write off	(23,100)	(8,689)	(110,159)	(714)	(49,509)	-	(192,171)
At 31 December 2021	2,741,245	970,844	378,453	506,343	16,841,755	83,939	21,522,579
Depreciation and impairment losses							
At 1 January 2020	-	380,574	388,164	172,492	3,937,788	-	4,879,018
Depreciation charge for the year	-	29,942	29,674	49,044	1,590,355	-	1,699,015
Reversal impairment losses	-	-	(133)	-	-	-	(133)
Transfers in (out)	-	-	-	6,494	(1,056,715)	-	(1,050,221)
Disposals / write off	-	-	(8,652)	(40)	15,761	-	7,069
At 31 December 2020 and 1 January 2021	-	410,516	409,053	227,990	4,487,189	-	5,534,748
Depreciation charge for the year	-	21,334	26,129	51,578	1,627,230	-	1,726,271
Impairment losses	-	5,136	-	-	-	-	5,136
Transfers out	-	(3,316)	-	(27,634)	(997,074)	-	(1,028,024)
Disposals / write off	-	(12,677)	(99,615)	(276)	(45,889)	-	(158,457)
At 31 December 2021	-	420,993	335,567	251,658	5,071,456	-	6,079,674

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements						
	Land	Building and building improvements	Furniture, fixtures and office equipment	Vehicles <i>(in thousand Baht)</i>	Assets held for operating lease	Assets under installation	Total
At 31 December 2020							
Owned assets	2,811,647	580,336	67,736	256,940	11,395,844	5,033	15,117,536
Assets under finance leases	-	-	462	21,885	594,003	-	616,350
	<u>2,811,647</u>	<u>580,336</u>	<u>68,198</u>	<u>278,825</u>	<u>11,989,847</u>	<u>5,033</u>	<u>15,733,886</u>
At 31 December 2021							
Owned assets	2,741,245	549,851	42,437	254,551	11,182,222	83,939	14,854,245
Assets under finance leases	-	-	449	134	588,077	-	588,660
	<u>2,741,245</u>	<u>549,851</u>	<u>42,886</u>	<u>254,685</u>	<u>11,770,299</u>	<u>83,939</u>	<u>15,442,905</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Separate financial statements	
	2021	2020
	Furniture, fixtures and office equipment (in thousand Baht)	
Net book value at 1 January 2021	695	541
Additions	1,662	394
Disposal	(85)	-
Depreciation for the year	(491)	(240)
Net book value at 31 December 2021	1,781	695

Lands and building included revaluation surplus.

Security

At 31 December 2021 the Group's asset held for operating lease with a net book value of Baht 8,073.02 million (2020: Baht 8,631.30 million) were subject to a registered debenture to secure bank loans (see note 21).

The Group arranged for external independent valuers to appraise the value of certain assets every 3 years from the latest revaluation date, using property valuation principles laid down by the Valuers Association of Thailand. The external independent valuers use the market approach for the fair value of land that could find the comparison price from assets with similar physical characteristic and use depreciated replacement cost for the buildings used in operation. Surplus of valuation, net of tax, is recognised in the other components of equity.

The assumptions used in appraisal which are generally unobservable is as below:

	2021	2020	Impact on revaluation when assumption change
<i>(a) Branch</i>			
Lands			
Price per square wah unit (Baht)	3,188 - 650,000	3,188 - 650,000	Fair value increase (Market approach)
Buildings			
Price per square meter unit (Baht)	923 - 7,439	800 - 8,000	Fair value increase (Replacement approach or Market approach)
<i>(b) Head office</i>			
Lands			
Price per square wah unit (Baht)	2,000,000	2,000,000	Fair value increase (Market approach)
Buildings			
Price per square meter unit (Baht)	25,586	26,373	Fair value increase (Replacement approach or Market approach)

This fair value is the fair value of lands and buildings which were last revalued in 2021, and net with the accumulated depreciation until 31 December 2021 and 2020.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

20. Other assets

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
	<i>(in thousand Baht)</i>			
Duty and taxes	536,186	698,714	11,610	7,238
Accrued interest receivables	422,214	436,707	99,626	104,207
Prepayments	373,905	362,389	4,202	3,296
Deposit on rice field insurance scheme	141,912	133,231	-	-
Subrogation, net	134,568	226,702	-	-
Properties foreclosed	97,848	59,587	-	-
Factoring receivables	64,732	35,706	-	-
Receivables from Road Accident Victims Protection Co., Ltd.	60,974	83,804	-	-
Accrued management fee income	-	-	104,000	-
Others	276,804	203,161	18,436	3,986
Total	2,109,143	2,240,001	237,874	118,727

21. Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
	<i>(in thousand Baht)</i>			
Current				
Short-term loans from financial institutions - unsecured	9,789,000	10,716,000	8,249,000	8,189,000
Short-term loan from related party - unsecured	-	15,000	-	-
Short-term loan from other party - unsecured	40,000	50,000	-	-
Short-term loans	9,829,000	10,781,000	8,249,000	8,189,000
Current portion of long-term loans from financial institutions - secured	2,007,457	2,325,347	-	-
Finance lease liabilities	198,692	184,471	11,496	11,987
Total current interest-bearing liabilities	12,035,149	13,290,818	8,260,496	8,200,987
Non-current				
Long-term loans from financial institutions - secured	3,533,598	3,496,198	-	-
Finance lease liabilities	452,436	246,165	14,698	20,050
Total non-current interest-bearing liabilities	3,986,034	3,742,363	14,698	20,050

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
		(in thousand Baht)		
Within one year	11,836,457	13,106,347	8,249,000	8,189,000
After one year but within five years	3,533,598	3,496,198	-	-
Total	15,370,055	16,602,545	8,249,000	8,189,000

Secured interest-bearing liabilities as at 31 December were secured on the following assets:

<i>Assets pledged as security for liabilities as at 31 December</i>	Note	Consolidated financial statements	
		2021	2020 (Restated)
		(in thousand Baht)	
Investment properties	17	469,309	477,377
Assets held for operating lease	19	8,073,024	8,631,303
The right over collection from the operating lease contract receivables		283,734	393,362
Total		8,826,067	9,502,042

Short-term loans from financial institutions

As at 31 December 2021, the Company had several promissory notes issued to a foreign financial institution for credit lines of Baht 25,195 million (2020: Baht 21,145 million) and the balance drawdown of the loans is Baht 8,249 million (2020: Baht 8,189 million). The loans bear interest at fixed rates ranging from 1.81% to 1.90% per annum (2020: fixed rates ranging from 1.77% to 2.05% per annum). The maturity terms are within 6 months.

As at 31 December 2021, the Company had unutilised credit facilities totaling Baht 16,945.68 million (2020: Baht 12,955.76 million).

As at 31 December 2021, a subsidiary had several promissory notes issued to local financial institutions of Baht 1,540 million (2020: Baht 2,430 million). The promissory notes bear interest at fixed rates ranging from 2.50% to 3.50% per annum (2020: 2.54% to 2.62% per annum). The maturity terms are at call (2020: at call).

Short-term loan from other party

As at 31 December 2021, a subsidiary entered into a short-term loan agreement with the other party of Baht 40 million (2020: Baht 50 million). The loan bears interest at 1.75% per annum (2020: 1.75% per annum). The maturity term is one year.

Long-term loans from financial institutions

As at 31 December 2021, subsidiaries entered into long-term loan agreements with a local financial institution for credit lines of Baht 300 million (2020: Baht 300 million) and the balance drawdown of the loans is Baht 63 million (2020: Baht 93 million). The loans bear interest at fixed rates ranging from 2.68% to 2.74% per annum (2020: 3.73% to 3.51% per annum). The repayment terms are during 2020 to 2025 (2020: 2020 to 2025). The loans were guaranteed by the Company.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

As at 31 December 2021, a subsidiary had unutilised credit facilities totaling Baht 1,682 million (2020: Baht 1,600 million).

Under the terms of the agreements, subsidiaries must strictly comply with the conditions and restrictions including requirements to maintain certain ratios as specified in the agreements.

Finance lease liabilities

Finance lease liabilities as at 31 December were payable as follows:

	Consolidated financial statements					
	2021			2020 (Restated)		
	Minimum lease payments	Interest	Present value of minimum lease payments (in thousand Baht)	Minimum lease payments	Interest	Present value of minimum lease payments
Within one year	209,140	(10,448)	198,692	193,911	(9,440)	184,471
After one year but within five years	476,711	(24,275)	452,436	260,348	(14,183)	246,165
Total	685,851	(34,723)	651,128	454,259	(23,623)	430,636

A subsidiary entered into sale and leaseback contracts with a local company for vehicle under operating lease contracts. Term of leaseback contracts was 4-year periods. Leaseback is classified as a finance lease. Gains are deferred and amortised over the lease term on a straight-line basis.

Subsidiaries entered into lease contracts for computers with a local company for the periods of 3 years. Under the condition of leasing contract, the right on computer under the contract will be transferred to subsidiary when the last installment is paid

Changes in liabilities arising from financing activities

	Consolidated financial statements		
	Borrowings	Lease liabilities (in thousand Baht)	Total
At 1 January 2021	16,602,545	430,636	17,033,181
Changes from financing cash flows	(1,232,490)	220,492	(1,011,998)
Balance at 31 December 2021	15,370,055	651,128	16,021,183

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements		
	Borrowings	Lease liabilities <i>(in thousand Baht)</i>	Total
At 1 January 2020 - Restated	16,206,795	659,030	16,865,825
Changes from financing cash flows	4,393,469	(230,590)	4,162,879
The effect of changes in foreign exchange rates	(3,997,719)	-	(3,997,719)
Other changes:			
New finance leases	-	2,196	2,196
Balance at 31 December 2020	<u>16,602,545</u>	<u>430,636</u>	<u>17,033,181</u>

	Separate financial statements		
	Borrowings	Lease liabilities <i>(in thousand Baht)</i>	Total
At 1 January 2021	8,189,000	32,037	8,221,037
Changes from financing cash flows	60,000	(11,565)	48,435
Other changes:			
New finance leases	-	5,722	5,722
Balance at 31 December 2021	<u>8,249,000</u>	<u>26,194</u>	<u>8,275,194</u>

	Separate financial statements		
	Borrowings	Lease liabilities <i>(in thousand Baht)</i>	Total
At 1 January 2020	5,852,604	28,256	5,880,860
Changes from financing cash flows	2,336,396	(10,867)	2,325,529
Other changes:			
New finance leases	-	14,648	14,648
Balance at 31 December 2020	<u>8,189,000</u>	<u>32,037</u>	<u>8,221,037</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22. Insurance contract liabilities

	Consolidated financial statements								
	Life insurance			2021			Non - life insurance		
	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities <i>(in thousand Baht)</i>	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net
Long-term technical reserves	42,464,436	-	42,464,436	-	-	-	42,464,436	-	42,464,436
Short-term technical reserves									
Loss reserves and outstanding claims									
- Case reserves	58,310	-	58,310	3,114,120	(1,787,295)	1,326,825	3,172,430	(1,787,295)	1,385,135
- Incurred but not reported	112,379	-	112,379	1,769,762	(817,660)	952,102	1,882,141	(817,660)	1,064,481
Total loss reserve and outstanding claims	170,689	-	170,689	4,883,882	(2,604,955)	2,278,927	5,054,571	(2,604,955)	2,449,616
Unearned premium reserves	524,965	-	524,965	5,929,846	(2,693,165)	3,236,681	6,454,811	(2,693,165)	3,761,646
Unexpired risk reserves	-	-	-	3,159,426	(317,081)	2,842,345	3,159,426	(317,081)	2,842,345
Total short-term technical reserves	695,654	-	695,654	13,973,154	(5,615,201)	8,357,953	14,668,808	(5,615,201)	9,053,607
Unpaid policy benefits	401,975	-	401,975	-	-	-	401,975	-	401,975
Other insurance contract liabilities	706	-	706	411,633	-	411,633	412,339	-	412,339
Total short-term technical reserves	1,098,335	-	1,098,335	14,384,787	(5,615,201)	8,769,586	15,483,122	(5,615,201)	9,867,921
Total insurance contract liabilities	43,562,771	-	43,562,771	14,384,787	(5,615,201)	8,769,586	57,947,558	(5,615,201)	52,332,357

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements								
	2020								
	Life insurance			Non - life insurance			Total		
Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	
<i>(in thousand Baht)</i>									
Long-term technical reserves	42,337,187	-	42,337,187	-	-	-	42,337,187	-	42,337,187
Short-term technical reserves									
Loss reserves and outstanding claims									
- Case reserves	63,128	-	63,128	2,902,380	(1,406,828)	1,495,552	2,965,508	(1,406,828)	1,558,680
- Incurred but not reported	119,392	-	119,392	1,483,002	(495,507)	987,495	1,602,394	(495,507)	1,106,887
Total loss reserve and outstanding claims	182,520	-	182,520	4,385,382	(1,902,335)	2,483,047	4,567,902	(1,902,335)	2,665,567
Unearned premium reserves	488,741	-	488,741	6,465,427	(2,835,572)	3,629,855	6,954,168	(2,835,572)	4,118,596
Total short-term technical reserves	671,261	-	671,261	10,850,809	(4,737,907)	6,112,902	11,522,070	(4,737,907)	6,784,163
Unpaid policy benefits	349,056	-	349,056	-	-	-	349,056	-	349,056
Other insurance contract liabilities	1,597	-	1,597	445,831	-	445,831	447,428	-	447,428
Total short-term technical reserves	1,021,914	-	1,021,914	11,296,640	(4,737,907)	6,558,733	12,318,554	(4,737,907)	7,580,647
Total insurance contract liabilities	43,359,101	-	43,359,101	11,296,640	(4,737,907)	6,558,733	54,655,741	(4,737,907)	49,917,834

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22.1 Long-term technical reserves

	Consolidated	
	financial statements	
	2021	2020
		(Restated)
	<i>(in thousand Baht)</i>	
At 1 January	42,337,187	39,605,842
Reserve net increase of new and inforce policies during the year	7,073,773	4,724,071
Reserve released for benefits, lapse and cancel policies during the year	<u>(6,946,524)</u>	<u>(1,992,726)</u>
At 31 December	<u>42,464,436</u>	<u>42,337,187</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22.2 Short-term technical reserves

22.2.1 Loss reserves and outstanding claims

	Consolidated financial statements								
	2021								
	Life insurance			Non - life insurance			Total		
	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities <i>(in thousand Baht)</i>	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net
At 1 January	182,520	-	182,520	4,385,382	(1,902,335)	2,483,047	4,567,902	(1,902,335)	2,665,567
Loss incurred during the year	840,123	-	840,123	13,944,960	(10,154,105)	3,790,855	14,785,083	(10,154,105)	4,630,978
Loss paid and loss adjustment expenses paid during the year	(851,954)	-	(851,954)	(13,186,386)	9,616,029	(3,570,357)	(14,038,340)	9,616,029	(4,422,311)
Change in estimation and assumption	-	-	-	158,577	(264,074)	(105,497)	158,577	(264,074)	(105,497)
Decrease from sale of investment in subsidiary	-	-	-	(418,651)	99,530	(319,121)	(418,651)	99,530	(319,121)
At 31 December	170,689	-	170,689	4,883,882	(2,604,955)	2,278,927	5,054,571	(2,604,955)	2,449,616

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements								
	Life insurance			Non - life insurance			Total		
	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities <i>(in thousand Baht)</i>	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net
At 1 January	183,481	-	183,481	4,912,636	(2,465,994)	2,446,642	5,096,117	(2,465,994)	2,630,123
Loss incurred during the year	859,158	-	859,158	6,165,635	(2,333,605)	3,832,030	7,024,793	(2,333,605)	4,691,188
Loss paid and loss adjustment expenses paid during the year	(860,119)	-	(860,119)	(6,771,380)	2,921,607	(3,849,773)	(7,631,499)	2,921,607	(4,709,892)
Change in estimation and assumption	-	-	-	78,491	(24,343)	54,148	78,491	(24,343)	54,148
At 31 December	<u>182,520</u>	<u>-</u>	<u>182,520</u>	<u>4,385,382</u>	<u>(1,902,335)</u>	<u>2,483,047</u>	<u>4,567,902</u>	<u>(1,902,335)</u>	<u>2,665,567</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22.2.2 Claim development table - Life insurance

Gross and net claim development triangle as at 31 December 2021

Accident year/ Reporting year	2017	2018	2019	2020	2021	Total
			<i>(in thousand Baht)</i>			
Estimated claims:						
As at accident year ended	678,573	703,563	983,694	892,893	916,783	
Development year 1	635,300	753,157	941,596	833,694	-	
Development year 2	636,425	755,642	939,399	-	-	
Development year 3	636,331	755,681	-	-	-	
Development year 4	636,314	-	-	-	-	
Estimate of ultimate claims	636,314	755,681	939,399	833,694	916,783	4,081,871
Accumulative claim paid	<u>(636,314)</u>	<u>(755,677)</u>	<u>(939,251)</u>	<u>(832,786)</u>	<u>(747,154)</u>	<u>(3,911,182)</u>
Total loss reserves	<u>-</u>	<u>4</u>	<u>148</u>	<u>908</u>	<u>169,629</u>	<u>170,689</u>

Gross and net claim development triangle as at 31 December 2020

Accident year/ Reporting year	2016	2017	2018	2019	2020	Total
			<i>(in thousand Baht)</i>			
Estimated claims:						
As at accident year ended	531,160	678,573	703,563	983,694	892,893	
Development year 1	491,188	635,300	753,157	941,596	-	
Development year 2	490,590	636,425	755,642	-	-	
Development year 3	490,495	636,331	-	-	-	
Development year 4	490,498	-	-	-	-	
Estimate of ultimate claims	490,498	636,331	755,642	941,596	892,893	3,716,960
Accumulative claim paid	<u>(490,496)</u>	<u>(636,313)</u>	<u>(755,339)</u>	<u>(939,082)</u>	<u>(713,210)</u>	<u>(3,534,440)</u>
Total loss reserves	<u>2</u>	<u>18</u>	<u>303</u>	<u>2,514</u>	<u>179,683</u>	<u>182,520</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22.2.3 Claim development table - Non-life insurance

Gross loss development triangle as at 31 December 2021

Accident year/ Reporting year	Prior 2016	2016	2017	2018	2019	2020	2021	Total
				<i>(in thousand Baht)</i>				
Estimated loss reserve and outstanding claim								
As at accident year ended	-	4,302,235	7,709,968	7,164,977	6,863,828	5,708,532	14,961,169	
Development year 1	-	4,318,161	8,033,222	6,816,201	6,385,042	5,505,262	-	
Development year 2	-	4,333,264	7,723,042	6,724,753	5,898,483	-	-	
Development year 3	-	4,340,735	7,701,945	6,597,263	-	-	-	
Development year 4	-	4,341,096	7,699,433	-	-	-	-	
Development year 5	-	4,339,787	-	-	-	-	-	
Absolute estimate loss reserve	-	4,339,787	7,699,433	6,597,263	5,898,483	5,505,262	14,961,169	
Accumulative claim paid	-	4,338,780	7,696,786	(6,554,754)	(5,807,879)	(4,571,061)	(11,303,255)	
Total loss reserves	<u>72</u>	<u>1,007</u>	<u>2,647</u>	<u>42,509</u>	<u>90,604</u>	<u>934,201</u>	<u>3,657,914</u>	<u>4,728,954</u>
Claims reserves under inward treaty								-
Excess of loss reinsurance								-
Loss adjustment expenses and unallocated loss adjustment expenses								135,181
Incurred and agreed claims payable								-
Reserve for P'Chang project								-
Others								19,747
Total loss reserves and outstanding claims								<u><u>4,883,882</u></u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Net loss development triangle as at 31 December 2021

Accident year/ Reporting year	Prior 2016	2016	2017	2018	2019	2020	2021	Total
				<i>(in thousand Baht)</i>				
Estimated loss reserve and outstanding claim								
As at accident year ended	-	2,290,436	3,275,805	3,622,769	3,783,188	3,314,751	4,166,344	
Development year 1	-	2,315,655	3,440,987	3,494,517	3,627,482	3,243,218	-	
Development year 2	-	2,348,590	3,400,311	3,476,469	3,350,018	-	-	
Development year 3	-	2,356,945	3,393,813	3,373,432	-	-	-	
Development year 4	-	2,359,280	3,393,768	-	-	-	-	
Development year 5	-	2,358,570	-	-	-	-	-	
Absolute estimate loss reserve	-	2,358,570	3,393,768	3,373,432	3,350,018	3,243,218	4,166,344	
Accumulative claim paid	-	(2,358,406)	(3,393,093)	(3,368,656)	(3,289,286)	(2,752,706)	(2,569,222)	
Total loss reserves	46	164	675	4,776	60,732	490,512	1,597,122	2,154,027
Claims reserves under inward treaty								-
Excess of loss reinsurance								-
Loss adjustment expenses and unallocated loss adjustment expenses								115,151
Incurred and agreed claims payable								-
Reserve for P'Chang project								-
Others								9,749
Total loss reserves and outstanding claims, net								2,278,927

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Gross loss development triangle as at 31 December 2020

Accident year/ Reporting year	Prior 2015	2015	2016	2017	2018	2019	2020	Total
				<i>(in thousand Baht)</i>				
Estimated loss reserve and outstanding claim								
As at accident year ended	-	3,818,401	5,372,286	8,863,126	8,545,599	8,156,944	6,593,087	
Development year 1	-	3,760,889	5,399,997	9,156,249	8,208,769	7,671,505	-	
Development year 2	-	3,526,458	5,360,258	8,844,925	8,076,148	-	-	
Development year 3	-	3,511,869	5,369,886	8,820,769	-	-	-	
Development year 4	-	3,521,507	5,363,078	-	-	-	-	
Development year 5	-	3,520,401	-	-	-	-	-	
Absolute estimate loss reserve	-	3,520,401	5,363,078	8,820,830	8,076,633	7,671,272	6,636,628	
Accumulative claim paid	-	(3,520,192)	(5,360,091)	(8,797,982)	(7,875,619)	(6,844,476)	(3,634,757)	
Total loss reserves	4,048	209	2,987	22,848	201,014	826,796	3,001,871	4,059,773
Claims reserves under inward treaty								158
Excess of loss reinsurance								-
Loss adjustment expenses and unallocated loss adjustment expenses								191,518
Incurred and agreed claims payable								36,780
Reserve for P'Chang project								54,058
Others								43,095
Total loss reserves and outstanding claims								4,385,382

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Net loss development triangle as at 31 December 2020

Accident year/ Reporting year	Prior 2015	2015	2016	2017	2018	2019	2020	Total
				<i>(in thousand Baht)</i>				
Estimated loss reserve and outstanding claim								
As at accident year ended	-	2,249,511	3,021,915	3,939,944	4,457,842	4,580,718	3,909,666	
Development year 1	-	2,270,485	3,034,687	4,094,366	4,332,627	4,415,355	-	
Development year 2	-	2,116,885	3,034,264	4,052,788	4,289,578	-	-	
Development year 3	-	2,119,089	3,045,159	4,043,941	-	-	-	
Development year 4	-	2,124,834	3,045,142	-	-	-	-	
Development year 5	-	2,124,286	-	-	-	-	-	
Absolute estimated loss reserve	-	2,124,286	3,045,142	4,044,002	4,289,981	4,417,204	3,943,855	
Accumulative claim paid	-	(2,124,174)	(3,044,005)	(4,036,071)	(4,166,820)	(3,962,613)	(2,310,493)	
Total loss reserves	2,301	112	1,137	7,931	123,161	454,591	1,633,362	2,222,595
Claims reserves under inward treaty								140
Excess of loss reinsurance								(3,560)
Loss adjustment expenses and unallocated loss adjustment expenses								146,280
Incurred and agreed claims payable								36,780
Reserve for P'Chang project								48,859
Others								31,953
Total loss reserves and outstanding claims, net								2,483,047

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22.2.4 Unearned premium reserves

	Consolidated financial statements								
	Life insurance			Non - Life insurance			Total		
	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net
	<i>(in thousand Baht)</i>								
At 1 January	488,741	-	488,741	6,465,427	(2,835,572)	3,629,855	6,954,168	(2,835,572)	4,118,596
Premium written during the year	1,239,728	-	1,239,728	9,115,589	(3,752,027)	5,363,562	10,355,317	(3,752,027)	6,603,290
Earned premium during the year	(1,203,504)	-	(1,203,504)	(8,935,159)	3,836,684	(5,098,475)	(10,138,663)	3,836,684	(6,301,979)
Decrease from sale of investment in subsidiary	-	-	-	(716,011)	57,750	(658,261)	(716,011)	57,750	(658,261)
At 31 December	524,965	-	524,965	5,929,846	(2,693,165)	3,236,681	6,454,811	(2,693,165)	3,761,646

	Consolidated financial statements								
	Life insurance			Non - Life insurance			Total		
	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net
	<i>(in thousand Baht)</i>								
At 1 January	442,014	-	442,014	6,574,470	(2,759,634)	3,814,836	7,016,484	(2,759,634)	4,256,850
Premium written during the year	1,201,338	-	1,201,338	12,258,706	(5,276,498)	6,982,208	13,460,044	(5,276,498)	8,183,546
Earned premium during the year	(1,154,611)	-	(1,154,611)	(12,367,749)	5,200,560	(7,167,189)	(13,522,360)	5,200,560	(8,321,800)
At 31 December	488,741	-	488,741	6,465,427	(2,835,572)	3,629,855	6,954,168	(2,835,572)	4,118,596

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22.2.5 Unexpired risk reserves

COVID-19 unexpired risk

	Consolidated financial statements								
	Life insurance			Non - Life insurance			Total		
	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net	Liabilities under insurance contracts	Reinsurers' share of liabilities	Net
	<i>(in thousand Baht)</i>								
At 1 January	-	-	-	-	-	-	-	-	-
Increase	-	-	-	3,159,426	(317,081)	2,842,345	3,159,426	(317,081)	2,842,345
At 31 December	-	-	-	3,159,426	(317,081)	2,842,345	3,159,426	(317,081)	2,842,345

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

As at 31 December 2021, Southeast Insurance Public Company Limited (“SEIC”), a subsidiary, was affected from COVID-19 insurance policies. Although SEIC entered into a reinsurance agreement with a related party, the related party had requested for the voluntary discontinuation of the non-life insurance business and surrender of the non-life insurance license to the Office of Insurance Commission (“OIC”) in January 2022.

As the gross estimate of the unexpired risks of Baht 3,412 million (2020: nil) is more than the unearned premium reserve of Baht 253 million, SEIC has reserved an additional Baht 3,159 million. A reinsurance cash call received of Baht 317 million has also been offset in the table above.

As at 31 December 2021, SEIC received cash call from the related party as disclosed in note 23 Reinsurance payable amounting to Baht 1,169 million. (2020: nil) and recognised unexpired risk reserve in the consolidated statement of comprehensive income as follows:

<i>COVID-19 unexpired risk</i>	Reinsurers’ share of liabilities	(Cash call) (In thousand Baht)	Increase in unexpired risk reserve - net
Short-term technical reserves			
Loss reserves and outstanding claims			
- Case reserve	(142,147)	(142,147)	-
- Incurred but not report	(456,848)	(456,848)	-
Total loss reserves and outstanding claims	(598,995)	(598,995)	-
Unearned premium reserve	(252,833)	(252,833)	-
Unexpired risk reserve	(3,159,426)	(317,081)	(2,842,345)
Total short-term technical reserves	(4,011,254)	(1,168,909)	(2,842,345)

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

COVID-19 unexpired risk liabilities

During January - June 2021, insurance policies were underwritten by Southeast Insurance Public Company Limited ("SEIC") and The Thai Insurance Public Company Limited ("TIC") which provide benefits in the event of COVID-19 infection of policy beneficiaries (the "COVID-19 policies"). COVID-19 pandemic is still ongoing, while vaccines for COVID-19 are being rolled out during 2021. Thailand's COVID-19 infection rate fluctuated significantly from April 2021 and in particular due to the Omicron variant, the future infection rate is uncertain, which gives rise to a range of possible scenarios for the amount of claims that will be incurred during the remaining coverage period. The coverage periods of the majority (SEIC: 86%) of these policies are due to expire during April-June 2022. These give rise to a material uncertainty in the estimation of unexpired risk liabilities according to the insured amount of COVID-19 products, including principal data and assumptions that management applied and the sensitivity analysis such as expected Thailand infection rate and expected infection rate of Subsidiaries' policyholders. The principal data and assumptions that management applied for the COVID-19 related insurance policies are as follows:

- Number of COVID-19 policies in-force is approximately 1 million policies.
- Expected Thailand infection rate : 4.53% of population of Thailand
- Expected infection rate of Subsidiary's policyholders : 8.53% of total customers holding COVID-19 insurance policies.
- Estimated loss per claim : Baht 50,000 - 200,000

Sensitivity analysis

Sensitivity testing is an analysis of the extent to which unexpired risk reserve will increase or decrease due to changes in the assumptions used in the calculation. This will affect premium reserve and the risk may be the result of the frequency and severity of the losses used in determining the claims not being as expected.

	Consolidated financial statements	
	2021	
	Increase in unexpired risk reserve - total	Decrease in profit before tax
	<i>(in thousand Baht)</i>	
Expected Thailand infection rate accumulated until June 2022 (change from 4.53% to 5.90%)	3,412,314	3,412,314
Expected infection rate of the Company's policyholders (change from 8.53% to 11.52%)	3,412,314	3,412,314
Estimated loss per claim increase 20%	682,514	682,514

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

22.2.6 Unpaid policy benefits - Life insurance

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Death	156,651	37,532
Maturity	124,959	209,781
Expired cheques for benefits and claims	51,360	54,402
Disability	16,181	-
Others	52,824	47,341
Total	401,975	349,056

22.2.7 Other insurance contract liabilities

	Consolidated financial statements					
	2021			2020 (Restated)		
	Life insurance	Non-Life insurance	Total	Life insurance	Non-Life insurance	Total
	<i>(in thousand Baht)</i>					
Advance premiums	706	402,699	403,405	1,597	421,911	423,508
Outstanding cheques	-	8,934	8,934	-	23,920	23,920
Total	706	411,633	412,339	1,597	445,831	447,428

23. Reinsurance payable

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Amounts withheld on reinsurance	2,213,537	2,090,608
Due to reinsurers	1,670,881	1,509,062
Total	3,884,418	3,599,670

24. Other liabilities

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
	<i>(in thousand Baht)</i>			
Accrued expenses	856,335	1,104,775	15,047	59,629
Other payables	448,661	421,344	11,354	18
Commission and brokerage payables	290,290	275,579	-	-
Suspense premium accounts	231,014	223,987	-	-
Secured deposits from sales representatives	95,369	86,174	-	-
Revenue Department Payable	69,393	28,546	10,831	1,715
Others	390,900	286,908	4,024	2,992
Total	2,381,962	2,427,313	41,256	64,354

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

25. Share capital

	Par value per share (in Baht)	2021		2020	
		Number	Baht	Number	Baht
		<i>(thousand shares /in thousand Baht)</i>			
<i>Authorised</i>					
At 1 January					
- ordinary shares	10	1,203,357	12,033,565	753,640	7,536,402
Reduction of shares	10	(451,259)	(4,512,587)	(1,542)	(15,424)
Increase of new shares	10	451,259	4,512,587	451,259	4,512,587
At 31 December					
- ordinary shares	10	<u>1,203,357</u>	<u>12,033,565</u>	<u>1,203,357</u>	<u>12,033,565</u>
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	10	<u>752,098</u>	<u>7,520,978</u>	<u>752,098</u>	<u>7,520,978</u>
At 31 December					
- ordinary shares	10	<u>752,098</u>	<u>7,520,978</u>	<u>752,098</u>	<u>7,520,978</u>

Increasing and reduction of the registered capital

At the Annual General Meeting of Shareholder of the Company held on 3 September 2020, the shareholders had resolutions to approve the reduction the registered share capital to 752,097,832 share at Baht 10 par value and to approve the increase of the registered share capital to 1,203,356,530 share at Baht 10 par value. The Company registered the reduction and the increase of authorised share capital with the Ministry of Commerce on 16 September 2020.

At the Annual General Meeting of Shareholder of the Company held on 29 April 2021, the shareholders had resolutions to approve the reduction the registered share capital to 451,258,698 share at Baht 10 par value and to approve the increase of the registered share capital to 451,258,698 share at Baht 10 par value. The Company already registered the reduction and the increase of authorised share capital with the Ministry of Commerce on 13 May 2021.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

26. Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires the company and some subsidiaries shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Translation reserve

The translation reserves comprises all foreign currency differences arising from the translation of the financial statements of foreign operations. (Note 3 (d.4))

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss or directly included in the initial cost or other carrying amount of a non-financial asset or non- financial liability.

Cost of hedging reserve

The cost of hedging reserve reflects gain or loss on the portion excluded from the designated hedging instrument that relates to the forward element of forward contracts. It is initially recognised in OCI and accounted for similarly to gains or losses in the hedging reserve.

The fair value reserve comprise:

- the cumulative net change in the fair value of equity securities designated at FVOCI; and
- the cumulative net change in fair value of debt securities at FVOCI until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

Excess of book value of acquired subsidiaries over cost/(cost over book value)

The excess of book value of acquired subsidiaries over cost/(cost over book value) represent the difference between book value and cost of investment as of the date of acquisition of additional shares of certain existing subsidiaries and have been recorded as a reserve. It is non-distributable and will be retained until the respective investment in shares of subsidiaries are sold or otherwise disposed off.

Difference arising from business combination under common control

The difference arising from business combination under common control represent the difference of book values of certain entities or business under common control over their cost as of the date of their acquisition and have been recorded as a reserve. It is non-distributable and will be retained until the respective subsidiaries or businesses are sold or otherwise disposed off.

Revaluation reserve

The revaluation reserve comprises the cumulative net change in the valuation of land and buildings included in the financial statements at valuation until such land and buildings are sold or otherwise disposed of.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Movements in reserves

Movements in reserves are shown in the statements of changes in equity.

27. Segment information and disaggregation revenue

(a) Segment information

Management determined that the Group has four reportable segments which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1* Life insurance business
- *Segment 2* Non-life insurance business
- *Segment 3* Financial service business
- *Segment 4* Others businesses

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Year ended 31 December	Consolidated financial statements											
	Segment 1		Segment 2		Segment 3		Segment 4		Intra-group eliminations		Total	
	2021	2020 (Restated)	2021	2020 (Restated)	2021	2020 (Restated)	2021	2020 (Restated)	2021	2020 (Restated)	2021	2020 (Restated)
	<i>(in thousand Baht)</i>											
Information about reportable segments												
Insurance business revenue	10,521,645	7,977,571	8,985,284	8,619,262	-	-	72,288	74,343	-	-	19,579,217	16,671,176
Finance business revenue	-	-	-	-	4,704,588	4,142,079	-	-	-	-	4,704,588	4,142,079
Investment income	1,529,963	1,610,001	146,418	200,463	21,533	42,966	3,118	6,060	-	-	1,701,032	1,859,490
Rental investment properties	-	-	-	-	-	-	8,205	12,035	-	-	8,205	12,035
Financial instrument revenue	352,091	476,409	47,563	10,914	-	-	1,839	62,862	-	-	401,493	550,185
Gain on sell of investment in subsidiary	-	-	7,099,764	-	-	-	-	-	-	-	7,099,764	-
Other income	33,868	4,732	69,834	101,477	34,530	26,627	6,870	(1,592)	-	-	145,102	131,244
Inter-segment revenue	23,394	23,033	(7,204,440)	395,466	33,391	48,095	423,621	793,495	6,724,034	(1,260,089)	-	-
Total revenue	12,460,961	10,091,746	9,144,422	9,327,582	4,794,042	4,259,767	515,941	947,203	6,724,034	(1,260,089)	33,639,401	23,366,209
Profit (loss) before income tax expense	661,834	827,672	(11,424,373)	229,224	78,432	(65,764)	(968,317)	442,978	8,070,858	(535,369)	(3,581,566)	898,741
Segment assets	55,645,785	55,454,583	19,224,070	19,327,860	15,849,424	16,393,589	10,869,485	12,158,588	(10,027,143)	(10,707,314)	91,561,621	92,627,306
Segment liabilities	45,257,743	44,856,735	19,449,430	16,512,644	15,162,340	16,005,443	8,488,548	8,540,919	(6,813)	(7,058,929)	81,544,843	78,856,468

During January - June 2021, COVID-19 insurance policies were underwritten by Southeast Insurance Public Company Limited ("SEIC") and The Thai Insurance Public Company Limited ("TIC"). The amount included in "benefits payments and insurance claim expenses" incurred in respect of these policies is dependent on the estimation of unexpired risk reserve on those policies. For the year ended 31 December 2021, the Group recorded "benefits payments and insurance claim expenses" of COVID-19 insurance policies, 35% of the Baht 27,974.95 million presented in this caption in the consolidated income statement.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

As at 31 December 2021, loss before income tax expense from SEIC of Baht 3,029.32 million were included in segment 2 which mainly came from adjusted the financial statements based on non-going concern basis in particular the unexpired risk reserve, as specified in note 2(b) Basis of preparation of the financial statements for Southeast Insurance Public Company Limited (Subsidiary) (“SEIC”).

During 1 January 2021 to 27 September 2021, loss before income tax expense from TIC of Baht 8,441.74 million were included in segment 2 which mainly came from benefit payments and insurance claim expense.

(b) Reconciliations of reportable segment profit or loss

<i>For the year ended 31 December</i>	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Reportable segments	(3,581,566)	898,741
Unallocated amounts:		
- Share of loss of investments in associate and joint venture	-	-
Total	<u>(3,581,566)</u>	<u>898,741</u>

(c) Geographical segments and major customer

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

The Group has no customers from a single segment equal to or more than 10% of the Group’s total revenue.

(d) Disaggregation of revenue

The Group recognises income from operating lease contracts and finance lease contracts on a straight-line basis over the term of the lease, and recognises revenue from sale of assets under operating leases at a point in time.

28. Investment income

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020 (Restated)	2021	2020
	<i>(in thousand Baht)</i>			
Interest income	1,221,841	1,241,407	202,874	202,082
Dividend income	479,192	618,083	2,850	679,989
Total	<u>1,701,033</u>	<u>1,859,490</u>	<u>205,724</u>	<u>882,071</u>

29. Gain on financial instruments

	Consolidated	
	financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
<i>Gain (loss) from sale and derecognition</i>		
Debt securities measured at fair value through other comprehensive income	260,234	143,419
Derivatives	5,760	44,093
Other	(7,665)	(18,476)
Total	<u>258,329</u>	<u>169,036</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

30. Gain on fair value change of financial instruments

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
Financial instruments measured at fair value through profit or loss - Debt securities	124,053	289,242
Derivatives	12,091	(36,386)
Total	136,144	252,856

31. Operating expenses

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2021	2020
		<i>(in thousand Baht)</i>			
Personnel expenses	33	1,368,517	1,531,440	114,170	94,058
Information technology expenses		246,406	254,131	6,163	2,254
Building and equipment expenses	33	216,894	229,666	68	129
Depreciation and amortisation	33	191,600	147,724	2,566	285
Subcontractor cost		92,686	32,780	-	-
Investment expenses		61,607	54,061	-	-
Professional fee		57,125	59,435	16,080	14,550
Marketing management fee		51,894	55,955	-	1,087
Service and rental expenses		19,583	36,391	17,817	15,701
Tax expenses		11,959	19,708	241	154
Transportation expenses		9,416	14,556	909	995
Reversal bad debts and doubtful accounts		(22,569)	(16,732)	-	-
Others		39,907	31,817	(1,403)	6,885
Total		2,345,025	2,450,932	156,611	136,098

32. Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
	<i>(in thousand Baht)</i>			
Wages and salaries	1,459,087	1,617,407	89,973	69,391
Welfare expenses	64,396	80,196	3,248	2,046
Defined benefit plan	54,206	87,558	6,758	14,037
Defined contribution plan	49,616	51,226	2,013	2,248
Allowance	3,036	2,030	2,985	1,836
Social security fund contribution	1,564	2,266	-	-
Others	100,328	117,076	9,193	4,500
Total	1,732,233	1,957,759	114,170	94,058

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Defined contribution plan

The defined contribution plan comprise a provident fund established by the Group for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 15% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed Fund Manager.

33. Expenses by nature

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020 (Restated)	2021	2020
<i>(in thousand Baht)</i>					
Personnel expenses					
Included in benefits payments and insurance claims expenses		176,305	234,692	-	-
Included in other underwriting expenses		187,412	191,627	-	-
Included in operating expenses	31	1,368,517	1,531,440	114,170	94,058
Total		1,732,234	1,957,759	114,170	94,058
Depreciation and amortisation expenses					
Included in direct rental costs		1,673,720	1,607,651	-	-
Included in operating expenses	31	191,600	147,724	2,566	285
Total		1,865,320	1,755,375	2,566	285
Building and equipment expenses					
Included in benefits payments and insurance claims expenses		2,420	7,868	-	-
Included in other underwriting expenses		4,686	5,569	-	-
Included in direct rental costs		338,943	343,296	-	-
Included in operating expenses	31	216,894	229,666	68	129
Total		562,943	586,399	68	129

34. Expected credit loss

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
<i>(in thousand Baht)</i>				
Debt securities measured at fair value through other comprehensive income	6,611	2,202	-	-
Operating lease receivables	2,279	-	-	-
Loans and accrued interest	992	634	-	-
Debt securities measured at amortised cost	226	-	-	-
Hire-purchase and finance lease receivables	243	3,529	-	-
Other assets	-	-	49,000	-
Total	10,351	6,365	49,000	-

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

35. Income tax expense

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated) <i>(in thousand Baht)</i>	2021	2020
Current tax expense				
Current year	296,223	134,007	-	-
Under provided in prior years	4,315	41,199	-	-
	<u>300,538</u>	<u>175,206</u>	<u>-</u>	<u>-</u>
Deferred tax expense				
Movements in temporary differences	(448,793)	28,805	(98,798)	(36,075)
Recognition of previously unrecognised tax losses	(73,520)	(11,474)	(24,162)	-
	<u>(522,313)</u>	<u>17,331</u>	<u>(122,960)</u>	<u>(36,075)</u>
Total income tax expense	<u>(221,775)</u>	<u>192,537</u>	<u>(122,960)</u>	<u>(36,075)</u>

	Consolidated financial statements			Consolidated financial statements		
	2021			2020 (Restated)		
<i>Income tax</i>	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of Tax
Recognised in other comprehensive income						
Foreign currency translation differences for foreign operations	146,475	(29,295)	117,180	(27,531)	-	(27,531)
Revaluation of property, plant and equipment	17,125	(3,425)	13,700	36,104	(7,221)	28,883
Cash flow hedges reserve	(7,256)	1,451	(5,805)	18,719	(3,744)	14,975
Cost of hedges reserve	4,690	(938)	3,752	43,767	(8,753)	35,014
Financial assets measured at fair value through other comprehensive income	(611,635)	122,327	(489,308)	(2,663,830)	532,766	(2,131,064)
Defined benefit plan actuarial gains (losses)	(47,554)	9,511	(38,043)	7,164	(1,433)	5,731
Total	<u>(498,155)</u>	<u>99,631</u>	<u>(398,524)</u>	<u>(2,585,607)</u>	<u>511,615</u>	<u>(2,073,992)</u>

	Separate financial statements					
	2021			2020		
<i>Income tax</i>	Before tax	Tax (expense) benefit	Net of tax	Before Tax	Tax (expense) benefit	Net of Tax
Recognised in other comprehensive income						
Defined benefit plan actuarial gains	710	(142)	568	6,548	(1,310)	5,238
Total	<u>710</u>	<u>(142)</u>	<u>568</u>	<u>6,548</u>	<u>(1,310)</u>	<u>5,238</u>

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

<i>Reconciliation of effective tax rate</i>	Consolidated financial statements 2021		Consolidated financial statements 2020 (Restated)	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense	20	<u>(3,581,566)</u>	20	<u>898,741</u>
Income tax using the Thai corporation tax rate		(716,313)		179,748
Income not subject to tax		(52,458)		(66,304)
Expenses for tax incentive		1,308		(23,822)
Expenses not deductible for tax purposes		57,655		92,357
Recognition of previously unrecognised tax losses		(73,520)		(11,474)
Current year losses for which no deferred tax asset was recognised		761,240		-
Write-off deferred tax asset		(203,973)		-
Under provided in prior years		4,315		41,199
Others		(29)		(19,167)
Total	6	<u>(221,775)</u>	21	<u>192,537</u>

<i>Reconciliation of effective tax rate</i>	Separate financial statements			
	2021		2020	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit (loss) before income tax expense	20	<u>(981,447)</u>	20	<u>655,489</u>
Income tax using the Thai corporation tax rate		(196,289)		131,098
Income not subject to tax		(570)		(135,998)
Expenses for tax incentive		1,683		(15,716)
Expenses not deductible for tax purposes		96,378		549
Recognition of previously unrecognised tax losses		(24,162)		-
Current year losses for which no deferred tax asset was recognised		-		(16,008)
Total	13	<u>(122,960)</u>	(6)	<u>(36,075)</u>

<i>Deferred tax At 31 December</i>	Consolidated financial statements			
	Assets		Liabilities	
	2021	2020 (Restated)	2021	2020 (Restated)
		<i>(in thousand Baht)</i>		
Total	1,163,612	1,553,148	(259,706)	(1,350,282)
Set off of tax	(103,943)	(851,961)	103,943	851,961
Net deferred tax assets (liabilities)	<u>1,059,669</u>	<u>701,187</u>	<u>(155,763)</u>	<u>(498,321)</u>

<i>Deferred tax At 31 December</i>	Separate financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
		<i>(in thousand Baht)</i>		
Net deferred tax assets	<u>126,032</u>	<u>3,072</u>	-	-

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Movements in deferred tax assets and liabilities for the year ended 31 December were as follows:

<i>Deferred tax</i>	Consolidated financial statements (Charged) / credited to:				At 31 December
	At 1 January	Profit or loss	Other comprehensive income (in thousand Baht)	Equity	
2021					
<i>Deferred tax assets</i>					
Premium due and uncollected	30,130	(24,399)	-	-	5,731
Reinsurance receivables	1,826	(1,826)	-	-	-
Hire purchase and finance lease receivables	16,796	49	-	-	16,845
Subrogation	10,275	(10,275)	-	-	-
Inventories	119	227	-	-	346
Right-of-use assets	383	(310)	-	-	73
Loans	74,138	-	-	-	74,138
Insurance contract liabilities	1,144,603	(398,950)	-	-	745,653
Provision for employee benefits	68,345	(29,772)	(4,350)	5,377	39,600
Financial assets measured at fair value through other comprehensive income	1,827	-	(1,827)	-	-
Other liabilities	28,789	(31,659)	105	6,081	3,316
Loss carry forward	77,146	64,859	-	-	142,005
Others	98,771	36,806	328	-	135,905
Total	1,553,148	(395,250)	(5,744)	11,458	1,163,612
<i>Deferred tax liabilities</i>					
Financial assets measured at fair value through other comprehensive income	(300,137)	848,975	(215,461)	(15,746)	317,631
Amortisation of prepayment for land used rights	(6,066)	-	-	-	(6,066)
Revaluation surplus on land and building	(586,853)	3,732	-	350,991	(232,130)
Property, plant and equipment	(350,117)	187,053	-	-	(163,064)
Derivatives	15,396	3,351	(25,868)	-	(7,121)
Others	(122,505)	(46,451)	-	-	(168,956)
Total	(1,350,282)	996,660	(241,329)	335,245	(259,706)
Net	202,866	601,410	(247,073)	346,703	903,906

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements			At 31 December
	At 1 January	(Charged) / credited to:		
<i>Deferred tax</i>		Profit or loss	Other comprehensive income	
		<i>(in thousand Baht)</i>		
2020				
<i>Deferred tax assets</i>				
Premium due and uncollected	22,366	7,764	-	30,130
Reinsurance receivables	1,826	-	-	1,826
Hire purchase and finance lease receivables	16,091	705	-	16,796
Subrogation	10,275	-	-	10,275
Inventories	7,595	(7,476)	-	119
Right-of-use assets	389	(6)	-	383
Loans	74,138	-	-	74,138
Insurance contract liabilities	1,047,786	96,817	-	1,144,603
Provision for employee benefits	68,699	1,079	(1,433)	67,345
Financial assets measured at fair value through other comprehensive income	-	-	1,827	1,827
Other liabilities	39,116	(4,325)	(6,002)	28,789
Loss carry forward	169,511	(92,365)	-	77,146
Others	43,286	57,088	(1,603)	98,771
Total	1,501,078	59,281	(7,211)	1,553,148
<i>Deferred tax liabilities</i>				
Financial assets measured at fair value through other comprehensive income	(886,552)	75,093	511,322	(300,137)
Amortisation of prepayment for land used rights	(1,516)	(4,550)	-	(6,066)
Revaluation surplus on land and building	(580,690)	1,058	(7,221)	(586,853)
Property, plant and equipment	(307,758)	(42,359)	-	(350,117)
Derivatives	8,829	(3,511)	10,078	15,396
Others	(13,858)	(113,294)	4,647	(122,505)
Total	(1,781,545)	(87,563)	518,826	(1,350,282)
Net	(280,467)	(28,282)	511,615	202,866
2021				
<i>Deferred tax asset</i>				
Provision for employee benefits	3,072	(190)	(142)	2,740
Loss carry forward	-	123,292	-	123,292
Net	3,072	123,102	(142)	126,032

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	At 1 January	Separate financial statements (Charged) / credited to:		At 31 December
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
Deferred tax				
2020				
Deferred tax asset				
Provision for employee benefits	3,283	1,099	(1,310)	3,072
Total	3,283	1,099	(1,310)	3,072
Deferred tax liability				
Derivatives	(34,976)	34,976	-	-
Total	(34,976)	34,976	-	-
Net	(31,693)	36,075	(1,310)	3,072

Unrecognised deferred tax assets

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated) <i>(in thousand Baht)</i>	2021	2020
Property, plant and equipment	(241)	(377)	-	-
Tax loss	91,797	114,881	-	24,162
Total	91,556	114,504	-	24,162

The tax losses will expire in 2022 - 2027. The deductible temporary differences do not expire under current tax legislation. The Group has not recognised these items as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

36. Basic earnings per share

The calculations of basic earnings (losses) per share for the separate financial statements for year ended 31 December 2021 is based on the net profit (loss) for the year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year.

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated) <i>(thousand shares/thousand Baht)</i>	2021	2020
Profit (loss) for the year attributable to ordinary shareholders of the Company	<u>(3,260,470)</u>	<u>728,446</u>	<u>(858,487)</u>	<u>691,564</u>
Weighted average number of ordinary shares outstanding (basic) at 31 December	<u>752,098</u>	<u>752,098</u>	<u>752,098</u>	<u>752,098</u>
Earnings (losses) per share (basic) <i>(in Baht)</i>	<u>(4.34)</u>	<u>0.97</u>	<u>(1.14)</u>	<u>0.92</u>

37. Dividends

	Approval date	Payment schedule	Dividend rate per share <i>(in Baht)</i>	Amount <i>(in thousand Baht)</i>
2021				
2020 Interim dividend	7 January 2021	5 February 2021	0.60	451,259

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

38. Risks management and financial instruments

(a) *Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

At 31 December	Note	Consolidated financial statement							Total
		Hedging instruments	Carrying amount		Total (in thousand Baht)	Fair value			
			Financial instruments measured at FVTPL	Financial instruments measured at FVOCI		Level 1	Level 2	Level 3	
2021									
Financial assets									
Other financial assets:									
Investment in equity instruments	12	-	-	13,494,853	13,494,853	5,008,313	8,385,253	101,287	13,494,853
Investment in debt instruments	11	-	4,064,105	38,786,124	42,850,229	-	42,850,229	-	42,850,229
Derivatives assets	13	23,363	-	-	23,363	-	23,363	-	23,363
Total other financial assets		23,363	4,064,105	52,280,977	56,368,445				
Financial liabilities									
Other financial liabilities:									
Derivatives liabilities	13	241,076	-	-	241,076	-	241,076	-	241,076
Total other financial liabilities		241,076	-	-	241,076				
2020 (Restate)									
Financial assets									
Other financial assets:									
Investment in equity instruments	12	-	-	12,207,576	12,207,576	4,950,658	7,149,863	107,055	12,207,576
Investment in debt instruments	11	-	3,911,822	40,554,307	44,466,129	-	44,466,129	-	44,466,129
Derivatives assets	13	69,951	-	-	69,951	-	69,951	-	69,951
Total other financial assets		69,951	3,911,822	52,761,883	56,743,656				
Financial liabilities									
Other financial liabilities:									
Derivatives liabilities	13	209,170	-	-	209,170	-	209,170	-	209,170
Total other financial liabilities		209,170	-	-	209,170				
Separate financial statements									
At 31 December	Note	Hedging instruments	Carrying amount		Total (in thousand Baht)	Fair value			Total
			Financial instruments measured at FVTPL	Financial instruments measured at FVOCI		Level 1	Level 2	Level 3	
2021									
Financial assets									
Other financial assets:									
Investment in equity instruments	12	-	-	234,000	234,000	-	-	234,000	234,000
Total other financial assets		-	-	234,000	234,000				
2020									
Financial assets									
Other financial assets:									
Investment in equity instruments	12	-	-	234,000	234,000	-	-	234,000	234,000
Total other financial assets		-	-	234,000	234,000				

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Financial instruments measured at fair value

The Company determines Level 2 fair values for debt securities which are listed in the Thai Bond Market Association using the prices on the last business day of the period provided by the Thai Bond Market Association.

The Company determines Level 2 fair values for debt securities which are not listed in the Thai Bond Market Association are based on quotes from a reliable institution at the reporting date.

The Company determines Level 2 fair values for non-listed unit trusts using the net asset value (NAV) on the last business day of the period provided by assets management companies.

The Company determines Level 1 fair values for listed equity securities and unit trusts using the last bid price on the last business day of the period provided by The Stock Exchanges of Thailand.

The Company determines Level 2 fair values for derivative. The fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flow using market interest rate for a similar instrument of the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and counterparty when appropriate. In addition, the Company tested for reasonableness by comparing with the market price from financial institutions which are derivative issues.

The Company determines level 3 fair values for non-listed equity using net asset value per share according to the latest available financial statement for T.I.I. Company Limited's equity and using fair value valuation by the Notification of the Office of Insurance Commission ("OIC") for Road Accident Victims Protection Company Limited's equity.

Financial instruments not measured at fair value

The carrying amounts of the following financial assets and financial liabilities are considered to be approximate to their fair value: cash and cash equivalents, accrued investment income, premiums due and uncollected, reinsurance receivables, policy loans, mortgage loans, other loans, other receivables, due to reinsurers, and other payables, except for debt securities measured at amortised cost which fair value is calculated by referencing to the price quoted by Thai Bond Market Association at reporting date.

The fair value of deposits at financial institutions which have remaining terms to maturity of less than 90 days are based on carrying value. For those with remaining terms to maturity greater than 90 days, the fair value is estimated by using a discounted cash flow analysis based on current interest rates for the remaining period to maturity.

The fair value of mortgage loans and other loans which carrying floating interest rates and are fully collateralised is taken to approximate the carrying value. The fair value of fixed interest rate loans is estimated by using discounted cash flow analysis based on current interest rates for the remaining years to maturity.

Transfers between Level 1 and 2 of fair values hierarchy

At 31 December 2021, equity securities measured at fair value through other comprehensive income with a carrying amount of Baht 262 million were transferred from Level 1 to Level 2 and none of equity security measured at fair value through other comprehensive income were transferred from level 2 to level 1 (2020: equity securities measured at fair value through other comprehensive income with a carrying amount of Baht 27 million were transferred from Level 1 to Level 2 and equity securities measured at fair value through other comprehensive income with carry amount of Baht 126 million were transferred from level 2 to level 1). The Company has considered the liquidity of trading there securities in the market.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

<i>Reconciliation of Level 3 fair values</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
		(Restated)		
		(in thousand Baht)		
<i>Equity securities</i>				
At 1 January	107,055	-	234,000	-
Adoption of TFRS9	-	168,583	-	234,000
Net change in fair value (including unrealised transactions)				
- recognised in OCI	(5,768)	(61,528)	-	-
At 31 December	101,287	107,055	234,000	234,000

(b) *Financial risk management policies*

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee

38.1 Insurance risk management

Life insurance risk management

Risk of loss resulting from unexpected events, deviations from actuarial assumptions, the magnitude and timing of claims, policyholder behaviour, underwriting expenses.

Underwriting risk

Underwriting risk arises from inaccurate assessment of the risks entailed in writing of an insurance policy.

The Group has an underwriting process that classifies applicants into risk categories based on their medical history, health condition, occupation, etc. Coverage and premium can vary across categories, reflecting different levels of risk.

Mortality and morbidity risk

Mortality and morbidity risk refers to the possibility that the frequency or severity of claims arising from insurance contracts exceeds the level assumed when the products were priced.

The Group can be exposed to high claims from policyholders resulting from changes in their life and health expectancy or from catastrophic events, whether natural or man-made.

Thai Group Holdings Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2021

The Group manages mortality and morbidity risk by consider claim trends are monitored on an ongoing basis. Exposure in excess of retention limits is ceded to reinsurers. Mortality and morbidity experience is monitored to ensure that the Group's assumptions are appropriate.

Product design and mispricing risk

All insurance products will be internally approved by management.

All insurance products will be approved by the Office of Insurance Commission ("OIC").

Policyholder behaviour risk

Risk that arises from policyholders' acts to discontinue/reduce contributions or surrender request prior to maturity of the contract, or to falsely obtain a particular insurance coverage or claims some benefit to which they are not otherwise entitled to.

Persistency is regularly monitored through reports and comprehensive analysis.

An underwriting process and claim management are also designed to detect and minimise fraudulent behaviour from policyholders.

Concentration of insurance risk

Concentrations of risk may arise where a particular event or a series of events could impact heavily upon the Group's insurance contract liabilities.

All of the Group's contracts are life insurance non-par contracts. The amount of risk to which the Company is exposed depends on the level of guarantees inherent in the contracts comparing with the prevailing interest rate. The changes in interest rate will not cause a change to the amount of the liability, unless the change is severe enough to trigger a liability adequacy test adjustment.

As at 31 December 2021, the discount interest rates for the purpose of the liability adequacy test, in accordance with life insurance industry practice, is the average of eight quarters of the zero coupon Thailand government bond yield curve plus illiquidity premium of 96 basis points (2020: 122 basis points). Management monitors the sensitivity to changes in rates on an ongoing basis. A decrease of 100 basis points (2020: 100 basis points) from current market interest rates would not be trigger a liability adequacy test adjustment.

Non - life insurance risk management

The risk under any insurance contract is the possibility that the insured event occurs and the uncertainty in the amount of compensation to the insured.

The Group intends to mitigate its risk exposure by employing a comprehensive framework to identify, assess, manage and monitor risk. This framework includes implementation of underwriting strategies which aim to ensure that the underwritten risks are well diversified in terms of type and amount of the risk. The insurance contracts are provided to all types of customers based on assessment of insurance risk by the Group. Reinsurance is arranged to mitigate the effect of potential losses to the Group from individual large insured events. Further, the Company adopts strict claim review policies including active management of the claims, regular detailed review of claim handling procedures and investigation of possible false claims.

Sensitivity analysis

The sensitivity analysis is performed on the net loss reserve and outstanding claims, based on changes in assumptions that may affect the level of liabilities. The assumption that has the greatest effect on the determination of loss reserve and outstanding claims is the expected loss ratio. The test was conducted based on a change level of -5% to +5% of the loss reserve and outstanding claim, net of reinsurance recoveries.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

		Consolidated financial statements 2021	
	Change in variable	Increase (decrease) in liabilities	Increase (decrease) in profit and equity
	(%)	<i>(in thousand Baht)</i>	
Increase in expected loss ratio	5	214,081	(171,264)
Decrease in expected loss ratio	5	(213,246)	170,597

		Consolidated financial statements 2020 (Restated)	
	Change in variable	Increase (decrease) in liabilities	Increase (decrease) in profit and equity
	(%)	<i>(in thousand Baht)</i>	
Increase in expected loss ratio	5	150,886	(120,668)
Decrease in expected loss ratio	5	(234,520)	187,616

38.2 Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly fixed. The Group manages the investment risk by considering the risk of investments together with the return on such investments.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

At 31 December, the significant financial assets and liabilities classified by type of interest rate were as follows:

	Consolidated financial statements 2021				Consolidated financial statements 2020 (Restated)			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	<i>(in thousand Baht)</i>							
Financial assets								
Hire-purchase and finance lease receivables	-	967,613	-	967,613	-	1,098,657	-	1,098,657
Investments in securities								
Government and state enterprise debt securities	-	20,986,647	-	20,986,647	-	22,637,507	-	22,637,507
Private debt securities	-	19,030,720	-	19,030,720	-	19,406,463	-	19,406,463
Foreign debt securities	-	2,832,862	-	2,832,862	-	2,422,159	-	2,422,159
Deposits at banks with original maturity over 3 months	-	1,140,150	-	1,140,150	-	1,181,095	-	1,181,095
Loans								
Policy loans	-	546,645	-	546,645	-	575,399	-	575,399
Mortgage loans	47,674	384,080	-	431,754	45,885	379,735	-	425,620
Short-term loans to other parties	534,087	-	-	534,087	192,985	-	-	192,985
Current portion of long-term loans to other parties	-	31,934	-	31,934	-	25,853	-	25,853
Long-term loans to other parties	-	253,704	-	253,704	-	212,575	-	212,575
Total financial assets	581,761	46,174,355	-	46,756,116	238,870	47,939,443	-	48,178,313

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements 2021				Consolidated financial statements 2020 (Restated)			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	<i>(in thousand Baht)</i>							
Financial liabilities								
Short-term loans from financial institutions	-	9,789,000	-	9,789,000	-	10,716,000	-	10,716,000
Short-term loans from related parties	-	-	-	-	-	15,000	-	15,000
Short-term loans from other parties	-	40,000	-	40,000	-	50,000	-	50,000
Current portion of long-term loans from financial institutions	36,000	1,971,457	-	2,007,457	36,000	2,289,347	-	2,325,347
Long-term loans from financial institutions	27,000	3,506,598	-	3,533,598	57,000	3,439,198	-	3,496,198
Financial lease liabilities	-	651,128	-	651,128	-	430,636	-	430,636
Total financial liabilities	63,000	15,958,183	-	16,021,183	93,000	16,940,181	-	17,033,181
	Separate financial statements							
	2021				2020			
	Floating interest rate	Fixed interest rate	Non-interest bearing	Total	Floating interest rate	Fixed interest rate	Non-interest bearing	Total
	<i>(in thousand Baht)</i>							
Financial assets								
Loans								
Short-term loans to related parties	-	2,829,700	-	2,829,700	-	2,953,412	-	2,953,412
Current portion of long-term loans to related parties	-	206,000	-	206,000	-	258,600	-	258,600
Long-term loans to related parties	-	5,104,668	-	5,104,668	-	5,273,368	-	5,273,368
Total financial assets	-	8,140,368	-	8,140,368	-	8,485,380	-	8,485,380
Financial liabilities								
Short-term loans from financial institutions	-	8,249,000	-	8,249,000	-	8,189,000	-	8,189,000
Financial lease liabilities	-	26,194	-	26,194	-	32,037	-	32,037
Total financial liabilities	-	8,275,194	-	8,275,194	-	8,221,037	-	8,221,037

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

At 31 December, the significant financial assets and liabilities carrying interest rate at fixed rates were classified on the basis of the length of time from the reporting date to next re-pricing date, or to maturity date whichever is sooner. The details are as follows:

	Interest rate (% per annum)	Consolidated financial statements 2021			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
Financial assets					
Hire-purchase and finance lease receivables	5.50 - 7.00	548,776	415,580	3,257	967,613
Investments in securities					
Government and state enterprise debt securities	1.06 - 2.88	4,629,641	6,529,314	9,827,692	20,986,647
Private debt securities	2.82 - 5.11	1,608,035	4,524,492	12,898,193	19,030,720
Foreign debt securities	5.08	1,071,470	478,346	1,283,046	2,832,862
Deposits at banks with original maturity over 3 months	0.375 - 0.70	1,140,150	-	-	1,140,150
Loans					
Mortgage loans	5.00 - 15.00	24,900	-	359,180	384,080
Current portion of long-term loans to other parties	2.20 - 15.00	31,934	-	-	31,934
Long-term loans to other parties	2.20 - 15.00	30,476	118,819	104,409	253,704
Total financial assets		9,085,382	12,066,551	24,475,777	45,627,710
Financial liabilities					
Short-term loans from financial institutions	1.81 - 2.51	9,789,000	-	-	9,789,000
Short-term loans from other parties	1.75	40,000	-	-	40,000
Current portion of long-term loans from financial institutions	2.68 - 4.05	1,971,457	-	-	1,971,457
Long-term loans from financial institutions	2.68 - 4.05	-	2,339,805	1,166,793	3,506,598
Financial lease liabilities	3.39 - 3.90	198,692	452,436	-	651,128
Total financial liabilities		11,999,149	2,792,241	1,166,793	15,958,183

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

		Consolidated financial statements 2020 (Restated)				
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total	
		Interest rate (% per annum)				
Financial assets						
Hire-purchase and finance lease receivables	5.50 - 7.00	223,832	874,242	583	1,098,657	
Investments in securities						
Government and state enterprise debt securities	1.20 - 6.80	3,606,021	10,290,026	8,741,460	22,637,507	
Private debt securities	1.44 - 5.05	1,241,965	6,880,188	11,284,310	19,406,463	
Foreign debt securities	4.88	684,257	1,257,180	480,722	2,422,159	
Deposits at banks with original maturity over 3 months	0.35 - 1.35	1,181,095	-	-	1,181,095	
Loans						
Mortgage loans	5.00 - 15.00	24,900	-	354,835	379,735	
Current portion of long-term loans to other parties	3.22 - 15.00	25,853	-	-	25,853	
Long-term loans to other parties	3.22 - 15.00	616	3,157	208,802	212,575	
Total financial assets		6,988,539	19,304,793	21,070,712	47,364,044	
Financial liabilities						
Short-term loans from financial institutions	1.77 - 2.62	10,716,000	-	-	10,716,000	
Short-term loans from related parties	3.70	15,000	-	-	15,000	
Short-term loans from other parties	1.75	50,000	-	-	50,000	
Current portion of long-term loans from financial institutions	2.92 - 3.95	2,289,347	-	-	2,289,347	
Long-term loans from financial institutions	2.92 - 3.95	-	3,439,198	-	3,439,198	
Financial lease liabilities	3.39 - 3.90	184,471	246,165	-	430,636	
Total financial liabilities		13,254,818	3,685,363	-	16,940,181	
		Separate financial statements				
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total	
		Interest rate (% per annum)				
2021						
Financial assets						
Loans						
Short-term loans to related parties	2.31 - 2.61	2,829,700	-	-	2,829,700	
Current portion of long-term loans from related parties	2.31	206,000	-	-	206,000	
Long-term loans to related parties	2.14 - 2.51	-	5,104,668	-	5,104,668	
Total financial assets		3,035,700	5,104,668	-	8,140,368	
Financial liabilities						
Short-term loans from financial institutions	1.81 - 1.90	8,249,000	-	-	8,249,000	
Financial lease liabilities	3.27 - 3.73	11,496	14,698	-	26,194	
Total financial liabilities		8,260,496	14,698	-	8,275,194	

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Interest rate (% per annum)	Within 1 year	Separate financial statements		Total
			After 1 year but within 5 years (in thousand Baht)	After 5 years	
2020					
Financial assets					
Loans					
Short-term loans to related parties	2.47 - 2.88	2,953,412	-	-	2,953,412
Current portion of long-term loans from related parties	2.35 - 2.55	258,600	-	-	258,600
Long-term loans to related parties	2.18 - 3.75	-	5,273,368	-	5,273,368
Total financial assets		3,212,012	5,273,368	-	8,485,380
Financial liabilities					
Short-term loans from financial institutions	1.77 - 2.05	8,189,000	-	-	8,189,000
Financial lease liabilities	3.27 - 3.73	11,987	20,050	-	32,037
Total financial liabilities		8,200,987	20,050	-	8,221,037

Policy loans are fully collateralised by the value of the underlying policy and carry interest rates which follow the regulations of the Office of Insurance Commission. The average rate of interest in the year ending 31 December 2021 was 4 - 10% per annum (2020: 4 - 10% per annum). The contractual maturity of these loans would generally follow the maturity profile of the underlying insurance policy with which they are associated. Policyholders may repay policy loans prior to maturity.

Interest rate swap contract

On 31 December 2021, the Group entered into an interest rate swap agreement for a long-term loan amounted of Baht 1,600 million (2020 : Baht 1,600 million) for swapping a floating interest rate to a fixed interest rate of 3.75% and 4.05% per annum (2020: 3.75% and 4.05% per annum), with settlement in December 2022 - December 2024 (2020: December 2022 - July 2024) and entered into an interest rate swap agreement for the investments in available for sale debentures of Baht 1,740.19 million (2020 : 2,056.25 million) for swapping fix interest rate to floating interest rate 1.63% per annum (2020: 1.63% per annum).

Sensitivity analysis

A reasonable possible change of interest rates at the reporting date would have affected the measurement of investment in debt securities and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Effects on profit or loss

	+ 50 basis point	- 50 basis point
	(in thousand Baht)	
2021		
Yield curve	(905,306)	822,752
2020		
Yield curve	(760,278)	885,974

38.3 Foreign currency risk

The Group is exposed to foreign currency exchange rates relating to investment in debt securities and borrowing in foreign currencies. The Group primarily utilizes forward exchange contracts and cross currency swap contracts to hedge such financial assets and liabilities denominated in foreign currencies.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

At 31 December, the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
United States Dollars		
Cash and cash equivalents	33,152	363,698
Investments in debt securities	2,654,443	1,991,249
Investments in equity securities	638,453	408,601
Gross exposure in the statements of financial position	3,326,048	2,763,548
Cross currency swaps contracts	(1,576,784)	(1,417,847)
Net exposure	1,749,264	1,345,701
Euro		
Cash and cash equivalents	32,613	14,441
Investments in debt securities	153,714	-
Investments in equity securities	263,060	204,968
Gross exposure in the statements of financial position	449,387	219,409
Singapore Dollars		
Cash and cash equivalents	25,806	33,888
Investments in debt securities	7,084	6,041
Investments in equity securities	1,234,218	1,139,930
Gross exposure in the statements of financial position	1,267,108	1,179,859
Hong Kong Dollars		
Cash and cash equivalents	4,853	20,523
Investments in debt securities	17,621	6,701
Investments in equity securities	71,007	50,362
Gross exposure in the statements of financial position	93,481	77,586
Australian Dollars		
Cash and cash equivalents	13,533	-
Investments in equity securities	259,652	179,548
Gross exposure in the statements of financial position	273,185	179,548
Japan Yen		
Cash and cash equivalents	792	10,244
Investments in equity securities	-	20,337
Borrowings	41,039	-
Gross exposure in the statements of financial position	41,831	30,581
Foreign currency forward contracts	-	-
Net exposure	41,831	30,581
Other currencies		
Cash and cash equivalents	9,487	87,687
Investments in equity securities	33,871	27,507
Gross exposure in the statements of financial position	43,358	115,194

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

<i>Impact to profit or loss</i>	Strengthening 5%	Weakening 5%
	<i>(in thousand Baht)</i>	
<i>At 31 December 2021</i>		
USD	2,238	(2,238)
SGD	1,320	(1,305)
AUD	691	(459)
<i>At 31 December 2020</i>		
USD	28,156	(28,156)
SGD	1,888	(2,218)
AUD	2,324	(4,942)

38.4 Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Key areas that the Group is exposed to credit risk are cash positions, premium due and uncollected, policy, mortgage loans and investments in debt securities.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all policyholders, borrowers and debt securities on an ongoing basis. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Concentrations of the credit risk with respect to reinsurers are insignificant due to the Company maintains a panel of reinsurers that the Company is allowed to transact business with. The domestic reinsurers must either be registered or authorised to carry out reinsurance business in Thailand by the Office of Insurance Commission and maintain at least minimum Capital Adequacy Ratio. In case of foreign reinsurers, they have to have good quality of credit rating.

Concentrations of the credit risk with respect to premiums due and uncollected are insignificant due to the large number of customers comprising the customer base and their dispersion across different industries and geographic regions in Thailand.

In addition, there is insignificant risk from policy loans since the sum that the Company has lent to insured parties is less than the cash value of their policies with the Company. The maximum value of the risk arising from secured loans is the amount of the loan less the value which the Company is able to derive from the assets pledged as security.

The following tables set out information about the credit quality as at 31 December of receivables under hire purchase and finance lease contract without taking into account collateral or other credit enhancement. The description of stage 1-3 are disclosed in note 3.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	12-month PD ranges (%)	Consolidated financial statements 2021			Total
		Stage 1	Stage 2 (in thousand Baht)	Stage 3	
Hire-purchase and finance lease receivables					
Current		385,370	-	-	385,370
Overdue 1 - 30 days	1.29	25,346	1,730	-	27,076
Overdue 31 - 60 days	2.04	-	25,530	-	25,530
Overdue 61 - 90 days	3.62	-	11,763	-	11,763
Overdue more than 91 days	20.52	-	-	630,947	630,947
Hire-purchase and finance lease receivables		410,716	39,023	630,947	1,080,686
Unearned interest income		(101,735)	(806)	(13,040)	(115,581)
Deferred commission expense		952	91	1,464	2,507
Less allowance for expected credit loss		(1,642)	(975)	(81,608)	(84,225)
Net carrying amount		308,291	37,333	537,763	883,387

	12-month PD ranges (%)	Consolidated financial statements 2020 (Restated)			Total
		Stage 1	Stage 2 (in thousand Baht)	Stage 3	
Hire-purchase and finance lease receivables					
Current		1,205,509	-	-	1,205,509
Overdue 1 - 30 days	0.09	4,865	-	-	4,865
Overdue 31 - 60 days	6.18	-	12,436	-	12,436
Overdue 61 - 90 days	10.68	-	6,925	-	6,925
Overdue more than 91 days	21.34	-	-	96,362	96,362
Hire-purchase and finance lease receivables		1,210,374	19,361	96,362	1,326,097
Unearned interest income		(227,663)	(407)	(2,024)	(230,094)
Deferred commission expense		2,422	39	193	2,654
Less allowance for expected credit loss		(1,337)	(2,805)	(79,840)	(83,982)
Net carrying amount		983,796	16,188	14,691	1,014,675

Hire-purchase and finance lease receivables with unearned interest income

	Consolidated financial statements 2021		
	Gross Amount	ECL (in thousand Baht)	Net
Revolving loans			
- Stage 1	357,988	-	357,988
- Stage 2	-	-	-
- Stage 3	176,099	(146,077)	30,022
Total	534,087	(146,077)	388,010

	Consolidated financial statements 2020 (Restated)		
	Gross Amount	ECL (in thousand Baht)	Net
Revolving loans			
- Stage 1	16,886	-	16,886
- Stage 2	-	-	-
- Stage 3	176,099	(146,077)	30,022
Total	192,985	(146,077)	46,908

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

	Consolidated financial statements		
	Gross Amount	2021	
		ECL (in thousand Baht)	
Mortgage loans			
- Stage 1	149,943	(842)	149,101
- Stage 2	8,285	(2,032)	6,253
- Stage 3	273,526	(238,147)	35,379
Total	431,754	(241,021)	190,733

	Consolidated financial statements		
	Gross Amount	2020	
		(Restated) ECL (in thousand Baht)	
Mortgage loans			
- Stage 1	145,484	(821)	144,663
- Stage 2	4,529	(712)	3,817
- Stage 3	275,607	(238,496)	37,111
Total	425,620	(240,029)	185,591

As at 31 December, allowance for expected credit loss was as follow:

	Consolidated financial statements			
	2021			
	Financial assets that are not significant increase in credit risk	Financial assets that are significant increase in credit risk	Financial assets that are credit impaired	Total
	<i>(in thousand Baht)</i>			
Hire purchase and finance lease receivables	(1,642)	(975)	(81,608)	(84,225)
Mortgage loans	(842)	(2,032)	(238,147)	(241,021)
Revolving loans	-	-	(146,077)	(146,077)
Total	(2,484)	(3,007)	(465,832)	(471,323)

	Consolidated financial statements			
	2020			
	(Restated)			
Financial assets that are not significant increase in credit risk	Financial assets that are significant increase in credit risk	Financial assets that are credit impaired	Total	
	<i>(in thousand Baht)</i>			
Hire purchase and finance lease receivables	(1,337)	(2,805)	(79,840)	(83,982)
Mortgage loans	(821)	(712)	(238,496)	(240,029)
Revolving loans	-	-	(146,077)	(146,077)
Total	(2,158)	(3,517)	(464,413)	(470,088)

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

The movements in allowance for expected credit loss of receivables under hire purchase and finance lease contract during the year were as follows:

<i>For the year ended 31 December</i>	Consolidated financial statements			
	2021			
	Financial assets that are not significant increase in credit risk	Financial assets that are significant increase in credit risk	Financial assets that are credit impaired	Total
	<i>(in thousand Baht)</i>			
<i>Hire purchase and finance lease receivables</i>				
At 1 January	1,337	2,805	79,840	83,982
Change from stage reclassification	305	(1,830)	1,768	243
At 31 December	1,642	975	81,608	84,225

<i>For the year ended 31 December</i>	Consolidated financial statements			
	2020 (Restated)			
	Financial assets that are not significant increase in credit risk	Financial assets that are significant increase in credit risk	Financial assets that are credit impaired	Total
	<i>(in thousand Baht)</i>			
<i>Hire purchase and finance lease receivables</i>				
At 1 January	2,936	3,365	74,152	80,453
Change from stage reclassification	-	-	5,688	5,688
Write-off	(1,599)	(560)	-	(2,159)
At 31 December	1,337	2,805	79,840	83,982

Information related to ECL

Significant increase in credit risk (SICR)

When determining whether the probability of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment and including forward-looking information.

Definition of default

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group;
- the borrower is more than 90 days past due on any material credit obligation to the Group; or
- it is becoming probable that the borrower will restructure the asset as a result of bankruptcy due to the borrower's inability to pay its credit obligations.

In assessing whether a borrower is in default, the Group considers indicators that are:

- qualitative: e.g. breaches of covenant;
- quantitative: e.g. overdue status and non-payment on another obligation of the same issuer to the Group; and
- based on data developed internally and obtained from external sources.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

Probability of default

Credit risk grades are a primary input into the determination of the probability of default. The Group has collected repayment performance data of each receivable and input into statistical models to analyse the data collected and generate estimates of the lifetime PD based on contractual repayment. Then, the Group uses the PD to estimate ECL.

Incorporation of forward-looking information

ECL has been estimated by the probability default over the expected life of the financial instrument. It is based on the present value of all expected cash shortfalls carried by historical loss experience data for the group of assets that the Group considers credit risk to be similar such as types of financing and adjusted by current observed data, along with supportable and reasonable future forecasts if statistically correlated can be proved. Appropriate judgements are also incorporated to estimate ECL using macroeconomic data. The Group assesses both the current situation and the forecast of future economic conditions for each situation.

However, the Group reviews the assumptions and forecasts of the future economic situations on a regular basis. In addition, the Group also considers to provide the management overlay as a part of ECL.

Investments in securities

Information about the credit quality as at 31 December 2021 of debt securities measured at fair value through other comprehensive income and debt securities measured at amortised cost which were classified as investment grade with a carrying amount of Baht 25,925 million (2020: Baht 26,271 million), based on rating agency in Thailand which are Thai Rating and Information Service Co., Ltd. and Fitch Ratings (Thailand) Limited and foreign rating agency which are Moody's Investors Services, S&P Global Ratings and Fitch Rating Inc. and non-credit rated government and state enterprise securities with a carrying amount of Baht 16,041 million (2020: Baht 17,695 million).

The following table presents the exposure to credit risk for investment in debt securities at amortised cost and FVOCI. It indicates whether assets measured at amortised cost or FVOCI were subject to a 12-month ECL or lifetime ECL allowance and, in the latter case, whether they were credit-impaired.

<i>Investments in debt securities as at 31 December</i>	12-months ECL	Consolidated financial statements		Total
		Lifetime ECL- not credit- impaired (in thousand Baht)	Lifetime ECL- credit- impaired	
2021				
Debt instruments measured at amortised cost	1,140,150	-	-	1,140,150
Debt instruments measured at FVOCI	38,786,124	-	-	38,786,124
	39,926,274	-	-	39,926,274
Less allowance for expected credit loss	(751)	-	-	(751)
Net	39,925,523	-	-	39,925,523
2020				
Debt instruments measured at amortised cost	1,181,095	-	-	1,181,095
Debt instruments measured at FVOCI	40,554,307	-	-	40,554,307
	41,735,402	-	-	41,735,402
Less allowance for expected credit loss	(524)	-	-	(524)
Net	41,734,878	-	-	41,734,878

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

<i>Movement of allowance for expected credit loss in investments in debt instruments</i>	Consolidated financial statements	
	12-months ECL <i>(in thousand Baht)</i>	Total
2021		
<i>Debt instruments measured at amortised cost</i>		
At 1 January	(524)	(524)
Net remeasurement of loss allowance	(227)	(227)
At 31 December	(751)	(751)
<i>Debt instruments measured at FVOCI</i>		
At 1 January	(14,230)	(14,230)
Net remeasurement of loss allowance	(6,611)	(6,611)
At 31 December	(20,841)	(20,841)

<i>Movement of allowance for expected credit loss in investments in debt instruments</i>	Consolidated financial statements (Restated)	
	12-months ECL <i>(in thousand Baht)</i>	Total
2020		
<i>Debt instruments measured at amortised cost</i>		
At 1 January	-	-
Net remeasurement of loss allowance	(524)	(524)
At 31 December	(524)	(524)
<i>Debt instruments measured at FVOCI</i>		
At 1 January	(12,028)	(12,028)
Net remeasurement of loss allowance	(2,202)	(2,202)
At 31 December	(14,230)	(14,230)

38.5 Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The Group's financial assets aged by maturity duration after reporting date are disclosed in 38.4.

As at 31 December 2021 and 2020, insurance contract liabilities are aged by estimating timing of the net cash flows as follows:

	Estimated timing of the net cash flows			
	Within 1 year	Between 1 - 5 years	Over 5 years	Total
<i>(in thousand Baht)</i>				
2021				
Long-term technical reserves	6,696,333	23,438,437	12,329,666	42,464,436
2020				
Long-term technical reserves	3,826,947	26,496,296	12,013,944	42,337,187

In addition almost of loss reserves and outstanding claims as at reporting date have the estimated length of payment within 1 year because most of loss reserves are short trail insurance contract such as motor insurance, residential fire insurance and personal accident insurance.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

38.6 Equity price risk

Equity price risk is the risk arising from changes in the prices of equities that may cause either volatility in the Group's earnings or fluctuations in the value of the financial assets. The Group closely monitors prevailing market conditions and provide information to management for managing the risk in accordance with the Group's investment policy.

Sensitivity analysis

A reasonably possible change of the stock market as at 31 December 2021 would have affected the valuation of investment in listed equity investments and affected equity and profit or loss by the amount shown below.

	Profit or loss		Equity, net of tax	
	2% increase	2% decrease	2% increase	2% decrease
			<i>(in thousand Baht)</i>	
Stock exchange	-	-	161,802	(161,802)

39. Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Capital management - Insurance business

The Group's capital management policy is to maintain a strong capital base to meet policyholders' obligations and the requirements of the Office of Insurance Commission, to create shareholder value, deliver sustainable returns to shareholders and to support future business growth.

In accordance with and the requirements of the Office of Insurance Commission, all insurers are required to maintain a minimum at least 120% (2020: 120%) of capital adequacy requirement (CAR) to meet policyholders' obligations. The CAR applies a risk-based approach to capital adequacy and is determined by the sum of the aggregate of the total risk requirement of all insurance funds established and maintained by the insurer.

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern in order to protect policyholders and to provide returns for shareholders and benefits for the stakeholders and to maintain an optimal capital structure to reduce the cost of capital. It is the Group's policy to hold capital levels in excess of CAR.

In order to maintain as adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, and issue new shares.

There were no changes in the Group's approach to capital management during the year except the non-life insurance business. During 2021, SEIC arranged the reinsurance agreement with TIC as mentioned in the Note 5. In addition, see note 2(b) and note 45 for additional information regarding to SEIC's discontinue the insurance business.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

40. Securities and assets pledged with the Registrar

40.1 As at 31 December, investments in debt securities have been pledged with the Registrar in accordance with Sections 20 of the Life Assurance Act (No. 2) B.E. 2551 as follows:

	Consolidated financial statements 2021		Consolidated financial statements 2020 (Restated)	
	Book value	Face value	Book value	Face value
	<i>(in thousand Baht)</i>			
Government bonds	<u>73,958</u>	<u>80,000</u>	<u>20,329</u>	<u>20,000</u>

40.2 As at 31 December, investments in debt securities have been placed as life assurance policy reserve with the Registrar in accordance with Sections 24 of the Life Assurance Act (No. 2) B.E. 2551 as follows:

	Consolidated financial statements 2021		Consolidated financial statements 2020 (Restated)	
	Book value	Face value	Book value	Face value
	<i>(in thousand Baht)</i>			
Government and state enterprise debt securities	10,086,652	9,429,500	8,536,483	7,731,500
Private debt securities	<u>2,196,467</u>	<u>2,010,000</u>	<u>2,077,188</u>	<u>1,880,000</u>
Total	<u>12,283,119</u>	<u>11,439,500</u>	<u>10,613,671</u>	<u>9,611,500</u>

40.3 As at 31 December, investments in debt securities have been placed with the Registrar in accordance with the Non-Life Insurance Act (No. 2) B.E. 2551 as follows:

	Consolidated financial statements 2021		Consolidated financial statements 2020 (Restated)	
	Book value	Face value	Book value	Face value
	<i>(in thousand Baht)</i>			
Government bonds	15,607	15,000	30,624	29,000
Deposit Bank	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>
Total	<u>29,607</u>	<u>29,000</u>	<u>44,624</u>	<u>43,000</u>

40.4 As at 31 December, investments in debt securities have been placed with the Registrar as the reserve fund in accordance with the Notification of the Office of Insurance Commission regarding “Rates, Rules and Procedures for Unearned Premium Reserve of Non - life Insurance Company B.E.2557” as follows:

	Consolidated financial statements 2021		Consolidated financial statements 2020 (Restated)	
	Book value	Face value	Book value	Face value
	<i>(in thousand Baht)</i>			
Government state enterprise debt securities and Bank of Thailand bonds	303,655	300,000	1,083,119	1,038,100
Deposit Bank	<u>536,000</u>	<u>536,000</u>	-	-
Total	<u>839,655</u>	<u>836,000</u>	<u>1,083,119</u>	<u>1,038,100</u>

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

41. Restricted and collateral securities

As at 31 December, debt securities and time deposits at banks were pledged as collateral as follows:

	Consolidated financial statements	
	2021	2020 (Restated)
	<i>(in thousand Baht)</i>	
<i>Deposits at banks - time deposits</i>		
Bail bonds	1,775	3,331
Bank overdraft	-	10,011
Total	1,775	13,342
<i>Government bonds (book value)</i>		
Electricity usage	2,081	2,193

42. Contribution to Insurance Fund

As at 31 December, the accumulated contributions to the Life and Non-Life Insurance Fund are as follows:

	Consolidated financial statements			
	Life Insurance Fund		Non-Life Insurance Fund	
	2021	2020 (Restated)	2021	2020 (Restated)
	<i>(in thousand Baht)</i>			
At 1 January	80,851	72,506	262,121	233,959
Increased during the year	10,891	8,345	27,136	28,162
Decreased during the year	-	-	(50,353)	-
At 31 December	91,742	80,851	238,904	262,121

43. Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020 (Restated)	2021	2020
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
<i>Contracted but not provided for:</i>				
Building and other constructions	174,179	69,342	-	-
Intangible assets and equipment	30,904	37,822	-	-
Total	205,083	107,164	-	-
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	11,169	15,452	280	10
After one year but within five years	7,405	15,932	929	35
Total	18,574	31,384	1,209	45
<i>Other commitments</i>				
Cross currency swap	3,479,561	1,895,642	-	-
Interest rate swap	3,340,190	3,656,245	-	-
Deposit at banks - pledged for				
- Bank overdraft	-	10,001	-	-
- Bank guarantees	671,445	608,396	-	-
Total	7,491,196	6,170,284	-	-

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

As at 31 December 2021, the Group have operating lease agreements for building and other services for the period of 1 year to 5 years (2020: 1 year to 5 years).

44. Contingent liabilities

As at 31 December 2021, significant lawsuits have been brought against the Group, in relation to insurance claims in the normal course of business for amount in dispute totaling approximately Baht 344.80 million (2020: Baht 387.22 million) which represent SEIC's contingent liabilities of Baht 301 million, of which the Group's share after recovery from reinsurance amounts to approximately Baht 240 million (2020: Baht 211.18 million). The Group has recognised part of contingent liabilities amounting to approximately Baht 10.20 million (2020: Baht 16.95 million) in the financial statements. The Group's management believes that the recorded amount of non-life policy reserves, life policy reserves, unpaid policy benefits and due to insured in the financial statements is adequate to meet the potential loss in respect of those claims.

45. Events after the reporting period

On January 25, 2022, The Board of Directors of Thai Group Holdings Public Company Limited ("the Company") considered the impact of the COVID-19 epidemic situation on the business operations of Southeast Insurance Public Company Limited ("SEIC"), a subsidiary of the Group, and resolved to approve SEIC's the non-life insurance business discontinuation, which is the right to request for the voluntary discontinue of the non-life insurance business and surrender of the non-life insurance license to the Registrar under Sections 57 and 57/1 of the Non-Life Insurance Act B.E. 2535. However, the discontinuation of non-life insurance business and management of liabilities and insurance policies of SEIC shall be in accordance with the resolution of the Extraordinary General Meeting of SEIC which was held on 26 January 2022.

Discontinuation of SEIC's non-life insurance business

On 1 December 2021, the Meeting of Board of Directors of Southeast Insurance Public Company Limited ("SEIC") No. 11/2021 resolved to agree that SEIC should exercise its legal rights to file a lawsuit with the Administrative Court against secretary-general of the Office of Insurance Commission (OIC) for revoking the Registrar's Order No. 38/2021 Prohibiting the cancellation of the termination of the COVID-19 insurance for non-life insurance companies and requested the court to adjudicate the case and temporarily suspends the order. The Administrative Court received the statement on 10 January 2022. However, on 31 January 2022, SEIC requested and was allowed to withdraw the lawsuit and dispose of the cases from the directory, effective 1 February 2022 because SEIC had filed for permission to stop doing non-life insurance business later.

The Meeting of Board of Directors of SEIC No. 2/2022 hold on 14 January 2022 unanimously resolved to approve as follows:

- Approved the non-life insurance business discontinuation, in order to protect those policyholders, beneficiaries and stakeholders which was the best way for everyone especially for every policyholders as well as relevant employees and staff who would sustain the highest impact if SEIC was still doing the business in the COVID-19 situation that have been more severe by coronavirus mutations that are constantly evolving.
- Approved to transfer all or part of SEIC's business to Indara Insurance Public Company Limited and submit SEIC's business transfer project under Section 13 of the Non-Life Insurance Act. According to the consideration of the discontinuation of the non-life insurance business, those policyholders, beneficiaries, stakeholders, staff and employees will receive fair treatment from SEIC to provide the services.

The Extraordinary General Meeting of Shareholders of SEIC No. 1/2022 held on 26 January 2022 resolved to approve the matters relating to the discontinuation of the non-life insurance business proposed by the Board of Directors and also approve the General Insurance Fund to proceed for relevant management in relation with the discontinuation of non-life insurance business of SEIC under the rules and guidelines of the General Insurance Fund. However, the shareholders disagreed to transfer business to Indara Insurance Public Company Limited.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

After SEIC requested for the discontinuation of the non-life insurance business under Section 57 of the Non-Life Insurance Act to the OIC. On 31 January 2022, OIC informed the results of the discontinuation of the non-life insurance business request and set the criteria, methods, conditions, and timing for SEIC to comply completely as required by law before the consideration of permission to discontinue the non-life insurance business. SEIC must manage and transfer all non-life insurance policies obligations and inform that General Insurance Fund cannot be in the discontinuation of the business process as SEIC requested. While SEIC has not been allowed to discontinue from the OIC, SEIC still needs to continue the business as usual, so the insured or beneficiary can claim from SEIC as usual.

SEIC had started by applying for approval of the list of non-life insurance companies to transfer the insurance policies that still have obligations and has contacted insurance company according to the approved list from OIC for being the part of SEIC's insurance policy transferring program to help SEIC's insured. There are many companies that intend to participate in the insurance policy transferring program, but no company is willing to accept transfer of COVID-19 insurance policies.

To terminate insurance policies on 1-7 February 2022, SEIC has announced to return full amount of insurance premiums to the policyholders who are insured for COVID-19 infection, more than 350,000 policyholders expressing their intention to refund the premium.

In regard to the transfer of the insurance policies, SEIC has started to transfer all types of insurance policies except COVID-19 infection policy to Indara Insurance Public Company Limited (a subsidiary of TGH) and 3 non-related insurance companies. which is effective on 23 February 2022 onwards.

Sale of land and buildings

On 21 January 2022, SEIC had entered into sale agreement for land and building of head office to Southeast Property Company Limited amounting to Baht 1,780 million. The asset's book value amounted to Baht 1,694.3 million (included revaluation surplus on land and buildings), gain from sale amounted to Baht 86.3 million and transferred the revaluation surplus on land and buildings of these assets amounting to Baht 1,258.1 million to retained earnings. On 21 January 2022, SEIC received cash from sale agreement from Southeast Property Company Limited.

On 11 February 2022, SEIC had submitted petition to OIC to obtain approval for the sale of real estate that are offices in 9 branches and 6 properties foreclosed to Southeast Property Company Limited. The branch offices' book value amounted to Baht 85.8 million and the properties foreclosed book value amounted to Baht 54.5 million which sale of these assets are in the process of consideration by OIC.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2021

46. Reclassification of accounts

Certain accounts in the 2020 financial statements have been reclassified to conform to the presentation in the 2021 financial statements as follows:

	2020		
	Consolidated financial statements		
	(Restated)		
	Before reclassifications	Reclassifications <i>(in thousand Baht)</i>	After reclassifications
<i>Statement of financial position</i>			
<i>Assets</i>			
Hire-purchase and finance lease receivables	999,020	15,655	1,014,675
<i>Liabilities</i>			
Other liabilities	(2,411,658)	<u>(15,655)</u>	(2,427,313)
		<u>-</u>	
<i>Statement of other comprehensive income</i>			
<i>Expense</i>			
Operating expenses	2,451,105	(173)	2,450,932
Financial cost	453,170	<u>173</u>	453,343
		<u>-</u>	
	2020		
	Separate financial statements		
	Before reclassifications	Reclassifications <i>(in thousand Baht)</i>	After reclassifications
<i>Statement of other comprehensive income</i>			
<i>Expense</i>			
Operating expenses	137,189	(1,092)	136,097
Financial cost	91,854	<u>1,092</u>	92,946
		<u>-</u>	