

**Minutes of the 27 /2020 Annual General Meeting of Shareholders  
Held on April 24<sup>th</sup>, 2020  
Thaivivat Insurance Public Company Limited**

The Meeting was convened on April 24<sup>th</sup>, 2020 at Thaivivat Insurance Building, 71 Din Deang Road, Samsen Nai subdistrict, Phaya Thai District Bangkok, Thailand.

There were 14 shareholders holding 32,132,048 shares and 22 proxies holding 194,878,908 shares with the total 36 persons, holding 227,010,956 shares or 74.92 % of the total units issued and fully paid shares (303,000,000 shares) which constituted a quorum pursuant to the company's Articles of Association (Article 29) that had at least 25 participants and number of shares was not less than one-third of total number of shares.

The Meeting commenced at 15.03 hours.

The meeting secretary informed the meeting that for the shareholders' meeting today, the company has provided measures to prevent the spread risk of COVID-19 as the meeting guidelines of the Department of Disease Control under the Ministry of Public health and of other related agencies.

Secretary informed the meeting the voting procedures that: The Chairman asks the meeting to cast the vote for each agenda whether shareholders approve, disapprove or abstain voting, please raise his/her hand. The officer receives voting cards and counts the votes by deducting disapprove and abstain votes from the total number of votes. The Chairman announces the result, if no shareholder raises his/her hand, it deems that all shareholders approve the proposed agenda.

For proxy holder, the company counts and records vote as specified by the shareholder instruction. Shareholders acknowledged the voting procedures.

Since the chairman of the board was unable to attend the meeting due to health problem, the shareholders' meeting selected Mr. Jiraphant Asvathanakul, President and Chief Executive Officer, who is also a shareholder to be the chairman of the meeting.

Mr. Jiraphant Asvatanakul, Director , President and Chief Executive Officer introduced Directors and Management Committee Members, who were present in this meeting as follows

1. 5 of 9 Directors or 55% attended the meeting as follows:

- |                                  |  |
|----------------------------------|--|
| 1) Mrs. Supaporn Burapakusolsri  | Independent Director, The Good Corporate Governance Committee        |
| 2) Mr. Jiraphant Asvatanakul     | President & CEO , Investment Committee                               |
| 3) Mr. Thawan Viranont           | Director, The Good Corporate Governance Committee                    |
| 4) Mrs. Sutepee Asvatanakul      | Managing Director, CFO and The Nomination and Remuneration Committee |
| 5) Mrs. Sunee Theravithayangkura | Director and Company Secretary                                       |

2. 5 Management Committee members attended the meeting as follows:

- |                              |                                 |
|------------------------------|---------------------------------|
| 1) Mr. Praphid Dhiraprayudti | Senior Executive Vice President |
|------------------------------|---------------------------------|

- |                                  |                                 |
|----------------------------------|---------------------------------|
| 2) Miss Janejira Asvatanakul     | Senior Executive Vice President |
| 3) Mr. Thepphan Asvatanakul      | Senior Executive Vice President |
| 4) Miss Sareeporn Saengsirirakul | Manager, Accounting Department  |
| 5) Mr. Sucheep Lakhong           | Manager, Accounting Department  |

3. Representatives from the EY Office Limited, the company's external auditors, 2 auditors attended the meeting as follows:

- |                              |                       |
|------------------------------|-----------------------|
| 1) Miss Somjai Khunnprasut   | Partner               |
| 2) Mr. Peerawich Boonsiriwit | Manager of Audit team |

The Company invited the shareholder, Mrs.Srinaunchan Suksawas to examine the vote counting.

Mr. Jiraphant Asvatanakul proceeded a meeting as the company's Article of Association and specified agenda respectively as follows:

**Agenda 1: To certify minutes of the 26/2019 Annual General Meeting of Shareholders on April 29, 2019**

Mr. Jiraphant Asvatanakul requested the meeting to consider and approve minutes of the 26/2019 Annual General Meeting of Shareholders held on April 29, 2019 that had been sent to each shareholder.

Mr. Jiraphant Asvatanakul proposed the meeting to consider and approve the minutes of the 26/2019 Annual General Meeting of Shareholders and gave the opportunity to shareholders to ask questions.

There was no comment or query; Mr. Jiraphant then concluded the resolution.

**RESOLUTION:** The meeting unanimously certified the minutes of the 26/2019 Annual Ordinary Meeting of Shareholders held on April 20, 2018 with the following numbers of votes:

Approved ... 227,010,956..... votes equal to 100% of all cast votes by shareholders who attended the meeting

Disapproved .....-.....votes

Abstained .....-..... votes

Void Ballot .....-..... votes

**Agenda 2: To acknowledge the Board of Directors' Report on the result of operation in 2019 as presented in the Annual Report**

Mr. Jiraphant Asvatanakul reported and high-lighted results of 2019 as compared to 2018, the details were summarized as follows:

(Unit : Million Baht)

	Consolidated financial statements		Change %
	2019	2018	
Underwriting Income	3,736.28	3,219.83	16.04
Underwriting Expenses	(3,209.21)	(2,633.42)	21.86
Profit from Underwriting before Operating expenses	527.07	586.41	(10.12)



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Operating expenses	(542.19)	(480.98)	12.73
Profit (Loss) from Underwriting	(15.12)	105.43	(114.34)
Investment Income	136.73	23.22	488.85
Other Income	14.53	7.30	99.04
Profit from Operation	136.14	135.95	0.14
Income Tax Revenue	(23.98)	(25.27)	(5.10)
Net Profit	112.16	110.68	1.34

In 2019 the company and its subsidiary had underwriting income Baht 3,736.28 million that increased Baht 516.45 million or 16.04% and underwriting expenses Baht 3,209.21 million that increased Baht 575.79 million or 21.86% resulting in 2019 the company and its subsidiary had underwriting profit before operating expense Baht 527.07 million that decreased Baht 59.34 million or 10.12%. For the operating expense increased from 2018 Baht 61.21 million or 12.73% resulting the company and its subsidiary had underwriting loss Baht 15.12 million which was the decrease of underwriting profit 114.34% from 2018.

Besides the underwriting income, the company and its subsidiary had a main investment income with investment ratio as the Office of Insurance Commission (OIC) announcement Baht 136.73 million in 2019 or increased 488.85% due to the improvement of current securities situation.

From changing in 2019 the company and its subsidiary had operating profit Baht 136.14 million increasing Baht 0.19 million from last year including corporate income tax in 2019 Baht 23.98 million decreasing Baht 1.29 million from 2018. Therefore, in 2019 the company and its subsidiary had net profit Baht 112.16 million increasing Baht 1.48 million from 2018.

Mr. Jiraphant Asvatanakul informed the meeting that the company received the awards in 2019 from Thailand Insurance Expo 2019 organized by the Office of Insurance Commission (OIC) as follows:

1. Outstanding Non-Life Insurance Development Award.
2. Outstanding Non-Life Insurance Company that has applied technology to insurance system.

Mr. Jiraphant Asvatanakul asked the meeting for questions and comments.

There was no comment or query; Mr. Jiraphant then concluded the resolution.

**RESOLUTION:** The meeting acknowledged the report.

**Agenda 3: To consider and approve the Company's Balance Sheet, the Profit and Loss Statement for the Year Ended December 31, 2019**

Mr. Jiraphant Asvatanakul proposed the meeting to approve the Balance Sheet and the Profit and Loss Statement as at December 31, 2019. The financial statements were disclosed in the Annual Report 2019 submitted to all shareholders together with the invitation letter in QR Code Format.

Mr. Jiraphant Asvatanakul informed to the meeting about The Company's financial statements at 31 December, 2019 as follows:

Financial position	Consolidate Financial Statement		Change %
	2019	2018	
Cash and cash equivalents	225.30	229.77	(1.95)
Premium receivables	610.38	523.28	16.65
Reinsurance assets and Reinsurance from receivables contracts	677.02	623.58	8.57
Investments in securities	3,786.34	3,269.46	15.81
Property, buildings and equipment	327.89	317.22	3.36
Other	903.79	686.13	31.72
<b>Total assets</b>	<b>6,530.72</b>	<b>5,649.44</b>	<b>15.60</b>
Due to reinsurers	470.39	506.56	(7.14)
Loss reserves and outstanding claims	1,492.51	1,171.20	27.43
Premium reserve	2,336.17	1,964.52	18.92
Other	918.08	754.51	21.68
<b>Total liabilities</b>	<b>5,217.15</b>	<b>4,396.79</b>	<b>18.66</b>
<b>Total equity</b>	<b>1,313.57</b>	<b>1,252.65</b>	<b>4.86</b>

The company and its subsidiary had total assets Baht 6,530.72 million; cash and cash equivalents Baht 225.30 million, decreased 1.95% from 2018; investment assets included deposits at financial institution, debt instrument, equity instrument, bond and other investments Baht 3,786.34 million, increased 15.81% from 2018, reinsurance assets and premium receivables Baht 1,287.40 million, increased 12.25% from 2018, property, buildings and equipment and other assets Baht 1,231.68 million, increased 22.76% from 2018.

The company and its subsidiary had total liabilities Baht 5,217.15 million. The main item is insurance contract liabilities Baht 3,828.68 million, increased 22.10% from 2018. Furthermore, the company had the reinsurance liabilities and other liabilities Baht 1,388.47 million, increased 10.10% from 2018.

The company and its subsidiary had total equity Baht 1,313.57 million, net profit Baht 112.16 million and other comprehensive income in exchange differences on translation of financial statements in foreign currency (loss), gain (loss) on changes in values of available-for-sale investments and actuarial gain (loss) Baht (9.37) million with non-controlling interests of the subsidiary Baht 13.30 million.

The Company has Capital Adequacy Ratio of 236.26 as of 31 December 2019 which is more than 120 % stipulated by law or 1.97 times.

Mr. Jiraphant Asvatanakul informed the meeting that the company certified to renew membership of the Private Sector Collective Action Coalition against Corruption (CAC) on August 5, 2019.

Mr. Jiraphant Asvatanakul asked the meeting if there were any queries or comments about the Company's Balance Sheet, Profit and Loss Statement.

There was no comment or query; Mr. Jiraphant then concluded the resolution.

**RESOLUTION:** The meeting unanimously approved the company's balance sheet, profit and loss statement for the year ended December 31, 2019 as following numbers of votes:

Approve ...227,010,956..... votes equal to 100% of all cast votes by shareholders who attended the meeting

Disapprove .....-.....votes

Abstain .....-..... votes

Void Ballot .....-..... votes

**Agenda 4: To consider the Allocation of Net Profit for Dividend Payment**

Mr. Jiraphant Asvatanakul informed the meeting, according to the Article of Association No.34, the company must allocate the Annual net profits not less than 5%, minus the cumulative losses (if any) until this reserve was not less than 10 percent of the company registered capital. The company had already allocated a reserve 30.3 million Baht.

The company had also a dividend payment policy to shareholders not less than 40% of net profit after tax. The comparison of dividend payments for the last 3 years are as follows:

Dividend Payment	AGM 27/2020	AGM 26/2019	AGM 25/2018
Net Profit (Baht)	116,088,489	115,370,517	34,249,425.31
Earnings Per Share (Baht)	0.38	0.38	0.11
Number of Share (share)	303,000,000	303,000,000	303,000,000
Dividend Payment Per Share (Baht)	0.20	0.20	0.07
Total Dividend Payment (Baht)	60,600,000	60,600,000	21,210,000
Dividend Payout Ratio	52.20%	52.53%	61.93%

**Opinion of the Board:** The Board deemed that the company reserve was equal to the amount specified in the Article of Association, therefore, no need to allocate net profit as a reserve. The company had a net profit about 116.08 million Baht, proposed to approve the dividend payment 2019 at the rate of Baht 0.20 (twenty satang) per share, total amount 60,600,000 Baht or 52.20% of net profit. The company had fixed the record date on May 5, 2020 for determining the shareholders right to receive dividend. The payment was on May 22, 2020.

Mr. Jiraphant Asvatanakul asked if there were any queries or comments on allocation of net profit for dividend payment 2019.

There was no comment or query; Mr. Jiraphant then concluded the resolution.

**RESOLUTION:** The meeting unanimously approved no reserve allocation and dividend payment as 0.20 (twenty satang) per share as following numbers of votes:

Approve ... 227,010,956..... votes equal to 100% of all cast votes by shareholders who attended the meeting

Disapprove .....-.....votes

Abstain .....-..... votes

Void Ballot .....-..... votes



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**Agenda 5: To fix the directors remuneration for the year 2019.**

Mr. Jiraphant Asvatanakul presented for the Shareholders' that the Company has policy to compensate directors at the closely level of industry and sufficiently retain directors of required qualifications. The committee proposed 5,000,000 Baht to pay for director's remuneration 4,000,000 Baht and audit committee remuneration 1,000,000 Baht (excluding board meeting fee).

The Nomination and Remuneration Committee considered and deemed to set up the director's remuneration as proposed rate and proposed to the Annual General Meeting of Shareholders to approve the remuneration and meeting allowance for attendance as follows:

<b>Details of Compensation</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>1. Director's Bonus (Baht /Board)</b>	<b>4,000,000</b>	<b>3,480,000</b>	<b>3,480,000</b>
Number of Directors (Person)	9	9	9
<b>2. The Audit Committee's Bonus (Baht /Board)</b>	<b>1,000,000</b>	<b>640,000</b>	<b>640,000</b>
Number of Directors (Person)	3	3	3
<b>3. The Nomination and Remuneration Committee</b>	<b>-</b>	<b>-</b>	<b>-</b>
Number of Directors (Person)	3	4	4
<b>4. The Investment Committee (Baht /Board)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Number of Directors (Person)	3	3	3
<b>5. The Good Corporate Governance Committee</b>	<b>-</b>	<b>-</b>	<b>-</b>
Number of Directors (Person)	3	-	-
<b>Meeting for attendant (Baht / Meeting / Person)</b>			
<b>1. The Board of Director</b>			
- Chairman Mr. Chalaw Fuangaromya	30,000	30,000	30,000
- Director (There are 8 Directors)	20,000	20,000	20,000
<b>2.The Audit Committee</b>			
- Chairman Mr. Phisit Setthawong	20,000	20,000	20,000
- Committee Mrs.Pilai Piamphongsant Mrs.Pranee Phasipol	20,000	20,000	20,000
<b>3. The Nomination and Remuneration Committee</b>			
- Chairman Mr. Phisit Setthawong	20,000	20,000	20,000
- Committee Mrs.Pilai Piamphongsant Mrs.Sutepee Asvatanakul	20,000	20,000	20,000
<b>4. The Investment Committee</b>			
- Chairman Mr. Chalaw Fuangaromya	20,000	20,000	20,000
- Committee	20,000	20,000	20,000

Mrs.Pranee Phasipol Mr.Jiraphant Asvatanakul			
5. The Good Corporate Governance Committee			
- Chairman Mrs.Pranee Phasipol	20,000	-	-
- Committee Mrs.Supaporn Burapakusolsri Mr. Thawan Viranont	20,000	-	-

\*No other compensation

Mr. Jiraphant Asvatanakul then asked if there were any queries or comments regarding the directors' remuneration 2020. There was no comment or query; Mr. Jiraphant then concluded the resolution.

**RESOLUTION:** The meeting unanimously approved the directors remuneration 2019 in the amount Baht 5,000,000 per year and meeting allowance for attendance as the following numbers of votes:

Approve ... 227,010,956..... votes      equal to 100% of all cast votes by shareholders who attended the meeting

Disapprove .....-.....votes

Abstain .....-..... votes

Void Ballot .....-..... votes

#### **Agenda 6: To elect Directors to replace those retiring by rotation.**

Mr. Jiraphant Asvatanakul informed to the meeting that in every Annual General Meeting, one-third of the total number of the Directors shall vacate their office. In 2020, three Directors are due to retire by rotation at the Annual General Shareholders Meeting, one of them is independent director and they were eligible for re-election as follows:

1. Mrs. Pilai Piamphongsarn      Independent Director, member of Audit Committee and member of Nomination and Remuneration Committee
2. Mrs. Supaporn Burapakusolsri      Independent Director and member of Good Corporate Governance Committee
3. Mr. Jiraphant Asvatanakul      President & CEO and member of Investment Committee

The Company had invited all shareholders to nominate any qualified person to be elected as Company's Director as well as to propose any meeting agenda through the Company's website from November 27, 2019 to January 31, 2020. However, there was neither proposal of director nominee nor meeting agenda submitted to the Company.

The Nomination and Remuneration Committee has considered and agreed that all three existing directors who are retired by rotation this year, have met with the qualification as specified in the Public Company Act B.E. 2535 and have knowledge, capability, experience in business relating to the Company's operation. Therefore, the committee proposed to re-appoint all three directors of the Company who would be retired by rotation this year as directors for another term. The history of nominated directors is as per **enclosure 4**.

Mrs. Pilai Piamphongsarn was nominated for re-election as an Independent Director for another term, even though she had been in this position more than 9 years. The Board agreed that her fully qualified under the Public Company Act B.E. 2535 and have substantial knowledge, capability, experience and specialized in business relating the Company's business and be skilled in auditing which

can provide useful advice to the Company in a great deal and can provide an independent opinion in accordance with the guidelines of the relevant laws.

Mr. Jiraphant Asvatanakul stated that the Public Company Act prohibits a director to operate business or be the director in other companies of the same business and in competition with the company's activities, unless the meeting has been notified before resolution is made for appointment. Mr. Jiraphant Asvatanakul informed the detailed of being directors in other insurance companies as follow :

- Director of nomination and remuneration Committee , Thai Reinsurance Public Company Limited.

- Vice President and Chairman of Investment Committee , Road Victims Protection Company Limited

Mr. Jiraphant Asvatanakul, the nominated director holds 1,081,128 shares and will abstain to vote for transparency in this agenda

There was no comment or query; Mr. Jiraphant then concluded the resolution.

**RESOLUTION:** The meeting unanimously approved to re-elect 3 Directors who have retired by the rotation rule as the following numbers of votes:

Mrs. Pilai Piamphongsarn

Approve ... 227,010,756..... votes

equal to 99.9999% of all cast votes by shareholders who attended the meeting

Disapprove .....200..... votes

equal to 0.0001% of all cast votes by shareholders who attended the meeting

Abstain .....-..... votes

Void Ballot .....-..... votes

Mrs. Supaporn Burapakusolsri

Approve ... 227,010,956..... votes

equal to 100 % of all cast votes by shareholders who attended the meeting

Disapprove .....-.....votes

Abstain ..... ..-..... votes

Void Ballot .....-..... votes

Mr. Jiraphant Asvatanakul

Approve ..... 225,929,828.. votes

equal to 99.5238% of all cast votes by shareholders who attended the meeting

Disapprove .....-.....votes

Abstain ...1,081,128....votes

equal to 0.4762% of all cast votes by shareholders who attended the meeting

Void Ballot .....-..... votes

**Agenda 7: To appoint the auditor and fix the auditing fee.**





Mr. Jiraphant Asvatanakul informed to the meeting that The EY Office Limited has been appointed, by the resolution of the 26/2019 Annual Ordinary General Meeting of shareholders, as the Company's auditor for the year 2019, which the auditors had completed their duty. The Audit Committee considers electing the auditor for 2020 and would like to reappoint EY Office Limited to be auditor of the company for the year 2020 for another year. EY Office Limited has assigned Ms. Somjai Kunapasut, CPA Registration no. 4499 or Ms. Ratchada Yongsawadvanich, CPA Registration no. 4951 Miss Narissara Chaisuwan, CPA Registration no. 4812 or Miss. Wanwilai Phetsang CPA Registration no. 5315 to be auditors, who sign for certification of financial statements. All 4 auditors and EY Office Limited have neither relationship nor transaction that may cause the conflict of interest with the Company. In case the said mentioned auditors cannot perform their duties, let other certified auditors to audit account and make opinion to the financial statements instead.

The guidelines of the Securities and Exchange Commission (SEC) stipulate that the auditor of listed company who has performed his/her duty in reviewing, auditing and giving opinion on the financial statements of the company for seven consecutive fiscal years shall be rotated. In such case, the former auditor may be re-appointed after terminating the office of such auditor not less than five consecutive fiscal years.

Remark: Auditors from EY Office Limited are the auditors of the Company and its subsidiaries.

The Audit Committee considered performance and services comparison of many auditors and had an opinion that the EY Office Limited has extensive experience in auditing a number of insurance companies and has large international networks that make company adopt international audit standard. Furthermore, such 5 proposed auditors as well as EY Office Limited have no relationship or entry into any transactions which may create the conflict of interest to the company. The audit fee in 2020 is Baht 2,950,000 that increases 260,000 Baht or 9.67%, as per following details:-

	Unit : Baht			
	2020	2019	Change	%
1. Fee for the annual financial statements ending 31 December	1,370,000	1,260,000	110,000	8.73
2. Fee for review of interim financial statements (3 quarters)	1,020,000	900,000	120,000	13.33
3. Fee for review the Risk-Based Capital (RBC) report for (Quarter 2)	180,000	160,000	20,000	1.25
4. Fee for review the Risk-Based Capital (RBC) report for (Quarter 4)	380,000	370,000	10,000	2.70
Total	2,950,000	2,690,000	260,000	9.67

**Opinion of the Audit Committee:** Based on the audit committee's recommendation, the meeting should appoint the existing auditors as following:

Name	CPA Registration No.	No. of year in audit service to the company
Miss Somjai Khunnapasut	4499	6
Miss Ratchada Yongsawaswanich	4951	Nil

Miss Narissara Chaisuwan	4812	Nil
Miss. Wanwilai Phetsang	5315	Nil

The EY Office Company Limited was the company's auditor. The 4 proposed auditors as well as EY Office Ltd. had no relationship or conflict of interest in the company and determined the auditor's fee at 2,950,000- Baht.

The Audit Committee considered the auditors performance last year and deemed that EY Office Company Limited performed quality work with business know-how, remarked useful opinions in the matter of accounting system to the Company, and had no relationship and/or gain and loss between the auditor and the Company/subsidiaries/executives/major shareholders or related parties of such person. Therefore, the auditor is independent of performing work. Increasing audit fee 260,000.- Baht in 2020 was due to the Company's launch of product with new innovation and more transactions of the Company together with new accounting standards and more rules of governance agency resulting the auditors perform works in accordance with more accounting standards and rules that caused more working hours of auditors. Therefore, it was deemed to be appropriate price and he proposed to the Meeting of Shareholders consider approving the appointment of four auditors from EY Office Company Limited with remuneration 2,950,000 Baht.

Mr. Jiraphant Asvatanakul asked the meeting if there were any queries or comments about the auditor appointing and auditing fee. There was no query; the chairman then concluded the resolution.

There was no comment or query; Mr. Jiraphant then concluded the resolution.

**RESOLUTION:** The Meeting approved with unanimous votes that or Ms. Somjai Kunapasut, CPA Registration no. 4499 or Ms. Ratchada Yongsawadvanich, CPA Registration no. 4951 Ms. Narissara Chaisuwan, CPA Registration no. 4812 or Ms. Wanwilai Phetsang CPA Registration no. 5315 of The EY Office Limited be appointed as the Company's auditor for the year 2020, with the audit fee Baht 2,950,000.- as the following numbers of votes:

Approve ... 227,010,956..... votes      equal to 100.00% of all cast votes by shareholders  
Who attended the meeting

Disapprove .....-..... votes

Abstain .....-..... votes

Void Ballot .....-..... votes

#### Agenda 8 To Consider Other Matters

Mr. Jiraphant Asvatanakul queried whether there were any other matters which the shareholders would like to propose for consider and asked the meeting if there were any queries.

**Shareholder's right protection volunteer** - Why was the operating loss of insurance underwriting in 2019?

**Mr. Jiraphant** - There were two reasons contributing to the operating loss from insurance underwriting:  
1) In 2019, Thailand faced both drought and flood. The company participated in the rice insurance project that Thai General Insurance Association joined hands with the Fiscal Policy Office under the

Ministry of Finance and the state-owned bank for Agriculture and Agricultural Cooperatives to help rice farmers resulting this project had claims amount two times higher than the insurance premiums.

2) Due competition in the motor insurance market, the company had to reduce its insurance premiums to maintain the market share including an increase of sales and promotion expenses. As a result, the company had lower auto insurance underwriting compared to the previous year. However, the company has focused on boosting its efficiency in insurance premium collection that made the company increase more investment returns to compensate for the operating results from insurance underwriting.

**Shareholder's right protection volunteer** - What is the plan for 2020?

**Mr. Jiraphant** – Plan for 2020

1) The rice insurance scheme is a government project to help rice farmers and the company is one of the participating companies since the beginning of project. As the company recognises the importance of stabilising income for farmers, the company continues to participate in the scheme in 2020 by reducing the proportion and increasing reinsurance to allocate risks. However, the result of crop insurance is highly dependent on the country's climate. In the past, there were some years in which claims from the in-season rice scheme were low such as in 2018.

2) For motor insurance, since the market is highly competitive, the company has a strategy to change the way of competition on insurance products rather than on price. Last year, the company received the Insurance Company with Outstanding Technological Application Award since it was the only company that offers auto insurance which allows the insured to turn on and off coverage as the car starts and stops, a truly unique innovation-driven strategy.

**Shareholder's right protection volunteer** - How will the CEO being a director in other companies affect the company working?

**Mr. Jiraphant** - Since the companies in which I am a director in Thai Reinsurance Public Co., Ltd. and Road Accident Victims Protection Company Limited, both are the non-life insurance companies which do not directly compete with the company. Being other director positions are beneficial to support the overall general insurance industry and indirectly beneficial to the company business.

**Shareholder's right protection volunteer** - Does the appointment of auditors from EY Office Company Limited violate the SEC's regulations?

**Mr. Jiraphant** - The auditors have been appointed according to the SEC's regulation. EY Office Company Limited has passed the company's review to become its auditor.

**Mr. Nithipoom Durongwattana** - Does the spread of COVID-19 and social distancing reduce the loss ratios of motor insurance?

**Mr. Jiraphant** – Motor insurance claims are expected to decline. In the first two weeks of the stay-at-home measures, the company has received a lower number of road accident reports. However, the claims amount rose because the insureds of type 1 motor insurance brought the cars that they were not driving for repairs. In the third week, the number of accidents and claims began to decrease respectively. Nevertheless, the situation still has been monitored regularly.

**Mr. Nithipoom Durongwattana** - Does on-off motor insurance make the loss ratio higher than usual?

**Mr. Jiraphant** - On-off car insurance does not have an unusually higher loss ratio. The reason for high loss ratio is the high price flexibility of motor insurance industry. Therefore, it is necessary to use price as the marketing tool to create consumer awareness of on-off car insurance. The company is confident that if consumers have tried the on-off car insurance, they will trust our products and continue to use the service.

**Mr. Nithipoom Durongwattana** - What are the insurance premium growth goals, investment yield, and portfolio in 2020?

**Mr. Jiraphant** - Initially, the company expects that insurance premiums will grow in 2020; however, the current situation would cause the insurance premiums to be slightly negative. Thai Reinsurance's research



revealed that if the national income decreases 5% this year resulting the non-life insurance premiums could decrease 10% compared to the previous year. However, the government's approval of 2.9 billion baht insurance premiums for the 2020 rice insurance project at the Cabinet meeting on 21 April 2020 that would decrease the company's insurance premiums lower than two-digit percent.

In terms of this year's investment returns, it is difficult to avoid the impact due to the current situation of the stock market unless there is any change in the last quarter which remains uncertain at this time. Thai Reinsurance Public Company Limited's research predicts that the property value of the non-life insurance industry could drop to 40 billion Baht from 290 billion Baht whereas the return on investment of the entire non-life insurance industry could decrease 12-13%. We will just have to wait and see how the situation will develop.

**Mr. Nithipoom Durongwattana** - Does the company have COVID-19 insurance underwriting?

**Mr. Jiraphant** – The company has been contacted by many agencies to offer COVID-19 insurance policy. However, after research and analysis based on data available from both the Ministry of Public Health and various news agencies, it was found that there is a high risk and no clear statistics. Additionally, the company was unable to find a reinsurance company to allocate its risk. As a result, the company has developed a COVID-19 insurance policy that has coverage only for certain cases such as coma cases coverage. The company has not introduced certain types of coverage such as See-Pay-Done (Jer-Jai-Job) in order to determine the appropriate risk to the statistical data available in the market.

**Mr. Nithipoom Durongwattana** - The company holds numerous mutual funds (65%), what is the equity mutual fund percentage and does it need to be marked to market? Does the 411 million Baht equity held need to be marked to market?

**Mr. Jiraphant** – The equity mutual fund is approximately 37% of all mutual funds at the end of the year. The value is determined using the market value according to the financial reporting standards.

For the 411 million Baht equity, the amount 408 million Baht needs to be marked to market in the Income Statement from trading investment and available-for-sale investment. General investments are recorded in the financial statements using cost price in accordance with the current accounting standard's valuation method without mark-to-market.

There were no other matters raised, Mr. Jiraphant Asvatanakul informed the meeting that the 27<sup>th</sup> of shareholders meeting had been held correctly and all agendas had been completed. There was neither further question nor other matter raised for consideration, Mr. Jiraphant Asvatanakul then declared the meeting closed and thanked all shareholders for attending the meeting.

The meeting adjourned at 3.50 p.m.

Mr. Jiraphant Asvatanakul  
Chairman of the Meeting



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