



CHARAN

- INSURANCE -

CHARAN'S PROMISE GIVE THE PUBLIC PEACE OF MIND

**Annual Registration Statement / Annual Report 2025
(Form 56-1 One Report)**

Charan Insurance Public Company Limited

www.charaninsurance.co.th

Message from Chairman

The year 2025 represented another year in which Thailand faced multidimensional volatility arising from natural factors, border security conditions, and domestic political developments. Significant events throughout the year broadly affected the economy and society and carried material implications for the direction of the non-life insurance industry, which functions as a mechanism for risk management and risk distribution within the overall economic system.

In March 2025, Thailand experienced tremors from an earthquake centered in a nearby region, with vibrations felt in several areas of the country. Although the level of structural damage remained limited compared with countries located along major fault lines, the incident heightened awareness among the business sector and households regarding the safety and security of buildings and property. The non-life insurance industry received a number of claims relating to structural damage and damage to property within buildings. Concurrently, businesses began to place greater emphasis on reviewing catastrophe coverage and strengthening preventive risk management. The incident consequently influenced subsequent approaches to coverage terms, risk assessment, and premium rate determination.

In mid-2025, tensions along the Thailand–Cambodia border, with reports of clashes and heightened security measures in certain areas, affected economic activities in border provinces. Certain cross-border trade and transportation activities slowed, while the tourism sector in nearby areas was impacted by safety concerns. Such uncertainty was reflected in short-term business and investor confidence. For the non-life insurance industry, certain claims were reported in connection with property damage and business interruption. Although the overall level of losses did not affect system stability, the situation underscored the necessity of assessing geopolitical risks alongside natural risks.

On the domestic political front, the transition of executive leadership and adjustments to economic policy direction during the second half of the year, although in accordance with parliamentary mechanisms, created a short-term atmosphere of policy uncertainty. Certain private sector entities postponed investment pending greater clarity regarding economic measures, resulting in moderate economic growth relative to potential. At the same time, higher business costs arising from inflationary conditions and financing costs affected the ability of certain segments to pay insurance premiums and intensified competition in the non-life insurance market, particularly in core products such as motor insurance and property insurance.

In late 2025, Thailand experienced major flooding in several southern provinces due to accumulated rainfall significantly exceeding the long-term average. Flooding affected numerous residential and economic areas. Households and businesses sustained widespread damage to property, machinery, and vehicles. As a result, the volume of claims under motor insurance and property insurance increased significantly. The average loss per case rose in line with higher repair costs and increased construction material prices. This overall situation reflected a long-term risk trend associated with climate change, affecting both the frequency and severity of natural disasters.

Considering the overall context of 2025, natural disasters, security conditions, and political developments created a highly uncertain environment for the economic system and the business sector as a whole. The non-life insurance industry was required to manage pressures from rising claims while facing price competition in the market. At the same time, it was necessary to maintain capital stability and the ability to fulfill contractual obligations in order to preserve the confidence of policyholders and stakeholders.

For Charan Insurance Public Company Limited, the past year represented a significant test of systemic preparedness. The Company enhanced its enterprise risk management processes, refined its assessment of catastrophe risks and geopolitical risks, and prudently managed its reinsurance structure in order to maintain financial stability and service continuity, despite multidimensional volatility.

On this occasion, I would like to express my sincere appreciation to all shareholders for their continued support and confidence in the Company's direction. I extend my gratitude to customers and business partners for entrusting the Company with managing their risks, and I commend all employees for their dedication and professionalism throughout the year. The cooperation and trust of all parties are key factors enabling the Company to remain resilient amid challenges. Finally, I reaffirm that the Company remains committed to conducting its business under principles of good corporate governance, transparency, and prudent risk management, in order to create long-term sustainability and value for all stakeholders and to contribute to strengthening the stability of the Thai economy and society going forward.

(Sign)

(Mr. Sopon Kluaymai Na Ayudhya)

Chairman of the Board

Charan Insurance Public Company Limited



Board of Directors

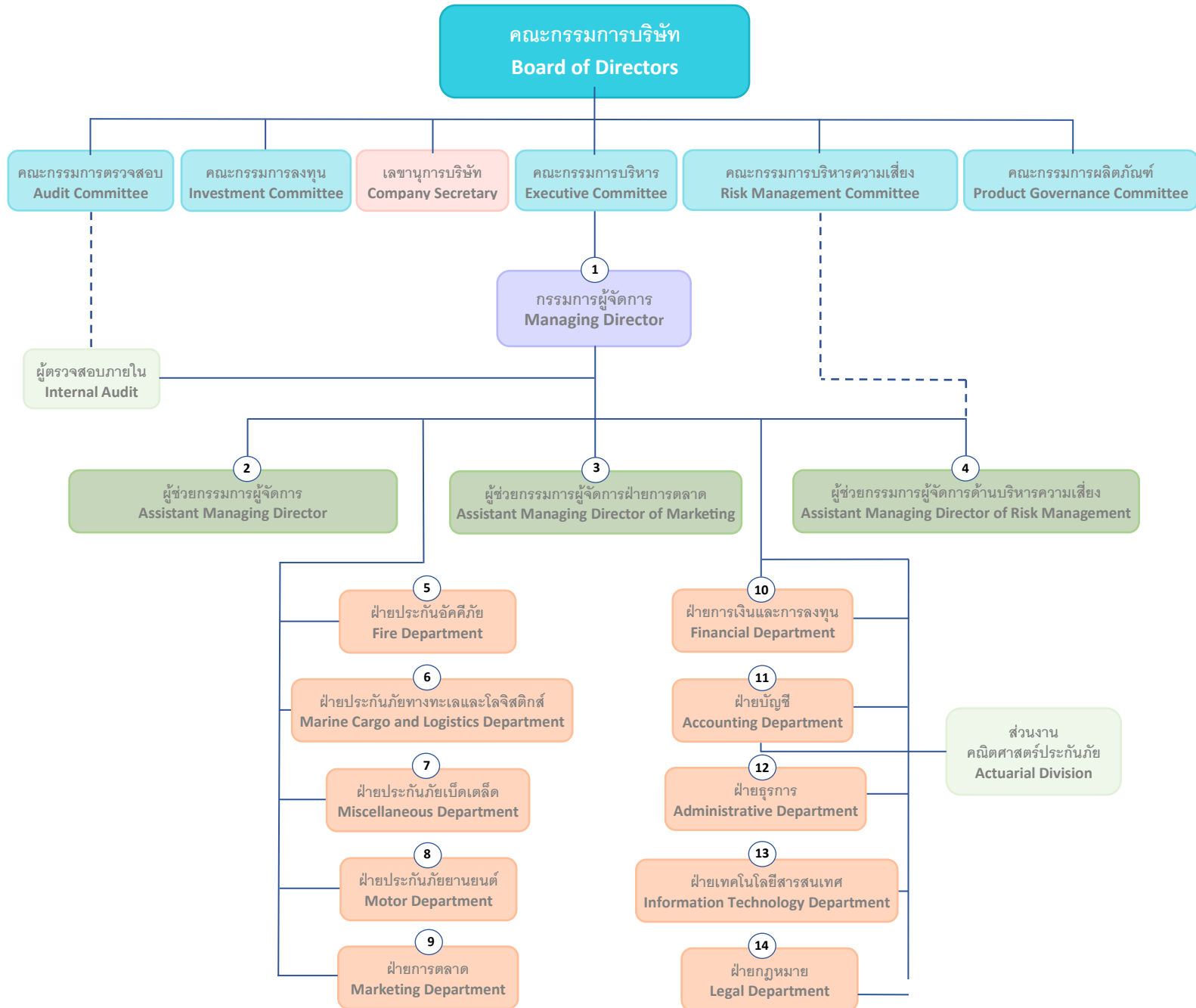
- | | |
|-------------------------------------|--|
| 1. Mr. Sopon Kluaymai Na Ayudhya | Chairman of the Board |
| 2. Mrs. Poodpong Arsingsamanunta | Director / Chairman of Audit Committee and Independent Director |
| 3. Mr. Vorayuth Charoenloet | Director / Member of Audit Committee and Independent Director |
| 4. Mr. Thanitphong Pichaibavornphat | Director / Member of Audit Committee and Independent Director |
| 5. Mr. Sukich Charanvas | Director / Chairman of Executive Committee / Chairman of Investment Committee /
Chairman of Risk Management Committee / Secretary to the Board |
| 6. Mr. Pon Titipanichayangoon | Director / Chairman of Product Committee / Member of Executive Committee /
Member of Investment Committee / Member of Risk Management Committee |
| 7. Mr. Kittipong Charanvas | Director / Member of Executive Committee / Member of Investment Committee /
Member of Risk Management Committee / Member of Product Committee |



Executives

- | | |
|---------------------------------|--|
| 1. Mr. Sukich Charanvas | Managing Director |
| 2. Mr. Kittipong Charanvas | Assistant Managing Director |
| 3. Mr. Kitti Charanvas | Assistant Managing Director of Marketing |
| 4. Mr. Kosit Angkasuwan | Assistant Managing Director of Risk Management |
| 5. Mr. Pon Titipanichayangoon | Motor Department Manager |
| 6. Mrs. Pattama Trakarnaiem | Fire Department Manager |
| 7. Miss Punrada Ayucharoenkul | Miscellaneous Department Manager |
| 8. Mr. Wisith Limcharoensuk | Marine Cargo and Logistics Department Manager |
| 9. Miss Siraya Chindasri | Marketing Department Manager |
| 10. Miss Kanyawan Trisaksuriyan | Finance and Investment Department Manager |
| 11. Miss Sudarat Wiwattanadej | Accounting Department Manager |
| 12. Mrs. Promporn Lamdabpang | Administrative Department Manager |
| 13. Mr. Nopadol Suwankareekul | Information Technology Department Manager |
| 14. Mr. Sornchai Keawrakmuk | Legal Department Manager |

Organization Chart



Remarks:

- The Audit Committee considers, appoints, transfers, dismisses, and undertakes annual evaluation of the Internal Audit including review the independence
- ¹⁻¹⁴ are executives as defined by the SEC Board's announcement on securities offerings.

Financial Summary

Financial Statement <i>(Unit: Thousand Baht)</i>	2025	2024 <i>(Restated)</i>
Financial Position		
Total Assets	907,221	871,284
Total Liabilities	321,056	333,431
Shareholders' Equity	586,165	537,853
Operating Results		
Gross Premium	445,102	344,115
Net Premiums	(375,647)	(300,131)
Net Losses Incurred	(17,907)	(34,252)
Investment Income	51,548	9,732
Operating Expenditure	20,930	21,127
Net impairment losses on financial assets	(3,386)	(3,201)
Net Profit (loss)	872	800
Per-Share Value (Baht)		
Earnings (loss) Per Share	18,416	18,726
Dividend Per Share	(38,903)	(30,641)
Book Value Per Share	99	7,963
Financial Ratios (%)	2,380	2,384
Return on assets	(2,884)	(10,182)
Return on Investment	30,655	(2,019)
Return on Equity		
Payout Ratio	2.55	(0.17)
Financial Position	0.90	-
Total Assets	48.85	44.82

Financial Statement	2025	2024
(Unit: Thousand Baht)		(Restated)
Financial Ratios (%)		
Return on Assets	3.45	(0.24)
Return on Investment	2.65	2.84
Return on Equity	5.45	(0.36)
Dividend Payout Ratio to Net Profit	35.23	-

Remark : Due to the adoption of new accounting standards with principles and accounting policies that differ from those previously applied, the Company has comparative financial statement information available for only two years, namely 2024 and 2025.

TOTAL ASSETS

UNIT: THOUSAND BAHT)

907,221



2025

871,284



2024

(RESTATED)

NET PROFIT (LOSS)

UNIT: THOUSAND BAHT)

30,655



2025

(2,019)



2024

(RESTATED)

TOTAL LIABILITIES

UNIT: THOUSAND BAHT)

321,056



2025

333,431



2024

(RESTATED)

SHAREHOLDERS' EQUITY

UNIT: THOUSAND BAHT)

586,165



2025

537,853



2024

(RESTATED)

EARNINGS (LOSS) PER SHARE

(UNIT: BAHT / SHARE)

2.55



2025

(0.17)



2024

(RESTATED)

BOOK VALUE PER SHARE

(UNIT: BAHT / SHARE)

48.85
2025



44.82
2024

(RESTATED)

Financial Ratio

Description		2025	2024 (Restated)
Liquidity ratio			
Liquidity ratio (times)	Remark 1	2.63	2.41
Turnover rate of accrued insurance premiums (days)	360*premium & accrued insurance premium (average)/premium written	30.00	31.00
Profitability ratio			
Retention Rate (%)	Net Written Premiums/Written Premiums	83.63	88.84
Claim payment rate (%)	Claims/earned insurance premiums	39.80	43.24
Gross Profit Margin (%)	Profit (Loss) from Insurance/Net Written Premiums	11.58	2.83
Warranty expense ratio (%)	Remark 2	53.10	40.44
Rate of return on investment (%)	Remark 3	2.65	2.84
Net Written Premium Rate (Times)	Net Premium Written/Shareholders' Equity (Average)	0.60	0.66
Net Profit Margin (%)	Net Profit (Loss)/Total Revenue	6.53	(0.54)
Return on Equity (%)	Net Profit (Loss)/Shareholders' Equity (Average)	5.45	(0.36)
Efficiency Ratio			
Return on assets (%)	Net Profit (Loss)/Total Assets (Average)	3.45	(0.24)
Asset turnover (times)	Total income/total assets (average)	0.53	0.45
Financial Policy Analysis Ratios			
Debt to equity ratio (times)	Total Liabilities/Shareholders' Equity	0.55	0.62
Policy liability to capital fund (Times)	Remark 5	0.63	0.72
Reserve to equity ratio (times)	Unearned premium reserves/equity	0.33	0.44
Reserve to asset ratio (%)	Unearned premium reserves/total assets	21.39	27.43
Dividend payout ratio (%)	Dividend/Net Profit	35.23	-

Remarks:

- (investments in securities + cash and bank deposits + reinsurance assets +Receivables from reinsurance contracts+ Premium receivables - net + Accrued investment income) / Current liabilities
- (Wages and gratuities – wages and gratuities + other underwriting expenses + operating expenses) / Earned insurance premiums
- Investment income / cash and bank deposits + investments in securities + loans + other investments (average)
- Total income = net premiums + investment income + other income
- Unearned premium reserves + reserves for claims and outstanding claims / shareholders' equity
- Due to the adoption of new accounting standards with principles and accounting policies that differ from those previously applied, the Company has comparative financial statement information available for only two years, namely 2024 and 2025

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Section 1

Business Operation and Performance

1 Structure and Operation of the Company

1.1 Policy and Business Overview

1.1.1 Vision, Objective, Goal and Strategy

Charan Insurance Public Company Limited aims to deliver great customer service and build a strong financial foundation, continuously develop corporate governance to add sustainable value to the organization and shareholders in long term as well as aims to generate returns to shareholders at a steadily higher rate. The Board of Directors is responsible for determining the vision and mission of the Company to executives and employees having the same operating direction. At the Board of Directors' meeting No.1/2025 held on February 27, 2025 has reviewed the vision, mission, strategy, and goals, as well as determine the direction of operations and investments to be consistent and up to date with the business situation. The Board of Directors has considered and approved the vision, mission and core values of the Company as before, as follows:

Vision

Focused on providing insurance services with integrity and ethics, embodied in the motto:

“Charan’s promise gives the public peace of mind”

Mission

- Conduct business with integrity, adhering to good corporate governance principles.
- Develop innovative products that address societal needs and current trends.
- Enhance operational efficiency through advanced information technology systems.
- Create value and sustainable returns for all stakeholders.
- Operate responsibly, ensuring environmental sustainability and legal compliance.
- Promote employee development to adapt to present and future challenges.

Business Strategies

- Optimize the efficiency of existing assets.
- Seek strategic partnerships to drive business growth.
- Enhance organizational development capabilities.

Operational Objectives

Charan Insurance Public Company Limited conducts its non-life insurance business with the principal objective of achieving sustainable and quality growth, together with strengthening the Company's long-term financial stability. The Company places importance on appropriately expanding its customer base through diversified distribution channels in order to enhance access to target customer segments comprehensively. At the same time, the Company focuses on developing insurance products that address the specific needs of each customer segment and generating appropriate underwriting returns under prudent risk management.

The Company recognizes changes in the business environment and consumer behavior in the digital era, including future demographic trends. Accordingly, it places importance on enhancing service quality to ensure convenience, speed, and efficiency in order to create satisfaction and confidence among policyholders, which are key factors in retaining the existing customer base and continuously expanding into new customer segments.

In addition, the Company aims to strengthen its fundamental business factors by emphasizing personnel capability development and improving internal work processes to enhance efficiency, reduce operating costs, and appropriately support business decision-making. This is undertaken in parallel with systematic underwriting risk management and reinsurance management to distribute risk and mitigate volatility from losses, leading to sustainable underwriting profitability and enhancing the Company's long-term competitiveness.

In 2026, the Company anticipates that gross written premiums will decrease by 10%. The Company has established a capital adequacy ratio target of not less than 200% and has set the following operational objectives:

- Installation and implementation of the ERP On Cloud system – Enterprise Resource Planning on Cloud is an organizational resource management system that enables the organization to utilize resources with maximum efficiency. The ERP system integrates various functions within the organization to operate systematically under a single database, reduces redundant and repetitive tasks through automation, and enables real-time access to information without waiting for reports. This allows system users and management to make prompt decisions and plan accurately, reduces the time required to prepare financial statements for submission to the Office of Insurance Commission within the statutory timeframe, and increases opportunities to reach consumers more extensively.

- Expansion of online sales channels in the form of E-Policy for products other than compulsory motor insurance.
- Reduction of operating costs through maximizing the utilization of information technology.
- Improvement of document management systems to achieve a paperless environment or to maximize the use of electronic documentation.

1.1.2 Key Change and Development

Charan Insurance Public Company Limited was originally established under the name “Soon Heng Lee Insurance Company Limited” on November 10, 1949 with an initial registered capital of 2 million Baht to conduct non-life insurance business, including fire insurance, marine and transportation insurance, miscellaneous insurance, and motor insurance. The Company's key changes and developments are as follows:

1975



Change of Company Name

The Company registered a change of name to
Charan Insurance Company Limited.

1980 – 1991



Continuous Capital Increases

The registered capital was increased from 2 million Baht to 30 million Baht, respectively.

1992



Listing on the Stock Exchange of Thailand

Registered capital of 60 million Baht
6 million ordinary shares
Par value of Baht 10 per share

1994



Conversion to a Public Company Limited

“Charan Insurance Public Company Limited”
Registration No. Bor Mor Jor. 327

2006



Honorary Award

Non-life Insurance Company
“Outstanding Management, 3rd Place”
From the Office of Insurance Commission

2015



Capital Increase to Support Growth

Registered capital of 120 million Baht
12 million ordinary shares
Par value of 10 Baht per share

Currently, the Company has been operating steadily into its 76th year, with a registered capital of 120 million Baht, fully paid-up. It is listed on the Stock Exchange of Thailand under registration number 0107537000807 (Public Company No. 327).

1.1.3 Use of fund from Public Offering of Equity or Bond

- None -

1.1.4 Commitments provided in the Registration Statement and/or the Approval Conditions

- None -

1.1.5 Name and location of the head office, type of business, company registration number, telephone number, facsimile number, the Company's website (if any), the number and type of the total shares sold of the Company

Company Name	: Charan Insurance Public Company Limited
Initial	: CHARAN
Public Company Registration	: 0107537000807
Type of Business	: Non-Life Insurance
Sector of Business	: Insurance
Industry	: Financial
Head Office Location	: Charan Insurance Building 408/1 Rachadaphisek Road, Samsennok, Huaykwang, Bangkok 10310
Branch Location	: 377/1-3, Moo 12, Mueang Kao, Mueang, Khon Kaen
Authorized Registered Capital	: 120,000,000 Baht (Fully paid-up)
Number of Paid-up Ordinary Shares	: 12,000,000 Shares
Par Value Per Share	: 10 Baht
Telephone	: 0-2276-1024
Facsimile	: 0-2275-4919
Website	: www.charaninsurance.co.th
E-mail	: charanins@charaninsurance.co.th

1.2 Nature of Business

Charan Insurance Public Company Limited operates in the non-life insurance business. In 2025, the Company reported insurance revenue totaling 445.10 million Baht, investment income and net finance costs from insurance contracts amounting to 18.42 million Baht, and other income of 2.38 million Baht. The total insurance service expenses amounted to 434.98 million Baht. As a result, the Company recorded a net profit of 30.66 million Baht, or earnings per share of 2.55 Baht, representing an increase of 2.72 Baht compared to the previous year, equivalent to 1,600%.

In terms of financial position, the Company's Capital Adequacy Ratio (CAR) as of December 31, 2025 was 339.12% (with the regulatory minimum requirement of not less than 140%), which is considered to be at a reliable level. This reflects the Company's ability to consistently maintain a strong financial position despite various crisis situations.

1.2.1 Revenue Structure

The Company's revenue is made up of two major components, i.e., premium income and investment income. A comparative breakdown of income for the years ended December 31, 2025 and 2024 is shown below:

(Unit: Million Baht)

Revenue type	2025		2024 (Restated)	
	Value	%	Value	%
1. Net Premium written				
1.1 Net Fire premiums	122.95	26.20	119.75	32.50
1.2 Net marine premiums	10.03	2.14	10.99	2.98
1.3 Net motor premiums	308.43	65.72	209.49	56.86
1.4 Net miscellaneous premiums	3.69	0.79	3.89	1.05
Total premiums written	445.10	94.85	344.12	93.40
2. Investment income	20.93	4.46	21.13	5.74
3. Finance Income from reinsurance contracts held	0.87	0.19	0.80	0.22
4. Other income	2.38	0.50	2.38	0.64
Total	469.28	100.00	368.43	100.00

Remark : Due to the adoption of new accounting standards with principles and accounting policies that differ from those previously applied, the Company has comparative financial statement information available for only two years, namely 2024 and 2025.

1.2.2 Product Information

1. Product Characteristics

The business operations of the Company are divided into two areas.

1) Underwriting

Our core business includes all classes of non-life insurance underwriting and is divided into:

- Direct insurance refers to selling insurance through agents, brokers, individuals and firms, financial institutions, and directly to customers.
- Reinsurance refers to acceptance of risks from other non-life insurers. The Company operates four main classes of non-life insurance underwriting as follows:

1.1 Fire Insurance

Is the insurance underwriting of constructions (excluding foundations) buildings, houses, townhouses, shophouses, commercial buildings, manufacturing plants and/or building contents, stock of merchandise, furniture as well as machinery and equipment. Fire insurance is divided into

- **Home fire insurance** covers property loss or damage caused by fire, lightning (including damage to electrical appliances and equipment arising from lightning-caused short circuit), explosion, vehicle impact, aircraft impact, water damage due to accidental discharge, leakage or overflow of water or steam (with protection against 4 natural disasters, i.e. storm, flood, earthquake or volcano eruption or tidal wave or tsunami and hailstorm, of up to 20,000 baht / year for actual damage caused by all disasters). Coverage can also be extended to include rent for temporary dwelling (as per the terms of home fire insurance).
- **Fire insurance** is the protection against property loss or damage caused by fire, lightning and explosion of lighting- or domestic-use gas. Coverage against additional perils such as explosion, water damage (excluding flood) windstorm, and electrical damage is provided only when specifically stated in the insurance policy.

1.2 Marine Cargo and Logistics Insurance

Protects domestic and international freight shipped by sea, air, road or rail. It provides coverage against any loss of or damage to imported and exported goods in transit caused by sea perils or natural forces, i.e. earthquake, volcano eruption, or lightning. Extra protection can also be offered against other risks such as theft, war, riot or strike. The insurance policies can be classified as follows:

1. Marine cargo and logistics insurance policy (by sea, air, road, or rail)
2. Inland cargo insurance policy
 - All-risks insurance policy
 - Named perils insurance policy
3. Carrier's Liability Insurance Policy

1.3 Miscellaneous Insurance

Provides protection against loss or damage arising from perils other than those covered by fire insurance, motor insurance or marine insurance. We offer various types of miscellaneous insurance products as follows:

- Accidental Damage (Property) Insurance	- Business Interruption
- Contingencies Policy (Leasehold Interest Insurance)	- SMEs Comprehensive Shop Owner
- Contract Works Insurance	- Erection All Risks Insurance
- Machinery Breakdown Insurance	- Boiler and Pressure Vessel Insurance
- Electronic Equipment Insurance	- Personal Accident Insurance
- Personal Accident 200 Micro Insurance	- Travel Accident Insurance for Individual or Group
- Individual International Travel Insurance / Group	- Travel Accident Insurance for Guide
- Cancer Guard Policy	- Public Liability Insurance
- Money Insurance	- Burglary Insurance
- Product Liability Insurance	- Operation of the Department of Energy
- Plate Glass Insurance	- Long Term Care Insurance
- Transporting hazardous materials by land	- Dormitory Insurance

- Fidelity Guarantee Insurance	- Crop Insurance
- All Risks Insurance	- Gold Insurance
- Terrorism Insurance	- Golfer' Indemnity Policy
- Bail before Insurance	- Bail After Insurance
- Nion Sign Insurance	- Boat Accident Insurance
- Workmen's Compensation Policy	- Jobless Insurance
- Jet Ski Accident Insurance	- Director and Officer Insurance
- Fault Building certification Insurance	- Unnamed Passenger Insurance
- Disease-specific health insurance	- Death resulting from Accident or Medical Expense due to Critical Illnesses for Elderly without a health declaration insurance

1.4 Motor Insurance

Motor insurance covers the risks associated with the use of vehicles, offering protection against theft, damage to the vehicle and its accessories, and loss of life or property of the driver and passengers, as well as third parties. It also provides special coverage such as bail for the driver in criminal cases. The insurance can be divided into two types:

- **Compulsory Motor Insurance:** This is the insurance that each vehicle owner must provide, as specified under the Motor Accident Victim Protection Act B.E. 2535. This coverage protects victims of road accidents and is often referred to as P.R.B. insurance. Vehicle owners must comply with this law, except for vehicles specifically exempted (e.g., royal vehicles, government vehicles, etc.). Non-compliance may result in a fine of up to 10,000 Baht.
- **Voluntary Insurance** refers to the type of insurance that is taken out voluntarily by vehicle owner to cover against damage to the vehicle itself and/or the legal liability of the insured towards any third party. Voluntary coverage can be classified into the following five categories:

Type 1: Covers legal liability to third parties for bodily injury, health damage, or death, as well as damage to third-party property. It also covers damages to the insured vehicle from accidents, theft, or fire, whether total or partial damage.

- Type 2: Provides legal liability coverage to third parties for bodily injury, health damage, or death, as well as damage to third-party property. It also covers damages to the insured vehicle in case of theft or fire.
- Type 3: Offers legal liability coverage to third parties for bodily injury, health damage, or death, as well as damage to third-party property.
- Type 4: Provides legal liability coverage for damage to third-party property only.
- Type 5: Offers coverage for legal liability to third parties for bodily injury, health damage, or death, and damage to third-party property. It also covers the insured vehicle, its accessories, or any items permanently attached to the vehicle due to a collision with another land vehicle, provided there is a responsible party involved.

1.5 Reinsurance

In conducting its underwriting business, in addition to directly underwriting policies from policyholders, the Company both accepts reinsurance and cedes reinsurance with domestic and overseas insurance companies in order to support the expansion of each class of insurance business. The Company has therefore established a reinsurance management strategy to serve as a framework for reinsurance administration and the appropriate management of related risks. The reinsurance management strategy is required to be reviewed and approved by the Board of Directors on an annual basis to monitor and ensure compliance with applicable laws and the regulations of the Office of Insurance Commission. Reinsurance management comprises the processes of Selection, Implementation, Monitoring, Review, Control, and Documentation relating to the Company's reinsurance arrangements. Consideration is given to the Company's risk appetite, financial costs with reference to liquidity status, views on domestic and international market and economic trends, and projected underwriting in the future. The reinsurance management strategy must be aligned with the Company's business strategy, risk management framework, risk management policy, and capital management, and must be appropriate to the nature, size, and complexity of the Company's insurance business. Senior management is responsible for supporting and ensuring that the reinsurance management strategy approved by the Board of Directors is effectively implemented. Such strategy must be documented as a policy, with clearly defined operational procedures for implementation, including underwriting

guidelines, criteria, and limits on the amount and types of risks to be ceded under each type of reinsurance contract, to ensure that reinsurance terms and conditions are aligned with the underlying insured business and to avoid the risk of uninsured exposures. The Company has also established internal control and reporting systems to monitor and evaluate the reinsurance management strategy and has allocated sufficient resources to ensure effective operations and full compliance with the Board of Directors' requirements.

With shareholders' equity of approximately 586.16 million Baht, the Company has determined its reinsurance management strategy in accordance with its risk appetite by arranging excess of loss reinsurance coverage with a retention of 2.5 million Baht per loss occurrence. Retention limits are determined based on the average historical claims per incident over the past approximately four to five years and the cost of reinsurance. In addition, the Company utilizes proportional reinsurance contracts and facultative reinsurance to further distribute risk.

In selecting reinsurance arrangements, the Company establishes the Maximum Retention Limit for outward reinsurance and Assumed Reinsurance, the Maximum Event Retention (MER), and the Maximum Retention per Risk (MRR), whereby the Company's maximum retention shall not exceed 10% of its capital fund or comply with the requirements and regulations of the Office of Insurance Commission. The Company employs both proportional and non-proportional reinsurance contracts, particularly Excess of Loss and Catastrophe reinsurance, as well as facultative reinsurance, to distribute underwriting and reinsurance risks. Accumulation of risks is monitored and the adequacy of reinsurance protection is reviewed regularly. For inward reinsurance, the Company applies the same principles as direct underwriting and places primary importance on the underwriting standards of the ceding insurers. In determining concentration limits with respect to any single reinsurer or group of reinsurers, the Company considers the financial strength and capital position of the reinsurer, together with the requirements and regulations of the Office of Insurance Commission. At least 75% of reinsurers must have a credit rating of not less than A- (S&P Rating), with the remaining portion not lower than BBB-.

Reserve Compensation Process

The Company records outstanding claims liabilities upon receiving a claim notification from the insured. These liabilities are recorded based on the estimated claim value assessed by either independent assessors or the Company's representatives, as applicable, net of any recoverable amounts from reinsurance arrangements. The estimated claim value shall not exceed the insured sum of the relevant policy. Additionally, the Company establishes reserves for claims incurred but not reported (IBNR) in compliance with the Office of Insurance Commission (OIC) regulations on reserving unearned premiums of non-life insurance companies. The calculation of such reserves follows the Chain Ladder Approach, reflecting actual historical experience and is certified by an actuary. Any difference between the estimated claim value and the actual paid claim amount is recognized in the profit and loss statement for the year in which the payment is made.

Pricing Policy

The determination of insurance premiums and policy coverage conditions for each type of insurance is classified as follows:

- Regulated Premium Rates: Premium rates prescribed by the Secretary-General of the Office of Insurance Commission (OIC) apply to certain types of insurance, including fire insurance, motor insurance, and specific categories of miscellaneous insurance.
- Premium Rate Considerations: Premium rates are determined based on various factors, such as the nature, type, and history of the insured property; the insured's background; and the policy's coverage conditions. This approach is applied to certain types of marine and cargo insurance, as well as specific categories of miscellaneous insurance.

Rights and Business Limitations

The Company operates its non-life insurance business under the Non-Life Insurance Act B.E. 2535, with regulatory oversight by the Secretary-General of the Office of Insurance Commission (OIC) or their designated registrar. The registrar holds authority over several aspects, including underwriting, premium rate determination, investment practices, and compliance with Risk-Based Capital (RBC) requirements as stipulated by OIC regulations. This regulatory framework compels insurance companies to exercise increased caution in both underwriting and investment activities, ensuring that capital adequacy aligns with their risk exposure.

Factors Affecting Business Opportunities or Limitations in 2025

In 2025, the operating environment of the Thai non-life insurance industry experienced multidimensional changes, including macroeconomic conditions, market structure, consumer behavior, and increasingly complex emerging risks. Compared to previous periods, the Thai economy recovered at a rate below its potential, pressured by high household debt, prolonged elevated financial costs, and global economic uncertainty. These factors directly affected purchasing power, confidence, and insurance purchasing decisions of households and businesses.

At the same time, the non-life insurance industry faced high loss ratios, particularly in motor insurance and health insurance, combined with intense price competition, which continuously pressured profitability. In addition, risks arising from natural disasters, climate change, and emerging risks such as electric vehicles (EV) and cyber risks increased uncertainty in risk assessment and premium determination.

Such environmental factors created both opportunities, as households and businesses became more aware of the importance of risk management, and limitations, due to cost pressures, competition, and increasingly stringent regulatory requirements. An analysis of factors affecting business operations in 2025 is therefore critical for strategy formulation, risk management, and long-term financial stability. The key factors can be summarized as follows:

1. Thai Economic Conditions, Household Debt, and Impact on Purchasing Power of Policyholders

In 2025, Thailand's economic growth remained below its historical average. The Bank of Thailand reported that GDP growth was relatively low compared with peer countries in the region, while household debt remained above 90% of GDP, representing a structural factor continuously constraining household purchasing power (Bank of Thailand, Thailand Economic Report 2024–2025).

High debt levels led consumers to exercise greater caution in spending, particularly on discretionary expenses such as certain types of voluntary motor insurance. Policyholders tended to purchase only essential coverage or reduce sums insured and coverage limits in line with reduced purchasing power, directly affecting overall premium growth in the industry.

Small and medium-sized enterprises (SMEs), a key customer base of the non-life insurance sector, continued to face liquidity constraints and high financial costs. Insurance purchasing decisions therefore focused on core business risks, such as fire insurance and liability insurance, rather than expanded coverage.

Nevertheless, economic uncertainty also encouraged some households and businesses to place greater importance on risk management, viewing insurance as a financial protection tool against unexpected events, reflecting both constraints and opportunities for product development aligned with customers' actual risk profiles and purchasing power.

2. Industry Competitive Structure and Pricing Pressure

In 2025, the Thai non-life insurance industry continued to exhibit a high level of competition due to the large number of operators and similar product offerings, particularly in motor insurance and miscellaneous insurance. According to data from the Thai General Insurance Association, price competition remained a primary strategy for many companies to maintain market share amid limited premium growth.

Such price competition resulted in premium rates in certain segments not fully reflecting underlying risk levels, particularly during periods of rising claims and repair costs driven by increased parts prices and labor costs. Consequently, industry loss ratios remained high, pressuring long-term profitability. Competition also intensified in service quality and distribution channels. Consumers gained easier access to information and product comparisons through digital platforms, reducing brand loyalty and increasing pressure on companies to enhance service quality, underwriting turnaround time, and claims settlement processes.

This competitive structure requires non-life insurers to emphasize cost management, prudent risk selection, and product differentiation to avoid competing solely on price and to ensure long-term sustainability.

3. Interest Rate Trends and Impact on Investment and Financial Costs

In 2025, Thailand's policy interest rate remained elevated following monetary policy measures to control inflation and maintain economic stability. This environment affected the non-life insurance business in several respects, particularly investment returns and financial costs.

Higher interest rates increased returns from fixed income instruments and deposits, which constitute major assets in insurers' investment portfolios, positively contributing to investment income and liquidity management. However, higher financial costs for businesses and consumers constrained economic expansion and affected premium payment capacity of certain policyholder segments.

Interest rate volatility also affected the fair value of financial assets and asset-liability management, requiring careful planning and risk management to preserve long-term financial stability.

4. Natural Disaster and Climate Change Risks

During November - December 2025, Thailand, particularly the southern region, experienced severe flooding due to continuous heavy rainfall. The event was reported as a historic flood in Hat Yai and Songkhla Province, forming part of a broader flood crisis affecting multiple southern provinces. Government authorities declared affected areas as disaster zones and ordered immediate evacuation of residents in high-risk areas, resulting in prolonged transportation disruption and interruption of basic public utilities.

The impact extended beyond loss of life and property to structural pressure on the economic system and various industries, particularly logistics and transportation infrastructure in the southern region. Business and trade activities were significantly disrupted. Reported property damage and infrastructure repair costs required close risk assessment by the non-life insurance industry to appropriately determine premium rates and coverage conditions.

The 2025 flood event exemplifies the increasing frequency and severity of natural disaster risks associated with climate change, directly affecting non-life insurers in terms of claims costs and claims behavior assessment in property and miscellaneous insurance lines.

5. Thai Economic Conditions and Insurance Demand Response

In 2025, Thailand's overall economic environment continued to face structural and external challenges, with GDP growth moderating relative to the country's potential. Research by the World Bank revised Thailand's 2025 economic growth forecast downward to approximately 1.8% from the earlier projection of 2.9%, reflecting pressures from both domestic economic activity and external factors, such as weakened exports and an incomplete recovery of the tourism sector in certain key markets.

The sources of such deceleration were not limited to external factors alone, but also stemmed from a decline in private consumption and subdued private investment, despite accelerated public investment aimed at supporting economic activity. These developments affected insurance market demand, particularly for products associated with consumption and investment, such as property insurance and various liability insurance lines, as economic slowdown typically leads businesses to reduce new investments and consumers to postpone the purchase of non-essential insurance policies.

Furthermore, global economic uncertainty and domestic challenges were reflected in forecasts issued by various business and government agencies indicating that sustained growth may remain below targeted

levels. This has required the non-life insurance sector to assess customer demand prudently and adjust strategies to mitigate the impact of demand-side volatility going forward.

6. Household Debt Vulnerability and Impact on Purchasing Power in 2025

In 2025, household debt remained a primary pressure on Thailand's economy and household consumption. Data from the central bank and economic statistics indicated that the household debt-to-GDP ratio remained persistently high, although a slight decline was observed in the first quarter of 2025 compared to the previous year.

A report by SCB EIC (Economic Intelligence Center of Siam Commercial Bank) stated that the household debt-to-GDP ratio declined to approximately 87.4% in the first quarter of 2025, marking the first decrease in several years. This reflected slower debt accumulation and greater caution among households in borrowing for general consumption. Although the decline indicated more prudent financial behavior, overall debt levels remained significantly high relative to regional peers, resulting in constrained purchasing power and a tendency for households to defer or cancel non-essential insurance coverage, such as property insurance or additional motor insurance, particularly among segments with high debt burdens and stagnant income growth relative to rising living costs.

In early 2025, the Cabinet approved assistance measures for non-bank debtors, including low-interest loan programs and installment reductions to alleviate debt burdens, indicating government recognition of household debt vulnerability and its broader economic implications. The overall effect of persistently elevated household debt has continued to exert pressure on consumption and spending decisions, constituting a limiting factor for growth in certain insurance product segments.

7. Political Volatility and Investment Liquidity in 2025

In 2025, Thailand's political environment experienced ongoing developments that affected business and investor confidence. Reports from multiple institutions indicated that policy uncertainty and changes in government during the mid-year and late-year periods led certain operators to postpone investment decisions, long-term capital allocation, and new business expansion initiatives.

The impact of political uncertainty was reflected in downward revisions of GDP growth forecasts by various parties. For example, the Joint Standing Committee on Commerce, Industry and Banking (JSCCIB) projected 2025 growth at approximately 1.8%–2.2%, lower than previous expectations, citing political uncertainty and structural factors as contributors to Thailand's slower economic recovery.

For the non-life insurance sector, such uncertainty affected capital allocation decisions of business clients, particularly SMEs utilizing insurance products to manage property and liability risks in their operations. The postponement of investment activities may result in deferred or suspended policy purchases in certain lines, thereby impacting premium income.

8. Changing Consumer Behavior and Digital Channels

In 2025, consumer behavior in Thailand continued shifting toward digital platforms and online services. Data from the World Bank indicated that digital technology adoption has been a key factor in enhancing service accessibility and driving business growth across various sectors, including financial and insurance services.

Data from GlobalData further indicated continued growth in card payment usage and digital transactions in Thailand, with the card payment market projected to exceed Baht 2.3 trillion in 2025. The use of PromptPay and e-payment systems has become mainstream consumer behavior, demonstrating significant adoption of digital services in daily life.

For the non-life insurance sector, these behavioral changes imply growth in digital sales and policy management channels, increased customer expectations for real-time pricing, online claims processing, and application-based communication. Compared to traditional channels, this shift necessitates investment in technology infrastructure and enhancement of customer experience in alignment with evolving consumer behavior.

9. Regulatory Oversight and Digital Financial Safety Measures

In 2025, the Bank of Thailand, in collaboration with regulatory authorities and financial institutions, expanded supervisory measures within the digital payment system and strengthened cyber risk management to prevent financial fraud arising from the significant increase in online transactions. This development corresponded with the rapid growth in mobile financial service usage, particularly mobile banking and e-payment platforms widely adopted by consumers. One key measure announced and implemented during the year was the imposition of daily online transfer limits at various levels, generally capped at no more than 50,000 Baht for retail customers, to mitigate risks associated with fraudulent transfers and to enable more effective fund suspension in cases involving scam victims, particularly vulnerable groups such as minors and the elderly, who are frequently targeted by high-impact online fraud.

These regulatory measures affect the non-life insurance sector in multiple dimensions. First, enhanced online payment security requirements influence the design of digital sales channels and premium collection systems, requiring companies to ensure that their platforms comply with banking and regulatory security standards to maintain policyholder confidence in digital premium payments. Second, in the claims process, insurers must strengthen payment verification and identity authentication systems to align with banking guidelines and reduce risks of data theft and fraud. Absent adequate safeguards, companies may face increased risk management costs and uncertainty in claims administration.

10. Labor Risks and Rising Labor Costs in 2025

In 2025, labor-related factors remained significant risks and constraints across various sectors in Thailand, including the non-life insurance industry, which was affected by labor market changes, skill shortages, and rising labor costs.

Employment surveys in Thailand indicated that over 71% of organizations faced skill shortages, particularly in specialized areas such as IT, risk analysis, and digital system development—competencies essential for advancing insurance operations in the digital era. In addition, Thailand's Unit Labour Cost index reached 105.78 points in the second quarter of 2025, exceeding prior benchmarks and reflecting rising labor costs relative to productivity levels that have not increased proportionately.

To address these challenges, the government and labor authorities have promoted workforce development policies and initiatives, including budget allocations to upskill more than 1.8 million workers through training and reskilling programs to better align labor capabilities with industry demands. Skill shortages and rising labor costs have affected insurance companies' human resource management in several areas, including:

- The ability to recruit personnel with digital and data analytics skills necessary to support increasingly technology-dependent operations;
- Increased direct and indirect personnel management costs (wages, training, system development);
- The risk of limited competitiveness in attracting high-skilled talent in a highly competitive labor market.

Moreover, labor shortages and rising labor costs may require companies to adopt more flexible workforce strategies, such as outsourcing arrangements, collaboration with educational institutions, or investment in automation technologies to sustain long-term competitiveness.

2. Marketing and Competition

1) Marketing Policies for Key Products and Services

In 2025, Charan Insurance Public Company Limited implemented a proactive marketing strategy, primarily focusing on revenue expansion through broker and agent channels, which remain key distribution mechanisms in Thailand's non-life insurance industry. Industry data indicates that agent and broker channels continue to account for a significant proportion of total gross written premiums, given their critical role in customer acquisition, product advisory services, and ongoing client relationship management—particularly for products requiring detailed understanding of policy terms and coverage conditions.

The Company concentrated its marketing efforts on its core insurance products, namely compulsory motor insurance (Motor Third-Party Liability – CTPL), which is driven by the volume of registered vehicles nationwide, as well as fire insurance, miscellaneous insurance, voluntary motor insurance, and marine and transportation insurance. These product lines were prioritized to address the risk management needs of both corporate clients and retail customers amid ongoing economic uncertainty.

In parallel with traditional distribution channels, the Company emphasized the development of electronic policy (e-Policy) issuance. In 2025, the Company submitted applications to the regulatory authority to offer electronic policies for compulsory motor insurance and voluntary motor insurance, in alignment with regulatory guidelines promoted by the Office of Insurance Commission (OIC), which encourages insurers to adopt digital technologies to enhance service efficiency, reduce documentation processes, and facilitate convenience for policyholders.

The development of electronic policies is also consistent with evolving consumer behavior, as customers increasingly utilize digital platforms for financial transactions. Data from the Bank of Thailand and digital economy agencies indicate that electronic payment and transaction services in Thailand have shown continuous growth. This trend supports the expansion of insurance product accessibility through digital channels and enables the Company to provide services in a timely, transparent, and auditable manner.

Furthermore, the adoption of electronic systems enhances operational support for brokers and agents by enabling more efficient policy quotation, issuance, and management processes. This reduces policy issuance turnaround time and increases agility in customer data management, which constitutes a critical factor in maintaining competitiveness within Thailand's highly competitive non-life insurance industry.

Accordingly, the Company's marketing policy in 2025 represents an integrated approach that combines a focus on core products aligned with market demand, the continued utilization of broker and agent channels as primary customer access mechanisms, and the advancement of electronic sales and service platforms to elevate operational efficiency and policyholder experience. This approach strengthens the Company's capacity to expand its customer base, maintain relationships with business partners, and adapt to evolving consumer behavior and long-term business environment changes.

Customer Profile

- **Individual Customers:** This group consists of general individual clients who primarily use services such as fire insurance for residences, personal car insurance, personal accident insurance, and health insurance.
- **Corporate Customers:** This group includes businesses ranging from small to large enterprises. The Company provides a wide range of property and casualty insurance services, such as fire insurance and coverage for all types of risks for offices, residential properties, condominiums, shopping centers, and industrial factories. Additionally, the Company offers vehicle insurance, cargo insurance for both domestic and international transport, and construction insurance for clients involved in large construction projects.

Customer Groups and Targets

In 2025, Charan Insurance Public Company Limited continuously expanded its customer base from 2024 by adding additional distribution channels in order to increase marketing opportunities in new target groups. The Company also recognizes the importance of service quality by placing emphasis on after-sales service, including facilitating the reporting of issues, in order to achieve maximum benefit and satisfaction for customers and target groups.

Sales and Distribution Channels

The distribution channels, classified by proportion of gross written premiums, are as follows:

Distribution Channel	Number (Persons/Entities)	Proportion of Direct Written Premiums (%)
Individual Agents and Brokers	1,268	2.16
Corporate Brokers	374,652	94.44
Financial Institutions	639	2.01
Direct Customers	694	1.39
Total	377,253	100.00

In 2025, Charan Insurance Public Company Limited continued to expand its existing distribution channels by carrying forward ongoing expansion initiatives, as well as improving operational systems and work processes to enhance efficiency in managing distribution channels in line with the Company's objectives. The Company's distribution channels are divided into four (4) channels as follows:

1. Sales through Individual Agents and Brokers: The Company has individual agents and brokers who provide non-life insurance advice to policyholders. The Company therefore places significant importance on the selection of individual agents and brokers by establishing effective selection criteria and performance evaluation processes. In addition, applicants who wish to become agents of the Company must hold a non-life insurance agent license and possess all qualifications as required by law.
2. Sales through Corporate Brokers: The Company has corporate brokers who provide direct services to policyholders, from advising on types of insurance coverage to claims handling and premium collection.
3. Sales through Financial Institutions: The Company distributes its products through various financial institutions, most of whose customers are loan clients of such financial institutions.
4. Direct Customers: This channel consists of customers who contact the Company directly and customers who are directly serviced and managed by the Company's marketing department.

Market Segmentation and Market Share

Type of Insurance	Direct Premiums (Baht)		Market share % (3) = (1) / (2)
	CHARAN (1)	Non-life insurance business (2)	
Fire	58,575,169.51	8,624,658,863.27	0.885
Marine cargo & logistics	7,280,115.00	4,950,277,692.53	0.147
Compulsory motor	196,194,611.94	15,502,107,441.14	1.266
Voluntary motor	11,108,665.00	103,480,225,368.06	0.011
Property	33,666,649.00	21,678,998,000.46	0.155
Liability	806,268.00	3,385,836,282.00	0.024
Accident	380,384.00	24,556,181,256.98	0.002
Other miscellaneous	1,404,159.00	32,925,789,618.20	0.004
Total	309,416,021.45	215,104,074,522.64	0.144

Remark: Statistics of direct premiums of CHARAN and non-life insurance business during January 1 – September 30, 2025

Source: <https://www.oic.or.th/th/industry-statistic-data-39-2/> as of September 30, 2024

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

Type of Insurance	Number of Policies Sold			Direct Premiums (Baht)			Estimated Market Share (%)
	2025	2024	Rates (%)	2025	2024	Rates (%)	
Fire	15,656	11,837	32.26	76,363,047.00	76,017,333.74	0.45	0.679
Marine cargo & logistics	3,289	3,098	6.17	9,314,647.00	10,511,912.00	(11.39)	0.147
Compulsory motor	407,226	383,892	6.08	248,573,941.94	267,494,244.35	(7.07)	1.266
Voluntary motor	2,364	2,384	(0.84)	14,055,807.00	15,613,752.00	(9.98)	0.011
Property	823	734	12.13	45,498,992.00	42,593,365.00	6.82	0.155
Liability	428	393	8.91	1,141,624.00	1,043,006.00	9.46	0.024
Accident	331	325	1.85	551,601.00	566,186.95	(2.58)	0.002
Other miscellaneous	251	229	9.61	1,823,212.00	3,096,645.00	(41.12)	0.004
Total	430,368	402,892	6.82	397,322,871.94	416,936,445.04	(4.70)	0.144

Remark: Estimated Market share of CHARN compared to the non-life insurance business for the year 2025

2) Industry Competition

Thailand's non-life insurance industry has continued to operate under intense competitive conditions due to a market structure comprising a large number of operators, including large companies with significant market share as well as small and medium-sized companies focusing on specific product lines or niche distribution channels. As a result, competition is not limited to pricing alone but also extends to product development, cost management, expansion of distribution channels, and the adoption of digital technology in operations and customer service.

At the same time, the characteristics of many non-life insurance products—particularly compulsory motor insurance and voluntary motor insurance—are subject to legally prescribed coverage conditions, resulting in relatively limited product differentiation among companies. Operators therefore compete through additional factors such as service quality, underwriting speed, claims settlement efficiency, relationships with brokers and agents, and the ability to manage risks and capital in compliance with regulatory requirements.

In addition, economic conditions, interest rate trends, the frequency and severity of natural disasters, and increasingly stringent regulatory requirements are external factors affecting the level of

competition and overall profitability of the industry. Under such circumstances, the competitive landscape of the non-life insurance industry can be reflected through the following key dimensions:

Market Structure and Number of Operators

The Thai non-life insurance industry comprises numerous domestic and foreign operators, resulting in sustained industry-level competition. Currently, there are more than 48 non-life insurance companies operating in Thailand, reflecting the diversity of market participants. The relatively large number of companies creates competition in pricing, service, and coverage conditions in order to attract policyholders and maintain market share. This market structure exerts pressure on pricing and competitive conditions, particularly in product lines with many players, such as motor insurance and miscellaneous insurance. Operators must therefore carefully consider both pricing and service quality to avoid losing market share.

Market Share by Product Line and Dependence on Core Products

Within the non-life insurance market, motor insurance continues to account for the largest proportion of total premium income, particularly motor insurance, which is one of the most competitive product lines and a major revenue contributor for insurers. According to AM Best, in 2023 motor insurance represented approximately 57% of total direct premiums in Thailand's non-life insurance industry. This proportion continues to intensify competition in pricing and coverage terms among companies.

In addition, data from the Office of Insurance Commission (OIC) indicates that, in the most recent year, the broker distribution channel accounted for a high proportion of total sales compared to other channels. This not only reflects revenue distribution but also highlights the importance of distribution channel competition in customer access.

Pricing Competition and Customer Acquisition Costs

Industry data indicates that customer acquisition costs in Thailand are higher than in several neighboring Asian countries, representing a significant competitive cost pressure faced by insurers. According to reports by the Office of Insurance Commission, the acquisition cost ratio of Thailand's non-life insurance business is approximately 35%, which is higher than that of other countries such as China (21%), Taiwan (19%), Malaysia (11%), and Singapore (10%). This reflects intense price and marketing competition to attract new customers and places pressure on profit margins across the industry.

However, the combined ratio—comprising operating expenses and claims costs—of Thailand's non-life insurance industry remains at a challenging level compared to international peers, indicating ongoing pricing competition and cost burdens that must be carefully managed.

Diversity of Distribution Channels and Channel Competition

According to industry development data from the Office of Insurance Commission, the broker channel represents one of the largest distribution channels, accounting for approximately 58% of non-life insurance premiums. Other channels, such as bancassurance and traditional agents, account for smaller proportions. The prominence of the broker channel reflects Thailand's business structure, which emphasizes close customer access and advisory services. Consequently, competition arises not only in pricing but also in distribution networks, after-sales service capabilities, and customer relationship management. Moreover, the high reliance on broker and agent channels has led to competition in training, sales skill development, and agent retention, which has become an important competitive factor within the industry.

In summary, the competitive environment of Thailand's non-life insurance industry in 2025 is shaped by a combination of a market structure with numerous players, diverse distribution channels, significant reliance on core products such as motor insurance, high customer acquisition costs, and intense price and service competition. Such competitive conditions require companies to adopt clear marketing strategies across pricing, distribution channels, customer service, and product innovation in order to remain competitive in a continuously evolving business environment.

Competitive Advantage

In 2025, Charan Insurance Public Company Limited continues to maintain a strong competitive position amid ongoing changes in the insurance market. Through strategies centered on financial stability, human resource development, and ethical business conduct, the Company is able to effectively respond to customer needs while fostering long-term trust and confidence. The key supporting factors are as follows:

1. Strong and Secure Financial Position

During a period in which the insurance industry faces challenges from global economic volatility, the Company has effectively managed its capital while maintaining a Capital Adequacy Ratio (CAR) at a level significantly higher than the minimum requirement prescribed by the Office of Insurance Commission (OIC). In 2025, the Company's capital ratio stands at 339.12. This solid financial position reflects its capability to absorb business risks and to manage claims obligations efficiently and promptly.

Furthermore, the Company has adopted a prudent capital management plan, diversifying investments into stable assets and emphasizing effective Asset-Liability Management (ALM) to mitigate risks arising from interest rate fluctuations. Timely claims settlement and transparent management of relationships with business partners further strengthen customer confidence and trust in the Company.

2. Strong Corporate Reputation and Brand Image

With over 76 years of operating experience, the Company has built a reputation as a reliable and responsible service provider. This has resulted in a strong and trustworthy corporate image among consumers. The policy renewal rate remains consistently high, reflecting strong brand engagement and positive word-of-mouth recommendations driven by customer satisfaction.

In 2025, the Company continues to enhance its corporate image through integrated marketing strategies, including the adoption of Insurtech solutions to deliver more precise and convenient services. These initiatives include online policy purchases, claims management through mobile applications, and the development of diversified communication channels to improve customer

accessibility. By prioritizing superior customer experience, the Company is able to retain its existing customer base while expanding into new target segments over the long term.

3. Competent and Engaged Workforce

Employees are regarded as the Company's most valuable asset. In 2025, the Company continues to prioritize employee capability development through specialized training programs, such as training in emerging insurance technologies, sales enhancement, customer service excellence, and risk management. These initiatives enable employees to effectively meet evolving customer expectations.

The Company also fosters strong employee engagement by providing comprehensive welfare benefits tailored to employees across all generations, as well as promoting a supportive and stable work environment. Flexible working arrangements and a collaborative organizational culture contribute to employee well-being and stability. The Company's employee turnover rate remains below the industry average, reflecting high levels of engagement and satisfaction.

4. Ethical and Responsible Business Conduct

Charan Insurance Public Company Limited adheres to its vision, "Charan's Promise, Peace of Mind for the People," which underscores its commitment to fair and responsible business practices toward all stakeholders. In 2025, the Company has established clear service guidelines, including defined targets for fair customer treatment to ensure maximum confidence and satisfaction. Additionally, the Company instills ethical standards and professional codes of conduct across all organizational levels through training programs and activities promoting transparency and strict legal compliance. These efforts enhance credibility among customers and business partners while reinforcing long-term business sustainability.

With a strong financial foundation, a solid corporate image, a capable workforce, and a steadfast commitment to ethical operations, Charan Insurance Public Company Limited possesses high competitive potential in 2025 and is well-positioned to navigate industry changes while delivering quality services and confidence to all stakeholders.

3. Providing Products or Services

Nature of Product Acquisition

1) Lending

Lending Policy

The Company maintains a lending policy that requires collateral in the form of mortgaged or pledged assets. The terms and conditions for lending comply with the notifications of the Office of Insurance Commission (OIC) on investment and other business operations of non-life insurance companies, B.E. 2556, and its subsequent amendments. The Company carefully evaluates lending decisions, taking into account the borrower's ability to repay principal and interest while ensuring returns that are commensurate with the associated risks.

Risk Management in Lending

The Company acknowledges the inherent risks in lending, which include external risks such as domestic and global economic conditions, and internal risks such as credit evaluation standards, credit concentration, and the experience of credit analysts. To address these risks, the Company has established a robust investment policy framework that incorporates a structured process for loan analysis and approval. The approval process is clearly defined and follows a systematic, step-by-step approach to mitigate risks effectively.

2) Investment

Investment Policy

The Company recognizes that the non-life insurance business involves transferring risks from the public and is responsible for compensating damages by paying claims in exchange for insurance premiums. Accordingly, the Company must allocate sufficient premium reserves to fulfill its obligations to creditors under insurance contracts and invest in appropriate assets to generate adequate returns aligned with these obligations. Investments and other business activities are crucial to the Company's operations and stability. Therefore, the Board of Directors prioritizes establishing investment policies and business practices to ensure compliance with applicable laws, efficient operations, and the availability of robust systems and skilled personnel. The Company is committed to honest and ethical investments and refrains from actions or commissions that would result in unnecessary payments or reduced returns or benefits.

The Company's investments can be categorized into seven segments as follows

1. Deposits with domestic financial institutions.
2. Debt instruments issued, endorsed, guaranteed, or secured by the Thai government, the Bank of Thailand, the Ministry of Finance, or the Financial Institutions Development Fund.
3. Debt instruments issued, endorsed, guaranteed, or secured by financial institutions or by limited companies, organizations, or state enterprises with a credit rating or issuer rating of investment grade or higher.
4. Investment units of mutual funds with policies to invest in instruments under categories 1, 2, and 3.
5. Domestic equity instruments issued by companies.
6. Loans extended to the Company's employees.
7. Loans secured by collateral such as mortgages or pledges.

3) Sources of Funds

As of December 31, 2025, the Company's principal sources of funds were shareholders' equity and cash flows from operating activities. The details are as follows:

Shareholders' Equity

- The Company has registered capital and issued and paid-up capital of 120 million Baht, comprising 12 million ordinary shares with a par value of 10 Baht per share.
- The Company has share premium on ordinary shares amounting to 258 million Baht.
- The Company has appropriated retained earnings as statutory reserve amounting to 12 million Baht.
- The Company has unappropriated retained earnings amounting to 187.19 million Baht.
- The Company has other components of equity amounting to 8.87 million Baht.

Cash Flows from Operating Activities

In 2025, the Company reported net cash used in operating activities of 25.25 million Baht. The key factors affecting cash flows from operating activities were as follows:

- Premiums received decreased by 17.68 million Baht.
- Net premiums paid and expenses directly related to reinsurance increased by 19.81 million Baht.
- Claims and directly related expenses increased at a higher-than-normal level due to natural disasters, amounting to 48.66 million Baht.

- Cash placed with banks and net proceeds from matured debt instruments increased by 36.55 million Baht.
- Other operating expenses increased by 9.77 million Baht.

These factors resulted in negative cash flows from operating activities for the year 2025.

4) Uses of Funds

In 2025, the Company reported net cash used in investing activities of 0.77 million Baht. The principal items were investments in equipment, comprising the following:

- Payment for the third installment of office elevator installation (recorded as assets under installation) amounting to 0.37 million Baht and
- Expenses for renovation and replacement of office computer systems, including peripherals, amounting to approximately 0.40 million Baht.

These expenditures represent investments to improve and develop the Company's physical infrastructure and information technology systems to better support its operations.

5) Ability to Maintain Industry Ratios

In 2025, the Company reported total gross written premiums of 445.10 million Baht, representing an increase of 29.35%. The details are as follows.

(Unit : Million Baht)

Type	2025	Distribution%	2024	Distribution%
Fire	122.95	+27.62	10.98	-32.47
Marine	10.03	+2.25	48.9	-5.07
Motor	308.43	+69.30	76.94	14.89
Miscellaneous	3.69	0.83	283.11	69.65

4. Operating Assets

The assets of the Company used in the business operation are identify in main four categories as shown in *Attachment 4*.

5. Jobs Pending Deliver

- The Company has no jobs pending deliver –

1.3 Shareholding Structure

On the date of determining the names of shareholders (Record Date) for the right to receive the most recent dividend on June 5, 2025 the details are as follows:

Issued and Fully Paid-up Share: 120,000,000 Baht

Type of Share: Ordinary Share at 10 Baht per Share

Size of Shareholdings	Number of Shareholders	%	Number of Share	%
Those who hold more than 0.5% of shares	26	4.05	9,167,953	76.40
Those who hold securities not exceeding 0.5% but not less than one trading unit.	494	76.95	2,831,047	23.59
Those who hold shares less than one trading unit	122	19.00	1,000	0.01
Total	642	100	12,000,000	100

Nationality of Shareholder	Number of Shareholders	%	Number of Share	%
Thai	Juristic Person	12	1,734,950	14.46
	Individual	626	9,735,850	81.13
Foreign	Juristic Person	1	10,200	0.08
	Individual	3	519,000	4.33
Total	642	100	12,000,000	100

1.3.1 Shareholders

1. Major Shareholders

- The list of the top ten shareholders of Charan Insurance Public Company Limited, with number and percentage of shares held as June 5, 2025 is set out below:

No.	Name - Surname	Number of Share held	Percentage of Share held (%)
1.	Mr. Sukich Charanvas	2,194,744	18.29
2.	Mr. Vichien Srimuninnimit	1,130,000	9.42
3.	Mr. Kittipong Charanvas	740,000	6.17
4.	Mr. Kitt Charanvas	692,000	5.77
5.	Bangkok Insurance Public Company Limited	578,000	4.82
6.	Mrs. Elizabeth Charanvas	467,200	3.89

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

No.	Name - Surname	Number of Share held	Percentage of Share held (%)
7.	Mr. Nibhond Charanvas	412,800	3.44
8.	Khun Chalermchai 8 Company Limited	339,000	2.82
9.	TW Land Company Limited	333,300	2.78
10.	Mr. Piti Kuekiatngam	200,000	1.67
11.	Other shareholders	4,912,956	40.94
	Total	120,000,000	100.00

Report on Shareholdings of Directors and Executives

As of the Record Date for the Most Recent Dividend Entitlement on June 5, 2025

No.	Name - Surname	As of June 5, 2025	As of March 14, 2024	Change (%)
1.	Mr. Sapon Kluaymai Na Ayudhyav	-	-	-
2.	Mrs. Poodpong Arsingsamanunta	-	-	-
3.	Mr. Vorayuth Charoenloet	200	200	-
4.	Mr. Thanitphong Pichaibavornphat	-	-	-
5.	Mr. Sukich Charanvas	2,661,944	2,654,844	0.27
6.	Mr. Kittipong Charanvas	740,000	739,800	0.03
7.	Mr. Kitti Charanvas	692,000	692,000	-
8.	Mr. Kosit Angkasuwan	-	-	-
9.	Mrs. Pattama Trakarnaiem	-	-	-
10.	Mr. Wisith Limcharoensuk	-	-	-
11.	Miss Punrada Ayucharoenkul	-	-	-
12.	Mr. Pon Titipanichayangoon	160,800	158,000	1.78
13.	Miss Siraya Chindasri	-	-	-
14.	Miss Kanyawan Trisaksuriyan	1,000	1,000	-
15.	Miss Sudarat Wiwattanadej	1,000	1,000	-
16.	Mrs. Promporn Lamdabpang	-	-	-
17.	Mr. Nopadol Suwankareekul	-	-	-
18.	Mr. Sornchai Keawrakmuk	-	-	-

Remark: Includes related persons in accordance with Section 258 of the Securities and Exchange Act B.E. 2535.

- The Company has no group of major shareholders who significantly influence, by behavior, in formulating a policy, managing or operating business of the Company such as sending a person to be position as the authorized director.

2. Holding Company

- The Company has no holding company -

3. Shareholders' Agreement

- The Company has no shareholders' agreement -

1.4 Registered and Paid-up Capital

1.4.1 Charan Insurance Public Company Limited has the registered capital of 120 million Baht and fully paid up, classified as 12 million ordinary shares of 10 Baht each.

1.4.2 Other Securities

- None -

1.4.3 Share or convertible securities used as depositary for issuing investment units of Thai Trust Fund and non-Voting Depository receipt (NVDR).

- None -

1.5 Issuance of other Securities

- None -

1.6 Dividend Policy

The Company has a policy to pay dividends of not less than 20% of net profit. In determining dividend payments, the Company takes into consideration various factors with primary emphasis on maximizing shareholders' benefits. Any dividend payment must not materially affect the Company's normal business operations. Such dividend payments may be subject to change depending on operating results, financial position, liquidity, the need for working capital in business operations, appropriateness, and other factors related to the Company's operations and management. Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535 and Article 35 of the Company's Articles of Association, the Company is required to allocate at least 5% of its annual net profit, after deducting accumulated losses brought forward (if any), to a legal reserve until such reserve reaches not less than 10% of the registered capital. The Board of Directors may propose to the shareholders' meeting for approval of

dividend payments or allocations to other types of reserves as deemed appropriate, except for interim dividends, which the Board of Directors has the authority to approve. Any interim dividend payment shall be reported to the shareholders at the next shareholders' meeting. Dividend payments must be made within one month from the date of the resolution of the shareholders' meeting or the Board of Directors' meeting, as the case may be. Written notice of such dividend payment shall be sent to shareholders and the announcement of the dividend payment shall also be published in a newspaper.

Historical Dividend Payment Information*(Unit: Baht)*

Year	2025	2024	2023	2022	2021
Net profit per share (baht)	2.55	(0.59)	2.28	5.82	(2.36)
Dividend per share (baht)	0.90	-	1.25	2.00	-
Payout ratio (%)	35.29	-	54.81	34.36	-

Remark: At the Board of Directors' meeting No. 1/2025 on February 27, 2025 resolved to propose the 33rd Annual General Meeting of Shareholder for the year 2025 to consider and approve the dividend payment for the 2025 operating results.

2 Risk Management

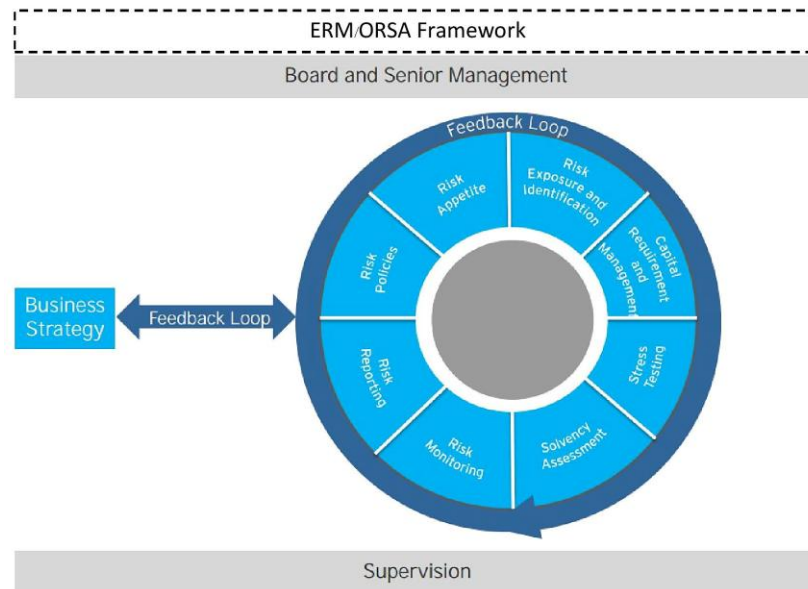
Charan Insurance Public Company Limited recognizes the importance of risk management and has continuously developed and improved its risk management processes to ensure effectiveness. The objective is to safeguard the interests of policyholders, beneficiaries, and other claimants, while generating sustainable returns for shareholders over the long term. An appropriate and adequate risk management framework and policy are therefore considered essential in mitigating the impact of various risk volatilities that may affect the Company. The Company's risk management framework and policies are established in accordance with the Notification of the Office of Insurance Commission (OIC) Re: Rules, Procedures and Conditions for Enterprise Risk Management and Own Risk and Solvency Assessment (ORSA) of Non-Life Insurance Companies B.E. 2562. The framework takes into account key elements that support effective and sustainable risk management, considering the Company's nature of business, size, organizational complexity, strategy, and corporate objectives.

The Company has implemented a timely feedback loop mechanism to enhance the effectiveness of its enterprise risk management system. This mechanism enables the identification and monitoring of any breaches or potential breaches of risk limits, as well as periodic reviews of risk management practices. The Board of Directors oversees the overall risk management framework to ensure that each category of risk is appropriately managed within acceptable levels and does not adversely affect the Company's financial stability.

Risk Management Framework

The risk management framework is designed to ensure that risk identification, risk assessment, risk response, risk control and monitoring, and risk reporting are conducted effectively and in a timely manner. The framework considers the likelihood of risk occurrence, potential impact, and the relevant time horizon.

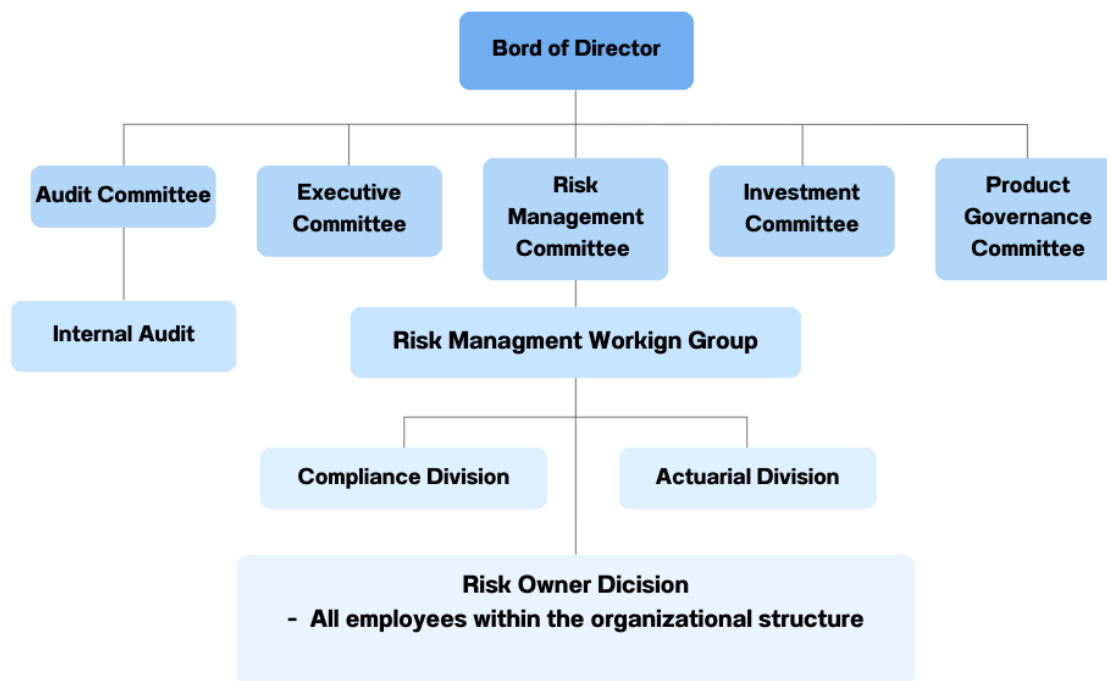
The framework can be described through the following key components:



Picture 1: Diagram Illustrating the Components and Interrelationships of the Risk Management System

Business Strategy	:	Business strategy
Risk Policies	:	Risk management policies
Risk Appetite	:	Acceptable level of risk
Risk Exposure and Identification	:	Risk exposure and identification
Capital Requirement and Management	:	Required capital and capital management
Stress Testing	:	Stress testing
Solvency Assessment	:	Financial solvency assessment
Risk Monitoring	:	Risk monitoring
Risk Reporting	:	Enterprise risk management and ORSA reporting
Feedback Loop	:	Timely monitoring and response to changes in the Company's risk profile

Risk Governance Structure



The Company's Risk Management Committee consists of the Managing Director serving as Chairperson, two (2) directors, and five (5) executives, totaling eight (8) members. The Committee operates under the governance policy of the Board of Directors.

The Risk Management Working Group is chaired by the Secretary of the Risk Management Committee, with department managers from all divisions serving as members.

The Company adopts a Three (3) Lines of Defense structure as follows:

- 1) **First Line of Defense:** Risk-owning units are directly responsible for identifying and managing risks and integrating risk management into daily operations.
- 2) **Second Line of Defense:** The Risk Management Working Group, Compliance Unit, and Actuarial Unit are responsible for monitoring the performance of risk-owning units, providing guidance, and facilitating effective risk management practices.
- 3) **Third Line of Defense:** The Internal Audit Office independently reviews and evaluates the effectiveness of the Company's risk management and internal control systems, operating independently from the first and second lines of defense.

2.1 Risk Management Policy and Plan

The Company has adopted a risk management framework in its operations by implementing the Enterprise Risk Management (ERM) standard to establish management guidelines aimed at preventing and mitigating the impact of various risks that may hinder the achievement of organizational objectives. This approach is designed to instill confidence among stakeholders that the Company can sustain its business operations amid continuous and rapid changes. The Board of Directors, executives, and employees at all levels actively participate in implementing a standardized risk management system, which is integrated with the Company's strategic planning, mission, organizational goals, and sustainable business development policies aligned with Environmental, Social, and Governance (ESG) principles. A dedicated working group and the Risk Management Committee oversee this process to ensure that business objectives are achieved collectively.

The Company categorizes risks into the following types:

- 1) Strategic Risk
- 2) Insurance Risk
- 3) Market Risk
- 4) Credit Risk
- 5) Liquidity Risk
- 6) Operational Risk
- 7) Reputation Risk
- 8) Information Technology Risk
- 9) Catastrophe Risk
- 10) Group Risk
- 11) Emerging Risk

2.2 Risk Factors Affecting the Company's Business Operations

Charan Insurance Public Company Limited recognizes the importance of risk management in order to safeguard the interests of policyholders, beneficiaries, and other claimants, while also ensuring sustainable returns for shareholders in the long term. As the Company's business operations are directly related to risk assumption and risk management, the Company has established a **Risk Management Committee** responsible for managing risks, monitoring and supervising risk levels to ensure they remain within acceptable limits, and supporting the Board of Directors in performing its duties. The Company adopts a risk management framework and risk management policy based on the principles of good corporate governance, and continuously develops and improves its risk management processes to ensure they remain appropriate, effective, and adequate. This helps reduce the impact of potential fluctuations in various risk factors. In addition, the Company has established processes to monitor and review risk management to maintain risk exposure at appropriate and acceptable levels. Nevertheless, the Company may still face certain significant risks that could directly affect its operations and financial position. The Risk Management Committee is responsible for overseeing and monitoring risks in each area and reporting the results to the Board of Directors on a quarterly basis. In 2025, the Company identified **11 key risk factors**, as follows:

1. Strategic Risk

Strategic risk refers to risks arising from inappropriate or misaligned policies, strategic plans, operational plans, or implementation processes that are inconsistent with internal factors and the external environment, including changes in society, technology, and public expectations. Such risks may affect the Company's ability to achieve its vision, financial position, capital adequacy, and operating results.

The Company manages strategic risk by formulating strategic and operational plans aligned with its corporate vision. Performance is regularly monitored and controlled against the strategic plan, and early warning indicators are established when performance trends deviate from the defined strategic targets. This enables the Company to promptly adjust its strategy in response to changes in economic conditions, political environments, competition, and relevant regulations. The Company also focuses on improving information technology systems and operational processes while enhancing employees' knowledge and capabilities to effectively support strategic implementation. As competition in the non-life insurance industry continues to intensify, the Company's underwriting income may decline or fall short of expectations. To mitigate this risk, the Company focuses on offering insurance products with strong

growth potential and profitability, as well as expanding online channels to improve access to target customer groups.

2. Insurance Risk

Insurance risk refers to the risk arising from fluctuations in the frequency, severity, and timing of losses that deviate from assumptions used in premium pricing, insurance reserve calculations, and underwriting decisions. Insurance risk that may affect the Company's operations includes claims expenses, which represent a significant cost affecting operating results, as well as risks from an imbalance in the product mix of underwriting portfolios.

The Company manages insurance risk by establishing underwriting policies and reinsurance management strategies that are reviewed annually. The underwriting process is systematic, focusing on low-risk underwriting and careful assessment of individuals, properties, business activities, and potential hazards to be insured, including geographic exposure to natural disasters. These factors are analyzed based on historical statistical data before determining appropriate premium rates, which may be adjusted in accordance with market conditions both domestically and internationally. The Company also reviews underwriting criteria regularly to ensure alignment with market competition. For high-risk exposures, the Company transfers part of the risk through reinsurance arrangements with financially stable domestic and international reinsurers using various structures such as Treaty Reinsurance, Facultative Reinsurance, and Excess of Loss Reinsurance. This helps reduce insurance risk and ensures effective claims management and adequate reserve provisioning in accordance with actual loss events.

3. Market Risk

Market risk refers to the risk arising from changes in interest rates, foreign exchange rates, asset prices, capital market instruments, and commodity prices.

Such risks may affect the Company due to fluctuations in the stock market index resulting from domestic and international economic conditions, as well as volatility in interest rates, exchange rates, equity prices, and commodity prices. In addition to underwriting income, a significant portion of the Company's revenue is derived from investment activities. Therefore, changes in market factors affecting the value of financial instruments may negatively impact the Company's income and capital.

The Company manages market risk by establishing a clear investment policy specifying investment allocations in money markets and fixed-income securities in accordance with regulations issued by the Office of Insurance Commission (OIC) governing investments by non-life insurance companies. The Investment Committee sets clear investment objectives and policies and develops prudent strategies to manage investment risks. The Company focuses on investing in low-risk, highly stable securities with reasonable returns and avoids speculative investments. Investment diversification includes bank deposits, bills of exchange, government bonds, debentures, and equities. This approach allows the Company to generate returns from both capital gains and interest or dividend income. The Company also continuously monitors and analyzes developments in financial and capital markets to review and adjust its investment portfolio in response to changing market conditions.

4. Credit Risk

Credit risk refers to the risk arising from counterparties' inability to fulfill their contractual obligations to the Company, including the possibility that counterparties may be downgraded in their credit ratings.

Credit risk that may affect the Company's business operations includes the risk that reinsurers may be unable to reimburse the Company for claims when claims are made under reinsurance contracts. For insurance policies with relatively high insured amounts, the Company has a policy to distribute risk by arranging reinsurance with both domestic and international insurers. Therefore, the Company is exposed to the risk that counterparties may fail to fulfill their contractual obligations. In addition, there is also the possibility that counterparties may be downgraded in their credit ratings, which could affect the Company's business operations.

The Company manages credit risk by considering the credit ratings and financial stability of foreign reinsurers. The Company will only enter into reinsurance agreements with reinsurers that have a credit rating of A- or higher, and such credit ratings are regularly monitored and updated. For domestic reinsurers, the Company selects those listed among non-life reinsurers with a Risk-Based Capital (RBC) ratio of at least 200%, based on the latest quarterly capital adequacy report prior to the assessment date. In addition, the Company manages this risk by allocating adequate loss reserves both before and after reinsurance to cover losses that have occurred and those that have not yet occurred. The Company has also purchased Excess of Loss protection, which provides additional coverage for losses exceeding the

specified limit. Furthermore, the Company utilizes the services of reinsurance brokers to identify reliable domestic and international reinsurers that meet the Company's criteria. The Company also monitors credit risk by reviewing the RBC ratios of domestic reinsurers and the credit ratings of international reinsurers on a quarterly basis.

5. Liquidity Risk

Liquidity risk refers to the risk that the Company may be unable to meet its liabilities or obligations when they become due because it cannot convert assets into cash or obtain sufficient funding, or it may only be able to obtain funding at an excessively high cost.

Liquidity risk that may affect the Company's business operations includes the occurrence of unexpectedly large losses resulting from severe catastrophic events, which may prevent the Company from fulfilling its liabilities or obligations when they become due.

The Company manages liquidity risk by allocating part of its investments in bank deposits, bills of exchange, and short-term bonds, which are highly liquid and consistent with the Company's liquidity requirements for meeting financial obligations. Another portion of the Company's investments is allocated to marketable securities that are in demand, have high liquidity, and can be readily converted into cash at values close to their fair value. In addition, the Company complies with the requirements set by the Office of Insurance Commission (OIC) by maintaining a Risk-Based Capital (RBC) ratio of at least 180%, which is higher than the regulatory minimum requirement of 140%. This ensures that the Company maintains sufficient capital to support its risk exposure in all aspects and is consistent with its business operations, while also promoting compliance with international standards aimed at enhancing the overall standards of the insurance industry.

6. Operational Risk

Operational risk refers to the risk of loss resulting from inadequate corporate governance, lack of good governance within the organization, or insufficient controls related to internal operational processes, personnel, systems, information technology systems, data security, or external events.

Operational risk that may affect the Company's business operations includes frequent changes in regulations, rules, or requirements issued by regulatory authorities within a short period of time, which

may result in employees or relevant parties not being fully aware of such changes or failing to comply with them correctly.

The Company manages operational risk by placing importance on maintaining an effective internal control system. The Company allocates sufficient personnel with appropriate qualifications according to the nature of the work and ensures that specialists are responsible for specific tasks in order to maintain operational efficiency. Employees are also trained to perform tasks across functions so that operations can continue without interruption. The Company also provides training to employees to ensure they have adequate knowledge and understanding of their responsibilities and continuously improves operational systems to keep pace with changes. In addition, the Company has a compliance function responsible for supervising, monitoring, and communicating laws, regulations, and requirements issued by regulatory authorities to all employees so that they can strictly comply with them. Furthermore, the Company requires each department to be responsible for managing operational risks within its own function while promoting awareness and fostering a positive attitude toward risk management among employees in all aspects. With regard to information technology systems, data security, and external events, the Company has established policies and operational guidelines on information security, including the preparation of a Business Continuity Plan (BCP), which helps reduce potential impacts and enables the Company to continue its operations even in emergency situations.

7. Reputation Risk

Reputation risk refers to the risk of damage to the Company resulting from reputational harm due to negative perceptions held by customers, business partners, shareholders, and/or regulators.

Reputation risk that may affect the Company's business operations includes delays in claims payments beyond the time period prescribed by laws, regulations, or other requirements, which may lead customers or business partners to develop negative perceptions of the Company.

The Company manages reputation risk by adhering to the principles of good corporate governance and maintaining a strong commitment to preserving a positive image among customers, business partners, shareholders, and regulatory authorities. The Company strictly complies with all applicable laws and regulations in order to avoid penalties or monetary fines that may affect the Company's stability, financial position, and reputation.

8. Information Technology Risk

Information technology risk refers to risks that may arise from the use of information technology in business operations, which may affect the Company's systems or operations, including risks arising from cybersecurity threats.

Information technology risks that may affect the Company's business operations include cyber threats associated with the use of the internet for communication in the Company's current operations. The Company manages information technology risk by establishing policies and guidelines on information security that all employees are required to strictly follow. The Company has also installed **firewalls** to monitor and prevent unauthorized access to data and detect intrusions into the network system from both internal and external sources in a secure and efficient manner. In addition, the Company has installed antivirus programs on all computers used within the organization to prevent cyberattacks or data destruction, which are critical to the Company's business operations.

9. Catastrophe Risk

Catastrophe risk refers to the risk that a single event or a series of events of significant magnitude may cause actual claims payments to deviate substantially from the expected claims projections.

Catastrophe risk that may affect the Company's business operations includes situations where the Company's reinsurance arrangements may not be sufficient to cover catastrophic risk events that may occur in the future, or where underwriting exposure exceeds the risk limits that can be accepted within specific geographic risk areas.

The Company manages catastrophe risk by arranging reinsurance agreements with reinsurers that have credit ratings of A- or higher to provide protection against catastrophic risks in advance. The Company also establishes underwriting policies that focus on insuring areas with relatively low exposure to catastrophic risks. Furthermore, the Company utilizes information technology systems to monitor and control underwriting exposure to ensure that it does not exceed the acceptable risk limits within each geographic risk zone.

10. Group Risk

Group risk refers to the risk that the Company may be adversely affected by events occurring within the same business group, whether financial or non-financial in nature. This also includes risks arising from the

financial stability of the entire business group or companies within the group that may be affected by events occurring in any one business entity, whether such events originate internally within the group or externally.

The Company is not exposed to group risk because it currently does not have any subsidiaries or associated companies. Therefore, the Company does not operate under a group structure at present.

11. Emerging Risk

Emerging risk refers to risks that may newly arise and result in potential losses that have never previously occurred or been experienced. Such risks are difficult to estimate in terms of both the likelihood of occurrence and the severity of impact due to uncertainties and changes in environmental factors such as politics, laws, society, technology, the physical environment, and natural changes.

The Company may be affected in its business operations by emerging risks, including risks that have never previously occurred or been experienced, which makes it difficult to estimate potential impacts.

The Company manages emerging risks by establishing a Risk Management Committee and a Risk Management Working Team that are prepared to respond to emerging risks. The Company has also implemented an Incident Report system to identify the root causes of abnormal events and to ensure that corrective actions are taken promptly to restore operations to normal conditions. In addition, such incidents and preventive measures are recorded so that all departments can monitor them, improve operational practices, and ensure that the Company can continue conducting its business operations normally.

3 Driving a Business Sustainability

3.1 Sustainability Policy and Target

Corporate Sustainability Policy

In the present era, sustainable development is a key focus of global business management, especially in the insurance sector, which plays a significant role in supporting sustainability across economic, social, and environmental dimensions. Charan Insurance Public Company Limited recognizes the importance of balancing business performance with social responsibility, aiming to conduct business in alignment with the United Nations Sustainable Development Goals (SDGs). The goal is to create positive impacts for stakeholders and drive sustainable growth in society. Therefore, the Company has established a comprehensive sustainability management approach covering three core dimensions: **Environment, Social, and Governance (ESG)**, as part of achieving the SDGs. The Company has set clear operational goals in the following four (4) areas:

1. Promoting Health and Well-Being (SDG 3)

The Company focuses on designing insurance products that support public well-being, particularly those offering coverage for individuals of all ages, with flexible terms to meet the evolving needs of society. This includes promoting equitable access to healthcare services.

2. Promoting Economic Growth and Decent Work (SDG 8)

The Company prioritizes creating sustainable and meaningful employment, continuously improving transparent and responsible operations within the insurance industry, and leveraging technology to enhance service efficiency. Additionally, the Company is committed to investing in green economy projects to drive long-term economic growth.

3. Conserving the Environment and Natural Resources (SDG 13, SDG 15)

The Company is dedicated to reducing its environmental impact by efficiently managing resources and waste. It also supports insurance products related to environmental protection, such as natural disaster insurance or coverage against climate change risks. The Company enforces policies promoting resource sustainability among its employees to align with environmental conservation practices.

4. Promoting Gender Equality and Social Justice (SDG 5, SDG 10, SDG 16)

The Company is committed to promoting equality in the workplace by supporting women's rights and gender diversity. It also aims to reduce social inequalities by providing insurance products that meet the needs of diverse population groups. Furthermore, the Company operates transparently with strong governance, adhering to anti-corruption principles and fostering a culture of fairness at all organizational levels.

The sustainability management policy of Charan Insurance Public Company Limited is not only a response to stakeholder expectations but also a strategy to ensure long-term stability for the organization. Complying with the SDGs not only enhances the sustainability of the Company but also promotes societal and environmental growth. The Company is determined to lead the sustainable insurance industry and is ready to create widespread positive impacts for all involved sectors.

SUSTAINABLE DEVELOPMENT GOALS



Corporate Sustainability Management Goals and Performance for 2025

ESG	Sustainability Issues	Goals	Performance	SDGs
Environmental	Efficient resource utilization	Reduce electricity consumption at the Company's headquarters by 5% by 2025, compared with the 2023 base year.	Electricity consumption at the headquarters in 2025 was 298,360 kWh, increasing by 27.50% compared with 2024, and increasing by 17.46% compared with the 2023 base year.	 
		Reduce tap water consumption at the Company's headquarters by 5% by 2025, compared with the 2023 base year.	Tap water consumption at the headquarters in 2025 was 1,499 cubic meters, increasing by 0.54% compared with 2024, and decreasing by 3.85% compared with the 2023 base year.	
	Reduce environmental impact	Maintain the use of environmentally friendly materials at the headquarters at 100%, compared with the 2023 base year.	The Company maintained 100% use of environmentally friendly (Green Label) hand paper towels in the headquarters' restrooms, continuing from 2024	 
Social	Employee care and development	Average employee training of 10 hours per person per year	Average employee training of 9 hours per person per year (2024: 17 hours per person per year)	  
		No employee complaints	Zero of employee complaints	
	Workplace diversity and inclusion	The proportion of women in executive positions is 30% of the total executives.	6 female executives, representing 42.86% of total executives	

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

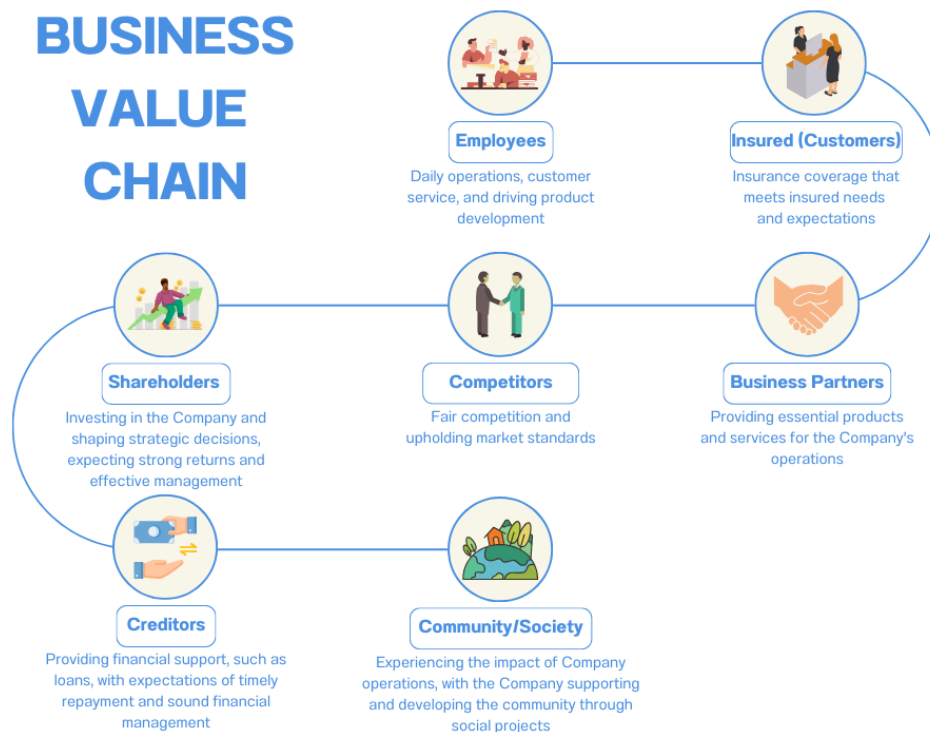
แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

ESG	Sustainability Issues	Goals	Performance	SDGs
Social	Health and safety awareness	100% of employees and executives receive annual health check-ups	67 employees and executives received health check-ups, representing 100% of total employees	 
	Health and safety awareness	Zero work-related accidents	Zero work-related accidents	 
	Promotion of human rights in the workplace	No human rights violations within the organization	Zero of human rights policy violations	
Governance and Economic	Transparency and reporting	Transparent financial reporting and regulatory compliance	Financial statements, annual report, and other disclosures were published in accordance with regulatory timelines	
	Anti-corruption and anti-bribery	No incidents of fraud or corruption within the organization	Zero of fraud or corruption cases	
	Data security and personal data management	Build confidence in data security among customers and stakeholders	Zero of complaints regarding personal data leakage	
		Prevent data breaches and cyberattacks	Zero of data breach incidents	
	Promoting shareholder and customer engagement	Provide communication channels to enhance transparency and shareholder participation	One Annual General Meeting of Shareholders held in 2025	
	Efficient cost and revenue management	5% continuous annual growth in net profit	Revenue and net profit increased by 1,618.49%	


3.2 Management of Stakeholder Impacts in the Business Value Chain

In an era where the insurance business is rapidly evolving and highly competitive, managing stakeholder impacts within the value chain of Charan Insurance Public Company Limited is of critical importance. The value chain in the insurance business not only covers the provision of insurance services but also includes interactions with suppliers, business partners, customers, and related communities. Managing these impacts effectively requires consideration across multiple dimensions, including environmental, social, and economic aspects, as well as prudent risk management. This includes assessing and mitigating potential impacts arising from the Company's activities, such as offering environmentally responsible insurance products, supporting and assisting communities affected by disasters, and promoting transparency in business processes.

Charan Insurance Public Company Limited is committed to building strong and sustainable relationships with all stakeholders through adherence to ethical principles and responsible practices at every stage of the value chain. These efforts not only enhance operational efficiency but also strengthen the Company's reputation and sustainable competitive position. Managing impacts within the Company's value chain is not merely a response to legal or ethical requirements; it also reflects the Company's commitment to conducting business responsibly and with foresight, in alignment with sustainable development goals and the creation of long-term shared value for all stakeholders involved.



The Company classifies its stakeholders into seven (7) groups: employees, insured (customers), business partners, competitors, shareholders, creditors, and communities and society. The Company has established operational approaches to respond to the different needs and expectations of each group.

Stakeholders	Needs / Expectations	Responses	Outcomes
Employees 	<ul style="list-style-type: none"> Safe and fair working environment 	<ul style="list-style-type: none"> Implementation of workplace inspection measures and improvements in accordance with international safety standards, such as annual health check-ups 	<ul style="list-style-type: none"> Zero work-related accidents and illnesses
	<ul style="list-style-type: none"> Opportunities for career growth and skill development 	<ul style="list-style-type: none"> Provision of necessary training programs and promotion opportunities, such as training in insurance, accounting, and information technology 	<ul style="list-style-type: none"> Employees' skills are enhanced and loyalty to the organization is strengthened. In the past year, employees received an average of 9 training hours per person per year
	<ul style="list-style-type: none"> Fair compensation and benefits 	<ul style="list-style-type: none"> Improvement of compensation structure and employee benefits in line with labor market conditions 	<ul style="list-style-type: none"> Higher employee retention rate and improved ability to attract new employees
Insured (Customers) 	<ul style="list-style-type: none"> Fast and high-quality services 	<ul style="list-style-type: none"> Development of customer management and service systems, such as the Company's website and Line OA 	<ul style="list-style-type: none"> Faster customer problem resolution
	<ul style="list-style-type: none"> Insurance products that meet customer needs 	<ul style="list-style-type: none"> Development of flexible new products such as specialized insurance (property, travel, microinsurance) 	<ul style="list-style-type: none"> Increased policy renewals and attraction of new customers
	<ul style="list-style-type: none"> Consumer protection and rights protection 	<ul style="list-style-type: none"> Implementation of personal data protection policy 	<ul style="list-style-type: none"> Increased customer confidence in data security and privacy

Stakeholders	Needs / Expectations	Responses	Outcomes
		(PDPA) and compliance with consumer protection laws	
Business Partners 	<ul style="list-style-type: none"> Transparent and fair collaboration Timely and systematic payments Support during crises or business difficulties 	<ul style="list-style-type: none"> Establishment of clear and transparent cooperation agreements in contracting and procurement processes Development of efficient payment management and internal control systems Provision of financial support or operational consultation during challenging periods 	<ul style="list-style-type: none"> Business partners are satisfied with the clarity of agreements and maintain sustainable cooperation Increased partner confidence in the Company and reduced payment delays Long-term business relationships and strengthened trust
Competitors 	<ul style="list-style-type: none"> Fair and transparent competition 	<ul style="list-style-type: none"> Compliance with trade competition regulations and avoidance of fraudulent practices 	<ul style="list-style-type: none"> A fair competitive environment and strengthened business reputation
Shareholders 	<ul style="list-style-type: none"> Transparent and reliable disclosure of information Sustainable growth and effective risk management 	<ul style="list-style-type: none"> Preparation of financial reports, risk management reports, and annual reports in a clear and transparent manner Establishment of sustainable investment policies and business development plans together with risk management plans 	<ul style="list-style-type: none"> No risk of disputes Stable corporate growth and reduced risks from external factors
Creditors 	<ul style="list-style-type: none"> Timely debt repayment Transparency in financial reporting 	<ul style="list-style-type: none"> Efficient cash flow planning and management Preparation of clear and transparent financial position and cash flow reports 	<ul style="list-style-type: none"> No disputes and increased creditor confidence Long-term confidence and trust from creditors

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

Stakeholders	Needs / Expectations	Responses	Outcomes
<p>Communities and Society</p> 	<ul style="list-style-type: none">■ Participation in community and social development	<ul style="list-style-type: none">■ Implementation of CSR projects in education and environmental areas, such as scholarship programs	<ul style="list-style-type: none">■ Communities benefit from the projects and the Company's positive image is strengthened

3.3 Sustainability Management - Environmental Dimensions



Charan Insurance Public Company Limited recognizes that climate change and the degradation of natural resources represent significant challenges that may have long-term impacts on the economy, society, and the business sector. The Company therefore conducts its business in parallel with environmental responsibility, placing importance on energy management, water resource utilization, efficient use of consumable materials, and systematic waste management in order to control and reduce the environmental impacts arising from its operations.

To address these challenges, the Company has established clear and measurable environmental targets. The Company aims to achieve **Carbon Neutrality by 2030**, which is earlier than the national target framework, and to move toward **Net Zero Emissions by 2065**, in alignment with the country's long-term climate goals. These targets reflect the Company's commitment to systematically managing greenhouse gas emissions while driving the organization toward sustainable long-term growth.

In line with this commitment, the Company has established clear environmental policies and practices to serve as an operational framework consistent with the principles of sustainable development and international standards.

3.3.1 Environmental Guideline and Policy

Environmental Policy

At the Board of Directors' meeting of Charan Insurance Public Company Limited No.1/2025 held on February 27, 2025 has reviewed and thoroughly assessed the Company's environmental management policy, covering all relevant aspects. The primary objective of this policy is to reduce the environmental impact of the Company's operations, conserve natural resources, and ensure long-term sustainability for the organization. The review emphasized the application of environmentally friendly technologies, the reduction of energy consumption and wasteful resource use, and the promotion of renewable resources. Additionally,

the policy aligns with the United Nations Sustainable Development Goals (SDGs), particularly in protecting the environment, reducing greenhouse gas emissions, mitigating water and air pollution, and conserving critical ecosystems. This policy will serve as the main framework for managing the Company's environmental practices, with the goal of fostering sustainable organizational development and building stakeholder confidence.

The Company has published the "Environmental Management Policy," which has been reviewed and approved by the Board of Directors, on the Company's website at <http://charaninsurance.co.th/> under the "Corporate Governance" section.



"Environmental Management Policy"

Environmental Management Approach

1. Energy Management

In 2025, Charan Insurance Public Company Limited continues to prioritize energy efficiency, focusing on the effective and sustainable use of energy to support its energy conservation policy and reduce environmental impact. The Company has reviewed and strengthened its energy measures, emphasizing the reduction of electricity consumption, the primary energy source for its operations. Additionally, the Company is adopting more efficient and environmentally friendly materials, equipment, and technologies. These efforts align with the Company's long-term goal of reducing greenhouse gas emissions and ensuring sustainability in both energy usage and business operations in the future.

Goal: Reduce Electricity Consumption

Electricity usage at the head office decrease by 5%

The Company has launched the campaign “Energy Saving with Appreciation,” establishing guidelines for energy conservation that all departments and personnel must follow. The campaign aims to raise awareness about the importance of energy conservation, encouraging cooperation to reduce electricity consumption and use energy cautiously, efficiently, and effectively. The guidelines include the following:

- **Air Conditioning**

Air conditioning is set to start at 08:00 AM, turned off between 12:00 PM - 1:00 PM, and switched off 5-10 minutes before the end of the workday at 5:00 PM. If working outside regular hours, only essential areas should be cooled, and the thermostat should be set at 25°C (saving 10%).

- **Lighting**

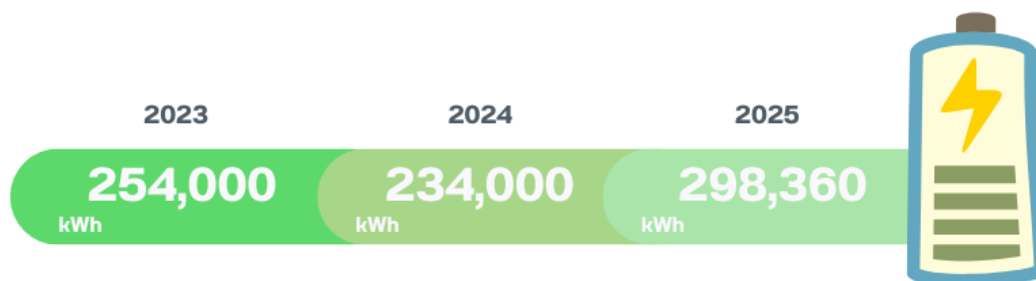
The Company encourages lighting to be used only in necessary areas. Employees are expected to turn off lights after using the restroom, meeting rooms, or when leaving the office. In areas with natural sunlight, the Company supports using daylight instead of electrical lighting to reduce energy consumption. At night, security staff will only turn on lights in essential areas for building security.

- **Computers and Office Equipment**

Set the computer screen to lock when not in use.

The above measures have been continuously monitored to ensure effective control over energy consumption and greenhouse gas emissions at the head office.

In 2025, the Company recorded electricity consumption at its head office totaling 298,360 kilowatt-hours (kWh), representing an increase of 64,360 kWh, or 27.50%, compared to 2024, and an increase of 17.46% compared to the 2023 base year.



2. Water Resource Management

The Company recognizes the importance and vulnerability of water resources in its operations. We are committed to sustainable and efficient water management to minimize environmental impact and promote responsible water use. Through continuous monitoring and analysis, we aim to reduce waste and prevent future water scarcity. Additionally, we focus on educating employees about efficient water usage to reduce unnecessary consumption and encourage sustainability.

Goal: Reduce Water Consumption

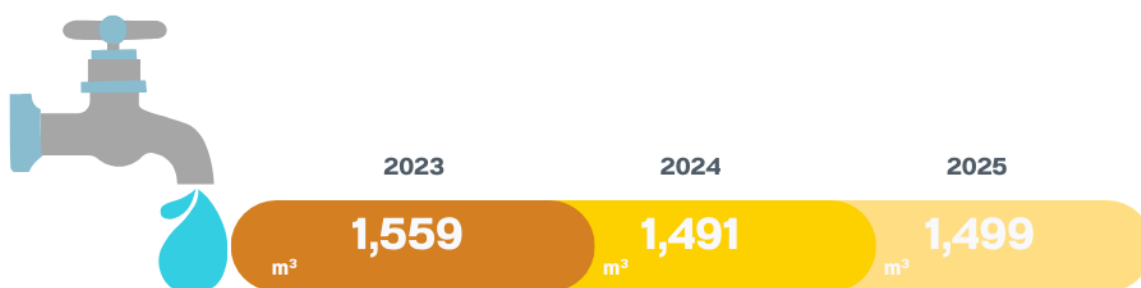
Water usage at the head office decrease by 5%

The Company is committed to being an organization that cares for the environment and natural resources, particularly in terms of efficient water usage. Water conservation not only helps reduce operational costs but also plays a vital role in preserving this important resource for the future. Therefore, the Company has launched the "Stop the Drip, Stop the Waste" campaign to raise employee awareness about the value of water and encourage everyone to follow these five (5) simple steps:

- **Turn off the tap after use** – Always ensure the tap is tightly closed after use.
- **Use water only when necessary** – Avoid leaving the tap running while washing hands or cleaning.
- **Report leaking taps immediately** – If you notice any leaks in taps or pipes, promptly notify the maintenance team for repair.

- Install water-saving faucets – Replace faucets with water-saving models to reduce water consumption per use.
- Recycle water when possible – Reuse water for tasks that do not require clean water, such as watering plants.

In 2025, the Company's tap water consumption at the head office totaled 1,499 cubic meters, representing an increase of 8 cubic meters, or 0.54%, compared to 2024, and a decrease of 3.85% compared to the 2023 base year.



3. Valuing Paper Usage

Efficient resource use is crucial in building a sustainable organization, especially in the case of paper, a material essential to daily operations. The Company prioritizes reducing wasteful consumption of natural resources and encourages all employees to use paper responsibly to minimize environmental impact. We have chosen to use recycled paper, avoid printing unnecessary documents, and utilize digital systems to reduce printing as much as possible. Practices such as double-sided printing, document review before printing, and reusing paper can significantly reduce paper consumption.

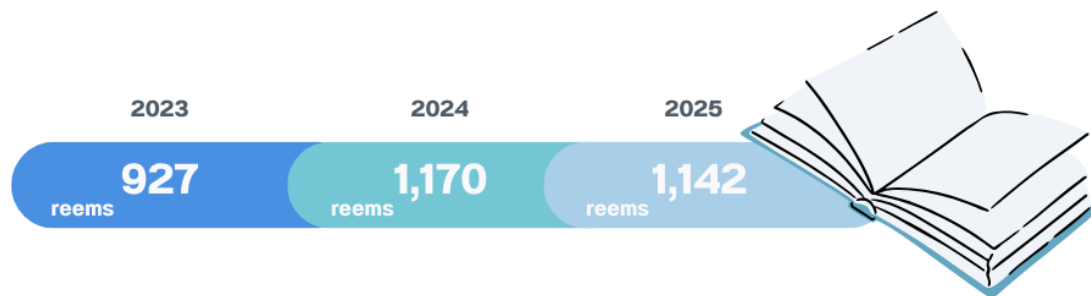
Goal: Reduce Paper Usage in the Office

Unnecessary paper usage decreases by 10%

Additionally, we support the development and use of an e-Document platform for efficient document management that is environmentally friendly. This initiative will help create a greener and more eco-friendly office in the long term. Therefore, we are committed to ensuring that our paper usage is valuable and environmentally conscious, contributing to a sustainable future for both us and the world. The following steps will be implemented:





- For printing documents that do not require new paper, use one-sided used paper for reuse. “Reuse Paper Boxes” will be placed on every floor of the office for convenient access. This maximizes the use of paper, reduces paper waste, and lowers the consumption of natural resources and energy in paper production.
- For storing large volumes of documents, store them as electronic files instead of printing hard copies, making it easier to share via email or the internet and preventing loss.
- Paper that has been used on both sides, including internal and external documents, printed materials, or brochures that cannot be reused, should be placed in the designated “Non-Recyclable Paper for Sale” box for collection and disposal by waste management services.

In 2025, the Company’s paper consumption for internal office activities totaled 1,142 reams, representing an increase of 28 reams, or 2.39%, compared to 2024, and an increase of 23.19% compared to the 2023 base year.



4. Waste Management

The Company recognizes the importance of effective waste management in order to protect the environment and reduce impacts arising from its operations. The Company is committed to operating as a responsible organization by minimizing waste generation through recycling, reuse, and reducing unnecessary resource consumption, in line with the Company's environmental policy. Proper waste management not only helps lessen environmental burdens but also enhances operational efficiency. The Company has therefore established clear practices, such as waste separation within the office, reducing the use of single-use plastics, and selecting recyclable products. In addition, employees are encouraged to actively participate in sustainable waste management practices to help build an environmentally friendly organization and preserve natural resources. In 2025, the Company improved the completeness of its waste data collection and promoted employee participation in waste separation before disposal to strengthen environmental awareness and engagement among staff.

		Waste Volume (Unit: Kilograms)	
Waste Type		2024	2025
	Paper		361.80
	Cardboard		95.50
	Plastic		85.50
	Aluminum		28.40
Total			571.20

Remark : The Company has collected waste data starting from 2025 onward.

Office Waste Management Guidelines

- **Clear Waste Segregation**

Provide separate bins for different types of waste, such as recyclable waste, organic waste, and hazardous waste (e.g., batteries), to enable proper sorting.

- **Promote Recycling**

Encourage employees to use recyclable products, such as recycled paper or reusable packaging. Recycling stations are set up in various locations to facilitate collection.

- **Reduce Single-Use Plastics**

Minimize the use of plastic bottles, bags, and disposable products by encouraging employees to use personal water bottles, fabric bags, and reusable items.

- **Adopt Digital Technologies**

Reduce office paper usage by transitioning to digital documents and data management systems, such as e-Document platforms or online work systems, instead of printing.

Guidelines for Vehicle Scrap Management

The Company prioritizes efficient management of vehicle scraps arising from the claims settlement process. We emphasize the use of advanced technology to repair damaged vehicle parts instead of replacing them with new ones, thereby reducing the volume of vehicle scraps that could impact the environment. Irreparable parts are auctioned to operators who can recycle vehicle scraps and reusable materials, integrating them back into related industries. This approach aligns with the Company's environmental policy, promoting sustainability and resource efficiency.

5. Environmentally Friendly Investments

The Company emphasizes selecting eco-friendly materials, such as high-opacity paper for office use.

This choice minimizes transparency issues, allowing efficient use of both sides of the paper. Additionally, the paper is produced under a Green Process, using 100% plantation wood pulp, ensuring optimal resource utilization without harming nature. Looking ahead, the Company plans to develop an E-Document Platform for centralizing internal information management. This initiative aims to reduce paper consumption, thereby conserving natural resources and decreasing waste production

6. Employee Environmental Awareness

The Company is committed to environmental and energy conservation, pollution prevention, and creating a sustainable office environment. Initiatives start with promoting reuse practices to reduce resource consumption, managing workplace resources efficiently, and sorting unused materials for better environmental practices. Training sessions on energy conservation and greenhouse gas reduction are conducted for directors, executives, employees, and stakeholders. These efforts aim to foster awareness and practical actions for environmental preservation, encouraging everyone to take responsibility for the benefit of themselves, the organization, and society.

3.3.2 Environmental Management Results

Operating Results	2023	2024	2025
Electricity Consumption			
Electricity Consumption (kWh)	254,000	234,000	298,360
Electricity Expenses (Baht)	1,293,186.52	1,162,480.61	1,003,841.13
Water Consumption			
Water Consumption (Cubic meters)	1,559	1,491	1,499
Water Expenses (Baht)	92,273.22	92,279.47	92,263.58
Paper Consumption (Reams)	927	1,170	1,142

3.4 Sustainability Management - Social Dimensions



3.4.1 Social Policies and Guidelines

In 2024, Charan Insurance Public Company Limited remains steadfast in its commitment to conducting socially responsible business practices, emphasizing the importance of building trust and confidence among all stakeholders across the value chain. The Company recognizes that sustainable growth requires adherence to principles and standards aligned with societal expectations and applicable legal frameworks. Accordingly, the Company has enhanced its social policies and practices to ensure greater rigor and comprehensiveness in alignment with global standards such as the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), and the Principles of the United Nations Global Compact (UNGC). The Company prioritizes respecting human rights across all operational aspects and is committed to continually improving its processes in compliance with these principles.

The Company also focuses on promoting fairness and equality in its treatment of employees and stakeholders. It has established clear policies to prevent discrimination, safeguard employee rights and safety, and foster a supportive working environment conducive to personal and professional growth. Continuous training and capacity-building are integral components of its approach, ensuring employees remain equipped with up-to-date knowledge and skills to navigate industry challenges effectively.

Moreover, the Company actively supports initiatives that benefit communities, such as educational programs and local development projects, while encouraging employee participation in socially beneficial activities.

With its unwavering dedication to responsible and sustainable business practices, Charan Insurance Public Company Limited continues to advance its social policies and practices, fostering positive societal impacts and strengthening relationships with all stakeholders.

Human Rights Policy Guidelines

1. The Company does not support child labor and strictly adheres to the age and employment conditions stipulated by the country's labor protection laws.
2. The Company promotes fair employment by treating all employees and workers equally. Employment terms and conditions are mutually agreed upon, specifying wages, benefits, working hours, overtime, leave, holidays, and other rights that comply with or exceed legal requirements. The Company also ensures maternity protection, granting maternity leave with pay and/or benefits as prescribed by law and guarantees the right to return to the same position after the leave.
3. The Company does not accept any form of forced labor. Work assignments are based on mutual consent and the individual's ability. The Company strictly prohibits forced labor, prison labor, slavery, or other forms of exploitation in its operations and value chain, including entities under its management.
4. The Company respects employees' rights to voluntarily participate in or refrain from any activities and to express opinions or actions, provided they comply with legal and ethical standards.
5. The Company prioritizes safety and occupational health for everyone in its value chain or related stakeholders. It ensures a safe working environment with measures to prevent and monitor risks, adhering to relevant safety and occupational health laws.
6. The Company opposes human trafficking and harassment in all forms. It does not engage in or condone human trafficking, threats, abuse, harassment, or violence, including sexual harassment or actions that humiliate or harm individuals physically or emotionally, violating human dignity.
7. The Company respects the rights of indigenous peoples and local customs in all areas of operation, supporting, protecting, and promoting traditional practices, cultural heritage, and indigenous intellectual property.
8. The Company develops comprehensive human rights due diligence processes within its operations and value chain to identify risks, assess impacts, and implement measures for prevention, mitigation, and remediation. It also conducts regular monitoring, policy compliance reviews, and public reporting.
9. The Company provides mechanisms for reporting human rights violations related to its activities and/or its value chain through its website www.charaninsurance.co.th. It ensures fairness and protection for complainants.

10. The Company fosters a culture of respect for human rights by monitoring violations, taking appropriate action, and providing education and training to its board, executives, employees, and stakeholders in the value chain consistently.
11. The Company reviews its human rights policy annually or in response to significant events to ensure alignment with legal frameworks, international practices, and the evolving business environment.
12. Any individual found violating human rights is considered to have breached the Company's code of conduct and this policy and will face disciplinary action under company regulations. If such actions are deemed illegal, they may also result in legal penalties.



“Good Corporate Governance Policy”

3.4.2 Social Performance

In 2025, Charan Insurance Public Company Limited continued its commitment to monitoring and assessing social impacts to address stakeholder needs and uphold high operational standards. The Company emphasized reviewing human rights issues that could affect the organization, particularly in safety, hygiene, and personal data protection.

Over the past year, the Company systematically enhanced its safety and health measures, including developing response protocols for various crises to adapt to evolving situations and demands. Additionally, we have strengthened data protection measures to safeguard the personal information of customers and employees from unauthorized access. While no significant human rights impacts were reported during the year, the Company remains dedicated to preventing and mitigating potential impacts through the development and reinforcement of effective measures. This includes conducting employee training and awareness programs on human rights practices and safety guidelines.

The Company's operations in 2025 reflect its commitment to protecting human rights and responsibly managing risks. Continuous monitoring and improvement of measures aim to foster positive impacts and reinforce confidence in our operational standards, as detailed below:

Employee Care and Development

The Company remains committed to continuously caring for and developing its employees by modernizing practices to fully align with both organizational and employee needs. We place great importance on listening to employee feedback through various channels to gather useful suggestions for improving internal policies and processes. This year, the Company enhanced its employee tracking and development processes to be more efficient, focusing on optimizing workforce levels in line with business needs, improving employee skills through the Learning and Development program, supporting self-development through Job Rotation for Development, and promoting learning to strengthen business competitiveness. Additionally, we focused on updating human resource management systems to adapt to digital changes, improving recruitment, succession planning, personnel selection, and workforce planning processes, especially for key positions critical to business operations. The Company's efforts in employee care and development in 2025 reflect its commitment to creating a supportive work environment that fosters employee growth, which will positively impact performance and the Company's long-term success.

The Company's employee care and development processes are divided into three (3) main areas as follows:

1. Workforce Planning and Recruitment

The Company has developed a workforce plan aligned with its three-year organizational strategy, focusing on recruiting capable and competent personnel whose expertise matches the business's operational needs. The recruitment process emphasizes quality to ensure that new hires possess the skills and experience required by each department. The Company utilizes various recruitment channels, including job posting websites and employee referral networks, to attract high-potential candidates.

As of December 31, 2025, the Company had a total of 60 employees, representing a decrease of 1.64% compared to 2024. This decline was primarily due to voluntary resignations by certain employees who sought new opportunities and challenges aligned with their career aspirations. Such turnover has provided the Company with an opportunity to refine its recruitment and selection processes in order to attract individuals with more specialized qualifications that better meet the organization's needs. This, in turn, helps ensure the recruitment of motivated and capable personnel who can contribute to driving the Company's future success, while also reflecting an organizational culture that is open, receptive to feedback, and supportive of continuous employee development.

2. Employee Development

The Company has focused on developing employees in alignment with the business development plan by providing training based on necessary skills to enhance expertise and knowledge in critical areas. The training and development programs are designed to support the organization's long-term goals, helping employees adapt to changing environments. The employee development performance in 2025 is as follows:

Goals	2025 Performance
• Developed employees' ability to learn through modern, accessible technology	• 100% of employees use the e-Learning system.
• Employee training hours increased from 2024	• Training hours increased by 10.52% compared to 2024

3. Employee Retention

The Company recognizes the importance of retaining talented and dedicated employees. Retaining employees not only helps reduce recruitment and training costs but also preserves organizational knowledge and expertise. The Company has implemented several strategies to retain employees as follows:

- **Remuneration and Benefits:**

The Company places emphasis on fair compensation aligned with employee performance, considering both organizational growth and market changes. Compensation is adjusted to reflect industry trends and the external economic environment. Additionally, the Company regularly benchmarks employee compensation against industry standards to ensure competitiveness. *Details on Employee Benefits are provided in “No. 7.5 Personnel” in the “Employee Remuneration”*

- **Career Path Development:**

The Company has designed clear and transparent career paths, allowing employees to see potential growth opportunities within the organization. Career development is planned long-term, with each department identifying the skills and capabilities required for future roles. The Company prioritizes promotions and role adjustments to provide employees with new challenges and opportunities for growth within the organization.

- **Creating a Positive Work Environment:**

The Company is committed to fostering a work environment that promotes professionalism and employee engagement. Open communication, teamwork, and executive support are encouraged, helping employees feel valued and recognized. The Company also emphasizes work-life balance by offering wellness programs, including annual health check-ups.

- **Promoting Continuous Learning and Development:**

The Company supports employee growth through training programs and participation in self-development activities. Lifelong learning is a core value, with internal and external training programs available, along with opportunities to attend seminars for skill and knowledge enhancement.

- **Employee Engagement:**

The Company encourages employee participation in activities that enhance organizational unity, such as community relations and interdepartmental events. Additionally, the Company has initiatives for

employees to share their feedback on organizational development and operations, fostering a sense of involvement in the Company's success.

Employee Retention Performance in 2025

In 2025, the Company set a target to maintain its employee turnover rate at a level not exceeding the industry average. However, the Company recorded an employee turnover rate of 10.45%, an increase from 8.96% in 2024, representing a rise of 16.63% compared to the previous year. In response, the Company has continued to improve its employee retention processes, including conducting employee satisfaction surveys in order to develop more effective workforce care and retention plans.

Customer or Policyholder Responsibility

The Company places great importance on the care of policyholders, focusing on providing transparent, accurate services while ensuring the rights of policyholders throughout every step of operations. This includes insurance agreements, providing complete and clear information, claims management, and resolving issues as they arise. The Company continually improves and develops its service systems to ensure policyholders receive the best service and can access the information needed for informed decision-making.

In 2025, the Company established service standards and closely monitored performance, enabling quick identification and resolution of issues. The Company also introduced multiple communication channels, such as phone lines and websites, to ensure that policyholders can easily contact and receive services. By maintaining the highest standards of service, the Company aims to develop products that meet customer needs in all situations. Responsibility to customers remains a critical mission to build trust and long-term satisfaction. The Company has taken several actions to enhance service confidence, as follows:

- **Increasing Access to Insurance**

The Company has developed a wide range of insurance products and services to meet the needs of diverse customer segments and enhance access to insurance. The Company focuses on offering solutions that cover individuals as well as large business clients. In addition, the Company has increasingly utilized digital channels, such as providing online insurance services through its website and applications, to make access to services easier and faster. Policyholders can conduct transactions through the online system 24 hours a day, including purchasing insurance, making payments, and submitting claims.

- **Quality Service**

The Company has set customer service standards to ensure quick and efficient service, including consultation, product information, and claims management. An effective complaint management system ensures that all customers receive a response within the specified time frame. Furthermore, the Company has invested in developing digital communication channels, such as websites, to enable customers to easily access information and services.

- **Maintaining Service Standards**

The Company regularly trains employees to enhance their service and communication skills with customers. All employees are trained to professionally resolve customer issues and provide services with sincerity. Additionally, the Company regularly evaluates service performance to ensure customers receive the best service.

Customer or Policyholder Responsibility Performance in 2025

In 2025, the Company successfully managed customer or policyholder care without any customer complaints (0 complaints). This achievement is attributed to the focus on improving service quality, meeting customer needs, and providing accurate and transparent information. It reflects the trust that customers have in the Company and the products it offers.

Social Responsibility and Community Development

Although the Company does not engage in deep interactions with communities, it is committed to conducting fair business practices that do not exploit society and actively promotes activities for the common good. The Company prioritizes social responsibility by adhering to business principles that avoid negative impacts on communities and the environment while contributing to community development in various forms, as follows:

- **Supporting Education and Scholarships in Remote Areas**

In 2025, the Company organized a Corporate Social Responsibility (CSR) activity at Wat Khod Hoi School (Lamied Rat Nukhro), located in Krachae Subdistrict, Na Yai Am District, Chanthaburi Province. The initiative aimed to support education and improve the quality of life for students in the local community. The Company provided scholarships to students and additional financial support for the school's development, totaling 50,000 Baht. In addition, essential supplies were donated, including educational materials, sports equipment, and recreational items. The Company also arranged lunch for the students and school staff. This activity forms part of the Company's commitment to promoting educational equality and enhancing access to essential learning resources for youth in underprivileged communities.

- **Support for Charitable Activities and Assistance to Underprivileged Groups**

The Company places importance on participating in and supporting public charitable activities, as well as assisting underprivileged groups in society, through contributions to organizations engaged in humanitarian work and the improvement of people's quality of life. In 2025, the Company donated 10,000 Baht to the Organ Donation Center of the Thai Red Cross Society to support organ donation operations and assist patients awaiting organ transplants. The Company also donated 10,000 Baht to the Foundation for the Blind in Thailand to support initiatives aimed at improving the quality of life of visually impaired individuals. Such contributions reflect the Company's commitment to promoting a culture of sharing and supporting sustainable social development.

- **Ethical and Transparent Business Operations**

The Company emphasizes conducting its business with transparency and fairness toward all stakeholders, including customers, business partners, and society at large. Its services aim to maximize benefits for policyholders while adhering to fair practices that do not exploit consumers.

- **Promoting Environmental Preservation**

Although the Company does not engage closely with community development, it implements environmentally friendly operations by reducing unnecessary resource usage, such as adopting digital documents to minimize paper use and conserving energy in the office. These activities contribute to the broader goal of sustainable societal development.

Social Responsibility and Community Development Performance in 2025

In 2025, the Company conducted its business with a strong commitment to social responsibility alongside good corporate governance, while taking into consideration the potential impacts on surrounding communities and society. Throughout the year, the Company received no complaints from communities or society arising from its business operations (0 complaints), reflecting transparent, fair, and responsible operations that do not create negative impacts on society. In addition, the Company actively contributed to creating value for society through various public benefit activities, including supporting education for schools in local communities, making donations to charitable organizations, and implementing environmentally friendly practices within the organization. These activities help enhance educational opportunities, support underprivileged groups, and contribute to sustainable social development.



CSR Activities at Wat Khod Hoi School (Lamied Rat Nukhro), located in Krachae Subdistrict, Na Yai Am District, Chanthaburi Province

Anti-Corruption Practices

The Company is committed to operating with transparency and fairness, adhering strictly to anti-corruption principles to build trust among all stakeholders. As part of its corporate governance framework, the Company has established an anti-corruption policy, which is publicly available on its website at <http://charaninsurance.co.th> under the "About Us" and "Good Corporate Governance" sections.

Clear guidelines have been outlined to prevent and address risks associated with corruption. The Company has implemented appropriate measures for auditing and controlling its operations, with a strong focus on internal auditing, regular employee training, and maintaining whistleblowing channels for reporting corruption-related misconduct. *Detailed practices for preventing corruption are provided in No. 3) Anti-Corruption.*

Anti-Corruption Performance in 2025

In 2025, the Company did not encounter any irregularities or corruption incidents. There were no complaints or actions indicative of corruption. This outcome reflects the robustness of the Company's anti-corruption measures and the collective effort of all employees to comply with established policies.

Occupational Health and Safety

The Company prioritizes the safety and occupational health of its employees by fostering a safe working environment and promoting the well-being of all personnel. In 2024, the Company established channels for receiving feedback from employees in each department through employee representatives. These representatives collected suggestions, facilitated the exchange of information regarding workplace safety, and monitored the progress of safety measures across different areas. Additionally, regular updates were communicated to ensure all employees were well-informed about relevant measures and guidelines.

Workplace Safety Measures

The Company implemented comprehensive measures to ensure workplace safety, including:

- **Regular inspection and maintenance of office** equipment to minimize risks of accidents caused by faulty equipment.
- **Development of emergency plans** to prepare employees for unexpected situations.
- **Maintaining clean and safe working spaces** by monitoring air quality, cleanliness, and appropriate environmental conditions.
- **Promoting employee health** by organizing annual health check-up activities.

In addition to these measures, the Company emphasized **Personal Safety** by providing necessary protective equipment, such as tools for office work and safe use of technological devices. Employees were educated on the proper use of tools and resources to enhance workplace safety.

Occupational Health and Safety Performance in 2025

In 2025, the Company achieved effective occupational health and safety management, with zero reported injuries or workplace accidents. Furthermore, no employees were reported to have suffered from work-related illnesses, resulting in a zero-injury rate and a zero work-related illness rate for the entire year.

4 Management Discussion and Analysis: MD&A

Business Overview, Economic and Industry Conditions Affecting Operations

In 2025, the Thai economy showed a continued recovery trend, supported by the expansion of the tourism sector, domestic consumption, and private sector investment. At the same time, natural disasters that occurred during the year, such as earthquakes and flooding in the southern region, have increased awareness among businesses and the public regarding the importance of risk management, particularly the demand for non-life insurance coverage.

The non-life insurance industry continues to face intense competition in terms of product development, enhancement of service quality, and the application of digital technologies to improve sales channels and risk management. In addition, insurance companies must continue to focus on investment management, catastrophe risk management, and maintaining capital adequacy in accordance with the regulations of the Office of Insurance Commission (OIC).

Based on the projected growth trends of the non-life insurance business in 2026 by the Thai Insurance Research and Development (TIRD), the supporting factors and challenges affecting premium growth for each insurance line can be summarized as follows:

- Voluntary Motor Insurance is projected to grow at approximately 2.0% – 3.0% in 2026. The proportion of Type 1 motor insurance policies is expected to increase again due to the growing demand for flood protection. Meanwhile, other types of policies are likely to expand their coverage, resulting in higher average premiums.
- Compulsory Motor Insurance is projected to grow at approximately 2.0% – 3.0% in 2026. Regulatory supervision related to vehicle tax renewal and compulsory insurance under the Road Accident Victims Protection Act is expected to become stricter. In addition, the implementation of the E-Policy system will help facilitate public access to insurance services.
- Fire Insurance is projected to grow at approximately 4.0% – 5.0% in 2026, supported by increasing public awareness of natural disaster risks. In addition, premiums are expected to rise in line with higher reinsurance costs following earthquake and flooding incidents in the southern region. This is also supported by a downward interest rate trend and government measures to stimulate the housing market, such as reductions in transfer and mortgage registration fees.

- **Industrial All Risks (IARs)** insurance is projected to grow at approximately 0.5% – 1.5% in 2026. Following earthquake and flooding incidents in the southern region, demand for insurance coverage has increased, while reinsurance costs are also expected to rise. However, risk-based premium pricing based on geographic risk levels—such as high-risk, medium-risk, and low-risk areas—will help reflect appropriate underwriting costs and support broader access to insurance coverage.
- **Marine Insurance** is projected to decline in the range of (-2.5%) – (-1.5%) in 2026, mainly due to uncertainties in the global economy, particularly trade tensions and tariff increase policies in the United States. However, Carrier Liability Insurance, which accounts for approximately 24% of total premiums, is still expected to continue growing.
- **Personal Accident Insurance** is projected to grow at approximately 1.5% – 2.5% in 2026. Consumers are increasingly purchasing insurance products in the form of package plans that provide multiple risk coverages, such as residential insurance that includes accident protection. As a result, stand-alone personal accident insurance policies are becoming less popular, although the segment still shows a positive growth trend.

In preparation for these trends, Charan Insurance Public Company Limited focuses on conducting its business in a stable and sustainable manner, while aligning its operations with government policies and regulatory guidelines issued by the Office of Insurance Commission (OIC). In particular, the Company has developed an E-Policy system for compulsory motor insurance and plans to expand E-Policy issuance to other types of insurance policies on a continuous basis. This initiative aims to enhance service efficiency and provide greater convenience and speed for customers. In addition, the Company continues to place importance on risk management, investment diversification, and operational efficiency improvements in order to strengthen its financial stability and support long-term business growth.

Summary of Operating Results

1. Revenue Structure

Based on the Company's revenue structure as presented in Section 1.2.1, the main sources of revenue can be classified into two categories: underwriting income and investment income. In 2025, the Company reported total revenue of 469.28 million Baht, an increase of 100.85 million Baht from 368.43 million Baht in 2024, representing an increase of 27.37%. The Company's main source of revenue continues to be motor insurance, which remains the Company's core business.

The increase in revenue in 2025 was partly attributable to the recognition of insurance contract revenue from policies issued in 2024, in accordance with Thai Financial Reporting Standard No. 17 (TFRS 17): Insurance Contracts.

For investment income, in 2025 the Company recorded investment income of 20.93 million Baht, representing 4.47% of total revenue, which was similar to 2024 when investment income amounted to 21.13 million Baht. Investment income continued to be primarily derived from debt securities and equity securities.

This revenue structure reflects that the Company focuses primarily on insurance underwriting as its core business, while investment income serves as a supplementary source of revenue and contributes to enhancing the Company's financial stability.

2. Cost of Services and Operating Expenses

The Company's operating costs and expenses consist of the following components:

2.1 Insurance Service Expenses

- Direct insurance service expenses
- Net finance expenses from insurance contracts

2.2 Operating Expenses

- Other operating expenses
- Reversal of expected credit loss

Details of the cost of services and operating expenses as of December 31, 2025 and 2024 are as follows:

(Unit: Million Baht)

Type	2025		2024 (Restated)	
	Amount	*Percentage (%)	Amount	*Percentage (%)
2.1 Insurance service expenses				
2.1.1 Direct insurance service expenses				
2.1.1.1 Insurance service expenses	(375.65)	(80.05)	(300.13)	81.46
2.1.1.2 Net expenses from reinsurance contracts held	(17.91)	(3.82)	(34.25)	9.30
Total direct insurance service expenses	(393.56)	(83.86)	(334.38)	90.76

CHARAN INSURANCE PUBLIC COMPANY LIMITED

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(Unit: Million Baht)

Type	2025		2024 (Restated)	
	Amount	*Percentage (%)	Amount	*Percentage (%)
2.1.2 Net finance expenses from insurance contracts				
2.1.2.1 Finance expenses from insurance contracts issued	(3.39)	(0.72)	(3.20)	(0.87)
2.1.2.2 Finance income from reinsurance contracts held	0.87	0.19	0.80	0.22
Net finance expenses from insurance contracts	(2.52)	(0.54)	(2.40)	(0.65)
Total insurance service expenses	(396.08)	84.40	(336.78)	91.41
2.2 Operating expenses				
2.2.1 Other operating expenses	(38.90)	(8.29)	(30.64)	(8.32)
2.2.2 Reversal of expected credit loss	0.10	0.20	7.96	2.16
Total operating expenses	(38.80)	(8.27)	(22.68)	(6.16)
Total insurance service expenses and operating costs	(434.98)	92.67	(359.46)	97.57

Remark : *The percentage represents the ratio of each cost item to total revenue for the respective year.

In 2025, the Company recorded other operating expenses of 38.90 million Baht, an increase of 8.26 million Baht from 30.64 million Baht in 2024, representing an increase of 26.96%. The main reason was the engagement of consultants and specialists regarding Thai Financial Reporting Standard No. 17 (TFRS 17) to provide guidance on financial statement preparation, which became effective on January 1, 2025.

As a result, in 2025 the Company recorded total insurance service expenses of 434.98 million Baht, an increase of 75.52 million Baht from 359.46 million Baht in 2024, representing an increase of 21.01%. The key contributing factors were as follows:

- Increased claim payments resulting from abnormal situations caused by natural disasters
- Increased claims in line with the expansion of compulsory motor insurance premiums written in 2024
- Gradual recognition of expenses in 2025 from insurance contracts issued in 2024, consistent with the recognition of revenue from those contracts under TFRS 17

3. Profit

In 2025, the Company recorded a net profit of 30.66 million Baht, compared to a net loss of 2.02 million Baht in 2024, resulting in an improvement in operating results of 32.67 million Baht or 1,618.49%. The main reason was that toward the end of 2024 the Company underwrote a significant number of motor insurance policies but was unable to recognize the related revenue in 2024 in accordance with the requirements of TFRS 17. In addition, in 2024 the Company recorded expenses and provisions in line with the increase in insurance premiums, which resulted in a loss for that year. However, such insurance premiums were gradually recognized as revenue in 2025, leading to a significant increase in revenue and profit in 2025.

Summary of Financial Position

As of December 31, 2025

	(Unit: Million Baht)	
	2025	2024 (Restated)
Total Assets	907.22	871.28
Total Liabilities	321.06	333.43
Shareholders' Equity	586.16	537.85

Analysis of Financial Position

Total Assets

As of December 31, 2025, the Company had total assets of 907.22 million, an increase of 35.94 million Baht from 871.28 million Baht in 2024, representing an increase of 4.13%. The main reasons were as follows:

- Reinsurance contract assets increased by 10.07 million Baht from 2024 due to higher recoveries of claims from reinsurers and a reduction in reinsurance premiums ceded compared to 2024.
- Investments in debt securities increased by 38.91 million Baht and investments in equity securities increased by 19 million Baht, while cash and cash equivalents decreased by 26.02 million Baht from 2024. This was due to the Company's investment policy focusing on low-risk assets such as debt securities while diversifying investments in equity securities to enhance long-term returns. The Company also assessed Expected Credit Loss (ECL) based on default statistics and recovery rates of debt securities published by the Thai Bond Market

Association (ThaiBMA) in order to determine appropriate credit loss allowances for investments in debt securities.

- Deferred tax assets decreased by 2.27 million Baht from 2024 due to differences in accounting treatment between TFRS 4 and TFRS 17 for deferred tax income and expenses.
- Other assets decreased by 2.95 million Baht from 2024 as a result of the termination of claim compensation agreements for contracts that had reached two years of maturity. This led to a reduction in motor claim provisions of the Road Accident Victims Protection Company Limited. In addition, certain receivables from other debtors were collected in the normal course of business.

Total Liabilities

As of December 31, 2025, the Company had total liabilities of 321.06 million Baht, a decrease of 12.37 million Baht from 333.43 million Baht in 2024, representing a decrease of 3.72%. The key reasons were as follows:

- Insurance contract liabilities decreased by 6.35 million Baht.
- Reinsurance contract liabilities decreased by 4.03 million Baht, consistent with lower written premiums in 2025.

In addition, the Company paid employee benefits to employees who retired in 2025 amounting to 2.28 million Baht.

Liquidity

As of December 31, 2025, the Company recorded cash outflows from operating activities of 25.25 million Baht, a decrease of 89.52 million Baht from 64.27 million Baht in 2024, representing 139.29%. The main reasons were as follows:

- Insurance premiums received decreased by 17.68 million Baht.
- Net reinsurance premiums and related reinsurance expenses increased by 19.81 million Baht.
- Claim payments increased by 48.66 million Baht due to natural disasters beyond normal levels.
- Cash received from investments in debt instruments, bonds, loan repayments, and proceeds from the sale of Thai Airways shares, including gains from the sale of shares, amounted to 23.45 million Baht. Meanwhile, the Company invested 60.00 million Baht in certificates of deposit, resulting in net cash outflows for financial assets of 36.55 million Baht.
- Other operating expenses increased by 9.77 million Baht.

- Cash outflows from investing activities amounted to 0.77 million Baht, mainly due to the third installment payment for office elevator installation of 0.37 million Baht and office computer and peripheral equipment improvements of approximately 0.40 million Baht.

Shareholders' Equity

As of December 31, 2025, the Company had shareholders' equity of 586.16 million Baht, an increase of 48.31 million Baht from 537.85 million Baht in 2024, representing an increase of 8.99%. The key components were as follows:

- Paid-up capital: 120 million Baht
- Share premium: 258 million Baht
- Legal reserve: 12 million Baht
- Unappropriated retained earnings: 187.19 million Baht
- Other components of equity: 8.97 million Baht

The increase in shareholders' equity in 2025 was mainly attributable to the Company's net profit of 30.66 million Baht.

Net Premium Receivables

As of December 31, 2025, the Company had net premium receivables of 32.87 million Baht, a decrease of 0.73 million Baht from 33.60 million Baht in 2024, representing a decrease of 2.18%. The aging of receivables is as follows:

(Unit: Million Baht)		
Aging Period	2025	2024 (Restated)
1. Not yet due	15.65	24.94
2. Overdue not exceeding 30 days	12.33	5.13
3. Overdue 31–60 days	3.67	2.80
4. Overdue 61–90 days	0.92	0.44
5. Overdue 91 days – 1 year	0.66	0.36
Total premium receivables	33.23	33.67
Allowance for doubtful accounts	0.36	0.07
Net premium receivables	32.87	33.60

In 2025, the Company had a premium receivable turnover period of 30 days. The Company strictly complies with its policy on the collection and monitoring of insurance premiums to ensure that operations proceed in accordance with its operational plans and risk management policies. For the allowance for doubtful accounts, the Company recorded 0.36 million Baht as of year-end, representing the estimated doubtful receivables based on the Company's historical experience in collecting receivables, which management believes to be adequate.

5 General Information and Other Key Information

5.1 General Information

Charan Insurance Public Company Limited

Location

Head Office: 408/1 Charan Insurance Building, Ratchadaphisek Road
Samsennok, Huai Khwang, Bangkok 10310

Khon Kaen Branch: 377/1-3, Moo 12, Mueang Kao, Mueang, Khon Kaen

Registration No.

0107537000807

Paid-up capital

120,000,000 Baht, comprising

12,000,000 ordinary shares, at 10 Baht per share

Company establishment & Commercial operation

November 10, 1949

Nature of business

Non-life insurance

Contact

▲ Investor Relations

Tel: 0-2276-1024 Cont. 207, Fax 0-2275-4919

Email: charanins@charaninsurance.co.th

▲ The Company Secretary Department

Tel: 0-2276-1024 Cont. 207, Fax 0-2275-4919

Email: charanins@charaninsurance.co.th

▲ Website

Website: <http://charaninsurance.co.th/>



5.2 Reference Persons

▲ Securities Registrar

Thailand Securities Depository Co., Ltd.

93 Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400

Tel. 0-2009-9000 Fax. 0-2009-9991

▲ Financial Advisors

- None-

▲ Auditor's Office and Auditor

Forvis Mazars Company Limited

1 Empire Tower, 12th Floor, South Sathorn Road, Bangkok, Thailand 10120

By Mr. Sompop Phonprasan

CPA Registration No. 6941

and/or Ms. Thipawan Phumbansao

CPA Registration No. 9552

and/or Ms. Wannawat Hemchayat

CPA Registration No. 7049

▲ Legal Counsel

- None -

5.3 Legal Disputes

As of December 31, 2025, the Company does not have any legal disputes or litigation in any manner that has a negative impact on the assets, financial position, and the Company's business operations are more than 5% of the shareholders' equity or 10% of current assets.

5.4 Secondary Market

- The Company has no securities listed in the secondary market in other countries -

5.5 Regular Contact Financial Institution (Only in case when the Company issues debt securities)

- The Company does not issue debt securities -

Section 2

Corporate Governance

6 Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

In 2025, the Board of Directors of Charan Insurance Public Company Limited remained firmly committed to adhering to the principles of good corporate governance. The Board recognizes its role and responsibility as the organization's leadership in fostering confidence among shareholders and all stakeholder groups. The Company's operations emphasize transparency, integrity, and accountability, which form the foundation of the corporate governance principles consistently upheld by the Company. The Board of Directors established a written Corporate Governance Policy in 2020 and has reviewed and updated the policy regularly on an annual basis to ensure alignment with evolving governance standards both domestically and internationally. In 2025, the Company further strengthened its corporate governance practices by enhancing knowledge and understanding of governance principles among directors, executives, and employees at all levels. This initiative aims to cultivate an organizational culture grounded in ethical conduct and strong professional responsibility. In addition, the Company has continued to develop its corporate governance framework by monitoring and studying modern governance practices from both local and international perspectives, which contribute to improving internal processes and management systems. The Board also emphasizes effective collaboration and communication among directors, executives, and employees to ensure a clear understanding of governance policies and related practices, enabling their effective implementation in daily operations. Through these efforts, the Company is confident that such practices will support long-term value creation for shareholders and sustainable corporate growth.

6.1.1 Policy and Practices Regarding the Board of Directors are as follows:

1. Selection and Appointment of Directors and Executives

The Company will select directors and executives based on their skills, knowledge, abilities, experience, and past performance, while considering the diversity of the board (Board Diversity) and alignment with the Company's strategy. The selection and appointment process will focus on individuals with strong qualifications, including leadership abilities, ethics, and a positive attitude toward the organization. Candidates must be capable of dedicating sufficient time to the Company for the benefit of its operations.

Additionally, the Company will define the required qualifications for directors based on the skills needed and areas where the board may be lacking, ensuring that the Board is professional and appropriately diverse. The appointment process will follow clear and transparent procedures to secure high-quality directors and executives who can effectively enhance the organization's performance.

2. Determination of Director Remuneration

The Company will determine director remuneration through a clear and transparent process. Remuneration will be based on compensation data from similar-sized companies within the same industry, as well as market comparisons, to align with the directors' duties and the Company's performance. The remuneration will be set at an appropriate level to motivate directors to fulfill their responsibilities and achieve the Company's goals and objectives. The proposed remuneration will be submitted for review by the Board of Directors before being presented for approval at the annual general meeting of shareholders. The process will be transparent and ensure shareholders that the remuneration is in line with standards and in the best interests of the Company. Detailed reports on the remuneration determination will be provided to ensure shareholders receive accurate and complete information.

3. Board of Directors' Meetings

- (1) The Company requires the Board of Directors' meetings to be held regularly, at least once every three months (no fewer than four meetings per year). Additional special meetings may be convened when necessary to consider financial statements, establish policies, and monitor the Company's operating performance. All directors are expected to attend the meetings.
- (2) Clear meeting agendas are established, and an annual meeting schedule specifying the date, time, and venue is determined in advance. Supporting documents for each meeting are delivered at least seven days prior to the meeting, except in urgent circumstances, to allow the directors sufficient time to review the information.
- (3) For Board of Directors' meetings, the Company requires that the quorum at the time a resolution is passed must consist of not less than two-thirds of the total number of directors.
- (4) The Board of Directors has access to important information and corporate data through the Managing Director, the Company Secretary, or other designated executives.

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(5) The Board encourages the Managing Director to invite relevant executives to attend Board meetings to provide additional information and clarification on matters directly related to their responsibilities, and to enable the Board to become acquainted with senior executives for succession planning considerations.

(6) During meetings, the Chairman of the Board assigns the Managing Director to present the meeting agenda and allocate sufficient time for discussion and inquiries. The Chairman also summarizes key issues for the Board's consideration while encouraging all directors to express their opinions before concluding the meeting.

In addition, in 2025 the Company established the Board and committee meeting calendar for 2026 in advance. The Company Secretary informs the Board of the meeting dates and annual agendas for the entire year toward the end of the preceding year (subject to change). This schedule does not include any special meetings that may be convened when necessary.

Meeting Calendar for 2026

Mont	Day	Date	Time	AGM	BOD	AC	IC	EXCOM	RMC	PGC
February	Tuesday	24	09.00 – 12.00			1/2569				
			15.00 – 17.00						1/2569	
	Thursday	26	13.00 – 17.00		1/2569					
April	Wednesday	29	14.00 – 16.00	AGM 2026						
May	Monday	11	09.00 – 12.00			2/2569				
	Tuesday	12	13.00 – 16.00		2/2569					
	Thursday	13	15.00 – 17.00						2/2569	
August	Monday	10	15.00 – 17.00						3/2569	
	Thursday	13	09.00 – 12.00			3/2569				
			13.00 – 16.00		3/2569					
November	Monday	9	15.00 – 17.00						4/2569	
	Tuesday	10	09.00 – 12.00			4/2569				
	Friday	13	13.00 – 16.00		4/2569					

Remarks: 1. AGM = Annual General Meeting of Shareholders; BOD = Board of Directors Meeting; AC = Audit Committee Meeting;
IC = Investment Committee Meeting; EXCOM = Executive Committee Meeting; RMC = Risk Management Committee Meeting;
PGC = Product Committee Meeting

2. IC / Excom / PGC meetings are not scheduled in advance and will be convened when there are agenda items requiring consideration.

4. Independence of the Board from Management

The Company has clearly defined the roles and powers of the Board of Directors, separating them from the management team. Emphasis is placed on maintaining independence in decision-making processes and overseeing business operations. The Board is responsible for setting policies, overseeing, and evaluating the management's performance, as well as establishing clear business goals for the management to execute efficiently and in compliance with laws. Additionally, the Board plays a key role in supervising the Audit Committee, auditors, internal auditors, and the financial responsibilities, with a focus on legal compliance and relevant charters to ensure robust and transparent corporate governance. The Board is composed of individuals with the appropriate knowledge and expertise, beneficial to the Company's operations, ensuring efficient performance and contributing to the Company's business success.

5. Director Development

(1) Induction for New Directors

The Company provides an orientation program for all new directors to familiarize them with the business and various operations of the Company, preparing them for their roles. The Company also has a policy to continuously enhance the knowledge and perspectives of all directors, focusing on corporate governance, information technology, and innovation, to support effective performance. The Company secretary coordinates this process and covers the following topics:

- **Important information:** Business structure, board structure, responsibilities, and relevant laws.
- **General business knowledge:** Operational guidelines and visits to various departments.
- **Meetings and discussions:** With the Chairman of the Board and the Managing Director to inquire about operational details.

(2) Ongoing Knowledge Development

The Company prioritizes the development of its directors by sending them to attend training programs related to enhancing their capabilities for their roles. This is to improve management efficiency and ensure readiness to adapt to business changes, while also providing beneficial new perspectives to apply to the Company's operations. Directors are encouraged to participate in programs such as the Director Certification Program (DCP) and the Director Accreditation Program (DAP) from the Thai Institute of Directors (IOD).

6. Evaluation of the Board's Performance

The Board of Directors conducts regular evaluations of its own performance, both as a collective body and for individual directors, as well as for subcommittees, on an annual basis. The self-assessment method is used to allow for a review and consolidation of feedback on various aspects related to the roles and responsibilities of the Board. The evaluation process follows an updated assessment format approved by the Thai Institute of Directors (IOD). The results of the evaluation are utilized to assess the appropriateness of the Board's composition.

Evaluation Process of the Board's Performance

- (1) The Board of Directors approves and reviews the evaluation format to ensure it is accurate, comprehensive, and in compliance with the criteria set by regulatory bodies.
- (2) The Company Secretary collects and consolidates the individual evaluation results, summarizes and analyzes the Board's operational effectiveness over the past year, and presents the evaluation report to the Board for review.
- (3) The Company Secretary uses the analysis results and additional comments from the Board to develop a plan for making necessary improvements.

Overall Performance Assessment Criteria

Assessment Criteria	Self-Assessment	Group-Assessment	
		Entire Board	Entire Board
Board / committee structure and qualifications	✓	✓	✓
Board's / committee's role and responsibility	✓	✓	✓
Board meeting / committee meeting	✓	✓	✓
Board's functions	×	✓	×
Board-Management relationship	×	✓	×
Board and executive development	×	✓	×

6.1.2 Policies and guidelines on the Shareholders and Stakeholders

- **Rights of Shareholders**

Pre-Shareholders' Meeting

The Company places importance on protecting shareholders' rights and promoting the exercise of their fundamental rights. It facilitates shareholders in exercising their rights equally, including the right to receive adequate information, to propose meeting agendas in advance, to submit questions prior to the meeting date, and to vote on significant matters. The Company does not undertake any action that would violate or restrict shareholders' rights.

In 2025, the Company held the Annual General Meeting of Shareholders on Wednesday, April 23, 2025 at 2:00 p.m. at the Meeting Room, 11th Floor, Charan Insurance Building, No. 408/1 Ratchadaphisek Road, Samsennok, Huai Khwang, Bangkok. The Company appointed Thailand Securities Depository Co., Ltd., the Company's share registrar, to deliver the meeting invitation to shareholders 21 days prior to the meeting date, in accordance with the period required by law. The invitation was also published on the Company's website 30 days in advance to allow shareholders sufficient time to review the meeting information. In addition, the Company provided shareholders with the opportunity to propose meeting agendas, submit questions, and nominate candidates for election as directors in advance of the meeting date. The meeting invitation clearly stated, in both Thai and English, the meeting date, time, venue, agenda items, rules and procedures for attending the meeting, voting procedures, and relevant supporting information for each agenda item in a timely manner. Each agenda item was clearly identified as being for acknowledgement or for consideration, together with the Board of Directors' opinions. No actions were taken that would restrict shareholders' access to information or their opportunity to attend the meeting. Furthermore, the meeting invitation informed shareholders of the required documents and evidence to be presented on the meeting date in order to exercise their right to attend the meeting. The Company also announced the shareholders' meeting in a newspaper for three (3) consecutive days prior to the meeting date.

Shareholders' Meeting Day

The Company places great importance on shareholders and takes into consideration their convenience in attending the meeting. The Annual General Meeting of Shareholders was therefore held at the Meeting Room, 11th Floor, Charan Insurance Building, No. 408/1 Ratchadaphisek Road, Samsennok, Huai

Khwang, Bangkok, which is conveniently located near the MRT Ratchadaphisek Station. The Company also facilitated shareholders attending the meeting by arranging screening points, reception staff, clear directional signage, and an adequate number of registration officers. A barcode system was implemented to facilitate registration and vote counting. In addition, the Company prepared meeting documents, proxy forms as prescribed by the Ministry of Commerce, and voting ballots for each agenda item for shareholders. Shareholders were also allowed to register to attend the meeting one hour prior to the start of the meeting to further facilitate their participation.

The Board of Directors has a policy requiring all directors, particularly the Chairman of the Board, senior executives, the Company Secretary, and the Company's auditor, to attend the meeting in order to respond to shareholders' inquiries. In 2025 a volunteer shareholder rights protector from the Thai Investors Association, Miss Katarat Sribenjakul, attended the meeting as an observer to ensure that the meeting was conducted transparently, in compliance with the law and the Company's Articles of Association. Prior to the commencement of the meeting, the Chairman assigned the Managing Director to inform the meeting of the number of shareholders attending in person and by proxy, and to explain the voting procedures using ballots for each agenda item. In particular, shareholders who disagreed or abstained were requested to cast their votes to ensure transparency and verifiability in case of any dispute.

During the meeting, the Chairman conducted the meeting in accordance with the notified agenda and allocated sufficient time for consideration of each agenda item before voting. Information regarding the Company's auditor was also presented to demonstrate the auditor's independence. Furthermore, shareholders were given the opportunity to fully exercise their rights to discuss, ask questions, provide suggestions, and express their opinions during the meeting. The Chairman and executives responded clearly and directly to all inquiries. The Company also recorded the minutes of the meeting in writing, including questions and answers, as well as the voting results for each agenda item of the shareholders' meeting, covering votes for approve, disapprove, abstain, and void.

Post-Shareholders' Meeting Day

Following the shareholders' meeting, the Company clearly documented all meeting details, including the names of directors in attendance, key questions raised, significant explanations provided, and resolutions passed for each agenda item. The resolutions of the shareholders' meeting, along with the voting results,

were disclosed to shareholders on the day following the meeting via the Stock Exchange of Thailand's system. Furthermore, the meeting minutes were submitted to relevant authorities within 14 days of the meeting. Both Thai and English versions of the minutes were also made available on the Company's website.

- **Equal Treatment of Shareholders**

The Company is committed to promoting and prioritizing equitable and fair treatment for all shareholders, ensuring the fundamental rights of shareholders, especially minority shareholders, are respected and upheld. In cases where shareholder rights are violated, appropriate remedies should be provided. Therefore, the Company has resolved to implement the following measures:

1. The shareholders' meeting is conducted in accordance with the agenda specified in the invitation letter, with no additional agenda introduced without prior notification to shareholders. This ensures that shareholders have sufficient time to study the information relevant to each agenda item before making decisions.
2. The Company allows shareholders to propose additional agenda items in advance, which is communicated transparently through the Company's website and the Stock Exchange of Thailand's website. Clear guidelines and criteria for agenda inclusion are provided, and all proposed items are reviewed by the Board of Directors. Items approved by the Board are included in the agenda, while items not approved are explained to shareholders on the Company's website.
3. The Company encourages shareholders to use proxy forms by providing Type B and Type C forms as prescribed by the Ministry of Commerce. These forms allow shareholders to specify voting directions and designate either an individual or the Company's independent directors as their proxy. For proxy forms without a stamp duty, the Company facilitates the process by providing stamp duty to ensure smooth and expedited registration.
4. Prior to the meeting, the Managing Director clearly explains the voting and vote-counting procedures, adhering to the Company's regulations. Each shareholder is entitled to one vote per share, with votes cast openly. Ballot cards are used for all agenda items, particularly for the election of directors, where shareholders may vote individually for each candidate. The meeting follows the agenda specified in the invitation letter, without introducing additional items. During the meeting, the Chairman allocates

sufficient time for shareholders to ask questions, express opinions, and make suggestions equally before voting on each agenda item.

5. Voting and vote-counting are conducted efficiently. The Company provides ballot cards categorized by agenda items, allowing shareholders to vote accordingly. These cards are collected for record-keeping to enable future verification. The votes are combined with those submitted in advance via proxy forms before announcing the resolutions to the meeting.
6. The resolutions of the meeting are recorded, including the number of votes for, against, abstentions, and invalid ballots for each agenda item. The minutes also document questions, explanations, and opinions raised during the meeting in detail. Within 14 days after the meeting, the minutes are published on the Company's website and archived at the Company's headquarters for accessibility and verification.
7. The Company has established policies and practices regarding the use of insider information. Directors, executives, and employees at all levels are prohibited from using insider information for personal gain. Directors and executives must report their interests, those of related parties, their securities holdings, and those of their spouse and minor children. Additionally, any changes in securities holdings must be reported each time shares are bought, sold, transferred, or received.

Details of these measures are disclosed under the "Use of Insider Information for Personal Gain."

- **Rights of Stakeholders**

The Company is committed to safeguarding the rights of all stakeholder groups as stipulated by law, adhering to fairness and transparency in its operations. The Board of Directors recognizes the importance of fostering strong collaboration with stakeholders to enhance financial stability and business sustainability. The Company has established clear processes and mechanisms to promote cooperation with stakeholders, such as adhering to human rights principles and ensuring fair labor practices, to fully and effectively protect stakeholder rights. The Company also prioritizes the establishment of efficient communication channels, enabling stakeholders to express opinions and file complaints promptly and conveniently. A whistleblowing channel is also in place, allowing stakeholders to participate in monitoring the Company's interests. The Company has published its Code of Business Conduct on its website to serve as a transparent and clear operational guideline, reflecting its commitment to avoiding any actions that infringe upon stakeholder rights. Specific practices for each stakeholder group are as follows:

1. Employees

- **Fair Employment Rights:** The Company ensures fair treatment of all employees, without discrimination in hiring, promotion, or compensation, and emphasizes creating a safe and supportive working environment.
- **Development and Training:** The Company provides continuous opportunities for training and skill development, with clear career development plans.
- **Complaint Management:** Open and accessible channels are available for employees to file complaints or raise concerns efficiently.

2. Customers

- **Transparent and Fair Services:** The Company provides services with integrity, disclosing complete and accurate information about its products and services.
- **Data Protection:** The Company strictly safeguards customer personal data in accordance with security standards.
- **Complaint and Feedback Handling:** An effective system is in place to manage complaints and respond promptly and fairly to customer feedback.

3. Partners

- **Transparency in Business:** The Company operates transparently with partners, refraining from unethical or unlawful practices in competition.
- **Contract Compliance:** All contractual obligations are strictly observed, supporting constructive collaboration.
- **Auditing and Evaluation:** Partners are audited and evaluated to ensure compliance with ethical and regulatory standards.

4. Competitors

- **Fair Competition:** The Company supports fair competition and adheres to market rules.
- **Confidentiality:** The Company does not exploit competitors' confidential information for unfair advantage.
- **Promoting Constructive Competition:** The Company encourages industry-wide progress through innovation and fair practices.

5. Shareholders

- **Access to Information:** Shareholders receive timely and complete information, including financial and operational disclosures.
- **Shareholder Meetings:** Transparent shareholder meetings are held to facilitate participation in critical decisions.
- **Equitable Treatment:** All shareholders are treated fairly, with special consideration for minority shareholders' rights.

6. Creditors

- **Compliance with Agreements:** The Company adheres to all debt obligations with efficient financial management.
- **Transparent Communication:** Accurate financial and debt-related information is provided promptly.
- **Issue Resolution:** The Company resolves creditor-related disputes swiftly and equitably.

7. Community and Society

- **Community Development:** The Company supports beneficial community activities, such as education and environmental preservation projects.
- **Community Engagement:** Communities are invited to participate in projects that affect them.
- **Social Responsibility:** The Company operates responsibly, avoiding activities that negatively impact communities and the environment.

- **Disclosure of Information and Transparency**

The Company has a policy focusing on the comprehensive and transparent disclosure of both financial and non-financial information, enabling shareholders, financial institutions, securities firms, investors, and the general public to access critical information conveniently and equitably. Emphasizing accurate, timely, and consistent disclosure, the Company ensures that the information provided includes both positive and negative aspects, along with risks and opportunities for future value creation. Various channels, such as performance reports, the Company website, investor meetings, and submissions to relevant authorities, are utilized to disseminate information. Furthermore, the Company has established rigorous data management and quality control processes to prevent inaccurate or incomplete disclosures, in compliance

with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.

Regular reviews of the disclosure process are conducted to maintain adherence to applicable standards.

- **Anti-Corruption**

Charan Insurance Public Company Limited is committed to conducting business with integrity, transparency, and strict adherence to its code of ethics, as outlined in its anti-corruption policy for 2024.

The policy prohibits all forms of corruption, including bribery, inappropriate giving or receiving of gifts, misuse of authority for personal gain, and actions leading to conflicts of interest. To foster awareness, the Company communicates this policy to directors, executives, and employees while implementing robust internal audit systems to ensure transparency and compliance with established standards. Regular reviews are conducted to update preventive measures in line with legal changes and industry best practices. *Further details on the anti-corruption practices are available in Section 3) Anti-Corruption.*

6.2 Business Code of Conduct

Charan Insurance Public Company Limited operates its business based on a clear and transparent business code of conduct to instill confidence among all stakeholders, including shareholders, customers, employees, and business partners. This code of conduct encompasses compliance with legal requirements, ethical standards, and good corporate governance principles. The Company emphasizes integrity, social responsibility, and operational transparency to ensure long-term sustainability and maintain trust among all related parties. Additionally, the Company has officially published its business code of conduct on its website to provide stakeholders with accessible guidance for ethical practices.

6.3 Milestones of Policy, Guidelines, and Corporate Governance of This Past Year

6.3.1 Milestones of Policy, Guideline, and Corporate Governance System

The Board of Directors conducts an annual review of the application of the Corporate Governance Code for Listed Companies, 2017, to ensure its appropriateness in the business context. As part of this review process, the Board adapts the principles of good governance to align with the Company's operations and records the rationale for such adaptations as an integral part of the evaluation and review.

6.3.2 Compliance with CG Code

The Board of Directors has reviewed the Corporate Governance Code for Listed Companies, 2017 (CG Code), developed by the Securities and Exchange Commission (SEC). It acknowledges its role as the organization's leader in applying the CG Code principles to create sustainable value for the Company. Additionally, the Board has evaluated compliance with each principle in the CG Code and determined that the Company's policies, measures, and operational processes align with the CG Code and are suitable for the Company's business growth. In 2025, the Company has adhered to the principles of good corporate governance, consistently identifying areas for improvement and summarizing issues yet to be implemented for future consideration and adoption.

No.	CG Code guideline	Charan's justification or alternative measure
1.	The Chairman of the Board is not an Independent Director (Principle 3.2.1)	The Company continues to rely on individuals with expertise, extensive experience, and strong leadership to achieve organizational goals. Nevertheless, the Company operates its business based on good corporate governance principles. The Board's composition ensures an appropriate balance of power, and all activities are conducted in compliance with the Company's rules and regulations, as well as under the framework of good corporate governance.
2.	The Company's independent directors have served for over 9 years since their initial appointment (Principle 3.2.5)	The Company acknowledges that these directors possess extensive knowledge, experience in the insurance business, and have consistently demonstrated strong performance. They also meet the qualifications set by the Securities and Exchange Commission and

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

No.	CG Code guideline	Charan's justification or alternative measure
		the Stock Exchange of Thailand. Therefore, the Company believes their continued tenure is essential for achieving organizational goals.
3.	The Company has not yet established a Remuneration Committee and a Nomination Committee (Principle 3.4.2)	The Board of Directors is responsible for considering and reviewing compensation and recruitment matters collectively, ensuring fairness, transparency, and accountability in the process.

7 Corporate Governance Structure and Key Information about the Board, Sub-Committees, Management, Employees, and Others

7.1 Corporate Governance Structure

As of December 31, 2025, the corporate governance structure of Charan Insurance Public Company Limited reflects its commitment to transparent and efficient management. The Board of Directors and management prioritize the best interests of the Company and shareholders. A clear management structure is in place, with an emphasis on power balance to mitigate risks from decisions that may not align with the Company's policies or strategies.

The Board of Directors oversees management to ensure operations align with defined policies, plans, and strategies. Roles and responsibilities between the Board and management are clearly separated to avoid conflicts of interest and ensure transparent decision-making.

To assist the Board in governance, the Company has appointed five sub-committees: the **Audit Committee**, **Executive Committee**, **Investment Committee**, **Risk Management Committee**, and **Product Governance Committee**. The Managing Director is responsible for daily operations and implementing policies and strategies assigned by the Board, focusing on the Company's sustainable growth.



7.2 Information of the Board of Directors (as of December 31, 2025)

7.2.1 Composition of the Board of Directors

The Board of Directors of Charan Insurance Public Company Limited reflects a commitment to diversity and balance in structure and operations. It consists of 7 members, including 3 independent directors, making up 42.8% of the Board. This proportion strengthens governance transparency and supports impartial strategic decision-making, especially on issues affecting shareholders and stakeholders.

Additionally, the Company strives to promote Board diversity by including 1 female director, reflecting its commitment to supporting women in leadership roles. The Board also embraces diversity in knowledge, skills, expertise, and experience, with each director bringing valuable qualifications from various fields. This diversity is essential for developing comprehensive and varied business strategies.

The Chairman of the Board and Managing Director are distinct roles, ensuring alignment with good corporate governance practices. This separation promotes transparency and prevents conflicts of interest. Additionally, the Chairman of the Board does not sit on any sub-committees, further clarifying roles and powers. The director selection process focuses on gender, age, race, nationality, religion, and other differences, fostering inclusive, well-rounded decision-making in response to industry challenges and opportunities.



Gender

Female **1** Person, accounting for **14.29**

Male **6** Person, accounting for **85.71**

Total number of directors: 7
As of December 31, 2025



Proportion

3 : 7, accounting for **42.86**

Independent Director : Total No. of Director

3 : 7, accounting for **42.86**

Executive Director : Total No. of Director

1 : 7, accounting for **14.29**

Non - Executive Director : Total No. of Director

To ensure the Board's management effectiveness and alignment with the Company's strategic and governance needs, the Board conducts an annual review of its composition. One key tool used in this evaluation is the Board Skills Matrix, which highlights the diversity of skills and expertise among the directors. This matrix serves as an effective tool to identify gaps in knowledge or capabilities that may be necessary to enhance the Board's future performance.

The Board Skills Matrix also ensures that each director's skills align with the business challenges and opportunities the Company faces now and, in the future, including areas such as finance, risk management, law, corporate governance, and marketing. Additionally, the evaluation emphasizes adaptability to technological and environmental changes, which are critical for the insurance business in the digital era, where uncertainty and complexity are increasing.

The development and refinement of this matrix demonstrate the Company's commitment to preparing the Board to effectively set direction and make strategic decisions for sustainable long-term success. Moreover, the evaluation process through the Board Skills Matrix enhances transparency in selecting new directors, using the evaluation data to consider candidates with the appropriate qualifications to lead the Company toward its goals.

Board Skills Matrix



CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จริตประกันภัย จำกัด (มหาชน)

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Board Skills Matrix

List of Directors	Position	Director Type	Knowledge / Expertise												
			Independent Director	Executive Director	Non-Executive Director	Experience in the Non-Life Insurance Industry	Risk Management	Finance and Investment	Financial Accounting	Accounting Standards	Insurance Law	Corporate Governance	Marketing and Insurance Product Development	Information Technology (IT)	Sustainable Development
1. Mr. Sopon Kluyamai Na Ayudhya	Chairman of the Board				/	/							/		
2. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee and Independent Director	1	/						/			/			
3. Mr. Vorayuth Charoenloet	Member of Audit Committee and Independent Director		/			/	/	/	/			/		/	/
4. Mr. Thanitphon Pichaibavornphat	Member of Audit Committee and Independent Director		/				/	/	/	/		/		/	/
5. Mr. Sukich Charanvas	Chairman of Executive Committee														
	Chairman of Investment Committee														
	Chairman of Risk Management Committee			/			/	/	/			/			
	Managing Director														
6. Mr. Pon Titiponichayagoon	Secretary to the Board														
	Chairman of Product Governance Committee														
	Member of Executive Committee			/		/							/		
	Member of Investment Committee														
7. Mr. Kittipong Charanvas	Member of Risk Management Committee														
	Member of Executive Committee														
	Member of Investment Committee			/		/		/				/			
	Member of Risk Management Committee														
Total	Member of Product Governance Committee														
		1	3	3	1	4	3	3	4	1	0	5	2	2	2

Remark: As at December 31, 2025

7.2.2 Information of the Board of Directors and the Authorized Director

As of December 31, 2025, the Board of Directors consists of seven (7) members, as follows:

Name	Position	Appointment Date
1. Mr. Sapon Kluaymai Na Ayudhya	Chairman of the Board	January 17, 2008
2. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee and Independent Director	September 22, 2006
3. Mr. Vorayuth Charoenloet	Member of Audit Committee and Independent Director	June 13, 2002
4. Mr. Thanitphong Pichaibavornphat	Member of Audit Committee and Independent Director	September 2, 2022
5. Mr. Sukich Charanvas	Director and Managing Director	January 1, 1974
6. Mr. Pon Titipanichayangoon	Director	July 1, 1985
7. Mr. Kittipong Charanvas	Director	February 1, 2005

Authorized Directors of the Company as of December 31, 2025

The Board of Directors may authorize one or more directors or any other person to perform any act on behalf of the Board, subject to the conditions prescribed by the Board. The directors authorized to sign on behalf of the Company are Mr. Sukich Charanvas, Mr. Pon Titipanichayangoon, and Mr. Kittipong Charanvas, whereby any two of the three directors jointly sign and affix the Company's seal.

7.2.3 Roles, Duties, and Responsibilities of the Board of Directors

1. Define the Company's policies, vision, mission, strategies, goals, and operational direction, and oversee the management to ensure effective and efficient implementation of these policies.
2. Establish policies on corporate governance, social responsibility, and anti-corruption, and ensure the effective implementation of these policies.
3. Make decisions on significant business matters such as policies, business plans, management authority, and the acquisition or disposal of assets unless such matters require shareholder approval or are mandated by law.

4. Consider the appointment of sub-committees, such as the Audit Committee, Executive Committee, and/or other relevant sub-committees, based on qualifications and prohibitions outlined in securities and exchange laws, or propose appointments for shareholder approval.
5. Review and approve the recruitment and appointment of executives who possess suitable qualifications, knowledge, and experience relevant to their positions and responsibilities, and beneficial to the organization.
6. Appoint or remove the Company secretary to assist the Board in carrying out its responsibilities, ensuring compliance with relevant laws, regulations, and corporate governance standards.
7. Oversee risk management and internal control systems to maintain an acceptable and appropriate level to achieve objectives effectively and ensure compliance with laws, standards, and corporate regulations with integrity and prudence in line with good governance practices.
8. Continuously and regularly monitor and evaluate the management's performance to ensure the achievement of strategies and adherence to plans.
9. Approve compensation for Board members and propose annual dividend payments to the shareholders' meeting.
10. Set frameworks and policies for salary determination, salary adjustments, bonuses, and employee and executive compensation.
11. Oversee the promotion and application of innovation and technology to enhance business opportunities and operations, manage IT risks, comply with IT-related laws and standards, and maintain data security, confidentiality, reliability, and availability. Ensure systems prevent unauthorized use or modification and manage events impacting the security and stability of IT systems to achieve corporate objectives.
12. Convene the annual general meeting of shareholders within four months of the fiscal year-end, determining the date, time, location, agenda, dividend payment rate (if applicable), and the Board's recommendations for the meeting.
13. Ensure an effective accounting system and accurate financial reporting, including disclosure of significant information. Oversee the preparation of shareholder meeting resolutions, minutes, and financial statements, and Form 56-1 One Report, reflecting the Company's financial status, liquidity, and performance. Also, ensure proper documentation for future verification.

Roles, Duties, and Responsibilities of the Chairman of the Board as the Leader of the Board

1. Oversee, monitor, and ensure the effective performance of the Board of Directors to achieve the organization's objectives and primary goals.
2. Act as the Chair in Board meetings and shareholders' meetings, ensuring that the meetings are conducted in accordance with the Company's regulations and the designated agenda. Promote active participation from all directors to foster an ethical corporate culture and good corporate governance.
3. Set the agenda for Board meetings in consultation with the Managing Director and ensure that significant matters are included in the agenda. In cases of tied votes during Board or shareholders' meetings, the Chairman casts the deciding vote.
4. Allocate sufficient time for discussing key issues to ensure that directors can deliberate thoroughly, encourage prudent judgment, and provide independent opinions.
5. Strengthen good relationships between executive directors and non-executive directors, as well as between the Board and the management team.

Authority of the Board of Directors to approve various matters, including:

- The organization's vision, mission, and both short-term and long-term objectives.
- Annual plans and budgets.
- Investments, project implementations, and significant company contracts.
- Organizational restructuring.
- Dividend payout policies.
- Performance evaluations of the Board and the Managing Director.
- Appointment of directors to fill mid-term vacancies and the establishment of sub-committees.
- Designation of directors authorized to bind the Company.

Collaborative Actions with Management on the following matters:

- Establishing and reviewing strategies, objectives, and annual plans.
- Ensuring the adequacy and appropriateness of risk management and internal control systems.
- Defining operational authority suitable to management's responsibilities.
- Monitoring and evaluating operational performance.
- Overseeing the credibility of both financial and non-financial disclosures.

Matters the Board Should Refrain from:

- Actions delegated to management as their primary responsibility, particularly execution of strategies, policies, or plans already approved by the Board. In such cases, the Board should oversee outcomes without interfering in management's decision-making or operations, unless absolutely necessary.
- Actions prohibited by regulations, such as approving transactions in which directors have a conflict of interest.

Authority and Responsibilities of the Managing Director

1. Oversee the Company's operations in alignment with its objectives, articles of association, delegated authority, and resolutions of the Board of Directors. The Managing Director holds authority over all employees and is accountable to the Board.
2. Establish work conditions, issue directives or announcements to define operational processes, and ensure compliance with company regulations, Board resolutions, labor laws, and other relevant legislation.
3. Represent and bind the Company within the scope of authority outlined in item 1. Transactions involving conflicts of interest or potential personal gain by the Managing Director or authorized directors require prior approval from the Board, with participation from independent directors. Delegation of authority for specific tasks is permissible.
4. Seek Board approval for transactions exceeding financial thresholds established by the Board, in accordance with company regulations or applicable laws.
5. Manage recruitment, appointments, disciplinary actions, and employment terminations for employees, including promotions and salary adjustments, except for cases where Board approval is required as stipulated in company regulations or articles of association.
6. Conduct operations in compliance with all relevant laws and regulations, including but not limited to Civil and Commercial Code, Non-Life Insurance Act, Public Company Limited Act, Future legislation related to the Company's operations. Ensure all actions are guided by honesty, integrity, fairness, and ethical standards, applying due diligence to achieve the Company's objectives.

7.3 Information of the Sub-Committees (as of December 31, 2025)

The Board of Directors has appointed qualified directors with appropriate expertise to serve on five sub-committees: the Audit Committee, the Executive Committee, the Investment Committee, the Risk Management Committee, and the Product Governance Committee. These sub-committees are established to support the specific duties of the directors. The scope, responsibilities, and duties of each sub-committee are clearly defined, and the results of their meetings are regularly reported to the Board of Directors for acknowledgment.

7.3.1 Audit Committee

The Audit Committee consists of at least three independent directors, all of whom meet the qualifications specified by the Securities and Exchange Commission and the Stock Exchange of Thailand. Each member possesses relevant knowledge, expertise, and recognized professional experience. At least one member holds an accounting degree and has substantial experience in reviewing the credibility of financial statements. The term of service for the Audit Committee is three years. The current members are listed as follows:

Name	Position
1. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee and Independent Director
2. Mr. Vorayuth Charoenloet	Member of Audit Committee and Independent Director
3. Mr. Thanitphong Pichaibavornphat ¹	Member of Audit Committee and Independent Director

Remark: ¹ Holds a degree in accounting, with knowledge, expertise, and experience in reviewing the reliability of financial statements.

With Miss Munthana Peoungpathompron, the Company Secretary, serving as the secretary to the Audit Committee.

Roles, Duties, and Responsibilities

- 1) Review the accuracy of the Company's financial reporting and ensure adequate disclosure.
- 2) Ensure the Company has an appropriate and effective internal control and internal audit system, evaluate the independence of the internal audit unit, and approve the appointment or dismisses all of the internal audit unit.
- 3) Verify compliance with securities and exchange laws, the regulations and announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as other relevant laws and regulations applicable to the Company and its business operations.

- 4) Consider, select, appoint, and remove independent auditors for the Company, recommend their remuneration, and meet with the auditors without management at least once a year.
- 5) Review connected transactions or transactions with potential conflicts of interest to ensure compliance with securities and exchange laws and related regulations, ensuring such transactions are reasonable and, in the Company's, best interests.
- 6) Prepare the Audit Committee's report to the Board of Directors for disclosure in the Company's annual information disclosure form (Form 56-1 One Report), including the following information:
 - (1) Opinions on the accuracy and reliability of the Company's financial reports.
 - (2) Opinions on the adequacy of the Company's internal control systems.
 - (3) Opinions on compliance with laws, regulations, and relevant announcements.
 - (4) Opinions on the appropriateness of the auditors.
 - (5) Opinions on potential conflict-of-interest transactions.
 - (6) Details of meetings held and attendance of each Audit Committee member.
 - (7) General observations or recommendations arising from duties under the committee's charter.
 - (8) Any other information deemed important for shareholders and investors.
- 7) Regularly review and recommend updates to the scope of authority and responsibilities of the Audit Committee to align with current conditions.
- 8) Report to the Board of Directors on significant financial or operational issues, such as:
 - (1) Conflict-of-interest transactions.
 - (2) Fraud or material deficiencies in internal control systems.
 - (3) Violations of securities laws or other relevant regulations. If no corrective action is taken within the specified time, any Audit Committee member may report directly to the Securities and Exchange Commission or the Stock Exchange of Thailand.
- 9) Review compliance with the Company's anti-corruption policies to ensure adequate internal control.
- 10) Regularly review the anti-corruption policy for updates and recommend it to the Board of Directors for approval.
- 11) Perform additional duties assigned by the Board of Directors and exercise authority as specified in other company policies.

7.3.2 Executive Committee

The Executive Committee consists of 3 members appointed by the Board of Directors. Their terms of office are tied to their status as directors, as listed below:

Name	Position
1. Mr. Sukich Charanvas	Chairman of Executive Committee
2. Mr. Pon Titipanichayangoon	Member of Executive Committee
3. Mr. Kittipong Charanvas	Member of Executive Committee

With Miss Munthana Peoungpathompron, the Company Secretary, serving as the secretary to the Executive Committee.

Scope of Responsibilities and Duties

1. Responsible for overseeing and managing the Company's operations to ensure alignment with policies and key plans assigned by the Board of Directors.
2. Tasked with preparing and proposing policies, budgets, strategies, and key operational plans for the Company's business activities to the Board of Directors.
3. Ensures that the Company complies with the Securities and Exchange Act, the Non-Life Insurance Act, the Public Limited Company Act, and other relevant laws, as well as the regulations of the Stock Exchange of Thailand (SET) and announcements by the Securities and Exchange Commission (SEC).
4. Oversees compliance with generally accepted accounting standards, ensuring the preparation of financial statements that fairly and accurately reflect the Company's financial position and performance.
5. Evaluates and analyzes business risks, proposing suitable measures for risk management to the Board of Directors.
6. Performs other duties as assigned by the Board of Directors.

7.3.3 Investment Committee

The Investment Committee consists of 5 members, including both Board members and executives, appointed by the Board of Directors. Their terms of office are tied to their status as Board member and executives, as listed below:

Name	Position
1. Mr. Sukich Charanvas	Chairman of Investment Committee
2. Mr. Pon Titipanichayangoon	Member of Investment Committee
3. Mr. Kittipong Charanvas	Member of Investment Committee
4. Ms. Sudarat Wiwattanadej	Member of Investment Committee
5. Ms. Kanyawan Trisaksuriyan	Member of Investment Committee

With Miss Munthana Peoungpathompron, the Company Secretary, serving as the secretary to the Investment Committee.

Scope, Duties, and Responsibilities

1. To develop the investment policy framework for approval by the Board of Directors.
2. To review investment plans to ensure they align with the approved investment policy framework and the overall risk management policy, and comply with the regulations of the Office of Insurance Commission (OIC) and relevant laws.
3. To consider practices for managing investment-related risks.
4. To establish the procedures and methods related to the Company's investments.
5. To oversee the Company's investments to ensure compliance with the approved investment policy framework, investment plans, investment procedures, and risk management policies.
6. To review and update the investment policy framework and investment plans to adapt to changing circumstances, and present them to the Board of Directors for approval.
7. To approve investments in securities.
8. To approve general lending activities.
9. To approve the sale of property assets.

7.3.4 Risk Management Committee

The Risk Management Committee consists of 9 members, including both Board members and executives, and 1 member with expertise in risk management. Their terms of office are tied to their status as Board member and executives, as listed below:

Name	Position
1. Mr. Sukich Charanvas	Chairman of Risk Management Committee
2. Mr. Pon Titipanichayangoon	Member of Risk Management Committee
3. Mr. Kittipong Charanvas	Member of Risk Management Committee
4. Mr. Kosit Angkasuwan ¹	Member of Risk Management Committee
5. Ms. Sudarat Wiwattanadaj	Member of Risk Management Committee
6. Ms. Kanyawan Trisaksuriyan	Member of Risk Management Committee
7. Mr. Nopadol Suwankareekul	Member of Risk Management Committee
8. Ms. Napaporn Tanangtong	Member of Risk Management Committee
9. Mr. Sornchai Kaewrakmuk ²	Member of Risk Management Committee

Remark: ¹ A person with knowledge and expertise in risk management.

² Appointed by the Board of Directors' Meeting No. 2/2025 held on 15 May 2025.

With Mr. Kosit Angkasuwan, Assistant Managing Director of Risk Management, serving as the secretary to the Risk Management Committee.

Scope, Duties, and Responsibilities

- 1) To consider and develop a framework and policy for the Company's risk management, to be presented to the Board of Directors for review, feedback, and approval. The policy must cover at least the following key types of risks:
 - 1.1 Strategic Risk
 - 1.2 Insurance Risk
 - 1.3 Market Risk
 - 1.4 Credit Risk
 - 1.5 Liquidity Risk
 - 1.6 Operational Risk
 - 1.7 Reputation Risk
 - 1.8 Information Technology Risk
 - 1.9 Catastrophe Risk
 - 1.10 Emerging Risk
 - 1.11 Group Risk (If any)

The scope of risk management must encompass the Company's core activities as follows:

- (1) Development of insurance products and the determination of insurance premiums
- (2) Marketing and collection of premiums
- (3) Underwriting and acceptance of insurance policies
- (4) Actuarial assessment of insurance reserves
- (5) Management of claims payment
- (6) Reinsurance activities
- (7) Investments and other business operations
- (8) Asset and liability management
- (9) Use of external service providers (if any)
- 2) Evaluate the sufficiency, efficiency, and effectiveness of the Company's risk management processes.
- 3) Hold meetings regularly, at least once per quarter, to monitor the Company's risk status, changes in risks, and progress in risk management. Provide recommendations for necessary adjustments and report to the Board of Directors at least once per quarter.
- 4) Oversee all company activities related to risk.
- 5) Ensure that the Company conducts activities in line with the established risk management policy.
- 6) Prepare contingency risk mitigation plans for emergency risk scenarios.

7.3.5 Product Governance Committee

The Product Governance Committee consists of 11 members from the Board of Directors, executives, and relevant staff members, all appointed by the Board of Directors. Their terms of office are tied to their status as Board member, executives and staff members, as listed below:

Name	Position
1. Mr. Pon Titipanichayagoon	Chairman of Product Governance Committee
2. Mr. Kitti Charanvas	Member of Product Governance Committee
3. Mr. Kittipong Charanvas	Member of Product Governance Committee
4. Mr. Wisith Limcharoensuk	Member of Product Governance Committee
5. Mrs. Pattama Trakarnaiem	Member of Product Governance Committee
6. Miss Punrada Ayucharoenkul	Member of Product Governance Committee

Name	Position
7. Mrs. Matchima Termsaitong	Member of Product Governance Committee
8. Mr. Sornchai Keawrakmuk	Member of Product Governance Committee
9. Mr. Nopadol Suwankareekul	Member of Product Governance Committee
10. Mr. Kosit Angkasuwan	Member of Product Governance Committee
11. Miss Phatsaraporn Yolai	Member of Product Governance Committee

With Mr. Kosit Angkasuwan, Assistant Managing Director of Risk Management, serving as the secretary to the Product Governance Committee

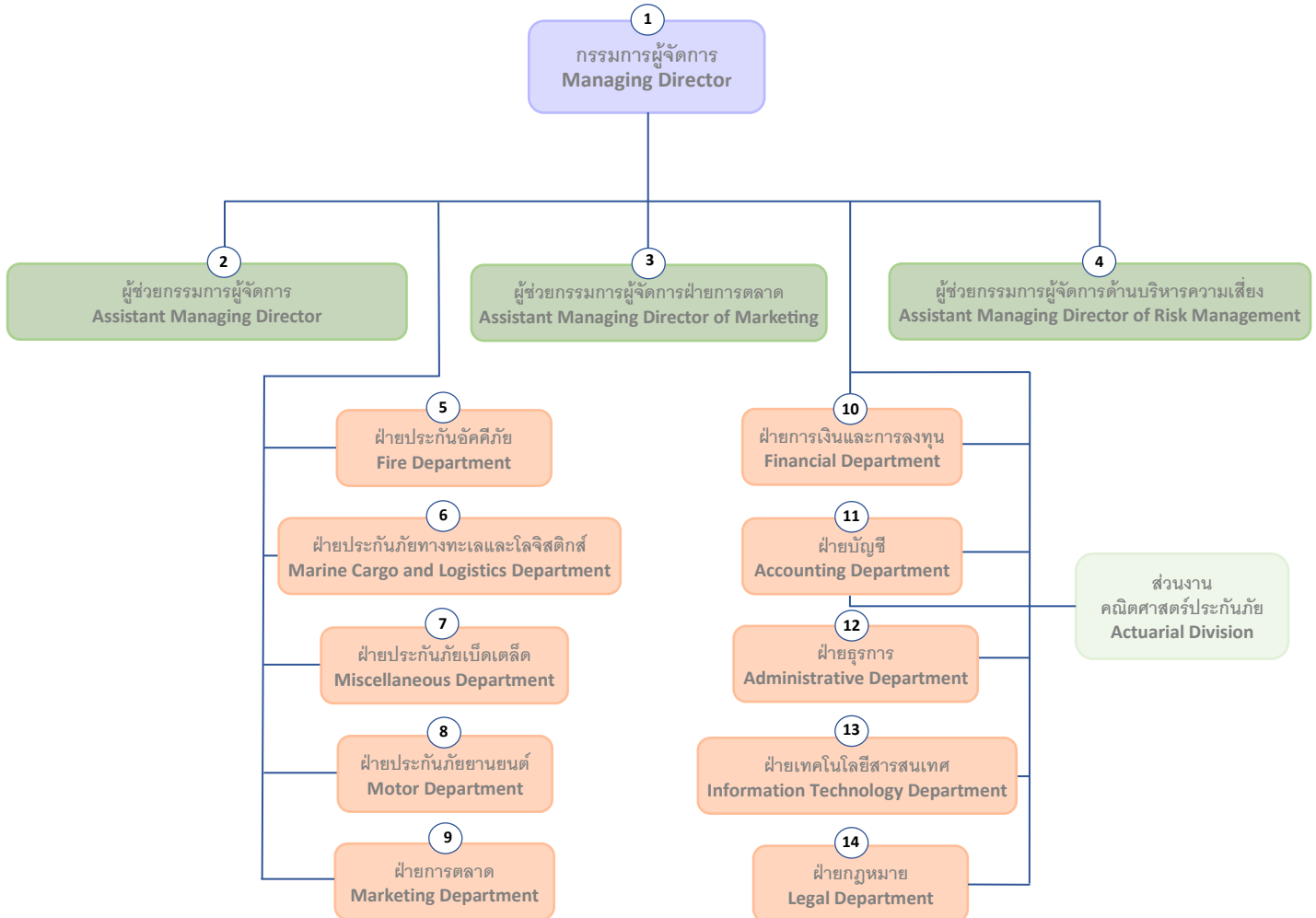
Scope, Duties, and Responsibilities:

- 1) Oversee the development or revision of insurance products to ensure operations comply with principles of good corporate governance, legal regulations, orders, announcements, guidelines, and related requirements for insurance products.
- 2) Develop marketing strategies for newly created products and present the plans to the management team and relevant departments.
- 3) Plan and develop insurance products with appropriate coverage and premium rates, competitive in the market, and capable of meeting consumer demand, while aligning with the needs of target customer groups.
- 4) Analyze sales channels and business partners, ensuring that products align with sales channels and partner capabilities, and develop new sales channels.
- 5) Identify, analyze, and assess various risks comprehensively to determine suitable risk management methods for product development, ensuring products meet sales expectations.
- 6) Evaluate the adequacy, efficiency, and effectiveness of risk management in the development of the Company's insurance products.
- 7) Coordinate with internal departments and the OIC office in submitting approval requests for insurance policy forms, wording, and premium rates for new insurance products, as well as for product revisions.

- 8) Collaborate with relevant departments both within and outside the Company to effectively execute marketing activities.
- 9) Review the adequacy of coverage and premium rates to ensure they are sufficient, appropriate, and competitive in the market once the product is launched.
- 10) Monitor market trends, consumer behavior, competition, and other data relevant to the business.
- 11) Track the performance of each product type to determine whether adjustments to coverage terms or premium rates are necessary to improve product quality.
- 12) Monitor the progress of product development activities, including ongoing risk status related to product development, and review risk management measures to ensure they align with current conditions.
- 13) Perform other duties as assigned by the Company's board of directors.

7.4 Information of the executives

The structure of organization (as of December 31, 2025)



Remarks: 1. The Audit Committee considers, appoints, transfers, dismisses, and undertakes annual evaluation of the Internal Audit including review the independence
2. ¹⁻¹⁴ are executives as defined by the SEC Board's announcement on securities offerings.

7.4.1 Names and Positions of Executive Officers (as of December 31, 2025)

The Board of Directors has clearly separated the roles, duties, and responsibilities between the Board of Directors and the management. The management is assigned the responsibility for conducting the Company's business operations and managing its day-to-day activities in accordance with the Company's policies, plans, objectives, Articles of Association, and internal regulations, as well as the resolutions of the Board of Directors. Such responsibilities must be carried out with strict adherence, integrity, and due care, while safeguarding the best interests of the Company and its shareholders in line with the principles of good corporate governance. The management is also required to report progress on the implementation of the Board's resolutions and other significant operational results to the Board of Directors' Meeting at least once every three (3) months. At present, the Company has 14 executives, as defined by the Securities and Exchange Commission (SEC), whose names are as follows:

Name	Position
1. Mr. Sukich Charanvas	Managing Director
2. Mr. Kittipong Charanvas	Assistant Managing Director
3. Mr. Kitti Charanvas	Assistant Managing Director of Marketing
4. Mr. Kosit Angkasuwan	Assistant Managing Director of Risk Management
5. Mr. Pon Titipanichayangoon	Motor Department Manager
6. Mrs. Pattama Trakarnaiem	Fire Department Manager
7. Miss Punrada Ayucharoenkul	Miscellaneous Department Manager
8. Mr. Wisith Limcharoensuk	Marine Cargo and Logistics Department Manager
9. Miss Siraya Chindasri	Marketing Department Manager
10. Miss Kanyawan Trisaksuriyan	Finance and Investment Department Manager
11. Miss Sudarat Wiwattanadej	Accounting Department Manager
12. Mrs. Promporn Lamdabpang	Administrative Department Manager
13. Mr. Nopadol Suwankareekul	Information Technology Department Manager
14. Mr. Sornchai Kaewrakmuk ¹	Legal Department Manager

Remark: ¹ Appointed on March 14, 2025.

7.4.2 Remuneration Policy

1. Executive Remuneration

The Company has not yet established a Nomination and Remuneration Committee. However, the Company maintains a transparent process and has clearly defined policies regarding the remuneration of the Managing Director and executives. Such remuneration is determined at an appropriate level commensurate with their duties and responsibilities. The Board of Directors jointly considers the remuneration by benchmarking against companies within the same industry, taking into account experience, responsibilities, scope of duties, and roles, together with the Company's operating performance. The remuneration of the Managing Director and executives is directly linked to their performance evaluation, and the Company conducts performance evaluations of the Managing Director and all executives on an annual basis.

The remuneration of the Managing Director and executives consists of: (1) Salary, determined based on job responsibilities, experience, and individual expertise, and reviewed annually in consideration of performance evaluation results and salary adjustment rates in the labor market; (2) Benefits and welfare, both short-term and long-term, in accordance with labor market practices and applicable laws, such as social security contributions and provident fund contributions; and (3) Special remuneration (bonus), which is determined based on performance evaluation results. The remuneration of the Managing Director and executives is benchmarked against that of listed companies on the Stock Exchange of Thailand within the same industry and of comparable size, in order to attract and retain capable executives over the long term.

In addition, the criteria and structure of executive remuneration as mentioned above are determined based on key performance indicators covering financial performance, internal management, and individual performance achievements. Such criteria are used to determine both short-term and long-term remuneration structures, which are considered appropriate to motivate executives to perform their duties effectively in order to achieve the Company's operational objectives and sustainable organizational growth under the principles of good corporate governance. Details of directors' remuneration are disclosed in *"The individual remuneration of Directors for the year 2025."*

7.4.3 Total Remuneration

In 2025, the Company paid remuneration to 14 executives (as defined by the SEC) in the form of salary, bonuses, and contributions to the provident fund, totaling approximately 5 million Baht.

7.5 Information about Employees (as of December 31, 2025)

In 2025, the Company experienced no significant changes in the number of employees, and no labor disputes have occurred since its establishment. The total number of executives and employees, categorized by key functional groups, is as follows:

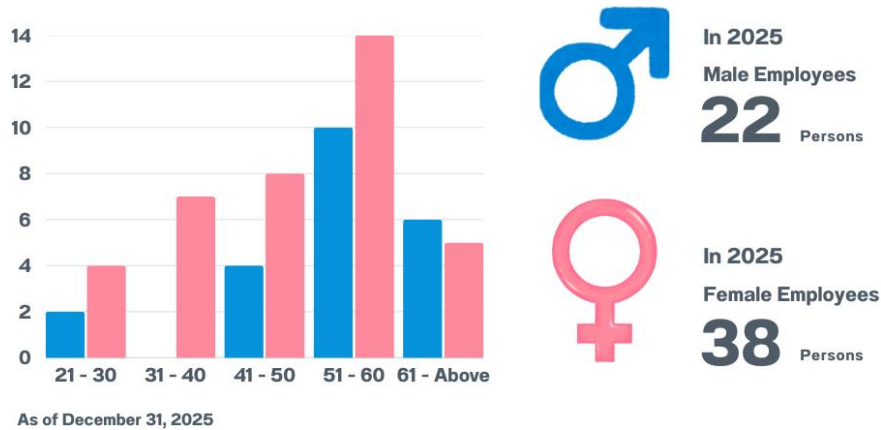
Number of Executives and Employees in 2025		
Executives	15	persons
Employees	45	persons
Total	60	persons

Charan Insurance Public Company Limited is committed to fostering an organization that promotes equality and diversity across all dimensions of its workforce. The Company places strong emphasis on gender equality and provides equal opportunities for all individuals to work with the Company. The Company believes that both male and female employees play important roles in driving the organization's success and innovation. Accordingly, the Company has established policies that support equal opportunities for all employees to develop and advance in their careers, whether at the operational or management level, with primary consideration given to employees' qualifications and potential.

In addition to promoting gender equality, the Company also places importance on age diversity in order to cultivate teams with diverse perspectives and experiences. The Company provides opportunities for individuals from all age groups to participate within the organization, ranging from those at the early stages of their careers to those with extensive professional experience. This enables the exchange of knowledge and diverse viewpoints, which are key factors that help the Company effectively adapt to evolving business challenges.

Through its commitment to promoting equality and providing opportunities regardless of gender or age, the Company believes that all personnel have the potential to create value and contribute to the organization's growth. This approach also fosters a working environment that supports effective collaboration across all generations.

Employee Ratio



Employee Remuneration

As of December 31, 2025, the Company's total employee remuneration amounted to 31.81 million Baht. This includes salaries, bonuses, contributions to the Social Security Fund and Provident Fund, as well as other benefits such as overtime pay, cost-of-living allowances, and transportation allowances. Employee remuneration is determined based on various factors, including business performance growth, individual expertise, and work performance. This approach aims to enhance efficiency, ensure long-term fairness, and motivate employees to maximize their potential. Additionally, the Company considers the adequacy of remuneration in relation to the cost of living and current economic conditions.

The Company considers remuneration to be fair, ensuring that employees with equivalent performance are compensated equally. Those who perform more challenging tasks receive higher compensation. The Company conducts transparent analysis and evaluations, enabling comparability across all departments within the organization, recognizing that each role differs by responsibility. The details are as follows:

Employee Expenses

Salaries and Wages	28.33	Million Baht
Bonuses	0	Million Baht
Provident Fund Contributions	0.46	Million Baht
Social Security Contributions	0.41	Million Baht
Other Benefits	2.61	Million Baht
Total Employee Expenses	31.81	Million Baht

The Company recognizes that its personnel are valuable resources and a key driving force in achieving sustainable organizational success. Accordingly, the Company has established employee welfare policies aimed at providing comprehensive support to employees in various aspects, including financial security, health and well-being, family welfare, as well as fostering morale and motivation in the workplace. These initiatives are intended to help alleviate employees' financial burdens, enhance their quality of life, and strengthen long-term employee engagement with the organization.

The Company provides a range of welfare benefits designed to address employees' needs across multiple dimensions. These include the establishment of a provident fund in accordance with applicable laws to enhance long-term financial security, loan facilities to support living and housing expenses, medical and dental expense support, annual health check-ups, financial assistance on significant life occasions, as well as recreational activities and programs that promote relationships and collaboration within the organization.

The Company believes that providing appropriate and fair care for employees not only improves the quality of life of its personnel but also serves as a key foundation for enhancing work efficiency, strengthening organizational commitment, and supporting the Company's stable and sustainable long-term growth.

**Provident Fund****Employee Loan Benefits
(General / Housing)****Discount on Company Products****Medical, Medication, and Annual
Health Checkup Reimbursement****Dental Expense Reimbursement****Funeral Support for Employees
and Family Members****Marriage Grant****Childbirth Grant****Annual Company Trip or Staff Party**

Executive and Employee Development Policy

The Company ensures that its workforce is appropriately aligned with operational needs and recruits capable personnel whose qualifications meet the organization's requirements, possess positive attitudes, and demonstrate behaviors consistent with the Company's corporate culture. The Company conducts workforce planning to ensure that staffing levels are appropriate for the volume of work. In addition, the Company continuously improves its recruitment processes to enhance efficiency and speed, expands recruitment channels, and implements a selection system that enables the Company to identify candidates whose qualifications, attitudes, and behaviors are aligned with the organization's requirements and corporate culture.

The Company has consistently placed importance on the development and enhancement of employees' knowledge and capabilities. Personnel development is aligned with the Company's business development plans to ensure that recruitment and development efforts move in the same strategic direction and support the achievement of the Company's organizational objectives. In 2025, the Company supported executives and employees in attending training programs and seminars as follows:

Training Programs	Number of		
	Courses	Employees Attending	Training Hours
External Training			
e.g. Thai Financial Reporting Standard 17 (TFRS 17), taxation, underwriting, company secretarial practices, claims management, and IT.	44	13	278.30
In-house Training	1	21	2
Total	45	34	280.30
Average number of hours of employee training per year			8.24

Remarks: 1. One employee may attend more than one training course.

2. Information as of December 31, 2025.

7.6 Other Key Information

7.6.1 Responsible for overseeing various functions

- **Company Secretary**

At the Board of Directors Meeting No. 5/2022, held on November 10, 2022, Ms. Munthana Peoungpathompron was appointed as the Company Secretary. She possesses all the required qualifications for the position. *Further details of her background are provided in Attachment 1.*

Scope of Duties and Responsibilities

1. Maintain key documents, including director records, the Annual Registration Statement/Annual Report (Form 56-1 One Report), board meeting notices and minutes, and shareholder meeting notices and minutes.
2. Safeguard conflict-of-interest reports submitted by directors or executives.
3. Provide copies of conflict-of-interest reports to the Board Chairman and Audit Committee Chairman within seven business days of receipt.
4. Organize board and shareholder meetings in compliance with laws and company regulations.
5. Advise the Board on compliance with the Articles of Association, relevant laws, and regulations.
6. Serve as the central communication link between directors, executives, and shareholders.
7. Coordinate and monitor the implementation of board and shareholder resolutions.
8. Ensure proper disclosure and reporting to regulatory authorities as required.
9. Perform additional duties as prescribed by the Capital Market Supervisory Board or assigned by the Board.

- **Accounting Supervisor**

Miss Napaporn Thanangthong has been directly responsible for overseeing the Company's accounting operations since November 1, 2018. *Detailed qualifications are provided in Attachment 1.*

- **Head of Internal Audit**

The Company has engaged Thirty-Four Audit Office Co., Ltd. as the internal auditor. The primary qualifications of the individual responsible for internal auditing are *detailed in Attachment 3.*

- **Head of the Compliance Division**

Mr. Sornchai Kaewrakamuk has been appointed Head of Compliance to oversee adherence to regulatory requirements governing the Company's business operations. *Detailed qualifications are provided in Attachment 3.*

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7.6.2 Head of Investor Relations

- Miss Manthana Phuengpathomporn

Address: Charan Insurance Public Company Limited
408/1 Charan Insurance Building, Rachadapisek Road,
Samsen-Nok Sub-district, Huaykwang District, Bangkok 10310

Email: charanins@charaninsurance.co.th

Website: www.charaninsurance.co.th

Tel: 0-2276-1024 Ext. 207 Fax: 0-2275-4919

7.6.3 Auditor's Remuneration

The audit fee and non-audit fee for the year 2025 paid by the Company to Forvis Mazars Company Limited ("Mazars") are as follows:

Type of Service	Name of Auditor	Certified Public Accountant No.	Amount (Baht)
<u>Audit Fees</u>			
1. Review of quarterly financial statements (3 quarters)	Mr. Sompop Pholprasarn and/or	6941	705,000
5. Audit of the financial statements for the year ended December 31, 2025	Miss Tippawan Pumbansao and/or Miss Wannawat Hemachayart	9552 7049	1,225,000
3. Review of the implementation of Thai Financial Reporting Standard No. 17 (TFRS 17) for 2025 (one-time service fee)			300,000
4. Review of the Risk-Based Capital (RBC) Report:			
• For the period ended June 30, 2025			170,000
• For the period ended December 31, 2025			200,000
<u>Other Services</u>			
Total Fees	-		2,600,000

8 Highlights of Corporate Governance

8.1 Summary of the Board of Directors' Performance Over the Past Year

At the Board of Directors Meeting No. 1/2025 on February 27, 2025, the Corporate Governance Policy and Business Code of Conduct were reviewed. This review was based on the Corporate Governance Code for Listed Companies 2017, issued by the SEC, to ensure alignment with the Company's long-term business direction while addressing the evolving business environment.

8.1.1 Nomination, Development, and Performance Assessment of the Board of Directors

1. Nomination of Directors and Executives

Nomination and Appointment of Directors

The Company currently does not have a Nomination and Remuneration Committee. The Board of Directors jointly considers and selects qualified individuals who can contribute to the Company's operations. The nomination process is conducted in a transparent manner, taking into consideration candidates' qualifications, experience, knowledge, capabilities, and professional expertise required by the Board of Directors. The Board also considers diversity in its composition (Board Diversity), including factors such as age, gender, and educational background. In addition, the Board evaluates the skills and expertise required for the Board by identifying any skill gaps and determining the qualifications necessary for director candidates. Such qualifications must be appropriate and consistent with the Board's composition and structure in alignment with the Company's strategic direction. The nomination process is transparent and clearly defined in accordance with the Company's Articles of Association and applicable laws to ensure confidence among shareholders. The nomination and appointment of directors are subject to careful consideration and screening by the Board of Directors before proposing suitable candidates, together with sufficient background information, to the shareholders' meeting for appointment in accordance with the Company's Articles of Association.

Nomination Process for Directors and Senior Executives

- 1) The Company provides an opportunity for minority shareholders, major shareholders, and directors to propose qualified individuals for consideration as director candidates.

- 2) The Board of Directors jointly reviews the Board structure to ensure that it is appropriate and aligned with the Company's strategic requirements.
- 3) The Board provides opportunities for qualified candidates to be considered as replacements for directors who retire by rotation and selects suitable individuals to serve on the Board of Directors.
- 4) The Board of Directors approves the list of director nominees to be proposed for approval at the Annual General Meeting of Shareholders.

Appointment and Removal of Directors

- 1) The shareholders' meeting shall elect directors by a majority vote, whereby each shareholder has one vote per share and may vote for directors individually. The candidates receiving the highest number of votes in descending order shall be elected as directors until the required number of directors is reached. In the event that candidates receiving the next highest number of votes obtain an equal number of votes exceeding the number of directors to be elected, the chairman of the meeting shall cast an additional vote as the casting vote.
- 2) At every Annual General Meeting of Shareholders, one-third of the directors shall retire from office. If the number of directors cannot be divided into three equal parts, the number closest to one-third shall retire. Directors who retire by rotation may be re-elected.
- 3) In addition to retirement by rotation, a director shall vacate office upon:
 - death;
 - resignation;
 - lacking qualifications or possessing prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act;
 - removal by a resolution of the shareholders' meeting in accordance with the Public Limited Companies Act; or
 - a court order requiring removal.
- 4) In the event that a vacancy on the Board of Directors arises for reasons other than retirement by rotation, the Board of Directors shall appoint a qualified person who does not possess any prohibited characteristics under the Public Limited Companies Act and the Securities and Exchange Act to serve as a replacement at the next Board meeting. The replacement director shall hold office only for the

remaining term of the director whom he or she replaces. Such appointment must be approved by a vote of not less than three-fourths (3/4) of the remaining directors.

Independent Directors

The Board of Directors comprises three independent directors out of the total number of directors.

The Company has established the following qualifications for independent directors:

- 1) Holding shares not exceeding one percent (1%) of the total voting rights of the Company, its major shareholders, or its controlling persons, including shares held by related persons of the independent director.
- 2) Not being, and not having been for at least two years prior to the appointment as an independent director, an executive director, employee, staff member, salaried advisor, or controlling person of the Company, its major shareholders, or its controlling persons.
- 3) Not having any familial relationship, whether by blood or legal registration, including as father, mother, spouse, sibling, or child, as well as the spouse of a child, with other directors, executives, major shareholders, controlling persons, or persons nominated to be directors, executives, or controlling persons of the Company.
- 4) Not having any business relationship with the Company, its major shareholders, or its controlling persons in a manner that may interfere with the exercise of independent judgment, and not being, or having been within at least two years prior to the appointment as an independent director, a significant shareholder or controlling person of any entity having a business relationship with the Company, its major shareholders, or its controlling persons.
- 5) Not being, and not having been for at least two years prior to the appointment as an independent director, the auditor of the Company, its major shareholders, or its controlling persons, and not being a significant shareholder (holding more than ten percent of the total voting rights of the Company, including shares held by related persons), controlling person, or partner of the audit firm to which the auditor of the Company, its major shareholders, or its controlling persons belongs.
- 6) Not being a provider of professional services, including legal or financial advisory services, receiving service fees exceeding Baht 2 million per year from the Company, its major shareholders, or its controlling persons, and not being a significant shareholder, controlling person, or partner of such

professional service provider. This restriction applies both at present and for at least two years prior to the appointment as an independent director.

- 7) Not being a director appointed to represent the Company's directors, major shareholders, or shareholders who are related to major shareholders.
- 8) Not conducting any business of the same nature as, or in significant competition with, the business of the Company, and not being a significant partner in a partnership, or a director involved in management, employee, staff member, salaried advisor, or shareholder holding more than one percent of the total voting rights of another company engaging in the same nature of business and in significant competition with the Company.
- 9) Not having any other characteristics that may prevent the independent director from expressing independent opinions regarding the Company's operations.

2. Director Development and Training

The Board of Directors has attended training programs related to directors' duties organized by the Thai Institute of Directors Association (IOD), such as the Directors Accreditation Program (DAP) and the Directors Certification Program (DCP). Most directors have completed these programs. Of the total seven directors, six directors, representing 85.71 percent, have attended such training programs (details of each director's training are provided in **Attachment 1**). The Company Secretary is responsible for informing all directors, including newly appointed directors, of additional relevant training programs. In addition, the Company encourages the Company Secretary to attend training courses and seminars on relevant topics aligned with current developments, organized by the Securities and Exchange Commission Thailand, the Stock Exchange of Thailand, the Thai Listed Companies Association, and other relevant organizations on a regular basis. This is to enhance work performance and ensure that directors continuously develop their knowledge and capabilities in fulfilling their duties, thereby improving the effectiveness of the Board's performance.

In 2025, the following member of the Board of Directors attended external training programs related to the non-life insurance business, as detailed below:

Name	Training Record in 2025
1. Mr. Kittipong Charanvas Member of Executive Committee	January 24, 2025 SEC: ESG Risks Management: Navigating Climate Risks At Sukhumvit Room, Carlton Hotel
	December 3, 2025 TGIA in collaboration with OIC: <i>Risk Governance of the Insurance Business for Stability and Sustainable Growth</i> At Centara Grand at Central Plaza Ladprao

3. Performance Assessment of the Board of Directors

The Board of Directors conducts a performance assessment of the Board at least once a year. The Company Secretary is responsible for distributing the evaluation forms and compiling a summary report of the results for presentation to the Board of Directors for consideration, with the aim of reviewing performance and identifying areas for improvement. The evaluation criteria are expressed as percentages of the full score as follows: **More than 85%** = Excellent, **More than 75%** = Very Good, **More than 65%** = Good, **More than 50%** = Fair, **50% or below** = Needs Improvement, The evaluation topics are based on the “Overall Performance Assessment Criteria.” In 2025, the assessment results were summarized as follows:

(1) Individual Director Evaluation

The average score was 78.59%, which is rated **Excellent**.

(2) Board of Directors Self-Evaluation (Board Evaluation)

The average score was 67.43%, which is rated **Excellent**.

(3) Self-Evaluation of Board Committees

- Audit Committee Evaluation

The average score was 98.69%, which is rated **Excellent**.

- Risk Management Committee Evaluation

The average score was 94.68%, which is rated **Excellent**.

- Executive Committee Evaluation

The average score was 93.15%, which is rated **Excellent**.

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8.1.2 Meeting Attendance and Remuneration of Individual Directors for the year 2025**Summary of meeting attendance of the Board of Directors**

In 2025, the Company held one (1) Annual General Meeting of Shareholders, six (6) Board of Directors' meetings, six (6) Audit Committee meetings, one (1) Executive Committee meeting, one (6) Investment Committee meeting, and four (4) Risk Management Committee meetings. Details of directors' attendance are as follows:

List of Directors	Meeting attendance / total (times)							Remarks
	AGM Meeting	Board of Directors	Audit Committee	Executive Committee	Investment Committee	Risk Management	Product Governance	
						Committee	Committee	
1. Mr. Sapon Kluaymai Na Ayudhya	1/1	6/6	-	-	-	-	-	
2. Mrs. Poodpong Arsingsamanunta	1/1	6/6	5/6	-	-	-	-	
3. Mr. Vorayuth Charoenloet	1/1	6/6	5/6	-	-	-	-	
4. Mr. Thanitphong Tichaibavornphat	1/1	6/6	6/6	-	-	-	-	
5. Mr. Sukich Charanvas	1/1	6/6	-	1/1	1/1	4/4	-	
6. Mr. Pon Titipanichayangoon	1/1	6/6	-	1/1	1/1	4/4	1/1	
7. Mr. Kittipong Charanvas	1/1	6/6	-	1/1	1/1	4/4	1/1	
8. Mr. Kitti Charanvas	1/1	-	-	-	-	-	1/1	
9. Mr. Kosit Angkasuwan	1/1	-	-	-	-	4/4	1/1	
10. Ms. Sudarat Wiwattanadej	1/1	-	-	-	1/1	4/4	-	
11. Ms. Kanyawan Trisaksuriyan	1/1	-	-	-	1/1	4/4	-	
12. Mr. Nopadol Suwankareekul	-	-	-	-	-	4/4	1/1	
13. Ms. Napaporn Tanangtong	1/1	-	-	-	-	4/4	-	
14. Mr. Somchai Keawrakmuk ¹	1/1	-	-	-	-	3/4	1/1	
15. Mr. Wisith Limcharoensuk	1/1	-	-	-	-	-	1/1	

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List of Directors	Meeting attendance / total (times)							Remarks
	AGM Meeting	Board of Directors	Audit Committee	Executive Committee	Investment Committee	Risk Management	Product Governance	
						Committee	Committee	
16. Mrs. Pattama Trakarnaiem	-	-	-	-	-	-	1/1	
17. Miss Punrada Ayucharoenkul	-	-	-	-	-	-	1/1	
18. Mrs. Matchima Termsaitong	-	-	-	-	-	-	1/1	
19. Miss Phatsaraporn Yolai	-	-	-	-	-	-	1/1	

Remark: ¹ Appointed as a member of the Risk Management Committee by the Board of Directors at Meeting No. 2/2025 held on May 15, 2025. Accordingly, he attended the Risk Management Committee meetings starting from Meeting No. 2 onward.

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Director Remuneration

- 1) The Board receives two types of remuneration: meeting fees and bonuses, calculated at 5% of dividends paid. The Chairman receives 50% more than other directors. These rates are aligned with industry standards.
- 2) A director may hold positions in more than one sub-committee.
- 3) Remuneration details are disclosed in the annual filing (Form 56-1 One Report) in line with good corporate governance practices.

Director Remuneration Policy

The remuneration of directors is determined based on the appropriateness of their duties, responsibilities, and alignment with industry standards. The compensation is sufficient to attract qualified directors who can effectively perform their roles and achieve the Company's objectives and direction. The process is transparent, fostering trust with shareholders.

At the Annual General Meeting of Shareholders on April 23, 2025, the shareholders approved the proposed director remuneration for 2025 as follows:

Compensation component	2025	2024
1. <u>Board of Director</u>		
● Monetary Remuneration		
Meeting Allowance		
- Chairman of the Board	25,000 Baht / Time	25,000 Baht / Time
- Board Member	20,000 Baht / Person / Time	20,000 Baht / Person / Time
Director's fee	-	750,000 Baht, calculated as 5% of the dividend payout, with the Chairman receiving 50% more than the other directors.
● Non-monetary compensation	-	-
2. <u>Audit Committee</u>		
● Monetary Remuneration		
Meeting Allowance		
- Chairman of the Committee	25,000 Baht / Time	25,000 Baht / Time
- Audit Member	20,000 Baht / Person / Time	20,000 Baht / Person / Time
● Non-monetary compensation		-
<u>Remarks:</u> 1. The Executive Committees, Investment Committees, Risk Management Committees, and Product Governance Committees receive no remuneration.		
2. Directors receive meeting fees for each meeting attended.		

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Individual Directors' Remuneration for 2025 as follows:

1. Monetary Remuneration

Remuneration of the Board of Directors in 2025 approved by the Shareholders' Meeting No. 32/2568

(Unit : Baht)

List of Directors	Monetary Remuneration							Remarks
	AGM Meeting	Board of Directors	Audit Committee	Executive Committee	Investment Committee	Risk Management Committee	Product Governance Committee	
1. Mr. Sopon Kluaymai Na Ayudhya	-	150,000	-	-	-	-	-	150,000
2. Mrs. Poodpong Arsingsamanunta	-	120,000	125,000	-	-	-	-	245,000
3. Mr. Vorayuth Charoenloet	-	120,000	100,000	-	-	-	-	220,000
4. Mr. Thanitphong Tichaibavornphat	-	120,000	120,000	-	-	-	-	240,000
5. Mr. Sukich Charanvas	-	120,000	-	-	-	-	-	120,000
6. Mr. Pon Titipanichayangoon	-	120,000	-	-	-	-	-	120,000
7. Mr. Kittipong Charanvas	-	120,000	-	-	-	-	-	120,000
8. Mr. Kitti Charanvas	-	-	-	-	-	-	-	-
9. Mr. Kosit Angkasuwan	-	-	-	-	-	-	-	-
10. Ms. Sudarat Wiwattanadej	-	-	-	-	-	-	-	-
11. Ms. Kanyawan Trisaksuriyan	-	-	-	-	-	-	-	-
12. Mr. Nopadol Suwankareekul	-	-	-	-	-	-	-	-
13. Ms. Napaporn Tanangtong	-	-	-	-	-	-	-	-
14. Mr. Somchai Keawrakmuk ¹	-	-	-	-	-	-	-	-
15. Mr. Wisith Limcharoensuk	-	-	-	-	-	-	-	-
16. Mrs. Pattama Trakarnaiem	-	-	-	-	-	-	-	-
17. Miss Punrada Ayucharoenkul	-	-	-	-	-	-	-	-
18. Mrs. Matchima Termsaitong	-	-	-	-	-	-	-	-

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(Unit : Baht)

List of Directors	Monetary Remuneration							Remarks
	AGM Meeting	Board of Directors	Audit Committee	Executive Committee	Investment Committee	Risk Management Committee	Product Governance Committee	
19. Miss Phatsaraporn Yolai	-	-	-	-	-	-	-	-
Total	-	870,000	345,000	-	-	-	-	1,215,000

Remarks : 1. The Executive Committee, Investment Committee, Risk Management Committee, and Product Governance Committee do not receive remuneration.

2. Directors receive meeting allowances only when attending meetings and are paid for each meeting attended.

3. In 2025, no dividend was declared; therefore, no directors' fee was paid.

Comparison of Director Remuneration for 2025 and 2024

Remuneration	2025		2024	
	Directors	Amount (Baht)	Directors	Amount (Baht)
Meeting Allowance	7	1,215,000.00	7	840,000.00
Director's fee	-	-	7	750,000.00
Total		1,215,000.00		1,590,000.00

2. Other remuneration

- None -

8.1.3 Oversight of subsidiaries, associates, and joint-venture companies

- None -

8.1.4 Monitoring Compliance of Corporate Governance Policy and Guidelines

The Company places great importance on good corporate governance and has established relevant policies and practices under its Corporate Governance Policy and Code of Business Conduct. The Company also actively promotes their effective implementation in order to build confidence among all stakeholder groups.

In addition, the Company monitors compliance with good corporate governance practices in the following four (4) areas:

1) Prevention of Conflicts of Interest

The Company has established a policy requiring directors, executives, and employees to perform their duties in the best interests of the Company. They are also required to disclose information regarding their interests and those of related persons in accordance with the definition prescribed by the Securities and Exchange Commission Thailand upon their initial appointment, and to report any subsequent changes to the Company Secretary. The Company Secretary will then summarize and report such information to the Chairman of the Board and the Chairman of the Audit Committee. In addition, directors and executives (as defined by the SEC) are required to review and update such disclosures on a regular annual basis in compliance with the Securities and Exchange Act B.E. 2535.

The Board of Directors may consider transactions involving such persons that may give rise to potential conflicts of interest and may make decisions in the best interests of the Company as a whole. In cases where a director, executive, or employee has an interest in a transaction with the Company, such person will not participate in the consideration or decision-making of that agenda item. If related-party transactions or transactions involving potential conflicts of interest occur in the future, the Company will disclose such information in the notes to the Company's annual financial statements.

In 2025, there were no cases that could give rise to conflicts of interest, and no violations related to conflicts of interest were identified that would be contrary to the regulations of supervisory authorities or the principles of good corporate governance.

2) Use of Inside Information for Personal Gain

The Board of Directors places significant importance on overseeing the use of inside information in compliance with the Securities and Exchange Act B.E. 2535 as well as the principles of good corporate governance. The Company has established written policies and measures in its Corporate Governance Policy and has set out guidelines for directors, executives, and employees in the Code of Business Conduct to prevent the misuse of inside information for trading the Company's securities or for personal benefit. The key principles are summarized as follows:

- The Company has clearly established measures to control and supervise the use of inside information to prevent directors, executives, and employees from using undisclosed information for their own benefit or for the benefit of others, either directly or indirectly, by virtue of their position. Violations may result in legal action and/or disciplinary action in accordance with the Company's regulations, up to and including termination of employment.
- The Company has established measures to prevent insider trading for relevant persons, including directors, executives, employees in departments with access to sensitive information, as well as their spouses and minor children. Such persons are prohibited from trading the Company's securities during the period of one (1) month prior to the disclosure of quarterly and annual financial statements and within three (3) days after such disclosure.

In 2025, the Company Secretary informed relevant persons of the **Blackout Period** in advance via electronic mail on a quarterly basis. No directors, executives, or related employees were found to have traded the Company's securities during the restricted trading periods.

- The Company requires directors and executives to report their holdings of the Company's securities, including those held by their spouses or persons living as spouses and their minor children, to the Securities and Exchange Commission Thailand in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 within three (3) days from the date of any change in such holdings. A copy of the report must also be submitted to the Company Secretary for the purpose of preparing a summary report of changes in securities holdings and a record of directors' shareholdings on an individual basis. Such information is presented to the Board of Directors when changes occur and at the final Board meeting of the year, and is also disclosed in the Annual Registration Statement / Annual Report (Form 56-1 One Report). The Company has clearly notified the penalties for non-compliance with these requirements.

In 2025, directors and executives who traded the Company's securities complied fully with the Company's policies and practices. No unfair practices or actions that could disadvantage investors through the misuse of inside information were identified. In addition, there were no violations, whistleblowing reports, or complaints related to the misuse of inside information that would be contrary to regulatory requirements or the Company's corporate governance principles.

3) Anti-Corruption

The Company is committed to conducting its business with fairness and transparency. The Company recognizes that corruption is a significant obstacle to economic and social development, as it creates unfair business practices that may adversely affect the Company's reputation and stability, and may result in the Company losing acceptance from society. Accordingly, the Company has established an Anti-Corruption Policy, requiring all directors, executives, employees, and related parties to strictly adhere to and comply with such policy.

The Company regularly assesses risks related to corruption. The Risk Management Working Team conducts the preliminary risk assessment, while the Risk Management Committee is responsible for analyzing, monitoring, controlling, and compiling relevant evidence to ensure that such risks remain within an acceptable level, and reporting the results to the Board of Directors. In addition, the Internal Audit Department reviews, evaluates, and monitors risks of corruption arising from operational activities, in addition to enterprise-level risk assessments.

The Company has established the following anti-corruption practices:

- (1) The Company has prepared a written Code of Business Conduct and promotes compliance with such code as a preventive measure. The organizational structure has been designed to ensure that management control aligns with corporate objectives, with a clear segregation of duties, appropriate checks and balances in the exercise of authority, and an emphasis on ethics and integrity. Communication is conducted through various channels, including a suggestion box and the Company's website. The Company also plans and monitors compliance with the Code of Conduct and evaluates such compliance as appropriate.
- (2) Each department head supervises their respective units by evaluating operational performance within the department to reduce the risk of corruption. Effective internal control systems are implemented to close potential gaps that could lead to misconduct. The systems are regularly reviewed for appropriateness and continuously improved. Department heads also monitor and review their units' operations to control potential errors arising from operational processes.
- (3) The Company cooperates with the Internal Auditor in reviewing compliance with operational procedures and the established Code of Conduct, assessing corruption risks and potential warning signals, and evaluating the adequacy of internal controls in preventing, monitoring, and detecting corruption risks. Reports are prepared and submitted to the Audit Committee at least once every quarter.
- (4) The Company provides channels for reporting suspected corruption and establishes measures to protect and mitigate damage to whistleblowers, complainants, or individuals who cooperate in providing such information. Details are provided under the section "*Whistleblowing Policy*".
- (5) In cases where misconduct is detected and clear evidence confirms the occurrence of corruption, a temporary special investigation committee will be established to ensure fairness to the accused and to provide appropriate protection to whistleblowers.
- (6) Cases of misconduct are used as case studies to identify preventive measures and develop monitoring mechanisms to prevent the recurrence of corruption incidents.

Monitoring and Evaluation of Compliance with the Anti-Corruption Policy

- (1) The Internal Audit Office is responsible for auditing and reviewing internal control systems and operations to ensure compliance with policies, guidelines, authorities, procedures, laws, and

regulatory requirements. This is to ensure that the Company has appropriate and adequate internal control systems to address corruption risks. The Internal Audit Office also reviews compliance with the Anti-Corruption Policy and reports the results to the Audit Committee.

- (2) The Risk Management Committee is responsible for overseeing risk management to ensure that it is conducted systematically and efficiently, delivering maximum benefit and aligning with the Company's strategic plan and risk management policy, and reporting the results to the Board of Directors.
- (3) The Company regularly reviews the procedures and requirements related to the implementation of the Anti-Corruption Policy to ensure alignment with changes in regulations, legal requirements, and business developments.

Anti-Money Laundering and Counter-Terrorism Financing Policy

The Company, as a financial institution, is required to comply with laws and regulations relating to the prevention and suppression of money laundering, the financing of terrorism, and the proliferation of weapons of mass destruction in accordance with the Company's policy established in 2016. Although the Company has a relatively low risk of being used as a channel for money laundering or being involved in unlawful activities, there remains a possibility that the Company could be used as a channel for money laundering or the financing of terrorism. For example, a customer may be involved in a predicate offence as defined by the Anti-Money Laundering Office (AMLO) and use funds derived from such unlawful activities to pay insurance premiums, or insure assets related to such unlawful acts. Therefore, the Company requires customer identification and verification prior to conducting any transaction. In addition, the Company has established policies and operational guidelines to ensure compliance with applicable laws as follows:

- (1) Establishing a policy demonstrating the Company's commitment to the prevention and suppression of money laundering and the counter-financing of terrorism, including defining duties and a code of conduct to ensure compliance with anti-money laundering laws and international standards.
- (2) Establishing policies for risk assessment and risk management in accordance with laws relating to anti-money laundering, counter-terrorism financing, and the prevention of the proliferation of weapons of mass destruction.

- (3) Establishing customer acceptance policies and procedures for conducting transactions with customers, agents, brokers, business partners, and representatives, both domestically and internationally, who have business relationships with the Company. The Company collects sufficient customer information to enable proper customer identification and verification, and screens customer information against legally prescribed watchlists to prevent customers from being used as instruments or intermediaries for money laundering or terrorism financing.
- (4) Establishing policies requiring verification of customer information against relevant databases, monitoring suspicious transactions, and reporting such transactions to the Anti-Money Laundering Office (AMLO) in accordance with applicable anti-money laundering laws and related regulations.
- In addition, the Company screens customer names against lists of high-risk individuals and designated persons as notified electronically by the Anti-Money Laundering Office prior to conducting any transaction. To reinforce awareness of the importance of these matters, the Company provides training for employees and executives on anti-money laundering laws, counter-terrorism financing, and the prevention of the proliferation of weapons of mass destruction.
- (5) The Company regularly reviews the operational guidelines and requirements related to the implementation of the anti-corruption policy to ensure alignment with changes in regulations, legal requirements, and the Company's business developments.

4) Whistleblowing Policy

The Board of Directors has established a Whistleblowing Policy to promote transparency, accountability, and compliance with good corporate governance principles in the Company's business operations. The policy also aims to prevent and combat corruption in all forms. The Company provides opportunities for stakeholders, both internal and external, to report clues, complaints, or suggestions regarding actions that may be contrary to laws, business ethics, or the Company's policies through clearly designated reporting channels. The details of such channels have been disclosed on the Company's website and in the annual report to ensure convenient and broad accessibility.

In addition, the Company has established a clear governance structure and complaint management mechanism by assigning responsible units to receive reports, conduct preliminary reviews, and coordinate with relevant departments. Significant matters are reported to the management and the Board of Directors

according to the level of importance, to ensure that the process is conducted carefully, transparently, and in accordance with the principles of good corporate governance.

This policy also covers the protection of the rights of whistleblowers, complainants, and individuals who provide information in good faith. The Company emphasizes fair treatment, non-discrimination, and non-retaliation against any individual who reports information. This approach aims to build confidence among stakeholders in exercising their rights to report concerns appropriately, which forms part of strengthening the Company's organizational culture of transparency and accountability.

The Company accepts complaints through multiple channels to facilitate stakeholders and to alleviate any concerns of complainants. Stakeholders, both internal and external, may submit whistleblowing reports or complaints to the Company through the following channels:

Address: Charan Insurance Public Company Limited
408/1 Charan Insurance Building, Ratchadaphisek Road
Samsennok, Huai Khwang Bangkok 10310

Email: complain@charaninsurance.co.th

Website: www.charaninsurance.co.th

Tel: 0-2276-1024 ext. 312 and 604

Fax: 0-2275-4919

For employees who observe actions that may violate laws or business ethics, they may report such matters to their supervisors according to the chain of command. In cases involving their supervisors, employees may report directly to the Company Secretary.

Complaint Handling Process and Whistleblower Protection Measures

To ensure effective implementation of the Whistleblowing Policy, the Company has established systematic procedures and guidelines for receiving and reviewing complaints. When a whistleblowing report or complaint is received, the responsible unit will screen the information, gather relevant evidence, and carefully and impartially verify the facts. The nature and severity of the reported matter will be assessed in order to determine appropriate corrective actions, preventive measures, or mitigation actions for each case, with fairness to all parties involved as a primary consideration.

Following the investigation process, the Company will prepare a summary of the findings and report the progress to the Managing Director, the Audit Committee, and the Board of Directors respectively, to ensure transparent oversight, accountability, and appropriate control in accordance with the Company's governance structure. Access to complaint-related information is strictly controlled and limited only to responsible personnel. All information is securely maintained to prevent misuse.

In cases where the investigation reveals violations of laws, business ethics, or the Company's rules and policies, the Company will take disciplinary actions and/or legal actions as appropriate, taking into account the facts, intent, and severity of the misconduct. The Company continuously emphasizes the protection of whistleblowers and individuals who provide information in good faith. In 2025, the Company did not receive any whistleblowing reports or identify any incidents related to conflicts of interest or corruption.

8.2 Report on the Audit Committee's performance during the past year

8.2.1 Number of meetings and attendance of the individual Audit Committee

- As shown in No. 8.1.2 -

8.2.2 Performance of the Audit Committee

The Audit Committee oversees the performance of the internal auditor and regularly reviews the adequacy and effectiveness of the Company's internal control system on an annual basis. This includes activities such as reviewing financial statements, selecting auditors and determining their remuneration, reviewing audit operations for fraud detection, and ensuring compliance with the Company's policies, regulations, and governmental requirements. The Committee reports its findings to the Board of Directors for acknowledgment.

Detailed reports on the Audit Committee's performance are presented in Attachment 6.1.

The scope, duties, and responsibilities of the Audit Committee are presented in No. 7.3 Information of the Sub-Committees

8.3 Report on the Sub-Committee's Performance

8.3.1 Number of meetings and attendance of individual committees

As shown in No. 8.1.2 Meeting Attendance and Remuneration of Individual Directors for the year 2025

8.3.2 The results of the performance of the sub-committees assigned by the Board of Directors

As shown in No. 7.3 Information of the Sub-Committees

9 Internal Control and Connected Transactions

9.1 Internal Control

The Board of Directors is responsible for the Company's internal control system and therefore continuously reviews and monitors it to enhance efficiency and reduce potential losses from business operations in an environment that is constantly changing due to both internal and external factors. Consequently, the management of the internal control system is of significant importance and requires continuous attention from the Board. All departments of the Company are required to cooperate and recognize the importance of the internal control system in all aspects, including corporate management and resource allocation, accounting and finance, human resource management, procurement, information technology systems, and legal matters. This is to prevent severe damage and disputes arising from violations that may lead to civil or criminal litigation. The Company has implemented the following processes:

- (1) The Company has established an organizational structure that aligns with its operational characteristics and clearly defines the scope of authority and responsibilities to ensure operational efficiency. For example, the Board of Directors oversees policy direction and is accountable to the Company's stakeholders. The management team supervises and oversees various operational functions to ensure that the business operates in accordance with the established objectives. Various subcommittees, including the Audit Committee, Executive Committee, Investment Committee, Risk Management Committee, and Product Committee, are responsible for duties assigned by the Board of Directors. These committees are composed of an appropriate and sufficient number of members to effectively carry out their responsibilities. This structure also ensures proper governance through checks and balances among operational units and supports overall risk management processes to maintain risks at an acceptable level.
- (2) The Board of Directors has assigned the three (3) members of the Audit Committee to monitor and review the adequacy and appropriateness of the internal control system in response to the continuously changing environment, and to report the results to the Board of Directors.

Each year, the Audit Committee holds meetings with the Company's external auditor, Forvis Mazars Co., Ltd., and the internal auditor, Thirty-Four Audit Office Co., Ltd., at least once every quarter to follow up and inquire about the Company's internal control system. Over the past year, it was reported that no

material deficiencies were found in the Company's internal control system, although certain minor items required improvement. The responsible units have already completed the necessary corrective actions. The Audit Committee's report is presented in *Attachment 6.1*.

At the departmental level, the Company has implemented a Control Self-Assessment system across various departments, which is conducted annually. This process enables departments to review their operational practices and improve work systems to enhance the effectiveness of internal controls and promote continuous improvement.

- (3) In order to strengthen organizational resilience and establish a solid long-term foundation, the Company fosters an organizational culture by promoting personnel as role models through training programs and by reinforcing the Company's ethics and code of conduct.

The Board of Directors ensures that the internal audit function operates independently and adheres to high ethical standards. The Company has appointed Thirty-Four Audit Office Co., Ltd., as the internal auditor, with Mr. Silpachai Raksapol, Certified Public Accountant, serving as the principal person responsible for the internal audit function. The Audit Committee has reviewed the qualifications of Thirty-Four Audit Office Co., Ltd., and Mr. Silpachai Raksapol and determined that they are suitable for performing such duties due to their independence and extensive experience in internal auditing within the insurance business and related industries for a period of 47 years. He has also attended various training programs related to internal auditing conducted by organizations such as the Revenue Department, the Ministry of Commerce, the Office of Insurance Commission (OIC), professional institutions, and the Cooperative Auditing Department.

The appointment, removal, or termination of the Company's internal audit function must be approved or endorsed by the Audit Committee. The qualifications of the Head of the Internal Audit Function are presented in *Attachment 3*.

The Company has appointed Mr. Sornchai Keawrakmukas the Head of Compliance to oversee compliance with regulations issued by regulatory authorities governing the Company's business operations. The qualifications of the Head of Compliance are presented in *Attachment 3*.

9.2 Connected Transaction

For the year ended December 31, 2025, the Company did not have any related party transactions. Should such transactions occur in the future with directors, executives, employees, or related persons, the Board of Directors has stipulated that such transactions must strictly comply with the criteria, procedures, and disclosure requirements for related party transactions as prescribed by applicable laws or regulatory authorities. The transactions must be conducted under the same conditions as those applicable to third parties, based on market prices and normal commercial terms (fair and at arm's length). Directors, executives, employees, or related persons who have an interest in such transactions must not participate in the consideration or approval of the transaction. The Company's Audit Committee will review and provide opinions on the reasonableness of such transactions before proposing them to the Board of Directors for approval. The Board of Directors will comply with the rules and regulations prescribed by the Stock Exchange of Thailand regarding such transactions.

Section 3

Financial Statements

Statement of Directors' Responsibility in Respect of Financial Report

CHARAN INSURANCE PUBLIC COMPANY LIMITED

The Board of Directors of Charan Insurance Public Company Limited is responsible for the Company's financial statements and financial information presented in the Annual Registration Statement/Annual Report (Form 56-1 One Report). The financial statements for the year ended December 31, 2025, have been prepared in accordance with generally accepted accounting standards in Thailand, utilizing appropriate and consistently applied accounting policies. The preparation process incorporates prudent and reasonable judgment, along with the disclosure of significant information regarding accounting policies and preparation criteria in the notes to the financial statements. These measures ensure that the financial position and performance are accurately and transparently reflected, providing value to shareholders and investors. The financial statements have been audited and received an unqualified opinion from an independent certified public accountant.

The Board of Directors has established adequate and effective internal control, risk management, internal audit, and corporate governance systems. These measures provide reasonable assurance that accounting records are accurate, complete, and reliable, safeguarding the Company's assets and preventing material fraud or irregularities. The systems also ensure compliance with applicable laws and regulations. The Audit Committee has reported its performance and provided its opinion on these matters in the Audit Committee Report, which is included in this Annual Registration Statement/Annual Report (Form 56-1 One Report).

The Board of Directors concludes that the Company's overall internal control system is appropriate and sufficient to provide confidence that the financial statements of Charan Insurance Public Company Limited as of December 31, 2025, fairly present the Company's financial position, operating results, and cash flows in all material respects.

(Sign)

(Mr. Sapon Kluaymai Na Ayudhya)

Chairman of the Board

(Sign)

(Mr. Sukich Charanvas)

Managing Director

Independent Auditor's Report

to the Shareholders and Board of Directors

Charan Insurance Public Company Limited

Opinion

I have audited the accompanying financial statements of Charan Insurance Public Company Limited (“the Company”), which comprise the statement of financial position as at 31 December 2025, and the related statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policies information.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Charan Insurance Public Company Limited as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standard issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

I would like to draw attention to note 2 to the financial statements describing the impact of the adoption of Thai Financial Reporting Standard No. 9 “Financial Instruments”, Thai Financial Reporting Standard No. 7 “Financial Instruments: Disclosures” and Thai Financial Reporting Standard No. 17 “Insurance Contracts”, including amendments to other relevant standards effective from 1 January 2025. The statement of financial position as at 31 December 2024, presented for comparison, forms part of the audited financial statements and has been adjusted as described in note 2 to the financial statements. In addition, the statements of income, comprehensive income,

changes in equity, and cash flows for the year then ended, presented for comparison, have been adjusted as described in note 2 to the financial statements.

My opinion is not modified in respect of 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 financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Key audit matters	How my audit addressed the key audit matter
<p>Assessment of the impact on opening balances as at 1 January 2024 and on comparative information arising from the first-time adoption of Thai Financial Reporting Standard No. 17 "Insurance Contracts"</p> <p>Refer to note 2 to the financial statements</p> <p>The Company has adopted Thai Financial Reporting Standard No. 17 "Insurance Contracts" for the first time with effect from 1 January 2025. The adoption of this standard has had a significant impact on the Company's accounting policies, the recognition and measurement of assets and liabilities arising from</p>	<p>My key audit procedures in relation to first-time adoption of Thai Financial Reporting Standard No. 17 "Insurance Contracts" included the following:</p> <ul style="list-style-type: none">Obtaining an understanding and evaluating the design and operating effectiveness of internal controls implemented by management relating to the first-time adoption of Thai Financial Reporting Standard No. 17 'Insurance Contracts' including testing the completeness and accuracy of the underlying data used in calculating the impact

Key audit matters	How my audit addressed the key audit matter
<p>insurance contracts, as well as the overall presentation of the Company's financial statements.</p> <p>The adoption of Thai Financial Reporting Standard No. 17 has resulted in a reassessment of accounting and actuarial valuations and has also required an increased level of management judgment, as outlined below:</p> <ul style="list-style-type: none"> • The determination of the approach applied to groups of insurance contracts as at the transition date. • The determination of methods and assumptions used in measuring the present value of future cash flows under insurance contracts, in order to appropriately reflect the contractual obligations to policyholders. • The determination of methods and assumptions related to the measurement of non-financial risk, as well as the parameters and methodologies associated with the selected discount rates. • Presenting the impact of the selected transition options within equity, including the effects on other comprehensive income as at the transition date. <p>Furthermore, in accordance with Accounting Standard No. 8 "Accounting Policies, Changes in Accounting Estimates and Errors", the Company has retrospectively restated the relevant comparative information and recognised the cumulative effect of the first-time adoption of the standard by adjusting opening retained</p>	<p>arising from the adoption of Thai Financial Reporting Standard No. 17.</p> <ul style="list-style-type: none"> • Involving the firm's actuarial specialists to evaluate the appropriateness of the methodologies applied and the related judgments used in determining accounting estimates for insurance contract assets and liabilities in accordance with the requirements of Thai Financial Reporting Standard No. 17 as at the transition date. This included estimates of future cash flows, the determination of discount rates, and risk adjustments, as well as testing the calculations and key assumptions used by management. • Assessing the appropriateness and adequacy of the Company's disclosures in accordance with the requirements of the relevant financial reporting standards.

Key audit matters	How my audit addressed the key audit matter
<p>earnings as at the beginning of the earliest comparative period presented (1 January 2024). The Company also recognised the related impacts on equity and other comprehensive income as at the transition date.</p> <p>I consider the first-time adoption of Thai Financial Reporting Standard No. 17 'Insurance Contracts' to be a key audit matter, as this standard is a new and complex financial reporting standard that significantly affects the Company's accounting recognition and the presentation of its financial statements. In addition, its adoption requires the application of significant management judgment, particularly in relation to the selection of transition approaches.</p>	
Insurance contract liabilities	
<p>Refer to accounting policies no. 3 (b) and notes 2 and 4 to the financial statements</p> <p>As at 31 December 2025, the Company had total insurance contract liabilities amounting to Baht 267.61 million, representing 83.35% of total liabilities. These insurance contract liabilities comprised liabilities for incurred claims amounting to Baht 182.15 million, representing 56.73% of total liabilities, and liabilities for remaining coverage amounting to Baht 85.46 million (measured under the Premium Allocation Approach), representing 26.62% of total liabilities.</p>	

Key audit matters	How my audit addressed the key audit matter
<p>Liabilities for incurred claims</p> <p>Liabilities for incurred claims represent estimates of cash flows arising from the fulfilment of, or expected payments required to settle, obligations resulting from insured events that have occurred as at the end of the reporting period. These estimates are adjusted for the time value of money and the effects of financial risk, including a risk adjustment for non-financial risk. Such estimates also include both allocated and unallocated costs related to the administration and handling of claims arising from insured events that occurred before the end of the reporting period.</p> <p>Liabilities for incurred claims are measured using complex actuarial valuation techniques, which in certain cases require a high degree of judgment in respect of both historical and forward-looking internal and external variables. Changes in the assumptions applied may have a significant impact on the measurement of these components within insurance contract liabilities.</p> <p>For these reasons, I consider the measurement of liabilities for incurred claims to be a key audit matter.</p>	<p>My key audit procedures in relation to liabilities for incurred claims included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the process for measuring liabilities for incurred claims, including an understanding of the related information technology control environment. This also included evaluating the appropriateness of the design of internal controls and performing sample testing of the operating effectiveness of such controls, in order to assess the adequacy and effectiveness of controls relevant to the measurement of insurance contract liabilities and the related information technology systems. • Obtaining an understanding of, evaluating, and performing sample testing of the operating effectiveness of internal controls relating to the notification and payment of insurance claims. • Performing sample testing of the approval and recording of notified claims and claims payments, and sample testing of incurred claims data and claims settlement data used in the preparation of claims development triangles. This also included reconciling the aggregated amounts of the sampled data to the totals reflected in the actuarial models. • Involving the firm's actuarial specialists to review the calculation methodologies by performing sample testing of the calculations of estimated

Key audit matters	How my audit addressed the key audit matter
	<p>future cash flows and the key assumptions used by the Company in estimating ultimate losses based on claims development triangles, as well as the determination of risk adjustments for non-financial risk. This also included performing analytical procedures on the movements of liabilities relating to estimated future cash flows and risk adjustments for non-financial risk.</p> <ul style="list-style-type: none"> • Performing analytical procedures on loss ratios by line of business and analysing risk adjustment ratios for non-financial risk across groups of insurance contracts with similar risk characteristics. • Assessing the adequacy and appropriateness of disclosures relating to liabilities for incurred claims in the Company's financial statements.
<p>Liabilities for remaining coverage</p> <p>As at 31 December 2025, the Company had liabilities for remaining coverage amounting to Baht 85.46 million, which formed part of total insurance contract liabilities of Baht 267.61 million. These liabilities were measured using the Premium Allocation Approach (PAA). Under the Premium Allocation Approach, management is required to exercise significant judgment in assessing the appropriateness of applying the PAA, the grouping of insurance contracts, and whether any group of insurance contracts is onerous.</p>	<p>My key audit procedures in relation to liabilities for remaining coverage included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the relevant processes and assessing the appropriateness of the application of the Premium Allocation Approach (PAA), including the grouping of insurance contracts, to ensure compliance with the requirements of Thai Financial Reporting Standard No. 17 "Insurance Contracts". • Evaluating the design and testing the operating effectiveness of internal controls relating to policy issuance, premium recording, revenue recognition,

Key audit matters	How my audit addressed the key audit matter
<p>Such assessments require estimates of future claims ratios and future expenses.</p> <p>Given that these balances are material to the financial statements and involve significant management judgment and estimates, I therefore consider the measurement of liabilities for remaining coverage to be a key audit matter.</p>	<p>and the amortisation of insurance acquisition cash flows.</p> <ul style="list-style-type: none"> • Performing sample testing of the accuracy and completeness of data used in the calculation of liabilities for remaining coverage and testing the calculations of the amortisation of premiums and related expenses over the coverage period. • Assessing the methodologies and assumptions used to identify and measure onerous contract components, including evaluating the reasonableness of estimates of future loss ratios and expenses, with the involvement of the firm's actuarial specialists where relevant. • Performing analytical procedures on movements in key estimates and risk adjustment ratios across groups of insurance contracts with similar risk characteristics. • Assessing the adequacy and appropriateness of disclosures relating to liabilities for remaining coverage in the Company's financial statements.
<p>Valuation of deferred tax assets and deferred tax liabilities</p> <p>Refer to accounting policies no. 3 (n) and note 11 to the financial statements</p> <p>In the current year, the Company adopted Thai Financial Reporting Standard No. 17 "Insurance Contracts" in replacement of Thai Financial Reporting</p>	<p>My key audit procedures in relation to the deferred tax included the following:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the impact of the transition from Thai Financial Reporting Standard No. 4 "Insurance Contracts" to Thai Financial Reporting Standard No. 17 on the recognition and measurement of items in the financial statements

Key audit matters	How my audit addressed the key audit matter
<p>Standard No. 4. This resulted in significant changes to the recognition and measurement of insurance contract liabilities and related components in the financial statements. The transition to the new standard required the Company to recognise the cumulative impact of retrospective adjustments through opening retained earnings and gave rise to temporary differences between the carrying amounts and the tax bases of assets and liabilities.</p> <p>Such temporary differences resulted in the recognition of significant deferred tax assets and deferred tax liabilities. The calculation of these amounts is complex and requires management to exercise judgment in identifying temporary differences arising under this financial reporting standard and in assessing the recoverability of deferred tax assets, which depends on estimates of future taxable profits.</p> <p>As at 31 December 2025, the Company had total deferred tax assets and deferred tax liabilities amounting to Baht 6.58 million, and Baht 13 million, respectively.</p> <p>Given that these amounts involve significant management judgment and estimation, including the interpretation of relevant tax regulations, I therefore consider the measurement of deferred tax assets and deferred tax liabilities to be a key audit matter.</p>	<p>and assessing the completeness of the identified temporary differences.</p> <ul style="list-style-type: none"> • Evaluating the Company's internal data and key economic assumptions that affect the growth of gross written premium expenses and profit before tax, which are used as the basis for assessing the recoverability and utilization of deferred tax assets. • Analysing and comparing historical estimated taxable profits with actual taxable profits realised in order to assess the reasonableness of management's judgment applied in estimating such taxable profits. • Testing the calculation of forecast future taxable profits based on the aforementioned data and assumptions. • Assessing the adequacy and appropriateness of disclosures relating to deferred tax assets and liabilities in the Company's financial statements.

Other matter

The statement of financial position of Charan Insurance Public Company Limited as at 1 January 2024, which was not impacted by the adoption of Thai Financial Reporting Standard No. 9 “Financial Instruments”, Thai Financial Reporting Standard No. 7 “Financial Instruments: Disclosures” and Thai Financial Reporting Standard No. 17 “Insurance Contracts”, and which is presented as comparative figures, was audited by another auditor who expressed an unmodified opinion on that statement in a report dated 21 February 2024.

Other information

Management is responsible for the other information. The other information comprises the information included in annual report of the company but does not include the financial statements and my auditor’s report thereon. The annual report of the Company is expected to be made available to me after the date of this auditor’s report.

My opinion on the financial statements does not cover any other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the 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 financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of the management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

Tippawan Pumbansao

Certified Public Accountant (Thailand) No. 9552

Forvis Mazars Ltd.

Bangkok

27 February 2026

Statements of Financial Position

Charan Insurance Public Company Limited

As at December 31, 2025

(Unit: Baht)

Assets	Note	31 December 2025	31 December 2024 (Restated)	31 December 2024 (Restated)
Cash and cash equivalents	5	59,958,951	85,976,143	38,418,107
Accrued investment income		3,229,277	3,548,734	3,754,258
Reinsurance contract assets	2, 4	39,144,018	29,069,679	30,366,088
Financial assets - debt instruments	2, 6	549,641,662	510,732,158	490,744,735
Financial assets - equity instruments	2, 6	191,979,470	172,982,418	180,991,189
Loans and accrued interest	6, 7	2,711,826	3,469,912	2,758,790
Investment property	8	16,000,001	16,000,001	-
Property plant and equipment	9	15,898,917	15,623,092	42,212,001
Intangible assets		5	5	5
Non-operating assets	10	12,000,001	12,009,701	-
Deferred tax assets	2, 11	6,583,835	8,848,802	8,734,683
Other assets	2	10,073,307	13,023,776	10,247,249
Total assets		907,221,270	871,284,421	808,227,105

Statements of Financial Position (Continued)

Charan Insurance Public Company Limited

As at December 31, 2025

(Unit: Baht)

Liabilities	Note	31 December 2025	31 December 2024 (Restated)	31 December 2024 (Restated)
Insurance contract liabilities	2, 4	267,614,209	273,963,823	192,228,790
Reinsurance contract liabilities	2, 4	11,661,920	15,687,979	14,819,145
Income tax payables		1,797,077	2,942,277	2,079,266
Employee benefit obligations	12	6,031,158	8,308,202	8,124,552
Deferred tax liabilities	2, 11	12,995,716	11,164,906	8,785,727
Other liabilities	2	20,956,230	21,364,139	13,773,395
Total liabilities		321,056,310	333,431,326	239,810,875
Equity				
Share capital				
- Authorised share capital				
12,000,000 ordinary shares of Baht 10 each		120,000,000	120,000,000	120,000,000
- Issued and paid-up share capital				
12,000,000 ordinary shares of Baht 10 each		120,000,000	120,000,000	120,000,000
Share premium on ordinary shares		258,000,000	258,000,000	258,000,000
Retained earnings				
- Appropriated				
Legal reserve	13	12,000,000	12,000,000	12,000,000
- Unappropriated	2	187,190,928	155,089,263	172,289,414
Other components of equity - net	2	8,974,032	(7,236,168)	6,126,816
Total equity		586,164,960	537,853,095	568,416,230
Total liabilities and equity		907,221,270	871,284,421	808,227,105

Statements of Comprehensive Income

Charan Insurance Public Company Limited

As at December 31, 2025

(Unit: Baht)

Revenue	Note	31 December 2025	31 December 2024 (Restated)
Insurance revenue	2, 4	445,102,041	344,114,658
Insurance service expenses	2, 4	(375,647,068)	(300,131,105)
Net expenses from reinsurance contracts held	2, 4	(17,906,607)	(34,251,957)
Insurance service result		51,548,366	9,731,596
Investment income	14	20,930,105	21,126,695
Net investment income		20,930,105	21,126,695
Finance expenses from insurance contracts issued	2	(3,386,360)	(3,386,360)
Finance income from reinsurance contracts held	2	872,274	872,274
Net insurance finance expenses		(2,514,086)	(2,514,086)
Net investment income and insurance finance expenses		18,416,019	18,725,808
Other operating expenses	2, 15	(38,903,172)	(30,640,845)
Reversal of expected credit losses	16	98,838	7,962,660
Other income		2,379,543	2,384,028
Profit before income tax		33,539,594	8,163,247
Income tax expenses	2, 11	(2,884,348)	(10,182,055)
Profit (loss) for the year	2	30,655,246	(2,018,808)

Statements of Comprehensive Income

(Continued)

Charan Insurance Public Company Limited

As at December 31, 2025

(Unit: Baht)

	Note	Cash flows from operating activities	31 December 2024 (Restated)
Profit (loss) for the year	2	30,655,246	(2,018,808)
Other comprehensive income (loss)			
Items that will be reclassified subsequently to profit or loss			
Finance costs from insurance contracts issued	2	(160,413)	(114,364)
Finance income from reinsurance contracts held	2	2,802	39,935
Income tax relating to items that will be reclassified subsequently to profit or loss	2	(31,522)	(14,886)
Total items that will be reclassified subsequently to profit or loss		(189,133)	(89,315)
Items that will not be reclassified subsequently to profit or loss			
Gain (loss) on equity instruments designated to be measured at fair value through other comprehensive income		22,309,465	(16,592,086)
Loss on remeasurement of employee benefit obligations	12	(454,851)	(226,679)
Income tax relating to items that will not be reclassified subsequently to profit or loss		(4,008,863)	3,363,753
Total items that will not be reclassified subsequently to profit or loss		17,845,751	(13,455,012)
Other comprehensive income (loss) for the year	2	17,656,618	(13,544,327)
Total comprehensive income (loss) for the year	2	48,311,864	(15,563,135)
Earnings (loss) per share			
Basic earnings (loss) per share	2, 20	2.55	(0.17)

Statement of Changes in Equity

Charan Insurance Public Company Limited

As at December 31, 2025

(Unit: Baht)

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity			Total equity
				Appropriated - Legal reserve	Unappropriated	Equity instruments measured at fair value through other comprehensive income	Insurance and reinsurance financial reserve	Total other components of equity - net	
Balance as at 1 January 2024 - as previously reported		120,000,000	258,000,000	12,000,000	166,277,552	6,114,504	-	6,114,504	562,392,056
Adjustment on initial application of TFRS 17, net of tax	2	-	-	-	6,011,862	-	12,312	12,312	6,024,174
Balance as at 1 January 2024 - as restated		120,000,000	258,000,000	12,000,000	172,289,414	6,114,504	12,312	6,126,816	568,416,230
Dividends paid	28	-	-	-	(15,000,000)	-	-	-	(15,000,000)
Loss for the year - as restated	2	-	-	-	(2,018,808)	-	-	-	(2,018,808)
Other comprehensive loss for the year – as restated	2	-	-	-	(181,343)	(13,273,669)	(89,315)	(13,362,984)	(13,544,327)
Total comprehensive loss for the year – as restated		-	-	-	(17,200,151)	(13,273,669)	(89,315)	(13,362,984)	(30,563,135)
Balance as at 31 December 2024 - as restated		120,000,000	258,000,000	12,000,000	155,089,263	(7,159,165)	(77,003)	(7,236,168)	537,853,095

Statement of Changes in Equity (Continued)

Charan Insurance Public Company Limited

As at December 31, 2025

(Unit: Baht)

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of equity			Total equity
				Appropriated - Legal reserve	Unappropriated	Equity instruments measured at fair value through other comprehensive income	Insurance and reinsurance financial reserve	Total other components of equity - net	
Balance as at 31 December 2024		120,000,000	258,000,000	12,000,000	155,089,263	(7,159,165)	(77,003)	(7,236,168)	537,853,095
Profit for the year		-	-	-	30,655,246	-	-	-	30,655,246
Other comprehensive income (loss) for the year		-	-	-	(363,881)	18,209,633	(189,133)	18,020,500	17,656,619
Total comprehensive income (loss) for the year		-	-	-	30,291,365	18,209,633	(189,133)	18,020,500	48,311,865
Transferred gain on derecognised equity instrument to retained earnings	6.7	-	-	-	1,810,300	(1,810,300)	-	(1,810,300)	-
Balance as at 31 December 2025		120,000,000	258,000,000	12,000,000	187,190,928	9,240,168	-266,136	8,974,032	586,164,960

Statement of Cash Flows

Charan Insurance Public Company Limited

As at December 31, 2025

(Unit: Baht)

Cash flows from operating activities	31 December 2025	31 December 2024
Premiums received	404,371,749	422,048,375
Net insurance premium paid and other directly related expenses regarding reinsurance	(66,191,587)	(47,104,439)
Recoveries from reinsurance	35,059,660	15,857,527
Incurred claims and other directly attributable expenses paid	(150,751,204)	(102,089,708)
Insurance acquisition cash flows	(194,061,959)	(197,555,201)
Interest income and dividend received	21,246,963	21,318,730
Other income	4,189,843	2,384,066
Other operating expenses	(35,308,916)	(25,542,316)
Tax expense	(3,974,154)	(3,750,452)
Cash receipt for financial assets	336,737,025	258,094,052
Cash payments for financial assets	(373,285,140)	(278,800,000)
Employee benefit paid	(3,279,900)	(594,000)
Net cash flows provided by (used in) operating activities	(25,247,620)	64,266,634
Cash flows from investing activities		
Acquisition of equipment	(769,572)	(1,708,598)
Net cash flows used in investing activities	(769,572)	(1,708,598)
Cash flows from financing activities		
Dividends paid	-	(15,000,000)
Net cash flows used in financing activities	-	(15,000,000)
Net increase (decrease) in cash and cash equivalents	(26,017,192)	47,558,036
Cash and cash equivalents at 1 January	85,976,143	38,418,107
Cash and cash equivalents at 31 December	59,958,951	85,976,143

Notes to the Financial Statement

Charan Insurance Public Company Limited As at December 31, 2025

1. General information

1.1 Corporate information

Charan Insurance Public Company Limited (“the Company”) was incorporated as a public limited company on 15 March 1994. The registered office address of the Company is located at 408/1 Ratchadapisak Road, Samsennok, Huaykwang, Bangkok, and the branch office is located at 377/1 - 3 Moo. 12, Mittraphap Road, Mueang Kao, Mueang Khon Kaen, Khon Kaen.

The principal business of the Company is the provision of non-life insurance.

1.2 Other information

On 17 November 2025, the Stock Exchange of Thailand (“SET”) posted a C-caution sign on the Company’s securities due to the auditor’s disclaimer of opinion on the Company’s financial statements for the first quarter of 2025. The matter is currently under consideration by the SET for the removal of the C-caution sign.

1.3 Basis for preparation of financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards, including accounting practices issued by the Federation of Accounting Professions, relevant regulations, and announcements by the Securities and Exchange Commission. Additionally, the financial statements have been prepared in compliance with the Notification of the Office of Insurance Commission entitled “Principles, Methodology, Conditions, and Timing for the Preparation and Submission of Financial Statements by Non-Life Insurance Companies 2023” dated 8 February 2023 and the letter no. 4122/wor.1064 “Guidelines relating to additional disclosures in notes to financial statements according to TFRS17 “Insurance contracts” dated 23 April 2025.

The financial statements have been prepared on the historical cost basis, except as disclosed in the notes to the financial statements.

The financial statements are presented in Thai Baht, which is the Company’s functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

For the convenience of the readers, an English version of the financial statements has been translated from the Thai language financial statements, which is issued solely for domestic financial reporting purpose.

(b) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company'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.

Information about judgments, assumption and estimation uncertainties as at 31 December 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following:-

1. Financial assets and liabilities
2. Insurance contracts and reinsurance contracts (Note to financial statements no. 3)
2. Effects due to the adoption of new financial reporting standards from 1 January 2025
- 2.1 Classification of financial assets and financial liabilities

TFRS 9 includes three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under TFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Transition

TFRS 9 requires retrospective adjustments for changes in accounting policies arising from its adoption of this TFRS retrospectively. The Company's accounting policies for the classification of financial instruments under TFRS 9 are as follows:

- a) Investment units classified as equity instruments under TFRS 9 are classified as fair value through profit or loss unless the Company elects to measure fair value through other comprehensive income.
- b) Investments in debt instruments of the Company that are determined to be intended to receive contractual cash flows or to be sold are classified as fair value through other comprehensive income.
- c) Investments in debt instruments that are determined to not receive contractual cash flows only on principal and interest payments are classified as fair value through profit or loss.

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

- d) Investments in equity instruments that are not intended to be sold are classified as fair value through other comprehensive income and are required to show subsequent changes in fair value in other comprehensive income.

The effects of adopting the TFRS 9 Financial Instrument at 31 December 2024 are presented as below.

	Original reclassification	New reclassification	Thousand Baht	
			Original carrying amount	New carrying amount under TFRS 9
Financial assets				
Cash and cash equivalents	Amortised cost	Amortised cost	85,976	85,976
Financial assets - debt instruments	Amortised cost	Amortised cost	510,732	510,732
Financial assets - equity instruments	FVOCI	FVOCI	172,982	172,982
Loans and accrued interest	Amortised cost	Amortised cost	3,470	3,470
Total			773,160	773,160

In addition, the change in carrying amount are presented as below.

	Thousand Baht			
	Original carrying amount	Change in carrying amount		New carrying amount under TFRS 9
		Reclassification	Remeasurement	
Financial assets				
Amortised cost				
Cash and cash equivalents	85,976	-	-	85,976
Financial assets - debt instruments	510,732	-	-	510,732
Loans and accrued interest	3,470	-	-	3,470
Total	600,178	-	-	600,178
FVOCI				
Financial assets - equity instruments	172,982	-	-	172,982
Total	172,982	-	-	172,982

- 2.2 The impact of the significant changes in the Company's accounting policies resulting from the adoption of TFRS 17 "Insurance contracts" are as follow:

Measurement - Contracts measured under the PAA

Insurance contracts issued

The Company uses the PAA to simplify the measurement of groups of contracts when the following criteria are met at inception.

- The coverage period of each contract in the group is one year or less, including coverage arising from all premiums within the contract boundary; or
- For contracts longer than one year, the Company has conducted premium allocation approach eligibility testing where the results of the liability for remaining coverage (LRC) under premium allocation approach do not differ materially to that calculated under the general measurement model.

On initial recognition of each group of contracts, the carrying amount of the liability for remaining coverage is measured at the premiums received on initial recognition minus any insurance acquisition cash flows allocated to the group at that date, and adjusted for any amount arising from the derecognition of any assets or liabilities previously recognised for cash flows related to the group including assets for insurance acquisition cash flows. The Company has chosen not to expense insurance acquisition cash flows when they are incurred.

Subsequently, the carrying amount of the liability for remaining coverage is increased by any premiums received and the amortisation of insurance acquisition cash flows recognised as expenses and decreased by the amount recognised as insurance revenue for services provided and any additional insurance acquisition cash flows allocated after initial recognition. On initial recognition of each group of contracts, the Company expects that the time between providing each part of the services and the related premium due date is no more than a year. Accordingly, the Company has chosen not to adjust the liability for remaining coverage to reflect the time value of money and the effect of financial risk.

If at any time during the coverage period, facts and circumstances indicate that a group of contracts is onerous, the Company recognises a loss in profit or loss and increases the liability for remaining coverage to the extent that the current estimates of the fulfilment cash flows that relate to remaining coverage exceed the carrying amount of the liability for remaining coverage.

The Company recognises the liability for incurred claims of a group of insurance contracts at the amount of the fulfilment cash flows relating to incurred claims. The future cash flows are discounted (at current rates).

Reinsurance contracts

The Company uses the PAA to simplify the measurement of groups of reinsurance contracts when the following criteria are met at inception.

- Loss-occurring reinsurance contracts: The coverage period of each contract in the group can be less than or not greater than one year.
- Risk-attaching reinsurance contracts: The Company applies the same accounting policies as are applied to insurance contracts.

Presentation

Portfolios of insurance contracts that are assets and those that are liabilities, and portfolios of reinsurance contracts that are assets and those that are liabilities, are presented separately in the statement of financial position. Any assets or liabilities recognised for cash flows arising before the recognition of the related group of contracts are included in the carrying amount of the related portfolios of contracts.

The Company disaggregates amounts recognised in the statement of comprehensive income into:

- insurance service result, comprising insurance revenue and insurance service expenses; and
- insurance finance income or expenses.

Income and expenses from reinsurance contracts are presented separately from income and expenses from insurance contracts. Income and expenses from reinsurance contracts, other than insurance finance income or expenses, are presented on a net basis as 'net expenses from reinsurance contracts' in the insurance service result.

The Company does not disaggregate changes in the risk adjustment for non-financial risk between the insurance service result and insurance finance income or expenses.

Insurance revenue and insurance service expenses exclude any investment components and are recognised as follows:

Insurance revenue

The insurance revenue for each period is the amount of expected premium receipts for providing services in the period. The Company allocates the expected premium receipts to each period.

Loss components

The Company assumes that no contracts are onerous at initial recognition unless facts and circumstances indicate otherwise. Where this is not the case, and if at any time during the coverage period, the facts and circumstances indicate that a group of insurance contracts is onerous, the Company establishes a loss component as the excess of the fulfilment cash flows that relate to the remaining coverage of the group over

the carrying amount of the liability for remaining coverage of the group as determined under PAA. Accordingly, by the end of the coverage period of the group of contracts, the loss component will be zero.

Insurance service expenses

Insurance service expenses arising from insurance contracts are recognised in profit or loss generally as they are incurred. They exclude repayments of investment components and comprise the following items:

- Incurred claims and other insurance service expenses
- Amortisation of insurance acquisition cash flows
- Losses on onerous contracts and reversals of such losses
- Adjustments to the liabilities for incurred claims that do not arise from the effects of the time value of money, financial risk, and changes therein
- Impairment losses on assets for insurance acquisition cash flows and reversals of such impairment losses

Net expenses from reinsurance contracts

Net expenses from reinsurance contracts comprise an allocation of reinsurance premiums paid less amounts recovered from reinsurers.

The Company recognises an allocation of reinsurance premiums paid in profit or loss as it receives services under groups of reinsurance contracts. The allocation of reinsurance premiums paid for each period is the amount of expected premium payments for receiving services in the period.

For a group of reinsurance contracts covering onerous underlying contracts, the Company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- when further onerous underlying insurance contracts are added to a group, the Company establishes a loss-recovery component of the asset for remaining coverage for a group of reinsurance contracts held depicting the expected recovery of the losses.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of

underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

Insurance finance income and expenses

Insurance finance income and expenses comprise of changes in the carrying amounts of groups of insurance and reinsurance contracts arising from the effects of the time value of money, financial risk and changes therein. The Company presents insurance finance income and expenses through profit or loss.

Fair value

Information about assumptions used in the measurement of insurance and reinsurance contracts is as follows:

Insurance contract liabilities

Insurance contract liabilities consist of liability for incurred claims and liability for remaining coverage. Liability for incurred claims consists of outstanding claims notified and outstanding claims incurred but not reported ("IBNR"), including risk adjustment while liability for remaining coverage consists of the unearned premium reserves, net of deferred acquisition costs, including any outstanding premium receivables.

Liability for incurred claims

The Company determines the claims incurred in accordance with the Company's claim experiences. The assumptions used in the estimation 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, because of the uncertainty of a provision for insurance claims, it is likely that the final outcome could prove to be different from the estimated liability.

Provision is estimated 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. The Company uses several statistical methods to incorporate the various assumptions made in order to estimate the ultimate cost of claims.

The Chain-Ladder technique involves the analysis of historical claims development factors and the selection of estimated development factors based on the historical claim development pattern. The selected development factors are then applied to cumulative claims data for each accident year.

The Bornhuetter-Ferguson method estimates the ultimate loss using a combination of actual reported losses and an estimate of loss developments for future losses which are based on the expected losses and the selected loss development factors of each accident year. The two estimates are combined using a formula that gives weight to the experience-based estimate as time passes.

Liability for remaining coverage

The best estimate of the liability for remaining coverage has been calculated by applying a future loss and expense ratio to the accounted unearned premium reserve. The future loss ratio is set with reference to observed loss ratios, adjusted for the effect of recent changes to premium rates, underwriting terms and policy terms where applicable.

Discount rate

All fulfilment cash flows relating to liability for incurred claims and liability for remaining coverage are discounted using selected yield curves. The Company uses the bottom-up approach for computing discount rate consistent with the position taken by the general insurance industry. The bottom-up discount rate comprises of a risk-free discount rate.

However, the Company has assessed that not applying discounts to the measurement of claims liabilities is appropriate given the nature of the business. The majority of claims are settled within 365 days, resulting in the effect of discounting being immaterial.

Risk adjustment

The risk adjustment is determined in accordance with actuarial methods in accordance with generally accepted actuarial methods including the Mack and bootstrapping methods. The risk adjustment takes into account the size and nature of the business.

Applying the confidence level technique at reserving class level, the Company estimates the probability distribution of the expected value of the future cash flows from insurance contracts at each reporting date and calculates the risk adjustment for non-financial risk at the 75th percentile (on both a gross and net of reinsurance basis) over the expected present value of future cash flows. A diversification factor is also applied to each class to allow for diversification benefits. The diversification factor will be selected on both a gross and net of reinsurance basis.

To determine the risk adjustments for non-financial risk for reinsurance contracts, the Company applies the confidence level technique on both gross and net of reinsurance and derives the amount of risk being transferred to the reinsurer as the difference between the two results.

2.3 Transition approach for the adoption of TFRS 17 “Insurance Contracts” for the first time

In adopting TFRS 17 “Insurance Contracts”, the transition date has been determined as 1 January 2024. The change in accounting policies resulting from the adoption of this standard is applied using the Full

Retrospective Approach (FRA) for insurance contracts issued before the transition date, as if the standard had been applied since the inception of the insurance contracts.

The Company has restated the statement of financial position as at 1 January 2024 and 31 December 2024, as well as the statements of income and comprehensive income for the year ended 31 December 2024, to present comparative information.

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

The adjustments impact on the statement of financial position as at 1 January 2024 and 31 December 2024 are as follows:

	Thousand Baht			
	1 January 2024			
	As previously reported	Adjustments	Reclassifications	After adjusted and reclassifications
Statement of financial position				
Assets				
Premium due and uncollected	36,843	(36,843)	-	-
Reinsurance contract assets	-	30,366	-	30,366
Reinsurance assets	60,273	(60,273)	-	-
Due from reinsurers	15,422	(15,422)	-	-
Investments in securities	671,736	-	(671,736)	-
Financial assets - debt instruments	-	-	490,745	490,745
Financial assets - equity instruments	-	-	180,991	180,991
Deferred tax assets	31,587	(22,852)	-	8,735
Other assets	15,718	(5,471)	-	10,247
Liabilities				
Insurance contract liabilities	268,261	(76,032)	-	192,229
Reinsurance contract liabilities	-	14,819	-	14,819
Due to reinsurers	46,854	(46,854)	-	-
Deferred tax liabilities	1,528	7,258	-	8,786
Other liabilities - advance premium	9,549	(9,549)	-	-
Other liabilities - others	19,933	(6,160)	-	13,773
Equity				
Unappropriated retained earnings	166,278	6,011	-	172,289
Other components of equity - net	6,115	12	-	6,127

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

	Thousand Baht			
	31 December 2024			
	As previously reported	Adjustments	Reclassifications	After adjusted and reclassifications
Statement of financial position				
Assets				
Premium due and uncollected	33,600	(33,600)	-	-
Reinsurance contract assets	-	29,070	-	29,070
Reinsurance assets	60,658	(60,658)	-	-
Due from reinsurers	25,577	(25,577)	-	-
Investments in securities	683,714	-	(683,714)	-
Financial assets - debt instruments	-	-	510,732	510,732
Financial assets - equity instruments	-	-	172,982	172,982
Deferred tax assets	41,765	(32,916)	-	8,849
Other assets	16,589	(3,565)	-	13,024
Liabilities				
Insurance contract liabilities	363,822	(89,858)	-	273,964
Reinsurance contract liabilities	-	15,688	-	15,688
Due to reinsurers	62,278	(62,278)	-	-
Deferred tax liabilities	-	11,165	-	11,165
Other liabilities - advance premium	8,078	(8,078)	-	-
Other liabilities - others	26,300	(4,936)	-	21,364
Equity				
Unappropriated retained earnings	143,961	11,128	-	155,089
Other components of equity - net	(7,159)	(77)	-	(7,236)

CHARAN INSURANCE PUBLIC COMPANY LIMITED

บริษัท จักรประกันภัย จำกัด (มหาชน)

แบบแสดงรายการข้อมูลประจำปี 2568 (56-1 One Report)

The adjustments impact to the statements of income and comprehensive income for the year ended 31 December 2024

	Thousand Baht		
	For the year ended 31 December 2024		
	As previously reported	Adjustments	After adjusted
Statements of income			
Insurance revenue	-	344,115	344,115
Insurance service expenses	-	(300,131)	(300,131)
Net expense from reinsurance contracts held	-	(34,252)	(34,252)
Finance expense from insurance contracts issued	-	(3,201)	(3,201)
Finance income from reinsurance contracts held	-	800	800
Gross written premiums	419,925	(419,925)	-
Premiums ceded to reinsurers	(83,312)	83,312	-
Unearned premium reserves increase from prior period	(71,164)	71,164	-
Fee and brokerage incomes	33,630	(33,630)	-
Insurance claims	(125,170)	125,170	-
Claims expenses from reinsurers	11,349	(11,349)	-
Commissions and brokerage expenses	(62,490)	62,490	-
Other underwriting expenses	(117,118)	117,118	-
Operating expenses	(48,033)	17,392	(30,641)
Income tax (expenses) benefits	3,774	(13,956)	(10,182)
Profit (loss) for the year	(7,136)	5,117	(2,019)
Basic earnings (loss) per share	(0.59)	0.42	(0.17)
Statement of comprehensive income			
Other comprehensive income (loss)			
Items that will be reclassified subsequently to profit or loss			
Finance costs from insurance contracts issued	-	(114)	(114)
Finance income from reinsurance contracts held	-	40	40
Income tax relating to items that will be reclassified subsequently to profit or loss	-	(15)	(15)
Other comprehensive loss for the year	(13,455)	(89)	(13,544)
Total comprehensive loss for the year	(20,591)	5,028	(15,563)

3. Material accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) *Classification of insurance contract*

The Company classifies the insurance contract based on the nature of the contract. An insurance contract is one under which the insurer has accepted significant insurance risk from another party by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

The assessment is made on a contract-by-contract basis at the contract issue date. In making this assessment, the Company considers all its substantive rights and obligations, whether they arise from contract, law or regulation.

For the determination of whether a significant insurance risk has been accepted is based on comparison of the amount of benefit payable under the contract if an insured event occurs with the payment obligation if the insured event does not occur. If a contract does not meet these criteria, the Company classifies it as an investment contract. Investment contracts are insurance contracts in legal form that transfer significant financial risk but not significant insurance risk.

Reinsurance contracts are classified as insurance contracts if they meet the definition of an insurance contract. However, even if a reinsurance contract does not give rise to a significant loss to the reinsurer, it is still considered to transfer significant insurance risk if it substantially transfers all insurance risk associated with the reinsured portions of the underlying insurance contracts to the reinsurer.

(b) *Insurance contracts and reinsurance contracts held*

1. *Separating components from insurance and reinsurance contracts held*

In addition to the provision of the insurance coverage service, some insurance contracts issued by the Company have other components such as an investment component, an embedded derivative or the provision of some other distinct goods or non-insurance services.

The Company assesses its products to determine whether some of these components are distinct and need to be separated and accounted for applying other TFRS Accounting Standards. When these non-insurance components are non-distinct, they are accounted for together with the insurance component applying TFRS 17.

The Company first considers the need to separate distinct embedded derivatives and investment components, before assessing the need to separate any goods and non-insurance services component.

(1) Separating embedded derivatives

In circumstances where the Company issues insurance contracts that include embedded derivatives, the Company assesses whether the embedded derivative is closely related to the host insurance contract. If the embedded derivative is not closely related to the host insurance contract, it is bifurcated from the host contract and accounted for separately in accordance with TFRS 9, measured at fair value through profit or loss (FVTPL).

Conversely, if the embedded derivative is closely related to the host insurance contract, it is not bifurcated, and the entire contract, including the embedded derivative, is accounted for in accordance with TFRS 17.

During the year, the Company has not issued insurance contracts that include embedded derivatives which shall be accounted for separately from the host contract based on the criteria outlined above.

(2) Separating investment components

In certain circumstances, the Company issues insurance contracts that include an investment component, where the Company is required to repay to a policyholder in all circumstances, regardless of an insured event occurring. In assessing whether an investment component is distinct and therefore required to be accounted for separately applying TFRS 9. The Company considers whether the investment and insurance components are highly interrelated.

The Company determines that the investment and insurance components are highly interrelated if:

- The Company is unable to measure one component without considering the other; or
- The policyholder is unable to benefit from one component unless the other is present, for example, if cancelling one component also results in the termination of the other.

Where no distinct investment component is identified, the Company applies TFRS 17 to account for the non-distinct investment component as part of the insurance contract.

During the year, the Company did not issue insurance contracts that include an investment component which are required to be separately accounted.

(3) Separating promises to transfer distinct goods or non-insurance services

After the Company has determined whether to separate embedded derivatives and investment components, it considers the separation of any promise to transfer goods or non-insurance services embedded in the contract.

The Company separates from the host insurance contract only distinct promises to transfer goods or non-insurance services to a policyholder. Once separated, such promises are accounted for applying TFRS 15 “Revenues from contract with customers”.

In determining whether an obligation to deliver a good or non-insurance service promised to a policyholder is distinct, the Company considers whether the policyholder can benefit from the good or service either on its own or together with other resources readily available to the policyholder (i.e. resources that are either sold separately or already owned by the policyholder).

A good or non-insurance service that is promised to the policyholder is not distinct if the cash flows and risks associated with the good or service are highly interrelated with the cash flows and risks associated with the insurance components. The Company provides a significant service integrating the good or non-insurance service with the insurance components.

During the year, the Company did not issue any insurance contracts that include a promise to transfer goods or services other than the substantive insurance service, which would be considered a separate component.

(4) Separating insurance components of a single insurance contract

Once any embedded derivatives, investment components and the goods and services components are separated, the Company assesses whether the contract should be separated into several insurance components that, in substance, should be treated as separate contracts to reflect the substance of the transaction.

To determine whether insurance components should be recognised and measured separately, the Company considers whether:

- There is an interdependency between the different risks covered.
- The components can lapse independently of each other.
- The components can be priced and sold separately.

When the Company enters into one legal contract with different insurance components operating independently of each other, insurance components are recognised and measured separately applying TFRS 17.

During the year, the Company has not identified any insurance components that should be separated from single insurance contract.

2. *Combining a set or series of contracts*

In circumstances where the Company enters into two or more contracts simultaneously with the same or related counterparties to achieve an overall commercial objective, the Company accounts for such a set of contracts as a single insurance contract when this reflects the substance of the contractual arrangement.

In performing this assessment, the Company considers whether the rights and obligations arising from the contracts are different when assessed collectively compared to when assessed individually, and whether the Company is unable to measure one contract without considering the terms of the other.

3. *Recognition*

The Company recognises groups of insurance contracts issued from the earliest of the following dates:

- The beginning of the coverage period of the Group of contracts
- The date when the first payment from a policyholder in the Group becomes due (in the absence of a contractual due date, this is deemed to be when the first payment is received)
- The date when a Group of contracts becomes onerous

The Company recognises only contracts issued within a one-year period meeting the recognition criteria by the end of reporting date. Subject to this limit, a group of insurance contracts can remain open after the end of the current reporting period. New contracts are included in the Group when they meet the recognition criteria in subsequent reporting periods until such time that all contracts expected to be included within the Group have been recognised.

4. *Contract boundaries*

The measurement of a group of insurance contracts includes all future cash flows expected to arise within the boundary of each contract in the group. In determining which cash flows fall within a contract boundary, the Company considers its substantive rights and obligations arising from the terms of the contract, and from applicable laws, regulations and customary business practices.

The Company determines that cash flows are within the boundary of a contract if they arise from substantive rights and obligations that exist during the reporting period in which the Company can compel the policyholder to pay the premiums or the Company has a substantive obligation to provide the policyholder with insurance contract services.

A substantive obligation to provide insurance contract services ends when the Company has the practical ability to reassess the risks of a particular policyholder and, as a result, to change the price charged or the level of benefits provided for the price to fully reflect the new level of risk.

Cash flows of a group of contracts, the Company applies judgment in assessing future policyholder behavior surrounding the exercise of options available to them. These include surrender options, and other options falling within the contract boundary.

The Company assesses the contract boundary at initial recognition and at each subsequent reporting date to include the effect of changes in circumstances on the Company's substantive rights and obligations.

5. *Measurement of insurance contracts - premium allocation approach*

(a) *Insurance contracts issued - initial measurement*

The Company measures groups of insurance contracts using the simplified approach known as the Premium Allocation Approach (PAA). At the inception date, each group of insurance contracts meets one of the following criteria:

- The group of insurance contracts has a coverage period of no more than one year; or
- The group of insurance contracts has a coverage period longer than one year, and the Company has performed a reasonable and supportable expectation through scenario-based analysis that measuring the liability for remaining coverage using the Premium Allocation Approach would not result in a materially different outcome compared to the General Measurement Model (GMM). In assessing whether the difference between the Premium Allocation Approach and the General Measurement Model is material, the Company also considers qualitative factors such as the nature of the risks and the types of insurance products involved.

However, the Company does not apply the Premium Allocation Approach to measure a group of insurance contracts if, at the inception of the group, the Company expects significant variability in the cash flows needed to fulfill the contracts that would materially affect the measurement of the liability for remaining coverage prior to the occurrence of incurred claims. Such variability may arise from factors including, but not limited to, expected future cash flows related to any embedded derivatives within the contracts or the length of the coverage period of the group of insurance contracts.

Liability for remaining coverage (LRC)

At the initial recognition of each group of insurance contracts, the carrying amount of the liability for remaining coverage is equal to the premiums received on that date, net of insurance acquisition cash flows that are allocated to the group on that date.

The Company has assessed that its insurance contracts do not contain any significant financing component and/or the period between the provision of services and the premium due date does not exceed one year. Therefore, the Company does not adjust the carrying amount of the liability for remaining coverage to reflect the time value of money and the effects of financial risk.

If facts and circumstances indicate that an insurance contract issued is onerous at initial recognition, the Company performs further analysis to assess whether the total cash flows arising from the contract as of the initial recognition date result in a net outflow. If so, the Company classifies the contract separately as part of a group of onerous contracts, distinct from groups of non-onerous contracts, and recognises a loss in profit or loss for the net outflow. As a result, the carrying amount of the liability for the group of onerous contracts equals the fulfillment cash flows.

Insurance acquisition cash flows

Insurance acquisition cash flows arise from selling, underwriting, and initiating a group of insurance contracts (whether issued or expected to be issued) that are directly attributable to the portfolio of insurance contracts to which the group belongs. These cash flows include those not directly attributable to individual contracts or groups of contracts within the portfolio.

The Company allocates insurance acquisition cash flows to groups of insurance contracts using a systematic and rational method. These amounts are amortised and recognised as expenses over the coverage period of the related insurance contracts.

The Company recognises the insurance acquisition cash flows of a group of insurance contracts as a deduction from the liability for remaining coverage.

(b) Reinsurance contracts held - initial measurement

The Company measures the reinsurance asset for a group of reinsurance contracts held using the Premium Allocation Approach, in the same manner as for insurance contracts issued. However, the measurement is adjusted to reflect the terms and conditions specific to reinsurance contracts held, which differ from those of insurance contracts issued, such as presenting ceded premium discounts are presented as deductions from expenses instead of recognising them as revenue.

In addition, the Company incorporates the impact of the risk of non-performance by the reinsurer into the estimation of the value of the group of reinsurance contracts held.

If the Company recognises a loss on initial recognition of a group of onerous underlying insurance contracts, or if onerous underlying contracts are subsequently added to a group of reinsurance

contracts held, the Company recognises a loss-recovery component of the reinsurance asset for the group of reinsurance contracts held, to reflect the expected recovery of the loss.

The Company calculates the loss-recovery component by multiplying the loss recognised on the underlying insurance contracts by the percentage of claims from those contracts that the Company expects to recover under the group of reinsurance contracts held. The Company applies a systematic and rational method to determine the portion of the loss recognised on the group of insurance contracts that is covered by the reinsurance contracts held. The loss-recovery component is used to adjust the carrying amount of the reinsurance asset for the liability for remaining coverage.

The risk adjustment for non-financial risk in reinsurance contracts held reflects the value of risk transferred from the Company to the reinsurer.

(c) *Insurance contracts issued - subsequent measurement*

Liability for remaining coverage (LRC)

The Company measures the carrying amount of the liability for remaining coverage at the end of the reporting period based on the carrying amount at the beginning of the period, adjusted for the following:

- Increased by premiums received during the period and the amount of amortisation of insurance acquisition cash flows recognised as expenses in the period; and
- Decreased by insurance acquisition cash flows and the amount of insurance revenue recognised for services provided during the period.

If, during the coverage period, facts and circumstances indicate that a group of insurance contracts has become onerous, the Company calculates the difference between the carrying amount of the liability for remaining coverage and the fulfillment cash flows related to the remaining coverage. If the fulfillment cash flows exceed the carrying amount, the Company recognises a loss in statement of income and increases the liability for remaining coverage. The calculation of the fulfillment cash flows includes a risk adjustment for non-financial risk and an adjustment to reflect the time value of money.

Liability for incurred claims (LIC)

The Company measures the liability for incurred claims for a group of insurance contracts based on the fulfillment cash flows related to those incurred claims. The fulfillment cash flows comprise:

- Estimates of future cash flow (FCF) relating to claims that have been incurred and reported, as well as those incurred but not reported (IBNR), including related expenses such as directly attributable administrative and claim handling cost that fall within the scope of the insurance

contract. In making these estimates, the Company applies actuarial techniques combined with management judgment to estimate the amounts expected to be paid within the boundary of existing contracts using claim development models derived from historical data on reported claims and other relevant internal and external sources. Historical data is regularly updated to reflect current conditions

- An adjustment to reflect the time value of money and the financial risks related to the future.

The Company adjusts the estimated future cash flows for incurred claims to reflect the time value of money and the associated financial risks.

Discount rate

The discount rate used in the estimation of future cash flows is a rate that reflects the time value of money, the nature of the cash flow, and the liquidity characteristics of the insurance contract.

The Company adopted a bottom-up approach to derive the discount rates applied to its insurance contracts based on the risk-free rates with an illiquidity adjustment to reflect the illiquid nature of insurance contract liabilities, if such adjustment has a significant impact.

Risk adjustment for non-financial risk

The Company adjusts present value of the future cash flows with the risk adjustment to reflect an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount.

The Company determines the non-financial risk adjustment using a Confidence Level Approach, employing Provisions for Adverse Deviations (PADs) calculated from the distribution of non-financial risks and the correlation assumptions among these risks. The Company will adjust the best estimate with the provisions for adverse deviations, and this risk adjustment will be calculated on a contract-by-contract basis.

The Company establishes a confidence level for the probability distribution of the present value estimates of future cash flows from insurance contracts used in calculating the non-financial risk adjustment. This assessment is conducted at the corporate level, considering the value of risks at a confidence level exceeding the 75th percentile (target confidence level) above the estimated present value of future cash flows. Furthermore, the Company calculates the confidence level based on potential losses that may occur within one year.

(d) *Reinsurance contracts held - subsequent measurement*

The subsequent measurement of reinsurance contracts held is based on the same principles as the measurement of issued insurance contracts, adjusted to reflect the specific terms, conditions, and characteristics of the reinsurance contracts held.

After the Company has determined the components of the expected loss recovery, the Company must adjust these components to reflect any changes in the loss components of the group of onerous underlying insurance contracts. The carrying amount of the recoverable loss component shall not exceed the portion of the carrying amount of the loss component of the group of onerous underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held.

6. *Presentation*

The Company has presented separately in the statement of financial position the carrying amount of portfolios of insurance contracts that are assets and those that are liabilities, and the portfolios of reinsurance contracts held that are assets and those that are liabilities.

The Company disaggregates, in the statement of profit or loss and other comprehensive income, the amounts recognised into an insurance service result, which comprises insurance revenue and insurance service expenses, and the net insurance finance income or expenses, which is presented separately from the insurance service result.

The Company includes any assets for insurance acquisition cash flows recognised before the corresponding groups of insurance contracts are recognised in the carrying amount of the related portfolios of insurance contracts issued.

The Company does not disaggregate the change in risk adjustment for non-financial risk between a financial and non-financial portion. It includes the entire change as part of the insurance service result.

Insurance revenue

The Company recognises insurance revenue for the period based on the passage of time by allocating expected premium receipts including premium experience adjustments to each period of service excluding amounts relating to investment components that are not considered part of insurance revenue.

Insurance service expenses

Insurance service expenses arising from groups of insurance contracts issued are recognised in profit or loss as they are incurred. They exclude repayments of investment components and comprise the following items:

- Incurred claims and other insurance service expenses
- Amortisation of insurance acquisition cash flows
- Change that related to past services which are change in the fulfilment cash flows for incurred claims not from time value of money and financial risk
- Losses on onerous contracts and reversals of such losses.

Income or expenses from reinsurance contracts held

The Company presents income or expenses from a group of reinsurance contracts held and reinsurance finance income or expenses in profit or loss for the period separately.

Income or expenses from reinsurance contracts held are split into the following two amounts:

- Amount recovered from reinsurers, which include cash flows that are contingent on claims as part of the amount recovered from reinsurers.
- An allocation of the premiums paid to reinsurers.

Ceding commissions that are not contingent on claims of the underlying contracts are presented as a deduction in the premiums to be paid to the reinsurer which is then allocated to profit or loss.

For reinsurance contract measured under the premium allocation approach. Net incomes or expenses from reinsurance contracts recognised in a period is the amount of expected premium paid allocated to the period.

For a group of reinsurance contracts covering onerous underlying contracts, the company establishes a loss-recovery component of the asset for remaining coverage to depict the recovery of losses recognised:

- on recognition of onerous underlying contracts, if the reinsurance contract covering those contracts is entered into before or at the same time as those contracts are recognised; and
- for changes in fulfilment cash flows of the group of reinsurance contracts relating to future services that result from changes in fulfilment cash flows of the onerous underlying contracts.

The loss-recovery component determines the amounts that are subsequently presented in profit or loss as reversals of recoveries of losses from the reinsurance contracts and are excluded from the allocation of reinsurance premiums paid. It is adjusted to reflect changes in the loss component of the onerous group of underlying contracts, but it cannot exceed the portion of the loss component of the onerous group of underlying contracts that the Company expects to recover from the reinsurance contracts.

Insurance finance income or expenses

Insurance finance income or expenses present the effect of the time value of money and the change in the time value of money, together with the effect of financial risk and changes in financial risk of a group of insurance contracts and a group of reinsurance contracts held.

The Company has elected to recognise all insurance finance income and expense for the period through profit or loss.

(c) Financial instruments**1. Classification and measurement**

On initial recognition, a financial asset is classified 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 Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A debt security is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit or loss;

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity security that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in other comprehensive income on an investment-by-investment basis.

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. Remeasurement 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. Dividend income is recognised as income in profit or loss on the date on which the Company's right to receive payment 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.

Financial assets in foreign currencies are translated to the respective functional currencies at exchange rates at the dates of the transactions, and the balance at the end of reporting period are translated at the exchange rate at the reporting date. Foreign currency differences are generally recognised in profit or loss, except for differences arising from the translation of an investment in equity securities designated 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), and qualifying cash flow hedges to the extent the hedge is effective, are recognised in other comprehensive income.

2. *Derecognition and offset*

The Company 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 and it does not retain control of the financial asset.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

3. *Impairment of financial assets other than other accounts receivables*

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

The Company 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.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. For debt securities at FVOCI, the Company recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

ECLs for investments in debt securities

Probabilities of default (PD) and loss given default (LGD) for investment in debt securities are based on historical data supplied by rating agency for each credit rating.

The Company considers debt securities to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'.

The Company assumes that the credit risk on debt securities has increased significantly if there is significant deterioration in debt securities' credit rating.

The Company considers debt securities to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full; or
- the debt securities are more than 1 day past due.

The assessment of a significant increase in credit risk is performed on an instrument basis and individual basis.

4. *Write offs*

The gross carrying amount of a financial asset is written off when the Company 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.

5. *Interest*

Interest income and expense are 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.

6. *Dividend income*

Dividend income is recognised as revenue when the right to receive the dividend is established.

7. *Gain (loss) on financial instruments*

Gain (loss) on disposal or write off of debt instruments designated to be measured at fair value through profit or loss, debt instruments measured at fair value through other comprehensive income, and debt instruments measured at amortised cost, are recognised as gain or loss on the transaction date.

8. *Fair value gain (loss) on financial instruments*

Fair value gain (loss) on financial instruments consists of gain (loss) from exchange rate and fair value gain (loss) from the change in fair value of debt instruments designated to be measured at fair value through profit or loss and derivatives. These are recognised as income or expenses in profit or loss on the fair value measurement dates.

(d) *Cash and cash equivalents*

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

(e) *Loans and interest receivables and allowance for expected credit losses*

Loans and interest receivables are presented at the net amount expected to be received. The Company establishes an allowance for expected credit losses using a general approach, which involves considering expected losses over the lifetime of the loan.

The allowance for expected credit losses that is increased or decreased during the year is recorded as an expense in the profit or loss.

(f) *Property, plant and equipment*

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

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

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

Land and construction in progress were not depreciated.

(g) *Intangible assets*

Intangible assets are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any).

Amortisation of intangible assets is calculated by reference to their costs on a straight-line basis over the following estimated useful lives.

Computer software	5 years
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(h) *Non-operation assets*

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

Depreciation of non-operation assets is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Building	20 years
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(i) *Investment property*

Investment property is initially recorded at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 20 years.

Depreciation of the investment property is charged as expense to profit or loss.

The Company recognises the difference between the net disposal proceeds and the carrying amount of the asset in statement of profit or loss in the period when the investment property is derecognised.

(j) *Impairment of non-financial assets*

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

An impairment loss is recognised in the profit or loss.

(k) *Employee benefits*

Short-term benefit

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

Post-employment benefits (Defined contribution plan)

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

Post-employment benefits (Defined benefit plan)

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law.

The Company's obligation under the defined benefit plan is to use the projected unit credit method, determined by the certified actuary. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rates

Actuarial gains and losses arising from post-employment benefits are recognised in the other comprehensive income. Actuarial gains and losses for other long-term benefits are recognised in the profit or loss.

(l) Provisions

A provision is recognised when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. A provision is reviewed at the statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

(m) Operating Expense

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

(n) Income tax

Income tax consists of current income tax and deferred income tax

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

(b) Deferred tax

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

(2) The Company recognises deferred tax liabilities for taxable temporary differences and recognises deferred tax assets by comparing with the deductible temporary differences and tax losses carried

forward. The Company recognises deferred tax assets to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

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

(o) *Earnings (loss) per share*

Earnings (loss) per share is determined by dividing earnings (loss) for the year by the weighted average number of ordinary shares outstanding during the year.

(p) *Significant accounting judgements and estimates*

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

(a) Separation of non-insurance components from insurance contracts

The Company issues some insurance contracts that have several elements in addition to the provision of coverage services. Some of these elements may need to be separated and accounted for by applying other standards or remaining within the scope of the insurance financial reporting standard. This assessment is primarily based on the legal, economic, and substantive nature of the contract.

(b) Determination of the contract boundary

The measurement of a Group of insurance contracts includes all the future cash flows arising within the contract boundary. In determining which cash flows fall within a contract boundary, the Company considers its substantive rights and obligations arising from the terms of the contract, from applicable law, regulation and customary business practices.

(c) Level of aggregation

The Company applies judgment when distinguishing between contracts that have no significant possibility of becoming onerous and other profitable contracts to separate from the Group of contracts

expected to be onerous, this consideration is crucial in determining the structure of the contract groups under the requirements of TFRS 17.

(d) Assessment of directly attributable cash flows

The Company uses judgment in assessing whether cash flows are directly attributable to a specific portfolio of insurance contracts. Insurance acquisition cash flows are included in the measurement of a Group of insurance contracts only if they are directly attributable to the individual contracts in a Group, or to the Group itself, or the portfolio of insurance contracts to which the Group belongs. When estimating fulfilment cash flows, the company also allocates fixed and variable overheads fulfilment cash flows directly attributable to the fulfilment of insurance contracts. This consideration affects the measurement of cash flows in the Group of insurance contracts in accordance with the requirements of TFRS 17.

(e) Assessment of the PAA eligibility

The Company exercises judgment in determining which groups of insurance contracts qualify to apply the premium allocation approach (PAA) instead of the general measurement model (GMM). This assessment is particularly important for contracts with coverage periods longer than one year, which may be eligible for exemption from the GMM if it is reasonably expected that the results under the PAA would not differ materially from those under the GMM at the initial recognition date. To ensure compliance with the eligibility criteria specified in the standard.

(f) Level of aggregation for determining the risk adjustment for non-financial risk

TFRS 17 does not define the level at which the risk adjustment for non-financial risk should be determined. The Company considers that the benefits of diversification occur at an issuing entity level and therefore determines the risk adjustment for non-financial risk at that level. The diversification benefit is then allocated to all groups of insurance contracts for which it has been considered in aggregate. The determination of the risk adjustment is performed at that level and allocated appropriately to each group of insurance contracts to fully reflect the uncertainty of future cash flows arising from obligations under the contracts. Thai Financial Reporting Standard No. 17 establishes general principles for determining coverage units for the recognition of insurance service revenue. The Company exercises judgment in selecting an appropriate method that reflects the nature of its products and portfolios.

(g) Determination of coverage units

TFRS 17 establishes general principles for determining coverage units for the recognition of insurance service revenue. The Company exercises judgment in selecting an appropriate method that reflects the nature of its products and portfolios.

This consideration includes evaluating the probability of insured events, the level of benefits that policyholders will receive during each period of coverage, and the nature of services provided under the scope of the contract.

(h) Allowance for expected credit losses of financial assets

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

(i) Fair value of financial instruments

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

(j) Property, plant and equipment, non-operating assets, intangible assets, and investment property

Management determines the estimated useful lives and residual values for property, plant and equipment, non-operating assets, intangible assets, and investment property.

Additionally, management will revise the depreciation charge where useful lives and residual values are different from previous estimates or will write off or write down assets that are obsolete, abandoned, or sold. Furthermore, management is required to review these assets for impairment periodically and record impairment losses when the recoverable amount is lower than the carrying amount. This requires significant judgment regarding the forecast of future revenues and expenses relating to the assets under review.

(k) Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The Company considers future taxable income and ongoing prudent and feasible tax planning strategies in assessing whether to recognise deferred tax assets. The Company's assumptions regarding future profitability and the anticipated timing of utilisation of deductible temporary differences and significant changes in these

assumptions from year to year may have a material impact on the Company's reported financial position and results of operations.

(l) Employee benefits obligations

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

(m) Litigation

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

4. Insurance contract liabilities and Insurance contract assets

4.1 Components of the statement of financial position

The analysis of the amounts presented in the statement of financial position relating to insurance contracts, based on engagement judgment, is shown in the table below:

	Thousand Baht					
	2025					
	Fire	Marine	Motor	Personal accident	Miscellaneous	Total
Insurance contract liabilities						
- Insurance contract liabilities excluding items that arise before the recognition of a group of insurance contracts	51,325	3,539	199,182	128	13,440	267,614
Reinsurance contract assets	16,522	866	11,096	-	10,660	39,144
Reinsurance contract liabilities	11,624	-	-	38	-	11,662

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	Thousand Baht					
	2024					
	Fire	Marine	Motor	Personal accident	Miscellaneous	Total
Insurance contract liabilities						
- Insurance contract liabilities excluding items that arise before the recognition of a group of insurance contracts	44,031	2,110	223,342	163	4,318	273,964
Reinsurance contract assets	12,775	230	13,592	-	2,473	29,070
Reinsurance contract liabilities	15,616	-	-	72	-	15,688

4.2 Revenues and expenses from insurance service**4.2.1 Insurance revenue and insurance service result**

Insurance revenue, insurance service expenses, and net expenses from reinsurance contracts held along with additional details on amounts recognised in profit or loss and other comprehensive income, as well as the reconciliation of insurance contract balances for the years ended 31 December 2025 and 2024, are presented as follows:

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	Thousand Baht					
	2025					
	Fire	Marine	Motor	Personal accident	Miscellane ous	Total
Insurance revenue						
Insurance revenue from contracts measured under the PAA	122,955	10,025	308,427	563	3,132	445,102
Total insurance revenue	122,955	10,025	308,427	563	3,132	445,102
Insurance service expenses						
Incurred claims and other directly attributable expenses	(48,968)	(2,768)	(114,438)	(168)	(10,799)	(177,141)
Changes that relate to past service - changes in the FCF relating to the LIC	4,910	772	44,534	93	1,288	51,597
Losses on onerous contracts and reversal of those losses	(5,254)	-	(30,003)	-	(141)	(35,398)
Amortisation of insurance acquisition cash flows	(65,944)	(4,664)	(142,305)	(282)	(1,510)	(214,705)
Total insurance service expenses	(115,256)	(6,660)	(242,212)	(357)	(11,162)	(375,647)
Net income (expenses) from reinsurance contracts held						
Reinsurance expenses - contracts measured under the PAA	(36,249)	(2,791)	(13,247)	(145)	(6,665)	(59,097)
Effect of changes in the risk of reinsurers non-performance	1	-	-	-	(1)	-
Incurred claims recovery	34,502	2,670	8,615	76	9,453	55,316
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	(8,592)	(996)	(3,017)	(40)	(514)	(13,159)
Income on initial recognition of onerous underlying contracts	3,175	-	2,430	-	74	5,679
Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held	(2,960)	-	(2,794)	-	(74)	(5,828)
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	(2)	-	(833)	-	17	(818)
Total net expenses from reinsurance contracts held	(10,125)	(1,117)	(8,846)	(109)	2,290	(17,907)
Total insurance service result	(2,426)	2,248	57,369	97	(5,740)	51,548

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Thousand Baht

	2024					
	Fire	Marine	Motor	Personal accident	Miscellan- eous	Total
Insurance revenue						
Insurance revenue from contracts measured under the PAA	119,754	10,988	209,489	525	3,359	344,115
Total insurance revenue	119,754	10,988	209,489	525	3,359	344,115
Insurance service expenses						
Incurred claims and other directly attributable expenses	(33,793)	(2,023)	(110,935)	(156)	(1,895)	(148,802)
Changes that relate to past service - changes in the FCF relating to the LIC	8,426	2,066	32,512	78	3,577	46,659
Losses on onerous contracts and reversal of those losses	(1,191)	-	(45,117)	1	(39)	(46,346)
Amortisation of insurance acquisition cash flows	(59,572)	(4,521)	(85,949)	(247)	(1,353)	(151,642)
Total insurance service expenses	(86,130)	(4,478)	(209,489)	(324)	290	(300,131)
Net income (expenses) from reinsurance contracts held						
Reinsurance expenses - contracts measured under the PAA	(34,524)	(3,456)	(8,906)	(135)	(5,503)	(52,524)
Incurred claims recovery	19,051	996	6,147	45	1,128	27,367
Changes that relate to past service – changes in the FCF relating to incurred claims recovery	(3,918)	(828)	(3,521)	(26)	(2,744)	(11,037)
Income on initial recognition of onerous underlying contracts	-	-	1,376	1	3	1,380
Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held	-	-	(1,120)	(1)	(2)	(1,123)
Changes in the FCF of reinsurance contracts held from onerous underlying contracts	714	-	955	(2)	18	1,685
Total net expenses from reinsurance contracts held	(18,677)	(3,288)	(5,069)	(118)	(7,100)	(34,252)
Total insurance service result	14,947	3,222	(5,069)	83	(3,451)	9,732

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4.3 Contracts measured under the PAA

4.3.1 Insurance contracts issued

4.3.2.1 Reconciliation of liabilities for remaining coverage and incurred claims

Insurance contracts issued	Thousand Baht				
	2025				
	Liabilities for remaining coverage		Liability for incurred claims for the group of contracts under PAA		
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract liabilities	94,630	34,127	128,496	16,711	273,964
Insurance revenue	(445,102)	-	-	-	(445,102)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	(58,602)	219,289	16,454	177,141
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(39,700)	(11,897)	(51,597)
Loss on onerous contracts and reversal of those losses	-	35,398	-	-	35,398
Insurance acquisition cash flows amortisation	214,705	-	-	-	214,705
Insurance service expenses	214,705	(23,204)	179,589	4,557	375,647
Insurance service result	(230,397)	(23,204)	179,589	4,557	(69,455)
Finance expenses from insurance contracts issued	-	-	3,117	430	3,547
Total amounts recognised in comprehensive income	(230,397)	(23,204)	182,706	4,987	(65,908)
Cash flows					
Premiums received	404,371	-	-	-	404,371
Claims and other directly attributable expenses paid	-	-	(150,751)	-	(150,751)
Insurance acquisition cash flows	(194,062)	-	-	-	(194,062)
Total cash flows	210,309	-	(150,751)	-	(59,558)
Closing insurance contract liabilities	74,542	10,923	160,451	21,698	267,614

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Insurance contracts issued	Thousand Baht				
	2024				
	Liabilities for remaining coverage		Liability for incurred claims for the group of contracts under PAA		
	Excluding loss component	Loss component	Present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening insurance contract liabilities	62,610	9,630	105,817	14,172	192,229
Insurance revenue	(344,115)	-	-	-	(344,115)
Insurance service expenses					
Incurred claims and other directly attributable expenses	-	(21,849)	158,931	11,720	148,802
Changes that relate to past service – changes in the FCF relating to the LIC	-	-	(37,092)	(9,567)	(46,659)
Loss on onerous contracts and reversal of those losses	-	46,346	-	-	46,346
Insurance acquisition cash flows amortisation	151,642	-	-	-	151,642
Insurance service expenses	151,642	24,497	121,839	2,153	300,131
Insurance service result	(192,473)	24,497	121,839	2,153	(43,984)
Finance expenses from insurance contracts issued	-	-	2,929	386	3,315
Total amounts recognised in comprehensive income	(192,473)	24,497	124,768	2,539	(40,669)
Cash flows					
Premiums received	422,048	-	-	-	422,048
Claims and other directly attributable expenses paid	-	-	(102,089)	-	(102,089)
Insurance acquisition cash flows	(197,555)	-	-	-	(197,555)
Total cash flows	224,493	-	(102,089)	-	122,404
Closing insurance contract liabilities	94,630	34,127	128,496	16,711	273,964

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4.3.2 Reinsurance contracts issued

4.3.2.1 Reconciliation for remaining coverage and incurred claims

Reinsurance contracts held	Thousand Baht				
	2025				
	Remaining coverage		Incurred claims for the group of contracts under PAA		
	Excluding loss component recovery	Loss component recovery	Present value of future cash flows	Risk adjustment for non-financial risk	Total
Opening reinsurance contract assets	2,670	2,426	21,390	2,584	29,070
Opening reinsurance contract liabilities	(26,705)	-	10,431	586	(15,688)
Net opening balance	(24,035)	2,426	31,821	3,170	13,382
Net income (expenses) from reinsurance contracts held					
Reinsurance expenses	(59,097)	-	-	-	(59,097)
Incurred claims recovery	-	-	49,833	5,483	55,316
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(10,688)	(2,471)	(13,159)
Income on the initial recognition of the onerous underlying contract	-	5,679	-	-	5,679
Reversal of a loss recovery component other than changes in the FCF of reinsurance contracts held	-	(5,828)	-	-	(5,828)
Changes in the FCF of reinsurance contracts held relating to underlying onerous insurance contracts	-	(818)	-	-	(818)
Net income (expenses) from reinsurance contracts held	(59,097)	(967)	39,145	3,012	(17,907)
Finance income (expenses) from reinsurance contracts held	-	-	772	103	875
Total amounts recognised in comprehensive income	(59,097)	(967)	39,917	3,115	(17,032)
Cash flows					
Net insurance premium paid and other directly attributable expenses regarding reinsurance	66,191	-	-	-	66,191
Recoveries from reinsurance	-	-	(35,059)	-	(35,059)
Total cash flows	66,191	-	(35,059)	-	31,132
Closing reinsurance contract assets	6,192	1,460	26,704	4,788	39,144
Closing reinsurance contract liabilities	(23,134)	-	9,976	1,496	(11,662)
Net closing balance	(16,942)	1,460	36,680	6,284	27,482

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Reinsurance contracts held	Thousand Baht				
	2024				
	Remaining coverage		Incurred claims for the group of contracts under PAA		
	Excluding loss component	Loss component	Risk adjustment		
	recovery	recovery	Present value of future cash flows	for non-financial risk	Total
Opening reinsurance contract assets	5,314	483	20,928	3,641	30,366
Opening reinsurance contract liabilities	(23,930)	1	8,465	645	(14,819)
Net opening balance	(18,616)	484	29,393	4,286	15,547
Net income (expenses) from reinsurance contracts held					
Reinsurance expenses	(52,524)	-	-	-	(52,524)
Incurred claims recovery	-	-	25,102	2,265	27,367
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(7,552)	(3,485)	(11,037)
Income on the initial recognition of the onerous underlying contract	-	1,380	-	-	1,380
Reversal of a loss recovery component other than changes in the FCF of reinsurance contracts held	-	(1,123)	-	-	(1,123)
Changes in the FCF of reinsurance contracts held relating to underlying onerous insurance contracts	-	1,685	-	-	1,685
Net income (expenses) from reinsurance contracts held	(52,524)	1,942	17,550	(1,220)	(34,252)
Finance income (expenses) from reinsurance contracts held	-	-	737	104	841
Total amounts recognised in comprehensive income	(52,524)	1,942	18,287	(1,116)	(33,411)
Cash flows					
Net insurance premium paid and other directly attributable expenses regarding reinsurance	47,104	-	-	-	47,104
Recoveries from reinsurance	-	-	(15,858)	-	(15,858)
Total cash flows	47,104	-	(15,858)	-	31,246
Closing reinsurance contract assets	2,670	2,426	21,390	2,584	29,070
Closing reinsurance contract liabilities	(26,705)	-	10,431	586	(15,688)
Net closing balance	(24,035)	2,426	31,821	3,170	13,382

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4.4 Claims development table

4.4.1 Gross claims development tables

Claims payments compared with the previously estimated undiscounted amounts of expected claims, based on the gross claims development tables as at 31 December 2025 and 2024.

	Thousand Baht						
	Underwriting year/Accident year						
	2020	2021	2022	2023	2024	2025	Total
Estimate of claims:							
At end of accident year	131,607	91,899	161,967	142,345	128,532	186,670	
One year later	121,491	88,699	177,514	136,922	143,278		
Two years later	103,795	82,254	156,262	112,424			
Three years later	103,090	89,454	155,660				
Four years later	111,460	89,489					
Five years later	111,493						
Estimate of ultimate claims	111,636	89,599	156,146	112,598	145,124	224,711	
Cumulative claim payment and related direct expenses	(111,460)	(89,438)	(152,616)	(109,238)	(112,334)	(104,467)	
Total cumulative gross loss reserves - accident years 2020 to 2025	176	161	3,530	3,360	32,790	120,244	160,261
Total cumulative gross loss reserve - before accident year 2020							1,050
Impact of discount rate							(972)
Risk adjustment for non-financial risk							21,810
Liabilities for incurred claims							182,149

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	Thousand Baht						
	Underwriting year/Accident year						
	2019	2020	2021	2022	2023	2024	Total
Estimate of claims:							
At end of accident year	171,147	131,607	91,899	161,967	142,345	128,532	
One year later	175,521	121,491	88,699	177,514	136,922		
Two years later	163,013	103,795	82,254	156,262			
Three years later	158,763	103,090	89,454				
Four years later	119,920	111,460					
Five years later	149,662						
Estimate of ultimate claims	149,877	111,675	89,598	156,620	137,971	162,157	
Cumulative claim payment and related direct expenses	(148,877)	(111,461)	(89,374)	(152,329)	(106,993)	(69,226)	
Total cumulative gross loss reserves - accident years 2019 to 2024	1,000	214	224	4,291	30,978	92,931	129,638
Total cumulative gross loss reserve - before accident year 2019							43
Impact of discount rate							(1,334)
Risk adjustment for non-financial risk							16,860
Liabilities for incurred claims							145,207

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4.4.2 Net claims development tables

Claims payments compared with the previously estimated undiscounted amounts of expected claims, based on the net claims development tables as at 31 December 2025 and 2024.

	Thousand Baht						
	Underwriting year/Accident year						
	2020	2021	2022	2023	2024	2025	Total
Estimate of claims:							
At end of accident year	113,890	72,440	143,572	119,837	113,517	155,155	
One year later	106,692	71,573	159,754	121,440	126,507		
Two years later	88,618	65,553	136,542	98,335			
Three years later	87,987	62,954	135,993				
Four years later	82,853	62,974					
Five years later	82,885						
Estimate of ultimate claims	83,028	63,085	136,256	98,509	127,680	182,030	
Cumulative claim payment and related direct expenses	(82,855)	(62,937)	(134,517)	(95,809)	(97,665)	(93,356)	
Total cumulative net loss reserves - accident years 2020 to 2025	173	148	1,739	2,700	30,015	88,674	123,449
Total cumulative net loss reserve - before accident year 2020							1,006
Impact of discount rate							(768)
Risk adjustment for non-financial risk							15,498
Liabilities for incurred claims							139,185

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	Thousand Baht						
	Underwriting year/Accident year						
	2019	2020	2021	2022	2023	2024	Total
Estimate of claims:							
At end of accident year	133,884	113,890	72,440	143,572	119,837	113,517	
One year later	136,394	106,692	71,573	159,754	121,440		
Two years later	123,514	88,618	65,553	136,542			
Three years later	116,872	87,987	62,954				
Four years later	111,412	82,853					
Five years later	115,540						
Estimate of ultimate claims	115,756	83,068	63,095	136,662	118,216	134,309	
Cumulative claim payment and related direct expenses	(114,806)	(82,882)	(62,907)	(134,446)	(94,178)	(64,296)	
Total cumulative net loss reserves - accident years 2019 to 2024	950	186	188	2,216	24,038	70,013	97,591
Total cumulative net loss reserve - before accident year 2019							44
Impact of discount rate							(1,089)
Risk adjustment for non-financial risk							13,669
Liabilities for incurred claims							110,215

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5. Cash and cash equivalents

	Thousand Baht	
	2025	2024
Cash on hand	180	186
Deposits at banks with no fixed maturity date	59,779	75,790
Deposits at banks with fixed maturity date	-	10,000
Total	59,959	85,976

6. Financial assets and liabilities

6.1 Classification of financial assets and liabilities

	Thousand Baht		
	2025		
	Equity instruments designed to be measured at FVOCI	Financial instruments measured at amortised cost	Total
Financial assets			
Cash and cash equivalents	-	59,959	59,959
Financial assets - debt instruments	-	265,752	265,752
Financial assets - equity instruments	191,979	-	191,979
Loans and accrued interest	-	2,712	2,712
Deposits at banks with maturity of more than 3 months	-	283,890	283,890
Total financial assets	191,979	612,313	804,292

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	Thousand Baht		
	2024		
	Equity instruments designed to be measured at FVOCI	Financial instruments measured at amortised cost	Total
Financial assets			
Cash and cash equivalents	-	85,976	85,976
Financial assets - debt instruments	-	286,842	286,842
Financial assets - equity instruments	172,982	-	172,982
Loans and accrued interest	-	3,470	3,470
Deposits at banks with maturity of more than 3 months	-	223,890	223,890
Total financial assets	172,982	600,178	773,160

On 29 November 2024, the Company received repayment for debentures in Thai Airways International Public Company Limited through a debt-to-equity conversion (Mandatory conversion) at a rate of 24.50% of the principal amount, at a conversion price of Baht 2.5452 per share. Consequently, the Company received a total of 3,369,086 common shares from the conversion, amounting to Baht 8.57 million. Accordingly, the Company reclassified the debentures amounting to Baht 8.57 million, previously recorded as part of private enterprise debt securities, to equity securities classified as investments measured at fair value through other comprehensive income. In addition, the Company reversed allowance for expected credit losses previously recognised on the converted portion by the same amount. For the remaining 75.50% of the principal amount, the Company has not exercised the option to convert the outstanding debentures into equity (Voluntary conversion).

6.2 Classified by type of financial assets

	Thousand Baht	
	2025	2024
Debt securities measured at amortised cost		
Government and state enterprise securities	6,200	11,200
Private enterprise debt securities	286,236	302,425
Deposits at financial institutions with maturities over three months	283,890	223,890
Total	576,326	537,515
Less allowance for expected credit losses	(26,684)	(26,783)
Net	549,642	510,732

6.3 Classified by stage of credit risk

	Thousand Baht		
	2025		
	Gross carrying value	Allowance for expected credit losses	Net carrying value
Debt securities which credit risk			
has not significantly increased (Stage 1)	549,901	(259)	549,642
Credit-impaired investments in debt securities (Stage 3)	26,425	(26,425)	-
Total	576,326	(26,684)	549,642

	Thousand Baht		
	2024		
	Gross carrying value	Allowance for expected credit losses	Net carrying value
Debt securities which credit risk			
has not significantly increased (Stage 1)	511,090	(358)	510,732
Credit-impaired investments in debt securities (Stage 3)	26,425	(26,425)	-
Total	537,515	(26,783)	510,732

6.4 Classified by remaining periods of debt instruments

As at 31 December 2025 and 2024, investments in debt securities, which are not debt instruments designated to be measured at fair value through profit or loss, are classified by remaining periods to maturity as follows:

	Thousand Baht			
	2025			
	1 year	1 - 5 years	Over 5 years	Total
Investments measured at amortised cost				
Government and state enterprise securities	200	6,000	-	6,200
Private enterprise debt securities	54,000	212,136	20,100	286,236
Deposits at banks with maturity of more than 3 months	283,890	-	-	283,890
Less Allowance for expected credit losses	(70)	(11,506)	(15,108)	(26,684)
Total	338,020	206,630	4,992	549,642

	Thousand Baht			
	2024			
	1 year	1 - 5 years	Over 5 years	Total
Investments measured at amortised cost				
Government and state enterprise securities	6,000	5,200	-	11,200
Private enterprise debt securities	94,000	184,550	23,875	302,425
Deposits at banks with maturity of more than 3 months	223,890	-	-	223,890
Less Allowance for expected credit losses	(179)	(7,714)	(18,890)	(26,783)
Total	323,711	182,036	4,985	510,732

6.5 Financial assets - Equity securities

	Thousand Baht	
	2025	2024
Equity instruments designated to be measured at fair value through other comprehensive income		
Government and state enterprise securities	7,567	7,458
Domestic equity securities	184,412	165,524
Total	191,979	172,982

6.6 Dividend income

	Thousand Baht			
	2025		2024	
	Dividend received		Dividend received	
	Fair value	during the year	Fair value	during the year
Equity instruments designated to be measured at fair value through other comprehensive income				
Common stocks	191,979	7,802	172,982	7,742
Total	191,979	7,802	172,982	7,742

6.7 Derecognition of equity securities

For the years ended 31 December 2025 and 2024, the Company disposed off its equity securities designated to be measured at fair value through other comprehensive income from the accounts. The Company therefore transferred the previous recognised changes in the fair value of these investments in other comprehensive income, to be recognised in retained earnings as follows:

	Thousand Baht			
	2025			
	Fair value at the derecognition date	Dividend received	Gains (losses) on revaluation previously recognised in other comprehensive income	
			comprehensive income	Reason for derecognition
Financial assets disposed of				
Common stocks	3,404	-	1,810	Sales
Total	3,404	-	1,810	

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	Thousand Baht			
	2024			
	Fair value at the derecognition date	Dividend received	Gain (losses) on revaluation previously recognised in other comprehensiv e income	Reason for derecognition
Financial assets disposed of				
Common stocks				
Total	-	-	-	

6.8 Investments subject to restriction

As at 31 December 2025 and 2024, the Company pledged bank deposit amounting to Baht 189.89 million and Baht 89.89 million, respectively, as collateral as stated in note 26.

7. Loans and interest receivables

As at 31 December 2025 and 2024, loans and interest receivables classified by stage of credit risk were as follows:

Classification	Thousand Baht		
	2025		
	Mortgage loans	Other loans	Total
Loans which credit risk has not significantly increased (Stage 1)	2,606	106	2,712
Total	2,606	106	2,712

Classification	Thousand Baht		
	2024		
	Mortgage loans	Other loans	Total
Loans which credit risk has not significantly increased (Stage 1)	3,242	228	3,470
Total	3,242	228	3,470

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7.1 The mortgage loans are loan facilities provided to employees and other person as part of the credit welfare project for houses with interest rate at MLR - 1% and MLR - 1.5% per annum.

7.2 The loans with surety are loans provided to employees and another person as part of the welfare program with an interest rate at MLR - 1.5% per annum.

8. Investment property

As at 31 December 2025 and 31 December 2024, investment property is land and building for rental.

	Thousand Baht		
	Land	Building	Total
Cost			
As at 1 January 2024	16,000	36,690	52,690
As at 31 December 2024	16,000	36,690	52,690
As at 31 December 2025	16,000	36,690	52,690
Accumulated depreciation			
As at 1 January 2024	-	36,690	36,690
As at 31 December 2024	-	36,690	36,690
As at 31 December 2025	-	36,690	36,690
Net book value			
As at 31 December 2024	16,000	-	16,000
As at 31 December 2025	16,000	-	16,000

On 30 November 2024, the Company transferred a part of land and building amounting to Baht 52.69 million, with net book value of Baht 16 million, which had been recorded as non-operating assets to building for rental and recorded as investment property since the Company changed the purpose of using such asset (see Note 10).

The fair value of the investment property as at 31 December 2025 and 2024 are stated below:

	Thousand Baht	
	2025	2024
Land	44,415	44,415
Building	14,671	15,173
As at 31 December	59,086	59,588

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The fair value of the above investment property has been determined based on valuation performed by an independent appraiser. The fair value of the office building held for rent has been determined using the cost approach, which estimated current replacement cost less accumulated depreciation and added with fair value of land.

9. Property, plant and equipment

	Thousand Baht					
	Land	Building	Fixture and office equipment	Vehicles	Assets under construction	Total
Cost						
As at 1 January 2024	41,549	80,536	4,308	10,611	-	137,004
Additions	-	-	229	-	1,480	1,709
Write off	-	-	(231)	-	-	(231)
Reclassification accounts to non-operating assets	(28,000)	(38,264)	-	-	-	(66,264)
As at 31 December 2024	13,549	42,272	4,306	10,611	1,480	72,218
Additions	-	-	400	-	370	770
Disposal	-	-	(4)	-	-	(4)
Write off	-	-	(244)	-	-	(244)
Transfer in (out)	-	1,850	-	-	(1,850)	-
As at 31 December 2025	13,549	44,122	4,458	10,611	-	72,740
Accumulated depreciation						
As at 1 January 2024	-	80,448	3,733	10,611	-	94,792
Depreciation for the year	-	25	210	-	-	235
Write off	-	-	(231)	-	-	(231)
Reclassification accounts to non-operating assets	-	(38,201)	-	-	-	(38,201)
As at 31 December 2024	-	42,272	3,712	10,611	-	56,595
Depreciation for the year	-	240	248	-	-	488
Disposal	-	-	(4)	-	-	(4)
Write off	-	-	(238)	-	-	(238)
As at 31 December 2025	-	42,512	3,718	10,611	-	56,841
Net book value						
As at 31 December 2024	13,549	-	594	-	1,480	15,623
As at 31 December 2025	13,549	1,610	740	-	-	15,899

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10. Non-operating assets

	Thousand Baht		
	Land	Building	Total
Cost			
As at 1 January 2024	-	-	-
Reclassification from property, plant and equipment	28,000	38,264	66,264
Reclassification to investment property	(16,000)	(36,690)	(52,690)
As at 31 December 2024	12,000	1,574	13,574
As at 31 December 2025	12,000	1,574	13,574
Accumulated depreciation			
As at 1 January 2024	-	-	-
Reclassification from property, plant and equipment	-	38,201	38,201
Reclassification to investment property	-	(36,690)	(36,690)
Depreciation for the year	-	53	53
As at 31 December 2024	-	1,564	1,564
Depreciation for the year	-	10	10
As at 31 December 2025	-	1,574	1,574
Net book value			
As at 31 December 2024	12,000	10	12,010
As at 31 December 2025	12,000	-	12,000

During 2024, the Company reclassified land and building, which were previously used as the branches, with a net book value as at the date of reclassification of Baht 28.06 million, to non-operating assets since the Company no longer utilises these assets.

On 30 November 2024, the Company transferred a part of land and building amounting to Baht 52.69 million, with net book value of Baht 16 million, which had been recorded as non-operating assets to building for rental and recorded as investment property since the Company changed the purpose of using such asset.

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11. Deferred tax asset / deferred tax liabilities / income tax expenses

As at 31 December 2025 and 2024, deferred tax assets and liabilities consist of the following items:

	Thousand Baht	
	2025	2024
Deferred tax assets		
Allowance for expected credit losses	5,378	5,397
Employee benefit obligations	1,206	1,662
Unrealised loss on equity instruments designated to be measured at fair value through other comprehensive income	-	1,790
Total	6,584	8,849
Deferred tax liabilities		
Unrealised gain on equity instruments designated to be measured at fair value through other comprehensive income	(2,311)	-
Insurance and reinsurance contracts	(10,685)	(11,165)
Total	(12,996)	(11,165)
Net	(6,412)	(2,316)

Income tax expenses for the years ended 31 December 2025 and 2024 are as follows:

	Thousand Baht	
	2025	2024
Current income tax	2,829	4,568
Deferred income tax	55	5,614
Income tax expenses	2,884	10,182

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Reconciliations between income tax expenses and accounting profit multiplied by the applicable tax rate for the years ended 31 December 2025 and 2024 are as follows:

	Thousand Baht	
	2025	2024
Profit before income tax	33,540	8,163
Income tax rate at 20%	6,708	1,633
Tax effect of exempted income and non-deductible expense	(1,588)	(1,592)
Reversal deferred tax income	362	10,141
Unrecognized temporary differences	(2,598)	-
Income tax expenses	2,884	10,182

12. Employee benefit obligations

	Thousand Baht	
	2025	2024
Defined benefit obligations as at 1 January	8,308	8,125
Recognised in profit (loss) for the year		
Current service cost	379	369
Interest cost	169	182
Benefits paid during the year	(3,280)	(594)
Recognised in other comprehensive income for the year		
Loss on remeasurement of employee benefit obligations	455	226
Defined benefit obligations as at 31 December	6,031	8,308

Actuarial assumptions used for calculation:

	2025	2024
Retirement age	60 years old	60 years old
Discount rate	1.69% per annum	2.30% per annum
Salary increase rate	3.00% per annum	3.00% per annum
Turnover rate	1.91% - 22.92% per annum	1.91% - 22.92% per annum
Mortality rate	According to Thai Mortality Rate of 2017	According to Thai Mortality Rate of 2017

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Remeasurements of employment benefit obligations recognised in other comprehensive income arising from:

Assumptions	Thousand Baht	
	2025	2024
Experience adjustments	217	92
Change in financial assumptions	238	134
Total	455	226

Sensitive analysis

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

	Benefit obligations		Benefit obligations	
	Assumption increase change (%)	in employee increase (decrease) (Thousand Baht)	Assumption decrease change (%)	in employee increase (decrease) (Thousand Baht)
As at 31 December 2025				
Discount rate	+1	(386)	-1	428
Future salary increases	+1	418	-1	(385)
Turnover rate	+20	(183)	-20	197
As at 31 December 2024				
Discount rate	+1	(374)	-1	414
Future salary increases	+1	407	-1	(375)
Turnover rate	+20	(175)	-20	187

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

13. Legal reserve

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

14. Net investment income

Net investment income for the years ended 31 December 2025 and 2024 are as follows:

	Thousand Baht	
	2025	2024
Interest incomes	13,128	13,385
Dividend received	7,802	7,742
Total	20,930	21,127

15. Expenses by nature

Expenses by nature for the years ended 31 December 2025 and 2024 are as follows:

	Thousand Baht	
	2025	2024
Personnel expenses	25,507	23,722
Premises and equipment expenses	7,368	6,875
Taxes and duties	2,729	2,846
Directors' remuneration	1,215	1,615
Professional fee expense	16,191	8,583
Other operating expenses	4,710	4,392
Total other operating expenses before allocation	57,720	48,033
<i>Less Amount attributed to insurance acquisition cash flows</i>		
<i>incurred during the year</i>	<i>(18,817)</i>	<i>(17,392)</i>
Total expenses by nature, presented as other operating expenses after allocation	38,903	30,641

16. Reversal of expected credit losses

Reversal of expected credit losses for the years ended 31 December 2025 and 2024 are as follows:

	Thousand Baht	
	2025	2024
Financial assets	99	8,562
Other assets	(1)	(599)
Total	98	7,963

Benefits paid to directors and key management

Directors' remuneration is the benefit paid to the Company's directors in accordance with Section 90 of the Public Company Limited Act B.E. 2535 (1992) excluding salaries and related benefits to be paid to executive directors.

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

Directors' remuneration and management benefit expenses for the years ended 31 December 2025 and 2024 are presented as follows.

	Thousand Baht	
	2025	2024
Short-term benefits	14,948	14,256
Long-term benefits	459	312
Total	15,407	14,568

17. Risks of non-life insurance business

18.1 Insurance risk

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

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

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

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

Thousand Baht						
	2025			2024		
	Insurance contract liabilities	Reinsurance contract assets - net	Net	Insurance contract liabilities	Reinsurance contract assets - net	Net
Fire	51,325	(4,898)	46,427	44,031	2,841	46,872
Marine and transportation	3,539	(866)	2,673	2,110	(230)	1,880
Motor	199,182	(11,096)	188,086	223,342	(13,592)	209,750
Personal accident	128	38	166	163	72	235
Miscellaneous	13,440	(10,660)	2,780	4,318	(2,473)	1,845
Total	267,614	(27,482)	240,132	273,964	(13,382)	260,582

Sensitivity testing is an analysis of the extent to which insurance liabilities risk will increase or decrease due to changes in the assumptions used in the calculation. This will affect both gross claim expenses and net claim expenses and the risk may be the result of the frequency and severity of the losses or expenses used in determining the claims not being as expected.

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The impact of changes in the assumptions used in the calculation on the reserve for claims before and after reinsurance as at 31 December 2025 and 2024 can be shown as follows.

Thousand Baht				
2025				
	Assumption change	Insurance contract liabilities	Reinsurance contract assets	Profit (loss) before income tax
Ultimate loss ratio	+1%	1,359	1,032	(1,032)
	-1%	(1,359)	(1,042)	1,042
ULAE Ratio	+1%	995	990	(990)
	-1%	(995)	(1,000)	1,000
Thousand Baht				
2024				
	Assumption change	Insurance contract liabilities	Reinsurance contract assets	Profit (loss) before income tax
Ultimate loss ratio	+1%	1,183	845	(845)
	-1%	(1,183)	(856)	856
ULAE Ratio	+1%	874	869	(869)
	-1%	(874)	(879)	879

18.2 Financial instruments and risk management

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

(a) Credit risk

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

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

Credit risk arising from collection of premium receivables

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

Credit risk arising from reinsurance

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

Credit risk arising from investments

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

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

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

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

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

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

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

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

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

Thousand Baht					
2025					
	Financial assets with no significant increase in credit risk (12-month ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets that applied simplified approach to calculate expected credit losses (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	59,959	-	-	-	59,959
Allowance for expected credit losses	-	-	-	-	-
Accrued investment income					
Investment grade	3,229	-	-	-	3,229
credit losses	-	-	-	-	-
Investments measured at amortised cost					
Investment grade	549,901	-	-	-	549,901
Non-investment grade	-	-	26,425	-	26,425
Allowance for expected credit losses	(259)	-	(26,425)	-	(26,684)

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Thousand Baht					
2024					
	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets that applied simplified approach to calculate expected credit losses (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	85,976	-	-	-	85,976
Allowance for expected credit losses	-	-	-	-	-
Accrued investment income					
Investment grade	3,469	-	-	-	3,469
Allowance for expected credit losses	-	-	-	-	-
Investments measured at amortised cost					
Investment grade	511,090	-	-	-	511,090
Non-investment grade	-	-	26,425	-	26,425
Allowance for expected credit losses	(358)	-	(26,425)	-	(26,783)

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The table below shows the movement in the allowance for expected credit losses for the year ended 31 December 2025.

	Thousand Baht			
	2025			
	Financial assets with no significant increase in credit risk (12-month ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
Investments measured at amortised cost				
Beginning balance	(358)	-	(26,425)	(26,783)
Change due to remeasurement of allowance for expected credit losses	99	-	-	99
Ending Balance	(259)	-	(26,425)	(26,684)

The table below shows the movement in the allowance for expected credit losses for the year ended 31 December 2024.

	Thousand Baht			
	2024			
	Financial assets with no significant increase in credit risk (12-month ECL)	Financial assets with a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Total
Investments measured at amortised cost				
Beginning balance	(345)	-	(35,000)	(35,345)
Change due to remeasurement of allowance for expected credit losses	(13)	-	8,575	8,562
Ending Balance	(358)	-	(26,425)	(26,783)

As at 31 December 2025 and 2024, the maximum exposure to credit risk of financial assets (excluding insurance contract assets) is limited to the carrying value of those assets without taking into account any collateral held or other credit enhancements, are detailed as follows:

	Thousand Baht	
	2025	2024
Cash and cash equivalents	59,959	85,976
Accrued investment income	3,229	3,549
Debt instruments measured at amortised cost	576,326	537,515
Total maximum exposure to credit risk	639,514	627,040

(b) Market price risk

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

(1) Interest rate risk

The Company's exposure to interest rate risk relates primarily to its financial assets and loans.

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

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Thousand Baht

2025

Fixed interest rates

The repricing period or maturity

	date			Floating	Non-interest	Total	Interest rates
	Within 1	1 - 5	Over	interest	bearing		(% per
	year	years	5 years	rate	rate		annum)
Financial assets							
Cash and cash equivalents	-	-	-	56,898	3,061	59,959	0.15 - 0.50
Accrued investment income	-	-	-	3,229	-	3,229	0.30 - 4.40
Financial assets – debt instruments	338,020	206,630	4,992	-	-	549,642	0.30 - 4.92
Financial assets – equity instruments	-	-	-	-	191,979	191,979	-
Loans and accrued interest	-	-	-	2,712	-	2,712	5.55 - 6.05
Insurance contracts and reinsurance contracts - Reinsurance contracts assets	-	-	-	39,144	-	39,144	1.11 – 2.66
Financial liabilities							
Insurance contracts and reinsurance contracts - Insurance contract liabilities	-	-	-	267,614	-	267,614	1.11 – 2.66
- Reinsurance contract liabilities	-	-	-	11,662	-	11,662	1.11 – 2.66

Thousand Baht

2024

Fixed interest rates

The repricing period or maturity

	date			Floating	Non-interest	Total	Interest rates
	Within 1	1 - 5	Over	interest	bearing		(% per
	year	years	5 years	rate	rate		annum)
Financial assets							
Cash and cash equivalents	10,000	-	-	71,582	4,394	85,976	0.15 - 1.85
Accrued investment income	-	-	-	3,549	-	3,549	0.30 - 5.50
Financial assets – debt instruments	323,711	182,036	4,985	-	-	510,732	0.30 - 5.50
Financial assets – equity instruments	-	-	-	-	172,982	172,982	-
Loans and accrued interest	-	-	-	3,470	-	3,470	6.10 - 6.60
Insurance contracts and reinsurance contracts - Reinsurance contracts assets	-	-	-	29,070	-	29,070	1.99 - 2.92
Financial liabilities							
Insurance contracts and reinsurance contracts - Insurance contract liabilities	-	-	-	273,964	-	273,964	1.99 - 2.92
- Reinsurance contract liabilities	-	-	-	15,688	-	15,688	1.99 - 2.92

The sensitivity analysis of the interest rate

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

The effects of changes in interest rates to profit or loss as at 31 December 2025 and 2024 are summarised below:

	Increase / (Decrease)	Thousand Baht	
		Effect on profit or loss	
	(%)	2025	2024
Financial assets measured at amortised cost	1	5,743	5,475
- Debt securities	(1)	(5,667)	(5,465)

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

(2) Equity position risk

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

As at 31 December 2025 and 2024, the Company had risk from financial assets, of which the prices are to change with reference to market conditions.

(c) Liquidity risk

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

The maturity profile of the Company's financial assets and liabilities as at 31 December 2025 and 2024 based on contractual undiscounted cashflows are as follows:

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Thousand Baht

	2025					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	59,779	-	-	-	180	59,959
Accrued investment income	-	3,229	-	-	-	3,229
Financial assets – debt instruments	-	338,020	206,630	4,992	-	549,642
Financial assets – equity instruments	-	-	-	-	191,979	191,979
Loans and accrued interest	-	-	106	2,606	-	2,712
Insurance contracts and reinsurance contracts						
- Reinsurance contracts assets	-	39,144	-	-	-	39,144
Financial liabilities						
Insurance contracts and reinsurance contracts						
- Insurance contract liabilities	-	267,614	-	-	-	267,614
- Reinsurance contract liabilities	-	11,662	-	-	-	11,662

Thousand Baht

	2024					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	75,790	10,000	-	-	186	85,976
Accrued investment income	-	3,549	-	-	-	3,549
Financial assets – debt instruments	-	323,711	182,036	4,985	-	510,732
Financial assets – equity instruments	-	-	-	-	172,982	172,982
Loans and accrued interest	-	-	606	2,864	-	3,470
Insurance contracts and reinsurance contracts						
- Reinsurance contracts assets	-	29,070	-	-	-	29,070
Financial liabilities						
Insurance contracts and reinsurance contracts						
- Insurance contract liabilities	-	273,964	-	-	-	273,964
- Reinsurance contract liabilities	-	15,688	-	-	-	15,688

18. Fair value of financial instruments

Fair value refers to the price that would be received to sell an asset or the price that would be paid to transfer liability to another party in an orderly transaction between market participants at the measurement date. The Company uses quoted prices in active markets to measure the fair value of assets and liabilities for which the relevant financial reporting standards require fair value measurement, unless there is no active market for similar assets or liabilities, or the quoted prices are not available. In such cases, the Company will estimate fair value using valuation techniques appropriate to the circumstances and will make the best use of observable data relevant to the asset or liability being measured.

The fair value measurement for financial assets and liabilities is categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows:

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

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

As at 31 December 2025 and 2024, the Company had the following assets that were measured at fair value using different levels of input as follows:

	Thousand Baht			
	2025			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income				
- Government and state enterprise securities	7,567	-	-	7,567
- Equity securities	166,688	-	17,724	184,412
Total	174,255	-	17,724	191,979

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	Thousand Baht			
	2024			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value through other comprehensive income				
- Government and state enterprise securities	7,458	-	-	7,458
- Equity securities	138,969	-	26,555	165,524
Total	146,427	-	26,555	172,982

During the year ended 31 December 2025, the Company transferred equity instruments with a fair value of Baht 38.44 million at the transfer date from Level 3 to Level 1 due to changes in the issuer of the equity instruments, which enabled the Company to use observable inputs from an active market to measure the fair value of that equity instrument.

19. Basic earnings (loss) per share

Basic earnings (loss) per share are calculated by dividing profit (loss) for the year attributable to the equity holders of the Company with a weighted average number of ordinary shares issued during the year.

	2025	2024
Profit (loss) for the year (Thousand Baht)	30,655	(2,019)
Weighted average number of ordinary shares (Shares)	12,000	12,000
Earnings (loss) per share (Baht/shares)	2.55	(0.17)

20. Related party transactions

For the purposes of this financial information, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with key management personnel and related parties were as follows:

Name of entities	Nature of relationships
Charoenkit Brokers Co., Ltd.	Related company (Relationship terminated on 30 October 2024)

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Significant transactions with related parties for the years ended 31 December 2025 and 2024 are as follows:

	Pricing policy	Thousand Baht	
		2025	2024
Related Company			
Commissions and brokerage		-	
expenses	Conditions in the contract		10,029

21. Contribution to non-life guarantee fund

	Thousand Baht	
	2025	2024
Accumulated contribution at the beginning of the year	10,916	8,831
Contribution during the year	1,987	2,085
Accumulated contribution at the end of the year	12,903	10,916

22. Capital fund management

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

23. Assets pledged with registrar

As at 31 December 2025 and 2024, the Company pledged bank deposit amounting to Baht 14 million as collateral with the registrar in accordance with Section 19 of Non-life Insurance Act B.E. 2535.

24. Assets reserve pledged with registrar

As at 31 December 2025 and 2024, bank deposits amounting to Baht 155 million and Baht 55 million, respectively, are used as collateral against premium reserve with the registrar.

25. Restricted assets and commitment

As at 31 December 2025 and 2024, the Company pledged bank deposit amounting to Baht 189.89 million and Baht 89.89 million, respectively, as follows:

	Thousand Baht	
	2025	2024
Bank overdraft	20,000	20,000
Assets pledged with registrar	14,000	14,000
Assets reserve pledged with registrar	155,000	55,000
Credit card usage	500	500
Electricity usage and others	390	390
Total	189,890	89,890

26. Provident fund

The Company and its employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530 (1987). The fund is contributed to the Company and its employees at an equal monthly rate of 3 percent of the employees' basic salary, based on the length of employment and will be paid to the employees upon termination in accordance with the rules of the fund. The fund is managed by Kasikorn Asset Management Co., Ltd.

For the years ended 31 December 2025 and 2024, the Company contributed to funds amounting to Baht 0.41 million and Baht 0.42 million, respectively.

27. Dividend payment

According to the resolution of annual general meeting held on 24 April 2024, the Company passed a resolution to pay dividend to the shareholders from result of its operation of the year 2023 at the rate of Baht 1.25 per share for 12 million shares with the total amount of Baht 15 million. The Company already paid dividend on 23 May 2024.

28. Contingent liabilities and commitment**Litigations**

As at 31 December 2025 and 2024, the Company was sued from acting as an insurer with the prosecution value of Baht 35.55 million and Baht 35.75 million, respectively. However, the Company's contingent liabilities from prosecution cases are in value not more than the policy custody amounting to Baht 3.54 million and Baht 4.66 million, respectively. Those prosecution cases have been incompletely considered. Nevertheless, the Company recorded the provision for contingent loss amounting to Baht 3.01 million and Baht 4.57 million, respectively, in the financial statements.

Guarantees

As at 31 December 2025 and 2024, the Company has the unused letter of guarantee issued by the bank in the name of the Company for the amount of Baht 0.89 million relating to guarantee for credit card and electricity usage and others.

Operating lease commitments

As at 31 December 2025 and 2024, the Company has commitments to pay under the rental and service agreement as follows:

	Thousand Baht	
	2025	2024
Due within 1 year	2,809	3,331
Over 1 year but within 5 years	5,533	6,421
Total	8,342	9,752

Commitments to capital expenditure

As at 31 December 2024, the Company has commitments for assets installation with one company amounting to Baht 0.37 million. (31 December 2025 : nil)

Service agreement commitments

On 28 August 2025, the Company entered into an agreement with a consulting firm for services related to TFRS 17 “Insurance Contracts” including related software, with a total contract value of Baht 6.62 million. Subsequently, on 24 October 2025, the Company entered into another contract relating to service as mentioned above with a total contract value Baht 1.09 million.

As at 31 December 2025, the Company had an outstanding commitment of Bath 1.54 million.

29. Events after the reporting period

On 27 February 2026, at the Board of Directors’ Meeting No. 1/2026, the Board resolved to propose to the Annual General Meeting of Shareholders for the year 2026 the approval of a dividend payment at a rate of not less than 20% of the net profit for the year 2025, in the total amount of THB 10.08 million, equivalent to THB 0.90 per share for 12 million shares.

30. Approval of financial statements

These financial statements have been approved to be issued by authorised directors on 27 February 2026.

Section 4

Certification of Information and Data Accuracy

The Company has carefully reviewed the information in this annual registration statement and hereby certifies that the information provided is accurate, complete, and does not mislead or omit any material facts.

- (1) The financial statements and summarized financial information presented in the Annual Registration Statement accurately and completely reflect the Company's financial position, performance, and cash flows in all material respects.
- (2) The Company has established a robust disclosure system to ensure that all material information is disclosed accurately and completely, and has implemented controls to ensure compliance with this system.
- (3) The Company has implemented an effective internal control system and ensured compliance. The Company has reported the internal control evaluation as of December 31, 2025, including any significant deficiencies or changes, as well as any misconduct that may affect financial reporting.

To ensure consistency, **Miss Munthana Peoungpathompron** is authorized to sign each page of this document. Any document lacking her signature will not be considered as certified by the Company.

Names / Surnames	Position	Signature
1. Mr. Sukich Charanvas	Managing Director (Sign).....
2. Mr. Pon Titipanichayangoon	Executive Director (Sign).....
3. Mr. Kittipong Charanvas	Executive Director (Sign).....

Authorized person	Position	Signature
Miss Munthana Peoungpathompron	Company Secretary (Sign).....

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Attachment 1 Profiles of Board of Directors, Executives, Head of Finance and Accounting, Accounting Supervisor and Company Secretary

1. Profiles of Board of Directors

The Authorized Directors of the Company according to the Company's Articles of Association and Certification as of December 31, 2025 are (1) Mr. Sukich Charanvas (2) Mr. Pon Titipanichayangoon and (3) Mr. Kittipong Charanvas, two out of three directors are authorized to collectively sign with the Company's seal affixed.

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
1. Mr. Sopon Kluaymai Na Ayudhya • Chairman of the Board <u>Appointment date</u> January 17, 2008	73	<u>Educational Background</u> • Master of Business Administration, Texas Christian University, U.S.A. • Bachelor of Business Administration, Chiang Mai University <u>Training</u> • Director Certification Program (DCP), Class of 2008 Thai Institute of Directors (IOD)	-	-	2008 - Present	• Chairman of the Board	Charan Insurance Public Company Limited
2. Mrs. Poodpong Arsingsamanunta • Director • Chairman of Audit Committee • Independent Director <u>Appointment date</u> September 22, 2006	76	<u>Educational Background</u> • Master of Business Administration, General Management, Ramkhamhaeng University • Bachelor of Commerce and Accountancy Finance and Banking, Thammasat University <u>Training</u> • Director Accreditation Program (DAP), Class of 2007 Thai Institute of Directors (IOD)	-	-	2006 - Present	• Director • Chairman of Audit Committee • Independent Director	Charan Insurance Public Company Limited
3. Mr. Vorayuth Charoenloet • Director • Member of Audit Committee • Independent Director	75	<u>Educational Background</u> • Master of Economics, Pittsburg State University, U.S.A. • Master of Economics (Honours Degree), University of Delhi, India	-	0.001%	2002 - Present	• Director • Member of Audit Committee • Independent Director	Charan Insurance Public Company Limited

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Mr. Vorayuth Charoenloet (Cont.)		<u>Training</u> • Director Accreditation Program (DAP), Class of 2005 Thai Institute of Directors (IOD)					
<u>Appointment date</u> June 13, 2002							
4. Mr. Thanitphong Pichaibavornphat	67	<u>Educational Background</u> • Master of Accounting Thammasat University • Bachelor of Accounting (2 nd Class Honors) Thammasat University <u>Training</u> • Asean Chartered Professional Accountant, Class of 2017 Asean Chartered Professional Accountants Coordinating Committee • Cooperative auditing by private auditors, Class of 2017 Cooperative Auditing Department • Certified Public Accountant No. 7028, Since 2008 Federation of Accounting Professions under the Royal Patronage of His Majesty the King • Director Accreditation Program (DAP), Class of 2008 Thai Institute of Directors (IOD)	-	-	Sep 2, 2022 - Present	• Director • Member of Audit Committee • Independent Director • Accounting and System Consulting and Workflow Design	• Charan Insurance Public Company Limited • Italiasia Trading (Thailand) Company Limited • Indy International Company Limited • Asoke Valley Winery Company Limited • Granmonte Company Limited • Siam Health Group Company Limited (Smooth-E Product) • Hummingbird International Kindergarten • Tropicana Oil Company Limited
<u>Appointment date</u> September 2, 2022							
5. Mr. Sukich Charanvas	79	<u>Educational Background</u> • Master of Civil Engineering, California State University at Long Beach, U.S.A. • Bachelor of Civil Engineering, California State University at Long Beach, U.S.A. <u>Training</u> • Director Accreditation Program (DAP) Class of 2005 Thai Institute of Directors (IOD)	<u>Spouse of:</u> Mrs. Elizabeth Charanvas (Major Shareholders) <u>Father of:</u> Mr. Kitti Charanvas, and Mr. Kittipong Charanvas	22.19%	1974 - Present	• Director • Chairman of Executive Committee • Chairman of Investment Committee • Chairman of Risk Management Committee • Managing Director • Secretary to the Board	Charan Insurance Public Company Limited
• Director							
• Chairman of Executive Committee							
• Chairman of Investment Committee							
• Chairman of Risk Management Committee							
• Managing Director							
• Secretary to the Board							

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Mr. Sukich Charanvas (Cont.)							
<u>Appointment date</u>							
January 1, 1974							
6. Mr. Pon Titipanichayangoon	75	<u>Educational Background</u>	-	1.35%	1985 - Present	• Director	Charan Insurance Public Company Limited
• Director		• Vocational Certificate,				• Chairman of Product Governance	
• Chairman of Product Governance		Bangkok Commercial College				Committee	
Committee		<u>Training</u>				• Member of Executive Committee	
• Member of Executive Committee		• Director Accreditation Program (DAP) Class of 2005				• Member of Investment Committee	
• Member of Investment Committee		Thai Institute of Directors (IOD)				• Member of Risk Management	
• Member of Risk Management		• Insurance Management Development Program (IMDP) Class of 1996				Committee	
Committee		General Insurance Management Development Institute,				• Motor Department Manager	
• Motor Department Manager		Thammasat University					
<u>Appointment date</u>							
July 1, 1985							
7. Mr. Kittipong Charanvas	51	<u>Educational Background</u>	<u>Son of:</u>	6.17%	2005 - Present	• Director	Charan Insurance Public Company Limited
• Director		• Bachelor of Science in Business Administration -	Mr. Sukich Charanvas			• Member of Executive Committee	
• Member of Executive Committee		General Management, City University of Seattle, U.S.A.				• Member of Investment Committee	
• Member of Investment Committee		<u>Training</u>				• Member of Risk Management	
• Member of Risk Management		• Corporate Governance Program for Insurance Companies (CIC),				Committee	
Committee		Class of 2022				• Member of Product Governance	
• Member of Product Governance		Thai Institute of Directors (IOD)				Committee	
Committee		• Environment in an Agile Leaders, Class of 2022				• Assistant Managing Director	
• Assistant Managing Director		Thai General Insurance Association					
<u>Appointment date</u>							
February 1, 2005							
		• Insurance Management Development Program (IMDP), Class of 2006					
		General Insurance Management Development Institute,					
		Chulalongkorn University					

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2. Profiles of Executives

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
1. Mr. Sukich Charanvas	79						
<div><div></div><div><div>• Director</div><div>• Chairman of Executive Committe</div><div>• Chairman of Investment Committee</div><div>• Chairman of Risk Management Committee</div><div>• Managing Director</div><div>• Secretary to the Board</div></div></div>							
<div><div>Appointment date</div><div>January 1, 1974</div></div>							
Additional details of Mr. Sukich Charanvas are shown in Section 1.5 Profiles of Board of Directors							
2. Mr. Pon Titipanichayagoon	75						
<div><div></div><div><div>• Director</div><div>• Chairman of Product Governance Committee</div><div>• Member of Executive Committee</div><div>• Member of Investment Committee</div><div>• Member of Risk Management Committee</div><div>• Motor Department Manager</div></div></div>							
<div><div>Appointment date</div><div>July 1, 1985</div></div>							
Additional details of Mr. Pon Titipanichayagoon are shown in Section 1.6 Profiles of Board of Directors							
3. Mr. Kittipong Charanvas	51						
<div><div></div><div><div>• Director</div><div>• Member of Executive Committee</div><div>• Member of Investment Committee</div></div></div>							

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Mr. Kittipong Charanvas (Cont.) • Member of Risk Management Committee • Member of Product Governance Committee • Assistant Managing Director <u>Appointment date</u> February 1, 2005							
Additional details of Mr. Kittipong Charanvas are shown in Section 1.7 Profiles of Board of Directors							
4. Mr. Kitti Charanvas • Assistant Managing Director for Marketing • Member of Product Governance Committee <u>Appointment date</u> March 19, 2014	54	<u>Educational Background</u> • Bachelor of Arts in Business Management, Whitworth University, U.S.A. <u>Training</u> • Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association • Insurance Management Development Program (IMDP), Class of 2016 General Insurance Management Development Institute, Chulalongkorn University	<u>Son of:</u> Mr. Sukich Charanvas	5.76%	2014 - Present	• Assistant Managing Director for Marketing • Member of Product Governance Committee	Charan Insurance Public Company Limited
5. Mr. Kosit Angkasuwan • Assistant Managing Director for Risk Management • Member of Risk Management Committee • Member of Product Governance Committee	54	<u>Educational Background</u> • Master of Science in Information Technology, King Mongkut’s University of Technology Thonburi • Bachelor of Science in Applied Mathematics, King Mongkut’s University of Technology Thonburi <u>Training</u>	-	-	2018 - Present	• Assistant Managing Director for Risk Management • Member of Risk Management Committee • Member of Product Governance Committee	Charan Insurance Public Company Limited

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Mr. Kosit Angkasuwan (Cont.) <u>Appointment date</u> April 1, 2018		<ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association Insurance Management Development Program (IMDP) General Insurance Management Development Institute, Chulalongkorn University 					
6. Mrs. Pattama Trakarnaiem <ul style="list-style-type: none"> Fire Department Manager Member of Product Governance Committee <u>Appointment date</u> January 15, 2020	60	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Business Administration, Sripatum University <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association 	-	-	2020 - Present	<ul style="list-style-type: none"> Fire Department Manager Member of Product Governance Committee 	Charan Insurance Public Company Limited
7. Mr. Wisith Limcharoensuk <ul style="list-style-type: none"> Marine Cargo and Logistics Department Manager Member of Product Governance Committee <u>Appointment date</u> December 3, 2007	79	<u>Educational Background</u> <ul style="list-style-type: none"> Vocational Certificate, Bangkok Technical Institute <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association 	-	0.03%	2007 - Present	<ul style="list-style-type: none"> Marine Cargo and Logistics Department Manager Member of Product Governance Committee 	Charan Insurance Public Company Limited
8. Miss Punrada Ayucharoenkul <ul style="list-style-type: none"> Miscellaneous Department Manager Member of Product Governance Committee 	60	<u>Educational Background</u> <ul style="list-style-type: none"> Vocational Certificate, Ratchadamnern-Thonburi College <u>Training</u>	-	-	2004 - Present	<ul style="list-style-type: none"> Miscellaneous Department Manager Member of Product Governance Committee 	Charan Insurance Public Company Limited

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
Miss Punrada Ayuchaoenkul (Cont.) <u>Appointment date</u> March 15, 2004		<ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association Insurance Management Development Program (IMDP), Class of 2002 General Insurance Management Development Institute, Chulalongkorn University 					
9. Miss Siraya Chindasri <ul style="list-style-type: none"> Marketing Department Manager <u>Appointment date</u> June 16, 2022	53	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Art, Chandrakasem Rajabhat University <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association Insurance Academic, Class of 2001 Thailand Insurance Institute 	-	-	Jun 16, 2022 - Present	<ul style="list-style-type: none"> Marketing Department Manager 	Charan Insurance Public Company Limited
10. Miss Kanyawan Trisaksuriyan <ul style="list-style-type: none"> Finance and Investment Department Manager Member of Investment Committee Member of Risk Management Committee <u>Appointment date</u> July 1, 1985	69	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Business Administration, Dhonburi Rajabhat University Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association Insurance Management Development Program (IMDP), Class of 1993 General Insurance Management Development Institute, Thammasat University 	-	0.01%	1985 - Present	<ul style="list-style-type: none"> Finance and Investment Department Manager Member of Investment Committee Member of Risk Management Committee 	Charan Insurance Public Company Limited

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
11. Miss Sudarat Wiwattanadaj <ul style="list-style-type: none"> Accounting Department Manager Head of Finance and Accounting Member of Investment Committee Member of Risk Management Committee <u>Appointment date</u> December 1, 1981	71	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Accounting, University of the Chamber of Commerce <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association Insurance Management Development Program (IMDP), Class of 1993 General Insurance Management Development Institute, Thammasat University 	-	0.01%	1981 - Present	<ul style="list-style-type: none"> Accounting Department Manager Head of Finance and Accounting Member of Investment Committee Member of Risk Management Committee 	Charan Insurance Public Company Limited
12. Mr. Nopadol Suwankareekul <ul style="list-style-type: none"> Information Technology Department Manager Member of Risk Management Committee Member of Product Governance Committee <u>Appointment date</u> March 1, 1994	55	<u>Educational Background</u> <ul style="list-style-type: none"> Master of Business Administration, Finance & Banking, Sripatum University Bachelor of Business Administration, Computer, Sripatum University <u>Training-</u> - None -	-	-	1994 - Present	<ul style="list-style-type: none"> Information Technology Department Manager Member of Risk Management Committee Member of Product Governance Committee 	Charan Insurance Public Company Limited
13. Mrs. Promporn Lamdabpang <ul style="list-style-type: none"> Administration Department Manager <u>Appointment date</u> January 4, 2012	55	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Business Administration, Accounting, Chandrakasem Rajabhat University <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association 	-	-	2012 - Present	<ul style="list-style-type: none"> Administration Department Manager 	Charan Insurance Public Company Limited

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Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Position	Organization
14. Mr. Sornchai Keawrakmuk	48	<u>Educational Background</u> <ul style="list-style-type: none">Bachelor of Laws Ramkhamhaeng University	-	-	2025 - Present	<ul style="list-style-type: none">Legal Department ManagerMember of Risk Management CommitteeMember of Product Governance Committee	Charan Insurance Public Company Limited
<u>Appointment date</u> March 14, 2025		<u>Training</u> <ul style="list-style-type: none">Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2020 Thai General Insurance Association					

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3. Profiles of Head of Finance and Accounting, Accounting Supervisor

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Period	Period
1. Miss Sudarat Wiwattanadaj • Head of Finance and Accounting <u>Appointment date</u> November 1, 2018	71		-	-	2018 - Present	Head of Finance and Accounting	Charan Insurance Public Company Limited
Additional details of Miss. Sudarat Wiwattanadaj are shown in Section 2.9 Profiles of Executives							
2. Miss Napaporn Tanangtong • Accounting Supervisor <u>Appointment date</u> November 1, 2018	58	<u>Educational Background</u> <ul style="list-style-type: none"> Bachelor of Accounting, Sukhothai Thammathirat Open University <u>Training</u> <ul style="list-style-type: none"> Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021 Thai General Insurance Association CFO's Orientation Course (Thai Version), Class of 2021 The Stock Exchange of Thailand Internal control of accounting information systems for effective risk management, Accounting Information No.1 	-	-	2018 - Present	<ul style="list-style-type: none"> Accounting Supervisor Member of Risk Management Committee 	Charan Insurance Public Company Limited

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4. Profile of Company Secretary

Names-Surnames / Position	Age (Year)	Education / Training	Family relationship with any director or executive	Shareholding (including spouse and children)	Experience in the past five years		
					Period	Period	Period
1. Miss Munthana Peoungpathomproi	31	<u>Educational Background</u> <ul style="list-style-type: none">Bachelor of Arts <p>English Major, Kasetsart University</p> <u>Training</u> <ul style="list-style-type: none">Anti-Money Laundering and Counter-Terrorist Financing, and Counter-Proliferation of Weapons of Mass Destruction Training Program for Non-Life Insurance Companies, Class of 2021Thai General Insurance AssociationAdvance for Corporate Secretaries Program, Class of 2020Thai Listed Companies Association	-	-	Nov 10, 2022 - Present	Company Secretary	Charan Insurance Public Company Limited

Attachment 2 Profiles of Subsidiaries' Directors

- The Company has no subsidiary -

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Attachment 3 Details of Head of Internal Audit and Head of Compliance Division**Head of Internal Audit**

For the year 2025, the Company has employed Thirty-Four Audit Office Co., Ltd as an internal auditor by the person primarily responsible for performing the duties of the Company's internal auditor, with the following details:

Names	Affiliation	Education	Experience
Mr. Silpachai Raksapol	Thirty-Four Audit Office Co., Ltd	- Certified Public Accountant, High School (Chulalongkorn University) (CPIA)	47 years
Mr. Thanadon Raksapol	Thirty-Four Audit Office Co., Ltd	- Certified Public Accountant - Ph.D.(Acc.) (Chulalongkorn University) - M.Acc. (Chulalongkorn University) - B.Acc. (Chulalongkorn University, 1st Class Honors) - Diploma in Thai Financial Reporting – Dip TFR - Academic staff of the Federation of Accounting - Professions under the Royal Patronage of His Majesty the King	19 years
Mr. Chatchawan Ngennak	Thirty-Four Audit Office Co., Ltd	B.Acc. (Sripatum University)	31 years

Head of Compliance Division

Perform duties as the supervisory authority

Names	Affiliation	Education	Experience
Mr. Sornchai Kaewrakmuk	Charan Insurance Pcl.	Bachelor of Laws Ramkhamhaeng University	22 years

Attachment 4 Operating Assets

The assets of the Company used in the business operation are identify in main four categories as follow:

(Unit: Million Baht)

Type of Assets	Net book value as of December 31, 2025	Net book value as of December 31, 2024 (Restated)
Property, plant and equipment	15.90	15.62
Other intangible assets	-	-
Total	15.90	15.62

1. Property, plant and equipment

Fixed assets of the Company are as follow:

(Unit: Million Baht)

Type of Assets	Net book value as of December 31, 2025	Net book value as of December 31, 2024 (Restated)
Land	13.55	13.55
Building	1.61	-
Vehicle	-	1.48
Fixture and office equipment	0.74	0.59
Total	15.90	15.62

Approximately useful life of various asset classes is as follow:

- Building 20 years
- Vehicle 5 years
- Furniture, fixtures, and office equipment 5 years

2. Other intangible assets

Other intangible assets of the Company are as follows:

(Unit: Million Baht)

Type of Assets	Net book value as of December 31, 2025	Net book value as of December 31, 2024 (Restated)
Computer software	-	-
Total	-	-

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3. Investment Property

Investment property of the Company consists of the following:

(Unit: Million Baht)

Type of Assets	Net book value as of December 31, 2025	Net book value as of December 31, 2024 (Restated)
Land and Buildings	16.00	16.00
Total	16.00	16.00

4. Non-Operating Assets

Non-operating assets of the Company consist of the following:

(Unit: Million Baht)

Type of Assets	Net book value as of December 31, 2025	Net book value as of December 31, 2024 (Restated)
Land and Buildings	12.00	12.00
Total	12.00	12.00

Attachment 5 Corporate Governance and Business Ethics Policy and Practice

Corporate Governance

Corporate governance establishes structures and processes governing the relationships among the Board of Directors, executives, employees, and shareholders. Its objective is to enhance competitiveness and ensure sustainable performance while addressing long-term impacts. The Company conducts its business ethically, respects stakeholders' rights, and upholds accountability to shareholders, stakeholders, society, the environment, government agencies, and regulatory bodies.

The Board of Directors comprises experienced professionals committed to acting responsibly, prudently, and with integrity. They operate in compliance with applicable laws, the Company's objectives, regulations, Board resolutions, and shareholder meeting resolutions. The Board is tasked with formulating strategies, setting goals, and developing annual plans. It ensures the adequacy of risk management and internal control systems, delegates authority effectively to management, allocates resources, prepares budgets, monitors performance, and ensures compliance with financial disclosure policies. Recognizing the importance of internal controls, the Company views them as essential for mitigating business risks, safeguarding assets, and preventing fraud or misconduct. The Board and management exercise due diligence and strict oversight to ensure operations align with legal and regulatory frameworks. Additionally, the Company has an audit committee that complies with the qualifications set by the Stock Exchange of Thailand. This committee ensures effective governance, providing independent opinions on financial reports and internal controls. The Company adheres to good corporate governance principles (CG Code) as outlined by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), and the Office of Insurance Commission (OIC). Its corporate governance policy emphasizes transparency, builds investor and stakeholder confidence, and prevents conflicts of interest. Furthermore, the Company ensures equitable and fair treatment of shareholders and stakeholders to maximize benefits for all, including shareholders, customers, partners, and employees. Key highlights of the Company's corporate governance practices are as follows:

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

Principle 1.1 Leadership Responsibilities to Ensure Good Corporate Governance

The Board of Directors is responsible for independently performing its duties to act in the best interests of the Company and its shareholders as a whole. The roles and responsibilities of both the Board of Directors

and management are clearly defined. The Board formulates policies and ensures that the Company's systems operate in compliance with relevant laws, regulations, ethical standards, and internal guidelines, while management is tasked with executing operations in accordance with these policies. The following areas are emphasized:

(1) Define Objectives and Goals

The Board of Directors acknowledges its role as the leader of the organization, ensuring good governance, conducting business ethically, respecting rights, and being accountable to both shareholders and stakeholders. The Board prioritizes social and environmental impacts while adapting to changes and creating sustainable value for the business. This is aligned with the Company's objective: *"Achieving sustainable business growth through effective risk management, fostering confidence and transparency, and demonstrating social and environmental responsibility."* To achieve this objective, the following goals are established:

- (1.1) Increase Annual Performance: Focus on enhancing annual growth rates by expanding new insurance products and services
- (1.2) Enhance Customer Satisfaction: Aim for continuous improvement in customer satisfaction by developing more customer-focused services and products.
- (1.3) Reduce Business Risks: Minimize errors and losses through effective risk management.
- (1.4) Promote Social and Environmental Responsibility: Reduce natural resource consumption and implement ongoing community support projects.

(2) Formulate Strategies and Operational Policies

The Board of Directors has established key policies, including good corporate governance, anti-corruption initiatives, ethical standards, and a business code of conduct. These guidelines, documented and communicated to directors, executives, and employees, serve as principles for organizational operations. The Company ensures understanding and adherence to these policies through internal communication channels, such as the corporate website, bulletin boards, or other appropriate methods.

(3) Monitor and Evaluate Performance

The Board of Directors continuously monitors and evaluates the Company's performance using metrics aligned with its objectives and strategies. The evaluation includes analyzing the impact of policies on sustainability and revising strategies to ensure alignment with current conditions and circumstances.

Principle 1.2 Governance to Foster Sustainable Value Creation for the Organization

(1) The Board of Directors prioritizes not only financial performance but also a framework of competition that aligns with regulations and ethical standards, ensuring compliance with legal requirements, transparency, and fairness.

(2) The Board emphasizes governance to ensure that directors lead by example, fostering a corporate culture rooted in ethical business practices, respect for rights, responsibility to stakeholders, and adherence to good corporate governance principles. This approach aims to create sustainable value for the Company.

(3) To prevent any negative societal impact, the Board has established a business code of ethics as a guideline for directors, executives, and employees. This code is formally communicated and published on the Company's website to ensure transparency.

(4) To ensure adaptability to changing circumstances, the Board ensures that directors, executives, and employees are well-prepared for potential changes. Regular monitoring of performance and periodic policy reviews are conducted to maintain relevance and effectiveness.

Principle 1.3 Duties of the Board of Directors

The Board of Directors consists of qualified and experienced individuals dedicated to performing their duties responsibly, prudently, and with integrity. The Board ensures compliance with applicable laws, regulations, the Company's objectives, articles of association, and resolutions from both the Board of Directors and shareholders' meetings. The roles and responsibilities of the Board, the Chairman of the Board, and the Managing Director are disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 1.4 Defining Responsibilities and Delegating Tasks, as well as Monitoring Compliance with Assigned Duties

The Board of Directors is responsible for defining strategies and annual plans, overseeing the adequacy of risk management and internal control systems, and ensuring appropriate delegation of authority in alignment with management responsibilities. The Board allocates resources, develops budgets, monitors and evaluates performance, and ensures that financial disclosures comply with established policies. The Company prioritizes its internal control system as a critical mechanism for mitigating business risks, safeguarding assets from loss or misuse, and preventing fraud and misconduct. Both the Board and management fulfill their duties with

diligence, exercising strict oversight to ensure compliance with laws, regulations, and applicable rules. Additionally, the Company has an audit committee, meeting the qualifications set by the Stock Exchange of Thailand, which plays a vital role in ensuring operational efficiency and providing independent and impartial opinions on the Company's financial reports and internal control systems.

Principle 2 **Define Objectives that Promote Sustainable Value Creation**

Principle 2.1 **Ensuring Clear Objectives to Create Sustainable Value for the Organization, Customers, Stakeholders, and Society**

The Board of Directors oversees The Company's operations with a focus on achieving its goals while maintaining credibility and trust with customers. The Board defines the Company's policies, vision, objectives, targets, strategies, and directions, ensuring that management adheres to these policies effectively and efficiently. The Company strives to be a trusted non-life insurance provider, prioritizing customer satisfaction, and is guided by the vision: *"Charan's promise gives the public peace of mind."* Various policies are implemented to enhance operations, ensuring speed, accuracy, and continuous improvement in quality and service control. The Board supervises risk management and internal control systems to maintain an appropriate and acceptable level, ensuring that objectives are met in compliance with laws, standards, and company regulations, while adhering to principles of integrity, rationality, and caution in line with good governance practices.

Principle 2.2 **Ensuring Alignment of Objectives, Goals, and Strategies with the Organization's Core Goals through the Appropriate and Safe Use of Innovation and Technology**

The Board of Directors oversees the integration of innovation and technology to drive business opportunities and operational development. It ensures that the management of information technology risks adheres to relevant laws, regulations, and standards. The Board enforces data security measures to safeguard the confidentiality, reliability, and availability of information, preventing misuse or unauthorized modifications. Furthermore, the Board ensures the implementation of protocols to manage incidents that may affect the stability and security of information systems, enabling the organization to achieve its objectives and core goals effectively.

Principle 3 **Strengthen Board Effectiveness**

Principle 3.1 **Definition and Review of the Board Structure, Including Size, Composition, and Proportions of Independent Directors, to Support the Organization's Objectives and Goals**

(1) Qualifications of the Board

The Board of Directors evaluates the qualifications of potential directors based on alignment with the Board's expertise requirements, as outlined in the Board Skills Matrix. This matrix identifies areas where skills and expertise are lacking, ensuring the enhancement and diversification of professional knowledge, experience, and capabilities, including characteristics such as age and gender. When selecting candidates for Board or Independent Director roles, the Board collectively ensures the necessary skills are filled as per the Skills Matrix and submits the recommendations for approval at the shareholders' meeting. The appointment requires approval by a majority vote from shareholders present and eligible to vote.

(2) Board Structure

The Board of Directors is structured in accordance with good corporate governance principles, comprising a minimum of five (5) and a maximum of twelve (12) members. At least half of the directors must reside in Thailand. The Board ensures an appropriate balance between executive and non-executive directors, preventing any individual or group from holding sole decision-making authority. This structure promotes effective management and robust checks and balances. The Board members possess diverse expertise, experience, and specialized skills beneficial to the Company, irrespective of gender. They must fully understand their responsibilities as directors, the nature of the Company's business, and be prepared to engage in discussions while prioritizing the Company's best interests and fairness to shareholders, policyholders, and stakeholders. Directors must also dedicate sufficient time and effort to the Company. The Board is structured as follows:

- (2.1) Executive directors account for three (3) out of seven (7) Board members.
- (2.2) The Chairman of the Board is a non-executive director who plays a pivotal role in policy decisions, developed through Board discussions and collaboration with management to set business goals. The Chairman monitors management performance, oversees overall strategy and policy, and ensures compliance with laws, regulations, and applicable rules. The Chairman also ensures efficient board meetings, encouraging active participation from all directors and fostering independent viewpoints.
- (2.3) Three (3) independent directors, as required by the Company's bylaws, meet the qualifications set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). These independent directors collaborate effectively with the entire Board and provide independent opinions.

Furthermore, the Board must not exhibit any disqualifying characteristics under Section 34 of the Non-Life Insurance Act B.E. 2535, its amendments, the regulations of the Insurance Commission, the Corporate Governance Guidelines B.E. 2562, or the Public Limited Companies Act B.E. 2535.

The Company discloses its policy on Board composition diversity and provides details about the directors, including age, gender, educational background, experience, shareholding proportions, years of service, and directorships in other listed companies, in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.2 Selecting an Appropriate Individual as Chairman of the Board to Ensure the Composition and Operations of the Board Foster Independent Decision-Making

The roles of the Chairman of the Board and the Managing Director are clearly separated in accordance with good corporate governance principles. This separation enhances transparency in management and prevents conflicts of interest. Furthermore, the Chairman does not hold any positions in subcommittees, ensuring a distinct delineation of roles and responsibilities. The process of selecting directors emphasizes diversity in gender, age, race, nationality, religion, and other factors, promoting inclusive decision-making that addresses the evolving challenges and opportunities in the industry.

(1) Roles, Duties, and Responsibilities of the Chairman of the Board:

- (1.1) Supervise, monitor, and oversee the Board's performance to ensure the effective achievement of the organization's objectives and goals.
- (1.2) Preside over Board and shareholder meetings, ensuring compliance with company regulations and meeting agendas, while fostering active participation to promote an ethical corporate culture and sound governance practices.
- (1.3) Collaborate with the Managing Director to set meeting agendas, ensure key issues are addressed, and cast decisive votes in the event of a tie during Board or shareholder meetings.
- (1.4) Allocate sufficient time for directors to thoroughly discuss key issues, encouraging independent judgment and diverse opinions.
- (1.5) Foster strong relationships between executive and non-executive directors, as well as between the Board and management.

- (2) Authority of the Managing Director:
 - (2.1) Manage the Company's operations in accordance with its objectives, regulations, operational guidelines, and Board resolutions, with accountability to the Board.
 - (2.2) Establish work conditions for employees, issue directives, and define operational methods, provided they do not conflict with The Company's regulations, Board resolutions, labor laws, or other applicable laws.
 - (2.3) Represent The Company in dealings with external parties within the scope of authority defined in (1.1). Transactions in which the Managing Director or authorized directors have a conflict of interest, stake, or potential conflict with The Company require prior approval from the Board, including participation from independent directors. The Managing Director and authorized directors may delegate specific powers as deemed appropriate.
 - (2.4) Propose transactions exceeding the financial limits established by the Board for review and approval in accordance with The Company's regulations or applicable laws.
 - (2.5) Hire, appoint, discipline, and terminate employees, including approving promotions and salary adjustments, except where Board-level approval is required by regulations.
 - (2.6) Manage business operations in compliance with applicable laws, including the Civil and Commercial Code, the Non-Life Insurance Act, the Public Limited Companies Act, and other relevant legislation, with honesty, fairness, and diligence, to fulfill The Company's objectives.
- (3) The Board of Directors has appointed subcommittees to ensure critical matters are reviewed comprehensively. These subcommittees assess, evaluate, and provide recommendations for the Board's final approval.

Principle 3.3 Ensuring a Transparent and Clear Process for Director Nomination and Selection to Form a Board with Appropriate Qualifications

The Company has not appointed a nomination committee. However, it has established clear criteria for selecting qualified individuals with expertise and experience in non-life insurance. The selection process

is transparent and structured to ensure the appointment of directors capable of fulfilling their duties and supporting The Company's objectives. This process complies with human resource management regulations and is presented to the Board of Directors before being proposed to the shareholders' meeting for final approval. Shareholders are provided with sufficient information about the nominees to make informed decisions.

Principle 3.4 Consideration of the Board of Directors' Remuneration

The Company does not have a remuneration committee but follows a clear, transparent, and appropriate process for determining directors' remuneration. This process takes into account compensation data from companies of similar industry and size, along with financial performance. The Board collectively reviews and decides on the remuneration, which is then presented for shareholder approval. The Company also discloses the criteria for determining directors' remuneration, reflecting their responsibilities, as well as the structure and amount of remuneration in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.5 Oversight of Board of Directors' Responsibilities and Time Allocation

- (1) The Board ensures that directors fully understand their roles and responsibilities.
- (2) The Board has established policies regarding the number of boards positions each director, including the Managing Director, may hold:
 - (2.1) Each director may serve on the boards of no more than five listed companies, in accordance with regulations set by the Securities and Exchange Commission (SEC).
 - (2.2) The Managing Director may serve on the boards of no more than three listed companies, provided that these positions do not interfere with their duties as Managing Director, and the companies are not in the same business or in competition with The Company. Prior approval from the Board is required for accepting additional directorships.
- (3) The Board has set policies and procedures to prevent directors, executives, and related parties from using inside information for personal gain. Directors, executives, their spouses, minor children, and auditors must report their holdings of The Company's securities (Form 59-2) electronically to the SEC within three business days of any transaction and disclose this information on The Company's website. This is to prevent conflicts of interest and ensure transparency in accordance with good corporate governance principles.

Additionally, directors, executives, or any party with access to inside information are prohibited from disclosing it to external parties before financial statements are made public.

- (4) Each director should attend at least 86% of the Board meetings held during the year.

Principle 3.6 Board of Directors, Sub-committee, and Individual Director Performance Evaluation

The Board conducts annual evaluations of its performance, as well as that of individual directors and sub-committees. Self-assessment methods are employed to gather feedback on various aspects of the Board's roles and responsibilities. The evaluation follows the format provided by the Thai Institute of Directors (IOD). The Company Secretary compiles the results, which are then presented to the Board. The evaluation outcomes are used to assess the appropriateness of the Board's composition and to analyze its performance. Recommendations from the evaluation are implemented for continuous improvement. The evaluation process and its results are disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.7 Ensuring Directors Possess Knowledge and Understanding of Their Roles, Business Nature, and Relevant Laws, While Supporting Continuous Skill Development

(1) Orientation for New Directors

The Board mandates orientation for all new directors to build their understanding of The Company's business operations and prepare them for their responsibilities. The Board also implements policies to enhance directors' knowledge and perspectives, particularly in corporate governance, information technology, and innovations, to support their effective performance and enable them to assume their roles promptly. The Company Secretary facilitates the following

- (1.1) Key Information: Business structure, board structure, authority scope, and essential legal frameworks.
- (1.2) General Business Knowledge: Operational guidelines and departmental site visits.
- (1.3) Meetings with Key Executives: Discussions with the Chairperson and Managing Director to gain deeper insights into operations.

(2) Training and Knowledge Development

The Board and management prioritize participation in seminars, training programs, or activities that enhance knowledge relevant to their roles. Directors have completed training courses offered by the Thai Institute of Directors (IOD), such as the Directors Certification Program (DCP) and the Director Accreditation

Program (DAP). Internal training sessions are also conducted to ensure directors understand their roles, responsibilities, and the legal and regulatory framework applicable to the business. This fosters efficient performance and enables directors to stay current with evolving trends. Details of the Board's training and seminar participation are disclosed in the Annual Registration Statement/Annual Report (Form 56-1 One Report).

Principle 3.8 Oversight of Board of Directors Operations to Ensure Orderliness, Access to Essential Information, and Appointment of a Competent Company Secretary to Support the Board's Work

(1) Board of Directors' Meetings

- (1.1) The Company ensures regular Board meetings, with a minimum of four meetings per year (at least once every three months). Special meetings may be convened as necessary to review financial statements, set policies, and monitor performance. Directors are expected to attend all meetings.
- (1.2) Meeting agendas are clearly defined, and schedules specifying the date, time, and venue are communicated in advance. Supporting documents are distributed at least seven days before the meeting, except in urgent cases, to allow sufficient time for review.
- (1.3) A quorum for voting requires the presence of at least two-thirds of the total number of directors.
- (1.4) Directors have access to critical information through the Managing Director, Company Secretary, or other designated executives.
- (1.5) The Board encourages the Managing Director to invite senior executives to Board meetings to provide detailed information, address specific issues, and foster familiarity with senior management as part of succession planning considerations.
- (1.6) During meetings, the Chairperson assigns the Managing Director to present agenda items, allocate time for discussions, and summarize key points for decision-making. Directors are encouraged to share their views and contribute to forming collective decisions.

(2) Company Secretary

The Board of Directors appoints a qualified Company Secretary who undergoes continuous training to ensure The Company operates efficiently in alignment with good corporate governance principles. The responsibilities include:

- (1.1) Preparing and maintaining documents related to the Board, annual reports, Board meeting notices, and minutes, as well as shareholder meeting notices and minutes.
- (1.2) Keeping records of conflict-of-interest reports submitted by directors or executives.
- (1.3) Sending copies of conflict-of-interest reports to the Chairperson and Audit Committee Chair within seven working days of receipt.
- (1.4) Organizing Board and shareholder meetings in compliance with regulations and applicable laws.
- (1.5) Advising on corporate operations to ensure alignment with the Articles of Association, Memorandum of Association, Securities and Exchange Act, Public Limited Companies Act, and other relevant laws.
- (1.6) Acting as a communication hub between the Board, management, and shareholders.
- (1.7) Coordinating and monitoring the implementation of resolutions passed by the Board and shareholders.
- (1.8) Ensuring accurate disclosure of information and reporting to regulatory authorities in compliance with regulations.
- (1.9) Performing additional duties as prescribed by the Capital Market Supervisory Board or assigned by the Board of Directors.

Principle 4 Ensure Effective CEO and People Management

Principle 4.1 Recruitment and Development of the Managing Director and Senior Executives to Drive Organizational Goals

(1) The Company does not have a Nomination and Remuneration Committee for selecting candidates for the position of Managing Director. Instead, a selection framework based on predefined qualifications is employed, including age, educational background, professional ethics, and work experience. The Board of Directors collaborates with the Managing Director to evaluate candidates using these criteria. Final approval must

be obtained from the Board of Directors' meeting to ensure the appointment of a suitable individual to the position of Managing Director.

(2) The Company has established a **Succession Plan** to ensure seamless business operations. Senior executives and employees in critical positions are informed of their responsibilities under this plan within the specified timeframe. The plan outlines processes and procedures, pending tasks, and communication methods for transferring responsibilities. Departing personnel must notify The Company to facilitate an orderly handover of duties.

(3) The Board of Directors encourages and supports the Managing Director, senior executives, and key personnel in attending training and development programs. This enhances their knowledge and experience, contributing to more effective job performance.

Principle 4.2 Oversight of Compensation Structure and Performance Evaluation for Organizational Personnel

(1) The Board of Directors establishes a compensation structure that motivates the Managing Director, senior executives, and all personnel to perform in alignment with the organization's objectives and core goals. This structure is designed to support The Company's long-term interests and includes:

- (1.1) Evaluating the appropriateness of compensation components, such as salaries, bonuses, and long-term performance incentives.
- (1.2) Setting policies for compensation payments, considering industry benchmarks for organizations of similar size alongside The Company's operational performance.
- (1.3) Establishing and clearly communicating performance evaluation criteria across the organization.

(2) The Board of Directors plays a key role in determining compensation and evaluating the performance of the Managing Director, focusing on:

- (2.1) Approving performance evaluation criteria based on the organization's core objectives, goals, and strategies, ensuring alignment with The Company's long-term benefits.
- (2.2) Conducting annual performance evaluations of the Managing Director collectively.
- (2.3) Approving the annual compensation of the Managing Director based on performance evaluations and other relevant factors.

(3) The Board of Directors approves the criteria for performance evaluations and the compensation of the Managing Director. Additionally, it delegates authority to the Managing Director to determine the compensation structure for all employees within the organization.

Principle 4.3 Understanding Shareholder Structure and Relationships Impacting Management and Operations

The Board of Directors understands the structure and relationships of shareholders, which may be in the form of family business agreements, whether written or not, shareholder agreements, or company policies that impact the authority to control the management of the organization. The Board ensures that such agreements do not impede the performance of the Board's duties and oversees that there is no disclosure of information under such agreements that affects the control of the organization.

Principle 4.4 Monitoring and Managing Personnel to Ensure Adequate Numbers, Knowledge, Skills, Experience, and Motivation

The Board of Directors oversees and manages human resources in alignment with the organization's direction and strategies, ensuring that employees at all levels possess appropriate knowledge, abilities, and motivation and are treated fairly to retain quality personnel within the organization. Additionally, the Board has established a provident fund as a mechanism to ensure employees have sufficient savings for retirement. The Board also encourages employees to gain knowledge and understanding in organizational management and in selecting investment policies aligned with various risk profiles.

Principle 5 Nurture Innovation and Responsible Business

Principle 5.1 Emphasizing and Supporting Innovation That Creates Value for the Business Alongside Benefits for Customers or Stakeholders, and Responsibility Towards Society and the Environment

The Board of Directors has established a business policy aligned with the organization's objectives, regularly reviewing strategies and operational plans to ensure continuity and goal alignment. Employees and stakeholders are encouraged to develop innovations that effectively meet customer needs. The Company focuses on developing business sectors and expanding opportunities to provide comprehensive and prompt services to customers. New innovations are implemented within the organization to enhance the quality of products that meet the needs of consumers across all age groups, while improving the capabilities of service systems and distribution channels to ensure broader and faster service delivery to customers and partners. Additionally, the Board prioritizes social responsibility and environmental

conservation to foster confidence in sustainable business operations over the long term. The Company does not support inappropriate, illegal, or unethical actions, aiming to build trust and credibility among customers and society at large.

Principle 5.2 Monitoring and Ensuring That Management Operates with Social and Environmental Responsibility, reflected in the Operation Plan, to Ensure Consistency with the Organization's Main Objectives and Strategic Plans

The Board of Directors has disclosed its compliance with this policy to stakeholders. The Company has established environmental management and human rights policies to guide the organization towards achieving its objectives and sustainable development goals as follows:

(1) Respect for Human Rights

The Company recognizes its responsibility towards all stakeholders, including shareholders, investors, employees, customers, partners, competitors, creditors, and the community, to create mutual long-term benefits. The Company adheres to the rights of stakeholders defined by law or agreements made with The Company. It will not engage in any actions that violate these rights and has established a human rights policy to guide management and employees. Furthermore, The Company clearly defines the rights of different stakeholders in its business ethics, ensuring their protection and proper implementation.

The Company ensures fairness and equality in its treatment of employees, acknowledging the importance of human resources in driving organizational success. This is evident from the employee guidelines outlined in the business ethics manual, including reasonable work hours and leave policies in compliance with labor laws. Fair compensation and bonuses are provided, and The Company promotes the development and advancement of employees based on their knowledge and abilities, with appropriate position transfers in line with employee needs.

(2) Responsibility towards Society and the Environment

The Company is committed to conducting business that is environmentally friendly by implementing comprehensive environmental policies aligned with sustainable development principles. The Company aims to reduce unnecessary energy and resource consumption, while encouraging employees to be aware of and value environmental conservation. Additionally, The Company considers investing in environmentally friendly projects that will have a positive long-term impact on the environment and society.

(3) Responsibility towards Employees and Workers

The Company treats its employees fairly and respects human rights, emphasizing their safety and well-being. Employee benefits include healthcare, annual health checks, general loan and housing benefits, a retirement fund, and severance pay. Personnel management complies with labor law requirements, and employees are provided with training and development opportunities to enhance their skills and career advancement.

(4) Responsibility towards Customers

The Company is committed to customer care and responsibility by complying with legal and industry standards. It offers appropriate insurance policies and services that meet customer needs, maintains customer data securely, and provides fair, prompt, and complete compensation when customers experience losses as specified in their policies.

(5) Responsibility towards Partners

The Company conducts business with partners in accordance with fair and transparent trade practices. It adheres to commercial terms and contracts with partners, notifying them in cases where conditions cannot be met to jointly find solutions and avoid conflicts of interest. The Company has established clear regulations for procurement and operations, does not accept or solicit gifts or benefits from partners, and avoids doing business with partners who violate human rights or intellectual property rights or engage in unlawful conduct. The Company also assesses and evaluates partners to ensure sustainable business development.

(6) Responsibility towards Competitors

The Company competes fairly, transparently, and ethically. It avoids unfair competitive advantages and focuses on operating with quality and efficiency to maximize customer satisfaction and benefit.

(7) Responsibility towards Government

The Company operates in compliance with legal requirements and maintains good relationships with regulatory bodies. It communicates openly and cooperates in providing requested information to ensure transparency, fostering mutual trust and confidence.

(8) Anti-Corruption and Fraud

The Company emphasizes fair and transparent business practices, recognizing that corruption and fraud hinder economic and social development. These actions create unfair business practices that harm The

Company's reputation and stability, potentially leading to societal rejection. The Company has an anti-corruption policy requiring that the board, management, employees, and all stakeholders adhere strictly to it.

Principle 5.3 Monitoring and Ensuring Efficient and Effective Resource Allocation, Considering the Impact and Development of Resources throughout the Value Chain, to Achieve Sustainable Objectives and Goals

(1) The Board of Directors considers the resources required for operations, such as financial, production, human, and natural resources. They recognize that various departments need different resources and have delegated the responsibility to management to allocate these resources appropriately and adequately, ensuring that operations are not disrupted.

(2) The Board of Directors acknowledges that the business model impacts resources differently. Therefore, they consider these impacts and allocate resources thoughtfully, while maintaining ethical standards, responsibility, and sustainable value creation for the organization.

(3) The Board of Directors oversees and develops the resource allocation to ensure its effectiveness. They regularly review and consider external factors' changes to achieve the organization's objectives and goals as a priority.

Principle 5.4 Governance and management of enterprise-level information technology (IT) aligned with the business needs, including overseeing the use of IT to create business opportunities and enhance risk management operations, to ensure the organization achieves its objectives and goals.

(1) The Board of Directors delegates the responsibility for formulating The Company's IT strategy to the IT department, considering the true needs of business operations. The department is tasked with providing solutions if resource allocation is insufficient, while continuously updating, developing, and modernizing The Company's IT systems to remain competitive in the industry and to enhance business opportunities.

(2) The Board of Directors ensures the management of enterprise-wide risk, including IT-related risks, by requiring the IT manager to prepare regular risk reports for presentation to the Risk Management Committee.

(3) The Board of Directors has a policy to maintain the security and stability of The Company's IT systems, providing a framework for operations that safeguards information systems and prevents unauthorized access or alterations of data.

Principle 6 Strengthen Effective Risk Management and Internal Control

Principle 6.1 Oversight of the risk management system and internal controls to ensure the achievement of objectives effectively and in compliance with applicable laws and standards.

(1) Risk Management System

The Company has established a Risk Management Committee responsible for ensuring that The Company has a risk management and internal control system in place to achieve its objectives and comply with relevant laws and standards, as well as corporate governance principles. The Risk Management Committee meets at least quarterly and presents the results of the risk management plan implementation to the Board of Directors regularly. The Company's key risk management policy covers 11 areas, including:

- (1.1) Strategic Risk
- (1.2) Insurance Risk
- (1.3) Market Risk
- (1.4) Credit Risk
- (1.5) Liquidity Risk
- (1.6) Operational Risk
- (1.7) Reputation Risk
- (1.8) Information Technology Risk
- (1.9) Catastrophic Risk
- (1.10) Emerging Risk
- (1.11) Group Risks

The Company also emphasizes early warning signals by reporting risk status from the Early Warning System monthly and summarizing the results for presentation to the Board of Directors each quarter.

(2) Internal Controls

The Board of Directors has established an internal control system to oversee The Company's operations in compliance with relevant laws and regulations, supported by effective auditing mechanisms to ensure continuous development. The Company has engaged an external firm to serve as the internal auditor. The Board has delegated the responsibility of developing the operational system independently, with the Audit Committee reviewing the adequacy of this role. The internal auditor is considered independent and experienced in internal auditing within the insurance industry and similar sectors.

Principle 6.2 Establishment of an Audit Committee with the ability to perform its duties effectively and independently.

The Board of Directors has established an Audit Committee composed of three independent directors, with one independent director appointed by the Board to serve as the chairman of the committee. The Audit Committee's duties and responsibilities are in accordance with the regulations and qualifications set by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand, and the Office of the Insurance Commission (OIC) to ensure alignment with corporate governance principles. The duties and responsibilities of the Audit Committee are documented in writing, with at least four meetings scheduled annually. Each director serves a three-year term and must meet the independence criteria as outlined in the Securities and Exchange Act B.E 2535.

Principle 6.3 Monitoring and Managing Conflicts of Interest Between the Company, Management, Board Members, or Shareholders, Including Preventing the Misuse of Company Assets, Information, and Opportunities, and Transactions with Related Parties

The Company has implemented a governance policy to prevent directors and executives from using internal company information for personal gain. It prohibits executives, their spouses, and their minor children from using inside information to buy, sell, transfer, or receive company securities before such information is made public. This policy complies with Section 59 of the Securities and Exchange Act B.E. 2535. Additionally, it mandates the submission of a report on the securities holdings of directors, executives, their spouses, minor children, and related parties within three business days following any change in securities holdings. These reports must be submitted to the Securities and Exchange Commission (SEC) and a copy is to be kept by the Company secretary for tracking and summarizing the individual securities holdings, to be presented to the board during meetings and at the year-end board meeting. Securities holdings are disclosed in the Company's Annual Registration Statement/Annual Report (Form 56-1 One Report). Furthermore, the board requires directors and executives to disclose their interests and those of related parties annually, allowing the board to assess any potential conflicts of interest regarding transactions. Directors and executives with interests in a transaction will abstain from participating in the deliberations concerning that matter. Penalties are established for non-compliance with these requirements.

Additionally, the Board has implemented controls to safeguard access to information systems and prevent unauthorized external access to company data. It also sets appropriate access levels to company information based on the responsibilities of employees at various levels. If any individual is found to be using

internal information or engaging in behavior that could harm the Company's reputation or cause financial damage, management will submit an annual report to the board to support compliance with legal requirements and safeguard the Company's interests and those of its shareholders. The board will also monitor actions that may result in conflicts of interest in accordance with the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand regulations on asset acquisition or disposal and related transactions.

Principle 6.4 Overseeing the Formulation of Clear Anti-Corruption Policies and Practices, and Communicating Them Across All Levels of the Organization for Practical Implementation

The Board of Directors has complied with relevant laws and standards by establishing an anti-corruption policy that prohibits directors, executives, and all employees from using their authority to support or tolerate any form of corruption, both directly and indirectly. It also prohibits offering illegal incentives to others to gain business advantages for the Company. The Company regularly monitors and reviews the implementation of this policy and updates practices and procedures to ensure alignment with changes in business, regulations, and laws. Any violations, including supporting or cooperating in corruption, will be subject to disciplinary action according to company regulations. Additionally, the Company has set up a whistleblowing channel for employees and stakeholders to report suspicious activities, ensuring confidentiality of the whistleblower's identity and protecting them from potential harm. Promotions, performance evaluations, and compensation decisions are based on compliance with the policy, with no history of corruption or behavior that obstructs policy adherence. The anti-corruption policy is communicated to new employees, and training programs are implemented to ensure understanding. Information on the policy is also made available to the public and stakeholders through internal communication channels.

Principle 6.5 Oversight of Mechanisms for Receiving Complaints and Handling Reports of Corruption

The Board of Directors oversees the establishment of mechanisms for receiving complaints and addressing whistleblower reports to ensure transparency in operations. The Board has set up appropriate and secure channels for whistleblowers to report concerns. If any irregularities arise, such as weaknesses in corporate governance, financial reporting, regulatory violations, rights violations, threats, corruption, or other doubts, shareholders, customers, the general public, or other stakeholders can report such issues through the following channels:

Address : Charan Insurance Public Company Limited
408/1 Ratchadapisek Road, Samsen Nok, Huai Khwang, Bangkok 10310

Email : complain@charaninsurance.co.th

Website : www.charaninsurance.co.th

Phone : 02-276-1024 ext. 312 and 604

Fax : 02-275-4919

The Board ensures that complaints are managed systematically to protect the rights of the whistleblower and those providing information in good faith. Information will not be disclosed to unrelated parties unless required by law, court order, or relevant regulatory authorities.

Employees and stakeholders may directly submit complaints or suggestions to the Board of Directors and management via the Company Secretary.

Principle 7 **Ensure Disclosure and Financial Integrity**

Principle 7.1 **Oversight of Financial Reporting and Disclosure Compliance with Standards and Relevant Practices**

(1) The Board of Directors delegates responsibility for preparing financial disclosures to qualified personnel with the necessary knowledge, skills, and experience. These individuals ensure that financial information is disclosed accurately, completely, and transparently, in accordance with relevant rules, standards, and practices. The Board considers the following factors when approving financial disclosures:

- (1.1) Results of the internal control system evaluation
- (1.2) Auditor's opinion on the financial statements and the auditor's comments regarding the internal control system
- (1.3) Opinion of the Audit Committee
- (1.4) Alignment with the Company's objectives, goals, strategies, and policies

(2) The Board oversees the disclosure of information, including quarterly financial statements and the Annual Registration Statement/Annual Report (Form 56-1 One Report), to adequately reflect the Company's financial position and performance. This includes the preparation of Management Discussion and Analysis (MD&A) accompanying the financial statements, in compliance with the Securities and Exchange Commission's Notification No. Tor Jor 44/2013 regarding the guidelines, conditions, and methods for reporting financial position and performance disclosures for listed companies.

Principle 7.2 Oversight of Financial Liquidity and Debt Repayment Capacity

(1) The Board of Directors has established a department responsible for monitoring and assessing the Company's financial position, reporting regularly to the Board. This includes the implementation of an Early Warning System and maintaining sufficient capital reserves according to the risk levels necessary to mitigate potential business risks, as defined by the Office of the Insurance Commission (OIC). These measures serve as key standards for overseeing the Company's operations to ensure business continuity and efficiency.

(2) The Board ensures that any approvals for transactions or proposals to the shareholders' meeting are made with due consideration to their impact on the Company's operational continuity, financial liquidity, and debt repayment capacity.

Principle 7.3 Oversight of Financial Issue Resolution Plans and Mechanisms, Considering Stakeholder Rights

The Board of Directors manages business risks with caution, establishing written guidelines to ensure clarity and rigor. Regular meetings are held with relevant parties to review and discuss these guidelines in preparation for potential business difficulties. These procedures are framed within established boundaries and take stakeholder rights into account. The Board has delegated the responsibility to the Risk Management Committee to develop risk management policies for Board approval. The Committee oversees, reviews, and proposes policies, along with assessing overall organizational risk indicators. The Board is regularly informed of the fund status and performance evaluations to ensure that risks are managed within acceptable limits and in alignment with the Company's risk policies

Principle 7.4 Preparation of Sustainability Reports According to the Company's Appropriateness

The Board of Directors is responsible for determining the appropriateness of disclosing information in accordance with regulations, company policies, and practices to prevent any leakage of confidential information, as per the requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Board has integrated various operational processes to promote organizational sustainability, adhering to principles of legal compliance, business ethics, conflict of interest prevention, insider trading prohibition, anti-corruption measures, whistleblowing, and fair treatment of employees and stakeholders. Additionally, the Company ensures social and environmental responsibility, following reporting frameworks recognized both domestically and internationally. Relevant information is disclosed in the Annual Registration

Statement/Annual Report (Form 56-1 One Report), highlighting practices that contribute to the creation of long-term value for the Company.

Principle 7.5 Establishment of an Investor Relations Department or Responsible Person for Communicating with Shareholders and Stakeholders

The Board of Directors prioritizes transparency in information disclosure, ensuring that both financial and general information is accurate, complete, and transparent. Such disclosures are crucial as they influence the decision-making processes of investors and stakeholders, particularly when required by regulatory bodies overseeing the Company's operations. The Board has established an Investor Relations department to serve as a central point of communication, addressing inquiries and providing important company information to investors, shareholders, stakeholders, and relevant government analysts. Should investors or stakeholders have any inquiries or require additional information, they can contact the Investor Relations department at:

- **Ms. Munthana Peoungpathompron**

Address : Charan Insurance Public Company Limited
408/1 Ratchadapisek Road, Samsen Nok, Huay Kwang, Bangkok 10310

Email : charanins@charaninsurance.co.th

Website : www.charaninsurance.co.th

Phone : 02-276-1024 ext. 207

Fax : 02-275-4919

Principle 7.6 Promoting the Use of Information Technology in Disseminating Information

The Board of Directors encourages the use of information technology for disseminating various types of information. Information is disclosed in both Thai and English on the Company's website, with regular updates to ensure its currency.

Principle 8 Ensure Engagement and Communication with Shareholders

Principle 8.1 Ensuring Shareholder Participation in Significant Company Decisions

The Board of Directors emphasizes the rights and equality of shareholders, ensuring their involvement in decisions that materially impact the Company.

Pre - Shareholders' Meeting Day:

(1) The Board ensures the Annual General Meeting (AGM) is convened within four months of the Company's fiscal year-end. Shareholders are informed of the meeting schedule through announcements via the Stock Exchange of Thailand (SET). The Company also promotes shareholder engagement, such as enabling minority shareholders to propose agenda items, submit questions, or nominate director candidates at least three months prior to the AGM. Guidelines and procedures are disclosed on the Company's website, in compliance with legal and regulatory requirements.

(2) The Board ensures that significant matters, including legal obligations and operationally impactful issues, are presented for shareholder consideration and/or approval. Key decisions include director remuneration, profit allocation and dividend payments, and the appointment and remuneration of auditors.

(3) The Board schedules the meeting at a convenient time and location, providing sufficient discussion time and accessibility for shareholders.

(4) The invitation to the AGM is prepared in both Thai and English, containing accurate and complete details, including the meeting venue, date, time, agenda, and objectives. Each agenda item is clearly identified as either for acknowledgment, approval, or consideration. The Board's opinions on each agenda item are provided, along with a proxy form issued by the Ministry of Commerce for shareholders unable to attend in person. Relevant supporting documents are also included.

(5) The Board ensures the meeting invitation and related documents are available on the Company's website under the "Investor" section at least 30 days prior to the AGM. Notifications are made through the SET system, and documents are sent to shareholders and the registrar no later than 14 days before the meeting. Additionally, the Company publishes a meeting notice in a newspaper at least three days prior to the event.

(6) Shareholders are invited to submit questions in advance through the Company's website or via designated communication channels.

Principle 8.2 Ensuring Shareholder Participation in Key Decision-MakingShareholders' Meeting Day

(1) The Board of Directors ensures that no actions are taken to unduly restrict shareholders' attendance or impose unnecessary burdens, such as requiring excessive documentation beyond the standard identification requirements.

(2) The Company integrates technology into the shareholders' meeting process, including barcode systems for registration, vote counting, and real-time display of voting results for each agenda item. This approach ensures accuracy, efficiency, and immediate transparency for all shareholders.

(3) The Chairperson of the Board serves as the meeting chair, ensuring compliance with relevant laws and regulations while allocating adequate time for each agenda item. Equal opportunities are provided for shareholders to express opinions and raise questions. Legal advisors oversee the transparency and legality of the meeting, supported by shareholder rights volunteers from the Thai Investors Association as independent vote observers.

(4) The Board, management, accounting, legal teams, and external auditors attend the meeting (unless faced with unavoidable obligations) to provide clarifications and address shareholder inquiries.

(5) Before the meeting commences, the Managing Director announces details regarding the number and proportion of attending shareholders, proxy submissions, meeting regulations, voting methods, and vote-counting procedures.

(6) The Company employs voting cards for all agenda items, adhering to a "one share, one vote" principle, with the majority vote determining the resolution outcome.

Principle 8.3 Ensuring Accurate and Comprehensive Disclosure of Shareholders' Meeting Resolutions

Post - Shareholders' Meeting Day:

(1) The Board of Directors ensures that the Company discloses shareholders' meeting resolutions, including voting results, in both Thai and English through the Stock Exchange of Thailand's news system by 9:00 AM on the following business day. The meeting minutes, prepared in both languages, must be submitted to the Stock Exchange of Thailand within 14 days of the meeting and made accessible on the Company's website.

(2) The Board ensures that the meeting minutes contain at least the following details:

(2.1) Names of directors and executives present, including the proportion of attendees and absentees.

(2.2) Voting and counting methods, resolutions passed, and voting results categorized as approved, disapproved, abstained, and invalid for each agenda item.

- (2.3) Key questions raised and responses provided during the meeting, along with the full names of the individuals posing questions and providing answers.

Business Code of Conduct

Charan Insurance Public Company Limited is committed to conducting its business with integrity, transparency, and a foundation based on ethics and moral principles, aiming to create sustainable value for the organization and its shareholders. To ensure this, the Company has established ethical business practices through the creation of a Business Code of Conduct, which serves as a framework to guide business operations in alignment with the Company's goals. This Business Code of Conduct is based on a compilation of ethical standards, operational procedures, and best practices that the Company aims to uphold. Therefore, it is the duty and responsibility of the Board of Directors, management, and all employees at every level, as well as all parties associated with the Company, to be familiar with, understand, and strictly adhere to these guidelines.

In order to achieve business objectives while maintaining ethical standards, the implementation of the Business Code of Conduct will be monitored annually. Adherence to the Business Code of Conduct will benefit the Company, employees, and all stakeholders, while fostering continuous growth and long-term stability.

1. Guidelines for the Company

- 1.1 The Company shall operate in compliance with the law, respecting customs, traditions, and intellectual property rights, and shall not engage in actions that harm society.
- 1.2 The Company shall promote strict adherence to laws and internal regulations by the Board of Directors, management, and all employees.
- 1.3 The Company shall participate in social, community, and environmental responsibilities and support activities that contribute to the betterment of society.
- 1.4 The Company shall conduct business and compete in the market fairly and transparently.
- 1.5 The Company shall protect the interests of all stakeholders fairly.
- 1.6 The Company shall foster a positive work environment free from any form of harassment.
- 1.7 The Company shall disclose information in a timely, accurate, complete, and verifiable manner.
- 1.8 The Company shall ensure fair and appropriate compensation and benefits for all employees, without discrimination.
- 1.9 1.9 The Company shall provide relevant training to employees and promote the development of their knowledge and skills, supporting their growth in accordance with their abilities.
- 1.10 The Company shall adhere to and respect human rights principles.

1.11 The Company shall encourage all employees to prioritize collective interests over personal gain.

2. Guidelines for the Directors

2.1 Directors shall perform their duties in accordance with the Company's objectives, regulations, and shareholder resolutions, with caution and primarily in consideration of the Company's interests.

2.2 Directors shall comply with all laws, rules, and regulations related to business operations.

2.3 Directors shall regularly monitor the Company's activities and dedicate time to attend board meetings to stay informed about their responsibilities and the Company's operations.

2.4 Directors shall perform their duties to the best of their knowledge, abilities, and experience.

2.5 Directors shall safeguard the interests of shareholders and treat stakeholders fairly.

2.6 Directors shall act with honesty, integrity, and morality, refraining from making false statements or actions, always prioritizing the Company's interests when making decisions.

2.7 Directors shall not disclose confidential information about clients, employees, or the Company's operations to external parties, whether intentionally or unintentionally, unless authorized by the Company.

2.8 Directors shall not use information obtained in their capacity as directors for personal or third-party gain that is not intended to benefit the Company.

2.9 Directors shall not use their position to seek personal benefits.

2.10 Directors shall avoid being directors or having interests in businesses that directly or indirectly compete with the Company.

3. Guidelines for the Executives

3.1 Management shall conduct themselves within the framework of good morals, adhering to ethics and the code of conduct, making decisions with integrity and considering the best interests of the Company, customers, shareholders, employees, and all stakeholders.

3.2 Management shall administer the Company with caution, foresight, and a broad vision to achieve the Company's objectives effectively and efficiently.

3.3 Management shall treat employees with respect, serve as a good role model, govern subordinates fairly, refrain from abusing their power, and create a work atmosphere that prevents ethical violations.

3.4 Management shall support the development and enhancement of employees' capabilities, respect their rights and opinions, and provide appropriate employee benefits.

4. Guidelines for the Employees

- 4.1 Employees should maintain a positive attitude towards the Company and strictly adhere to the rules and regulations set by the Company.
- 4.2 Employees should perform their duties with responsibility, diligence, honesty, and integrity, continually improving their work efficiency for the benefit of both themselves and the Company.
- 4.3 Employees should respect, listen to, and comply with the orders of their supervisors, as long as these are in line with company policies and regulations.
- 4.4 Employees should perform their duties to the best of their abilities, utilizing their knowledge and skills. They should continuously seek additional knowledge and self-improvement to ensure the highest level of work efficiency.
- 4.5 Employees should treat their colleagues with kindness, cooperation, sincerity, respect for individual rights, and mutual dignity. They should avoid disclosing or criticizing others' personal or work-related information in ways that may cause harm, and should not claim another's work as their own.
- 4.6 Employees should not use their position to seek personal benefits or advantages for themselves or their associates, whether directly or indirectly, in a manner that may harm the Company.
- 4.7 Employees should report any issues that may impact the Company's operations or reputation to their supervisors without delay.
- 4.8 Employees should strictly maintain the confidentiality of the Company, ensuring that confidential information is not leaked or shared with unauthorized individuals. Employees should not use knowledge gained in their work for personal gain.
- 4.9 Employees should safeguard the Company's assets and ensure they are in optimal condition, preventing unnecessary damage, waste, or loss. Employees should not use company property for personal purposes.
- 4.10 Employees should not have any financial interests in customers or business partners, such as being a shareholder, director, creditor, debtor, or advisor. If such an interest exists, it should be disclosed to the supervisor.
- 4.11 Employees should not charge or accept any assets from customers or business partners, except for fees and charges that the Company has stipulated.
- 4.12 Employees should serve customers with accuracy, speed, care, politeness, and integrity, and should fully inform customers about their rights and benefits.

- 4.13 Employees should treat business partners with honesty, fairness, and equality.
- 4.14 Employees should not disclose business secrets or confidential information of business partners to others.
- 4.15 Employees should not demand or accept benefits from business partners in exchange for performing their duties.
- 4.16 Employees should listen to guidance from their supervisors and refrain from bypassing the chain of command unless directed by a superior. Employees should also be respectful to those in higher positions.
- 4.17 Employees should treat subordinates with kindness, fairness, and care, and foster their development to ensure career advancement. They should also share knowledge, support training, and promote learning to continuously improve skills and experience.
- 4.18 Employees should listen to feedback and suggestions from subordinates regarding their work and consider using these insights to enhance work processes.
- 4.19 Employees should participate in activities that benefit the public and contribute to social development within their capacity.

5. Environmental Guidelines

- 5.1 Employees should maintain and improve the cleanliness, orderliness, and hygiene of company facilities and the environment.
- 5.2 Employees should maintain and improve safety standards to international levels to eliminate potential hazards.
- 5.3 Employees should use natural resources efficiently and effectively while taking care of the environment, considering both current and future conditions.
- 5.4 Employees should support activities that contribute to social and environmental improvement, and actively promote a sense of responsibility towards society and the environment among colleagues on an ongoing basis.

Recommendations in Case of Issues

The code of conduct established by the Company may not cover every possible situation comprehensively. Employees may encounter unforeseen circumstances. If employees are uncertain about the appropriate course of action, they should consult or seek guidance from their supervisors according to the chain of command.

Attachment 6.1 Report of Audit Committee for the year 2025

Dear Shareholders,

The Audit Committee has performed its duties independently within the scope specified in the Audit Committee Charter, which is reviewed for appropriateness and approved by the Board of Directors on an annual basis. The Audit Committee is responsible for reviewing the accuracy and reliability of financial reports, the effectiveness of the internal control system, and compliance with laws, regulations, and relevant requirements. The Committee is also responsible for preparing the Audit Committee Report for inclusion in the Company's annual report.

The Audit Committee of Charan Insurance Public Company Limited consists of three (3) independent directors who are qualified professionals with knowledge and experience, as follows:

1. Mrs. Poodpong Arsingsamanunta	Chairman of Audit Committee
2. Mr. Vorayuth Charoenloet	Member of Audit Committee
3. Mr. Thanitphong Pichaibavornphat	Member of Audit Committee

With Miss Munthana Peoungpathompron, the Company Secretary, serving as the secretary to the Audit Committee.

All members possess the qualifications required by the Securities and Exchange Commission. Mr. Thanitphong Pichaibavornphat possesses knowledge, competence, and experience in accounting and finance in accordance with the requirements of the Securities and Exchange Commission.

In 2025, the Audit Committee held a total of six meetings. Mr. Thanitphong Pichaibavornphat attended all meetings. However, Mrs. Poodpong Arsingsamanunta and Mr. Vorayuth Charoenloet attended five meetings due to other commitments which prevented them from attending one meeting. The Audit Committee also held meetings with the internal auditor and the external auditor and reported the results of the Audit Committee meetings to the Board of Directors in accordance with established procedures on every occasion. The key matters performed by the Audit Committee can be summarized as follows:

1. Review of Quarterly Financial Statements and Annual Financial Report

The Audit Committee reviewed the Company's quarterly financial statements and the annual financial statements for the year 2025. Relevant management and the external auditor were invited to attend the meetings to present the financial statements and respond to the Committee's inquiries in order to ensure that the financial

statements were prepared in accordance with financial reporting standards and that the disclosures were adequate, complete, and reliable. Observations made by the external auditor at each meeting were duly considered and appropriately applied for the benefit of the Company. The Audit Committee is of the opinion that the financial statements present fairly, in all material respects, the financial position in accordance with the applicable financial reporting standards and in the format prescribed by the Office of Insurance Commission (OIC).

2. Review of Internal Control System

The Audit Committee reviewed and assessed the Company's internal control system through discussions with the external auditor and regular consideration of reports from the internal audit function. The review did not identify any material deficiencies. The Committee also assessed risks and the adequacy of the internal control system to determine the significance of each operational process in alignment with the Company's objectives, and provided recommendations for the internal audit function. The Audit Committee is of the opinion that the Company's internal control system is adequate and appropriate.

3. Risk Management

The Company has established a Risk Management Committee responsible for overseeing the Company's risk management. The Audit Committee reviews the process with management to ensure that the Company has established a risk management plan and continuously monitors risk assessments arising from changing business environments and circumstances. The Committee provides recommendations to the Board of Directors for improvement to ensure effective risk management in compliance with the regulations and guidelines of the Office of Insurance Commission (OIC).

4. Review of Related Party Transactions or Transactions with Potential Conflict of Interest

The Audit Committee reviewed related party transactions or transactions that may give rise to conflicts of interest in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. The review indicated that transactions between the Company and related parties were conducted under normal commercial terms, were reasonable and fair, and did not result in the transfer of benefits. Adequate disclosure of such transactions was made in accordance with good corporate governance practices and the regulations of the Stock Exchange of Thailand.

5. Review of Legal Compliance

The Audit Committee reviewed the Company's operations and ensured that the Company conducted its business in compliance with established operational procedures and ethical standards. The Company complied with the Securities and Exchange Act as well as other laws relevant to its business operations. No indications were found that the Company failed to comply with, or acted in conflict with, any applicable laws, regulations, or requirements. The Company conducted its business activities appropriately and in accordance with normal business practices.

6. Consideration of the Appointment of External Auditors and Audit Fees for the Year 2025

The Audit Committee considered the selection of the external auditors by taking into account their performance, independence, qualifications, knowledge, expertise, and experience in auditing the Company's business and financial statements in the previous year, as well as the proposed audit remuneration. The Audit Committee then provided its recommendation to the Board of Directors for submission to the 2025 Annual General Meeting of Shareholders to consider the appointment of auditors from Forvis Mazars Ltd. as the Company's external auditors for the year 2025, namely Mr. Sompop Pholprasarn, Certified Public Accountant No. 6941, and/or Miss Tippawan Pumbansao, Certified Public Accountant No. 9552, and/or Miss Wannawat Hemachayart, Certified Public Accountant No. 7049.

The proposed audit fees are as follows: the review of financial statements for three quarters amounting to 705,000 Baht; the audit of the annual financial statements for the year ended December 31, 2025 amounting to 1,225,500 Baht; the review/audit of the Risk-Based Capital (RBC) Report as of June 30, 2025 amounting to 170,000 Baht and as of December 31, 2025 amounting to 200,000 Baht. In addition, as the Company is required to prepare its financial statements in accordance with Thai Financial Reporting Standard No. 17 (TFRS 17), which became effective in 2025, Forvis Mazars Ltd. has proposed a one-time service fee for the review of the application of TFRS 17 amounting to 300,000 Baht. As a result, the total audit service fees for the year 2025 amount to 2,600,000 Baht.

In conclusion, in 2025 the Audit Committee carried out its duties by closely monitoring the Company's operations with sufficient independence, knowledge, and competence in accordance with the responsibilities specified in the Audit Committee Charter. The Committee is of the opinion that the Company's financial statements present reliable and material information in accordance with generally accepted accounting

standards. The Company has adequately disclosed related party transactions or transactions that may cause conflicts of interest, maintains good corporate governance practices, manages risks within acceptable levels, has an adequate internal control system for its business operations, and complies fully with relevant laws, regulations, and requirements applicable to the Company's business operations.

(Sign)

(Mrs. Poodpong Arsingsamanunta)

Chairman of Audit Committee

Attachment 6.2 Report of Risk Management Committee for the year 2025

Dear Shareholders,

The Risk Management Committee of Charan Insurance Public Company Limited consists of directors and executives who are qualified individuals with knowledge and experience, totaling nine (9) members, as follows:

1. Mr. Sukich Charanvas	Chairman of Risk Management Committee
2. Mr. Pon Titipanichayagoon	Member of Risk Management Committee
3. Mr. Kittipong Charanvas	Member of Risk Management Committee
4. Mr. Kosit Angkasuwan	Member of Risk Management Committee
5. Ms. Sudarat Wiwattanadaj	Member of Risk Management Committee
6. Ms. Kanyawan Trisaksuriyan	Member of Risk Management Committee
7. Mr. Nopadol Suwankareekul	Member of Risk Management Committee
8. Ms. Napaporn Tanangtong	Member of Risk Management Committee
9. Mr. Sornchai Kaewrakmuk	Member of Risk Management Committee

Mr. Kosit Angkasuwan, Assistant Managing Director of Risk Management, serves as the Secretary to the Risk Management Committee.

The Risk Management Committee has performed its duties in accordance with the scope specified in the Risk Management Committee Charter and in compliance with applicable laws, rules, and regulations prescribed by the regulatory authorities, in line with the Company's good corporate governance principles. In 2025, the Risk Management Committee held a total of four meetings. The results of its operations can be summarized according to eleven categories of risk as follows.

- 1. Strategic Risk:** Considering the Company's key strategies aimed at maximizing the utilization of available resources, the Company has been able to further implement such strategies across all departments to enhance overall operational efficiency. In addition, the capital adequacy ratio as of December 31, 2025 was 338%, which is within the acceptable risk level and higher than the minimum requirement of 140% prescribed by the Office of Insurance Commission (OIC).
- 2. Underwriting Risk:** Based on the net expense ratio of insurance services for all products as of December 31, 2025, which was 88%, the level of risk is considered acceptable and remains below the maximum threshold of 100% as prescribed by the Office of Insurance Commission (OIC).

3. **Market Risk:** Considering the investment return ratio as of December 31, 2025, which was 2.62%, the level of risk is considered acceptable.
4. **Credit Risk:** Based on the credit ratings of both domestic and international reinsurers as of December 31, 2025, domestic reinsurers have capital adequacy ratios exceeding 200%, while international reinsurers maintain credit ratings of at least A- or higher. These levels are considered within the acceptable risk threshold.
5. **Liquidity Risk:** Considering the liquidity asset ratio as of December 31, 2025, which stood at 420%, the level of risk is considered acceptable and significantly higher than the minimum requirement of 100% prescribed by the Office of Insurance Commission (OIC).
6. **Operational Risk:** Based on the ratio of outstanding premiums receivable to capital as of December 31, 2025, which was 2%, the level of risk is considered acceptable and remains below the maximum threshold of 40% as prescribed by the Office of Insurance Commission (OIC). In addition, no abnormal incident reports affecting the Company's operations were identified during 2025.
7. **Reputational Risk:** Considering the number of complaints received from business partners or insured parties, only a small number of complaints were reported and were within the acceptable risk level. All issues were successfully resolved without affecting the Company's reputation. Furthermore, no incidents related to fraud within the Company were reported in 2025.
8. **Information Technology Risk:** Based on the number of incidents affecting the Company's systems or operations, including damages caused by cyber threats, no incidents were reported during 2025. The risk level is therefore considered acceptable.
9. **Catastrophic Risk:** Considering the number of claims and the actual claim payments that significantly deviated from the estimated claim amounts due to large-scale events, although there was a major earthquake on February 28, 2025 and severe flooding in southern Thailand in late November 2025, the Company was still able to settle insurance claims. As of December 31, 2025, the risk level remains within the acceptable threshold.
10. **Emerging Risk:** When considering events that caused damage but had not previously occurred or for which the Company had limited prior experience, there were two cases: the submission of the Company's financial statements for the first quarter of 2025 for which the auditor expressed a disclaimer of opinion, and the submission of the financial statements for the second quarter of 2025 which the Company was unable to deliver to the regulatory authority within the timeframe prescribed by law. The Company has completed corrective actions as of October 31, 2025 and November 14, 2025, respectively, and no additional incidents were reported during 2025. As of December 31, 2025, the level of risk is considered acceptable.

11. Group Risk: Considering that the Company does not operate within a business group structure, this category of risk does not have any impact on the Company.

In conclusion, after considering the overall risk profile of the Company, it was found that the Company has an effective risk management plan that is adequate for managing various risks arising in its operations. The Risk Management Committee has reviewed the results of risk management in the past year and is of the opinion that the existing risk management framework and policies remain appropriate for the continued conduct of the Company's business.

(Sign)

(Mr. Sukich CharanvasChairman of Risk
Management Committee



Charan's Promise Gives the Public Peace of Mind

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