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ที่ BUI_A_0753/2565

February 25, 2022

Re: Management Discussion and Analysis (MD&A)
for the year ended December 31, 2021

To : Director and Manager, The Stock Exchange of Thailand

Bangkok Union Insurance Public Company Limited (the "Company") would like to inform the Stock Exchange of Thailand, the operating results of the Company for the year ended December 31, 2021, which has been audited by auditor as follows,

Unit : Million Baht

	2021	2020	Changes	%
Revenues from underwriting	909.68	849.53	60.15	7.08
Underwriting expenses	703.89	777.91	(70.02)	(9.05)
Profit from underwriting	205.79	75.62	130.17	172.15
Investment income, Rental income and Other income	37.00	27.67	9.33	33.69
Income from operation	242.79	103.29	139.50	135.05
Operating Expenses	101.94	82.90	19.04	22.97
Income before income tax expense	140.85	20.39	120.46	590.73
Income tax expense	52.02	2.85	49.17	1726.73
Net profit (Separate Financial Statements)	88.83	17.54	71.29	406.32
Share of profit (loss) from investment in an associate	3.58	(4.52)	8.10	179.18
Net profit (in which the equity method is applied)	92.41	13.02	79.39	609.70

The Company had separate net profit for the year 2021 amounting to 88.83 million baht, the profit increased by 71.29 million baht or 406.32% compared to the previous year, which had a net profit of 17.54 million baht. The reasons are as follows:

1. The company had an underwriting profit of 205.79 million baht, an increase of 130.17 million baht or 172.15%, due to Revenues from underwriting growth 7.08% and underwriting expenses decreased 9.05% as follows:

- Revenues from underwriting, including Premiums written, Premiums ceded, and Fee and commission income was 909.68 million baht, an increase of 60.15 million baht or 7.08%.

- Underwriting expenses, including Insurance claims and loss adjustment, Commission and brokerages and other underwriting expenses totaled 703.89 million baht, a decrease of 70.02 million baht or

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9.05%, the rate of underwriting expenses to Revenues from underwriting in 2021 decreased 15.11% in comparison with the previous year. Consists of Net Loss ratio were lower than the last year with a rate of 32.96% while the rate of 49.55% in the previous year, Commission and brokerages ratio 12.66% while the previous year has a rate of 12.44%, and Other underwriting expenses in 2021 at a rate of 22% while the last year has a rate of 20.74%.

2. The company had Investment income, Rental income and other income amount of 37 million baht, an increase in profit of 9.33 million baht or 33.69%, resulting from Investment income increased of 1.51 million baht or 11.14%, credit loss expected from accounting record in accordance with accounting standards introduced in 2020 in amount of 0.48 million baht. Rental income decreased 3.81 million baht or 15.46% as the company has a measure to help customers rent buildings by reducing rental fees from the coronavirus disease (COVID-19) situation.

3. Operating expenses of 101.94 million baht, an increase of 19.04 million baht or 22.97% from the previous year, with the ratio of operating expenses per written premium in 2021 higher than last year by 1.16%.

4. The company had income tax in the year 2021 amounted to 52.02 million baht, the income tax expense increased from the previous year by 49.17 million baht or 1,726.73%.

In summary, for the separate financial statements in the year 2021, the company has underwriting income growth from the previous year by 7.08 %, representing an increase of 60.15 million baht. underwriting expenses decreased 9.05%, equivalent to a decrease of 70.02 million baht, profit from the core business of the company amounted to 205.79 million baht, an increase of 172.15% when including investment income, rental income and other income, an increase of 33.69%, and operating expenses increased by 22.97%, resulting in the company had a net profit of the year 2021 of 88.83 million baht, an increase of profit of 71.29 million baht or 406.32 %. An Earnings per share was 2.96 baht, while the previous year earnings per share were 0.58 baht.

In addition, the company had investments in associates in the year 2021, recorded a share of the profit from that investments of 3.58 million baht, which had an increase of 8.10 million baht from the last year or 179.18%. As a result, the company had a profit by equity method of 92.41 million baht, an increase in profit of 79.39 million baht or 609.70%. An Earnings per share was 3.08 baht, while the previous year earnings per share were 0.43 baht.

Please be informed accordingly.

Yours sincerely,

Miss Sujintana Champeersi

(Miss Sujintana Champeersi)

Director / Authorized Person to Disclose Information