



A.C. 036/2022

23 May 2022

President

The Stock Exchange of Thailand

Re : Submission of Financial Statement as of March 31, 2022 and MD&A

Dear Sir,

We, SYN MUN KONG INSURANCE PUBLIC COMPANY LIMITED, would like to submit the company's financial statements for the first quarter ended 31 March 2022 that shows the net profit (loss) for the three-month period ended 31 March 2022 and 2021 amounted to Baht (29,421.37) million and 176.23 million respectively, which represent a decrease of 16,794.48% from 2021. The Company hereby clarifies Management Discussion and Analysis for the financial results of Q1/2022 as follows:-

1. The Company's total revenues for the Q1/2022 was Baht 2,472.06 million, an increase of Baht 19.32 million or 0.79% comparing with the same period previous year of Baht 2,452.74 million. This was mainly due to the following reasons:

1.1 The net premiums earned for the Q1/2022 was Baht 2,410.43 million, an increase of Baht 47.21 million or 2.00% increase. This was mainly due to the added back reserve of Baht 320.78 million which therefore resulted in the decrease in unearned premium reserve of 566.02 million.

1.2 The investment income decreased by Baht 17.54 million, or 32.64% decrease compared to the same period last year because interest and dividend income decreased by 73.38% amounting to Baht 51.68 million and a decrease of fair value loss of Baht 38.20 million, or 99.99% as a result of loss on FX in Q1/2021.

2. The Company's total expense was Baht 31,624.92 million, an increase of Baht 29,388.06 million or 1,313.81% comparing with the same period previous year of Baht 2,236.85 million. This was mainly due to the following reasons:

2.1 Unexpired risk reserve for the Q1/2022 was Baht 6,374.52 million, an increase of 100.00% due to the inadequate provision of unearned premium reserve which then required the company to increase an additional unexpired risks reserve in order to cover the Covid-19 claims.

2.2 Insurance claim expenses for the Q1/2022 were Baht 24,571.77 million, an increase of Baht 23,166.89 million, or 1,649.03% increase, which was composed of Baht 1,311.03 million Non-COVID claim and Baht 23,260.74 million COVID claim brought about by the sharp increase of the infected Covid-19 cases.

3. The underwriting loss for the Q1/2022 of Baht 29,187.25 million was due to the COVID underwriting losses of Baht 29,479.68 million, Non-COVID's underwriting profit of Baht 292.42 million.

In summary, the main factor causing the high amount of losses of Baht 29,421.37 million was the huge increase of COVID claim cost in Q1/2022 as compared with only Baht 19.08 million COVID claim cost in Q1/2021.

We would appreciate your acknowledgement of our stated-above clarification.

Yours sincerely,

(Mr. Reungdej Dusdeesurapoj)

Chief Executive Officer and Managing Director