

Ref No.038/2023

16 February 2023

Subject Submission of the Amendment to the Opinion of the Business on the Tender Offer (Form 250-2) of Securities of Nam Seng Insurance Public Company Limited. No.2

To Secretary, the Office of the Securities and Exchange Commission  
Director and manager, the Stock Exchange of Thailand  
Shareholders of Nam Seng Insurance Public Company Limited

As Nam Seng Insurance Corporation Public Company Limited (the "Company" or "Business" or "NSI") has submitted the report on the opinion of the Business on the tender offer (Form 250-2) and the Opinion of the Independent Financial Advisor on the Tender Offer for the Delisting of all securities of the Business from the Stock Exchange of Thailand. Dated February 7, 2023, and as amendment on February 15, 2023 to the Securities and Exchange Commission, the Stock Exchange of Thailand, and its shareholders, because of the statement in the report have been amended. The Business we would like to disclose the amendments, with details appearing in this submission.

Please be informed accordingly,

Yours sincerely,

Nam Seng Insurance Corporation Public Company Limited

*Mr. Somboon Fusriboon*

(Mr. Somboon Fusriboon)

Managing Director

PIA 008/2023

16 February 2023

Subject Submission of the Amendment to the Opinion of the Independent Financial Advisor (IFA) about the Tender Offer for Delisting Nam Seng Insurance Corporation Public Company Limited from the Stock Exchange of Thailand. No.2

To Secretary, the Office of the Securities and Exchange Commission  
Director and manager, the Stock Exchange of Thailand  
Shareholders of Nam Seng Insurance Public Company Limited

As Pi Advisory Company Limited (the "Independent Financial Advisor") has submitted the report on the Opinion of the Independent Financial Advisor (IFA) about the Tender Offer for Delisting Nam Seng Insurance Corporation Public Company Limited from the Stock Exchange of Thailand. Dated February 7, 2023, and as amendment on February 15, 2023, because of the statement in the report have been amended. We would like to disclose the amendments, with details appearing in this submission.

Please be informed accordingly,

Yours sincerely,

Pi Advisory Company Limited  
As an Independent Financial Advisor

*Mr. Bob Wouters*

Mr. Bob Wouters

Director

*Mr. Sumritchai Thangharat*

Mr. Sumritchai Thangharat

Director

**Amendment to the Opinion of the Business on the Tender Offer (Form 250-2)**  
**Of Nam Seng Insurance Corporation Public Company Limited No.2**

**1. Page 21 Part 1.8.2.1 Company Performance and Profitability (Expense)**

**Original**

**Expense**

The company recorded operating expenses including long-term insurance policy reserve, claims recoverable from reinsurers, claims, commission and brokerage expense, reinsurance, operating expenses, finance costs, and expected credit losses amounting to Baht 2,061.66 million, Baht 2,001.12 million, and Baht 2,267.94 million for the period ended 2019-2021 respectively.

In 2020, a decrease in expenses mostly came from claims decrease amounting to Baht 170.39 million or 12.58% from 2019.

In 2021, expenses were Baht 2,267.94 million, an increase of Baht 266.82 million or 13.30% from 2020 mostly came from claims that increase of Baht 67.48 million or 5.70% and from commission and brokerage expenses amounting to Baht 58.03 million or 15.06% from 2020 due to an increase in the number of policies written.

For the period ending nine-month 2022, The Company recorded operating expenses amounting to Baht 1,962.62 million compared to Baht 1,692.45 million for the period ending nine-month 2021. An increase of Baht 270.17 million or 15.96% mostly came from claims that increase of Baht 143.13 million or 15.22%.

**Revision**

**Expense**

The company recorded ~~operating~~ expenses including long-term insurance policy reserve, claims recoverable from reinsurers, claims, commission and brokerage expense, reinsurance, operating expenses, finance costs, and expected credit losses amounting to Baht 2,061.66 million, Baht 2,001.12 million, and Baht 2,267.94 million for the period ended 2019-2021 respectively.

In 2020, a decrease in expenses mostly came from claims decrease amounting to Baht 170.39 million or 12.58% from 2019.

In 2021, expenses were Baht 2,267.94 million, an increase of Baht 266.82 million or 13.30% from 2020 mostly came from claims that increase of Baht 67.48 million or 5.70% and from commission and brokerage expenses amounting to Baht 58.03 million or 15.06% from 2020 due to an increase in the number of policies written.

For the period ending nine-month 2022, The Company recorded ~~operating~~-expenses amounting to Baht 1,962.62 million compared to Baht 1,692.45 million for the period ending nine-month 2021. An increase of Baht 270.17 million or 15.96% mostly came from claims that increase of Baht 143.13 million or 15.22%. [The increase in claims costs was the result of increased premiums.](#)

**2. Page 35 Part 5 Opinion of the board of director for shareholders.****Original**

The Business held its Board of Directors' Meeting No. 15/2022-2023 on 3 February 2023 to consider the Tender Offer Document (Form 247-4) of the Tender Offeror and the report prepared by Pi Advisory Company Limited, the independent financial advisor, on the tender offer for all securities of the Business where three of the following disinterested members of the Board of Directors attended such meeting to consider and cast their votes in respect of the Tender Offer Document (Form 247-4) of the Tender Offeror:

<b>Name</b>	<b>Position</b>	<b>Interest in the Tender Offeror</b>	<b>Shareholding Percentage in the Business as at 14 November 2022</b>
1 Mr. Yongyuth Phusanti	Chairman of the Board / Independent Director	None	0.01 %
2 Mr. Surasak Vajasit	Independent Director	None <sup>/1</sup>	-
3 Mrs. Pornpun Tanariyakul	Independent Director	None	0.25 %

Note: /1 Mr. Surasak Vajasit is an independent director of the tender offeror. Mr. Surasak Vajasit It's all Mr. Surasak Wajasit Confirm that he is an independent director of the business and the tender offeror, giving opinions that are beneficial to minority shareholders, and objecting when it is deemed that the Company may make any unfair and transparent decisions or actions that may affect the interests of minority shareholders.

Members of the Board of Directors who had a conflict of interest in the proposed matter, i.e., Mr. Somboon Fusriboon and Mr. Voravatch Jaroenchaiyapongs, did not consider or cast their votes on the agenda in respect of the Tender Offer Document (Form 247-4) of the Tender Offeror. In addition, Mr. Till Boehmer Mr. Matthias Benedikt Veith Mr. Patrick Blust, and Mr. Bunchert Tangtorith did not cast their vote on such agenda due to him being a director who was appointed by the offeror's proposal.

**Revision**

The Business held its Board of Directors' Meeting No. 15/2022-2023 on 3 February 2023 to consider the Tender Offer Document (Form 247-4) of the Tender Offeror and the report prepared by Pi Advisory Company Limited, the independent financial advisor, on the tender offer for all securities of the Business where three of the following disinterested members of the Board of Directors attended such meeting to consider and cast their votes in respect of the Tender Offer Document (Form 247-4) of the Tender Offeror:

Name	Position	Interest in the Tender Offeror	Shareholding Percentage in the Business as at 14 November 2022
1 Mr. Yongyuth Phusanti	Chairman of the Board / Independent Director	None	0.01 %
2 Mr. Surasak Vajakit	Independent Director	None <sup>/1</sup>	-
3 Mrs. Pornpun Tanariyakul	Independent Director	None	0.25 %

Note: /1 Mr. Surasak Vajakit is an independent director of the tender offeror. Mr. Surasak Vajakit It's all Mr. Surasak Vajakit Confirm that he is an independent director of the business and the tender offeror, giving opinions that are beneficial to minority shareholders, and objecting when it is deemed that the Company may make any unfair and transparent decisions or actions that may affect the interests of minority shareholders.

[The Board of Directors of all entities \(excluding directors with interests\) has considered the Tender Offer \(Form 247-4\) of the Tender Offer \(including as amended\) and the opinion of the Independent Financial Advisor. This is in line with the opinion of the Independent Financial Advisor that shareholders should accept the Tender Offer.](#)

Members of the Board of Directors who had a conflict of interest in the proposed matter, i.e., Mr. Somboon Fusriboon and Mr. Voravatch Jaroenchaiyapongs, did not consider or cast their votes on the agenda in respect of the Tender Offer Document (Form 247-4) of the Tender Offeror. In addition, Mr. Till Boehmer Mr. Matthias Benedikt Veith Mr. Patrick Blust, and Mr. Bunchert Tangtorith did not cast their vote on such agenda due to him being a director who was appointed by the offeror's proposal.

### 3. Page 35 Part 5.1 Reason to accept and/or reject the tender offer.

#### **Original**

After consideration of the Tender Offer Document, (Form 247-4) of the Tender Offeror and the opinion of the independent financial advisor, the Board of Directors of the Business (excluding directors with conflict of interest) shared the same opinion as the independent financial advisor that shareholders should accept the tender offer as detailed below.

#### **Revision**

The Board of Directors [of all entities](#) (excluding directors with interests) has considered the Tender Offer (Form 247-4) of the Tender Offer (including as amended) and the opinion of the Independent Financial Advisor. This is in line with the opinion of the Independent Financial Advisor that shareholders should accept the Tender Offer.

**Amendment to the Opinion of the Independent Financial Advisor on the Tender Offer**  
**Of Nam Seng Insurance Corporation Public Company Limited No.2**

**1. Part 1 Executive Summary Page 10 Part 2 Avoid Impacts on Minority Shareholders Post SET Delisting**

**Original**

**- Tax Privileges are No Longer Available**

Post SET Delisting, the Company's shareholders will no longer be exempted from capital gain tax. This is a special tax privilege available to individual investors who trade SET-listed securities via the SET. In the transferal of the Company's shares, the share transferor will also have to bear stamp duty.

**Revision**

**- Tax Privileges are No Longer Available**

Post SET Delisting, the Company's shareholders will no longer be exempted from capital gain tax. This is a special tax privilege available to individual investors who trade SET-listed securities via the SET. [However, the law on the imposition of sales tax on shares will come into effect around April 2023 onwards, whereby the broker representing the seller will deduct specific business and local taxes on the shares sold, along with filing and paying taxes on behalf of the seller on behalf of the broker himself, without the seller having to file any further tax returns. It's all the tax rate on sales transactions is 0.10%, combined with the local tax, which requires the collection of another 10.00% of the specific business tax, resulting in the seller of the shares being subject to a combined tax of 0.11%, and for the first year \(from the effective date to December 31, 2023\), a first tax of 0.055% will be collected when local taxes are included.](#) In the transferal of the Company's shares, the share transferor will also have to bear stamp duty.

**2. Part 3 Opinion of the IFA about the Tender Offer Price Page 34 Part 3.6 Actuarial Appraisal of Economic Value Approach**

**Original**

For the valuation of the Company's ordinary shares by the actuarial method, IFA refers to the business valuation report prepared by an independent insurance business valuation expert dated 27 September 2022, which was hired by the Company. The objective is to establish a business valuation as of June 30, 2022. However, independent financial advisors have considered and reviewed the discount rate assumptions in the independent actuaries' assessments and deemed there was no reason to change significantly. As a result, the independent actuaries' assumptions can still be used, which actuaries have annualized performance estimates, with 2022 estimated operating results as profit amounting to 98.06 million baht. Meanwhile, the actual operating results for the nine-month of 2022 were 78.09 million baht and, if adjusted annually, would be approximately 104.12 million baht. Therefore, although the valuation report is a valuation of the business as of June 30, 2022, the independent consultant is of the opinion that the valuation report can still be used to make decisions.

Independent actuaries have assessed the Company's valuation by using the actuarial appraisal of economic value approach which is considering the present value of the business as well as the value of the entity. It is calculated from the actual operating results of the company in the past and the value of the company arising from the future business (New / Renewal Business). The more the company sells long-term or complex policies, the calculation from this method also is complicated.

IFA has studied the information from the report by using knowledge, ability, and caution by adhering to the basis of a professional. In this regard, IFA has the same opinion as the independent actuary because the insurance business is complex. The company must assess the likelihood and probability of a potential claim via the Actuarial Appraisal of Economic Value Approach.

### **Revision**

For the valuation of the Company's ordinary shares by the actuarial method, IFA refers to the business valuation report prepared by an independent insurance business valuation expert dated 27 September 2022, which was hired by the Company. The objective is to establish a business valuation as of June 30, 2022. However, independent financial advisors have considered and reviewed the discount rate assumptions in the independent actuaries' assessments and deemed there was no reason to change significantly. As a result, the independent actuaries' assumptions can still be used, which actuaries have annualized performance estimates, with 2022 estimated operating results as profit amounting to 98.06 million baht. Meanwhile, the actual operating results for the nine-month of 2022 were 78.09 million baht and, if adjusted annually, would be approximately 104.12 million baht. [In addition, the company's receiving premiums are consistently recognized for fixed income. as follows.](#)

Unit : Million Baht

Premiums	2019	2020	2021	2022
Quarter 1	581.03	660.96	687.75	796.41
Quarter 2	570.90	484.43	623.06	764.38
Quarter 3	679.21	563.92	642.86	749.51
Quarter 4	557.62	579.66	696.20	N.A.
Total	2,388.76	2,288.97	2,649.87	N.A.

[This is established by the table above which displays the premiums that were paid. The business does not recognize revenue on a seasonal basis.](#) Therefore, although the valuation report is a valuation of the business as of June 30, 2022, the independent consultant is of the opinion that the valuation report can still be used to make decisions.

Independent actuaries have assessed the Company's valuation by using the actuarial appraisal of economic value approach which is considering the present value of the business as well as the value of the entity. It is calculated from the actual operating results of the company in the past and the value of the company arising from the future business (New /

Renewal Business). The more the company sells long-term or complex policies, the calculation from this method also is complicated.

IFA has studied the information from the report by using knowledge, ability, and caution by adhering to the basis of a professional. In this regard, IFA has the same opinion as the independent actuary because the insurance business is complex. The company must assess the likelihood and probability of a potential claim via the Actuarial Appraisal of Economic Value Approach