

Ref. No.026/2023

7 February 2023

**Subject** Submission of the Opinion of the Business on the Tender Offer (Form 250-2) and the Report of the Opinion of the Independent Financial Advisor on the Tender Offer for the Delisting of Securities of Nam Seng Insurance Public Company Limited from the Stock Exchange of Thailand

**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

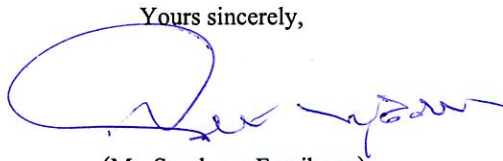
**Attachment** 1. Copy of the opinion of the Company report concerning the tender offer (form 250-2)  
2. Copy of the Report of the Opinion of the Independent Financial Advisor on the Tender Offer for the Delisting of Securities of Nam Seng Insurance Public Company Limited from the Stock Exchange of Thailand

As Nam Seng Insurance Corporation Public Company Limited (the "Company" or "Business" or "NSI") has received a tender offer document (form 247-4), dated 17 January 2023, from Thaisri Insurance Public Company Limited (the "Tender Offeror") to delist all securities of the Company from the Stock Exchange of Thailand (the "SET"), the Company so appointed Pi Advisory Company Limited to act as the shareholders' advisor in providing opinion concerning the tender offer. In addition, the Company has prepared the opinion of the Company report concerning the tender offer (form 250-2) according to the Notification of the Capital Market Supervisory Board No. ThorJor. 40/2552, Re: Statement Form and Period for Preparing Opinion Concerning Tender Offer.

In this regard, the Company would like to submit a copy of the opinion of the Company report concerning the tender offer (form 250-2) and a copy of the opinion of the shareholders' advisor report concerning the tender offer for the Delisting of Securities of Nam Seng Insurance Corporation Public Company Limited from the Stock Exchange of Thailand to the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, and the Company's shareholders for consideration with the details appeared in attachment.

Please be informed accordingly,

Yours sincerely,



(Mr. Somboon Fusriboon)

Managing Director

*(Translation)*

**Opinion of the Company with respect to Tender Offer**

**(Form 250-2)**

**of**



**Nam Seng Insurance Corporation Public Company Limited**

Tender Offeror

**Thaisri Insurance Public Company Limited**

**7 February 2023**

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**Opinion of the Business on the Tender Offer (Form 250-2)**

7 February 2023

To The holders of securities  
Nam Seng Insurance Corporation Public Company Limited

On 17 January 2023, Nam Seng Insurance Corporation Public Company Limited (the "Company" or "Business" or "NSI") received a copy of the Tender Offer for Securities of the Business (the "Tender Offer Document" or "Form 247-4") to delist all securities of the Business from the Stock Exchange of Thailand (the "SET") from Thaisri Insurance Public Company Limited ("THAISRI" or the "Tender Offeror"), the details of which can be summarized as follows:

Securities type	Number of tender securities		Number of tender securities is equivalent to percentage <sup>(1)</sup>		Tender offer price	Tender offer amount (THB)
	Shares / Units	Voting rights	of total issued and paid-up securities of the Company	of total voting rights of the Company		
Ordinary share*	13,900,000	13,900,000	100.00	100.00	215.00	2,988,500,000.00
Preferred share	-	-	-	-	-	-
Warrant to purchase share	-	-	-	-	-	-
Convertible bond	-	-	-	-	-	-
Other securities (if any)	-	-	-	-	-	-
			<b>Total</b>	<b>100.00</b>	<b>Total</b>	<b>2,988,500,000.00</b>

Remark: (1) 1) On the date of submission of the Tender Offer Document, the Business had only one type of securities, i.e., a total of 13,900,000 issued ordinary shares with a par value of THB 1.00 per share. Each ordinary share of the Business carries one vote.

**The Tender Offer Price.**

The Tender Offeror has set an offer price for the ordinary shares of the Business at THB 215.00 (THB two hundred and fifteen) per share (the "Offer Price"), which is not lower than the highest price determined under the methods prescribed under the Notification of the Capital Market Supervisory Board No. Tor.Chor. 12/2554 Re: Rules, Conditions, and Procedures for the Acquisition of Securities for Business Takeovers (as amended) (the "Notification no. Tor. Chor. 12/2554"). The Tender Offeror will make payment for the tendered shares at the Offer Price in cash where the shareholders who accept the tender offer (the "Offerees") will receive the shared payment (after deduction of the relevant brokerage fee and tax) in Thai baht with two decimal places representing satang. To calculate such decimal places representing satang, if the sum is more than or equal to THB 0.005, it will be rounded up; however, if the sum is less than THB 0.005, it will be rounded down, whereby such price is the final offer price which will not be changed (Final Offer) (unless falling under the condition(s) as specified in Form 247-4).

According to the provisions of the Revenue Code, unless specifically exempted by the terms of the applicable double tax treaty, if an Offeree is a foreign juristic person not conducting business in Thailand and is not domiciled in the country that has a double taxation treaty with Thailand or is domiciled in a country that has a double taxation treaty with Thailand but the such treaty does not exempt any withholding tax on capital gain on sales of ordinary shares in Thailand, such Offeree will be subject to 15 percent withholding tax on capital gain on sales of securities, i.e. the difference between the Offer Price and the cost basis of the securities, and must declare the cost basis to the tender offer agent. If any Offeree fails to declare the aforementioned cost basis of the securities in the relevant securities cost basis declaration forms, the tender offer agent will withhold tax based on the Offer Price multiplied by the total number of shares or NVDR sold.

**Offer Period**

The offer period is a total of 45 business days of the SET (the “Business Days”) from 18 January 2023 to 22 March 2023 during which securities may be tendered on every Business Day from 9.00 a.m. to 4.00 p.m. where a such period is the final offer period (Final Period) which will not be extended ( unless falling under the condition(s) as specified in Form 247-4).

In this regard, if any public holiday is announced during such period, the Tender Offeror will extend the Offer Period so that the Offer Period will be no less than 45 Business Days under Notification no. Tor.Chor. 12/2554 and the Regulations of the Stock Exchange of Thailand Re: Delisting of Securities B.E. 2542.

**Conditions for Amendment/Alteration to the Tender Offer**

- The Tender Offeror may reduce the Offer Price and/or extend the Offer Period in case of any event and/or action that occurs during the Offer Period which causes material damage to the status or the assets of the Business.
- The Tender Offeror may change the offer and/or extend the Offer Period to compete with other offerors who submitted a tender offer for securities of the Business during the Offer Period.

**Conditions for Cancellation of the Tender Offer**

The Tender Offeror may cancel the tender offer upon the occurrence of any of the following events:

- Any event and/or act occurring after the submission of the Tender Offer to the Securities and Exchange Commission (the “SEC”) but before the last day of the Offer Period, which causes or may cause material damage to the status or to the assets of the Business, where such event and/or act are not the result from the act of the Offeror or any act for which the Offeror is responsible; or
- Any event and/or act occurring after the submission of the Tender Offer to the SEC but before the last day of the Offer Period, which causes or may cause a significant decline in the value of the business's shares; or
- Any event occurring that results in the delisting of the Business' shares from SET to be suspended.

**Tender Offer Revocation Period**

The Offeree can revoke its tender offer acceptance only in the case of selecting to receive payment after the Offer Period. In such case, the Offeree can revoke its tender offer acceptance at the office of the Tender Offer Agent from 18 January 2023 to 14 February 2023 during the hours from 9:00 a.m. to 4:00 p.m. on every business day, totaling at least 20 business days. The Offeree must follow the Tender Offer Cancellation Procedures as specified in Attachment 3(1).

In this regard, in a case where there is an announcement of extra financial institutions' holidays during the Offer Period, the Offeror will extend the Tender Offer Revocation Period to meet the requirement of 20 business days under the Takeover Notification.

Nevertheless, in the case where the Offeree declares its intention to receive the payment from the shares tendered before the last day of the Offer Period, it will be deemed that the Offeree waives its right to revoke the intention to tender shares, and the Offeree shall not be entitled to revoke its intention to tender shares in any case.

## **1. Status of the Business (on the past and expected future results of operations and assumptions used in forecasting)**

### **1.1 General information of the Business**

Company Name	: Nam Seng Insurance Public Company Limited (“NSI”)
Establishment Date	: 30 March 1993
Head Office	: 767 Krungthep-Nonthaburi Road, Bangsue, Bangkok 10800
Telephone Number	: 0-2016-3333, 0-2017-3333
Fax	: 0-2911-4477
Email Address	: email@namsengins.co.th
Type of Business	: General Insurance such as fire, motor, and marine insurance, and miscellaneous insurance such as personal, burglary, and contract-work
Authorized Share Capital	: Baht 200,000,000.00
Issued and Paid-up Share Capital	: Baht 139,000,000.00
Par Value	: 10.00 Baht per Share

### **1.2 History of the Company**

The Company was founded in 1948 and registered as a public company in 1993. It was subsequently listed on the Stock Exchange of Thailand (SET) in 1995.

The Company has Baht 200 million of registered capital, with Baht 139 million of paid-up capital. The major shareholders are N.S. Alliance Co., Ltd. And Pokkim Co., Ltd. of which Jaroenchaiyapongs family is a major shareholder, holding 28.75% and 17.25% respectively. The Company made transactions with a company of major shareholders, Dung Seng Insurance Broker Co., Ltd., a subsidiary of N.S.B. Co., Ltd., and Pokkim Co., Ltd. as an insurance broker to advise clients to purchase our insurance policies. N.S.B. Co., Ltd. Nevertheless, the right of shareholders was protected as the Company did connect transactions because the Company had transparently declared the transactions following the notification of the Securities and Exchange Commission (SEC).

### **1.3 Overview of business**

The Company mainly does the following business:

1.3.1. Fire Insurance provides coverage for losses or damages to insured properties such as buildings, machines, and inventories caused by fire. It can be extended to cover other losses caused by floods and windstorms, including costs in an attempt to stop the fire or to prevent the fire from spreading, etc.

1.3.2. Motor insurance comprises compulsory and voluntary insurance. While voluntary insurance covers losses and damages to the properties and bodily injuries of both the insured and third party, the other covers what is stated by the Protection for Motor Vehicle Accident Victims Act B.E. 1992.

1.3.3. Marine and transportation insurance provides coverage for losses and damages to the hull and the transported cargo. This also includes those being transported by air and land.



1.3.4. Miscellaneous insurance is that other than fire, motor, and marine insurance such as burglary, public-liability, contract-work, and golfer's indemnity insurance, etc.

1.3.5. Reinsurance is when the reinsurer takes up some risks from direct insurance companies.

1.3.6. Investment – The Company invests in financial instruments such as bonds and others under the Office of Insurance Commission's regulations.

#### 1.4 The Company's shareholding structure

The company does not have subsidiaries or affiliates.

#### 1.5 The Company's revenue structure

The Company's revenues structure categorized by type of revenues in 2019 – 2021 and the nine months in 2022 can be categorized as follows:

(Unit: Baht Million)

Item	2019		2020		2021		9 Months 2022	
	Amount	%	Amount	%	Amount	%	Amount	%
<b>Written Premiums</b>								
Fire	43.73	1.75	40.21	1.71	54.78	2.01	46.81	1.98
Motor	1,601.27	64.19	1,541.88	65.59	1,657.39	60.68	1,349.32	56.95
Marine	29.64	1.19	35.97	1.53	41.56	1.52	39.57	1.67
Miscellaneous	714.12	28.63	670.91	28.54	896.14	32.81	874.60	36.91
<b>Subtotal</b>	<b>2,388.76</b>	<b>95.76</b>	<b>2,288.97</b>	<b>97.37</b>	<b>2,649.87</b>	<b>97.01</b>	<b>2,310.30</b>	<b>97.51</b>
Investment Income	87.66	3.51	41.90	1.78	62.91	2.30	46.48	1.96
Other Income	0.85	0.72	19.92	0.85	18.63	0.68	12.52	0.53
<b>Total</b>	<b>2,494.48</b>	<b>100.00</b>	<b>2,350.80</b>	<b>100.00</b>	<b>2,731.41</b>	<b>100.00</b>	<b>2,369.30</b>	<b>100.00</b>

Note: Written premium means direct premium and reinsurance premium.

#### 1.6 Shareholder

##### 1.6.1. Shareholders before Tender Offer

The first ten major shareholders as of the latest record date of 14 November 2022 were as follows:

Major Shareholders (Par Value of Baht 10)	No. of Shares	% of Shares
1) N.S. Alliance Company Limited <sup>1/</sup>	3,996,710	28.75%
2) Pokkim Company Limited <sup>2/</sup>	2,398,027	17.25 %
3) Charoenchaipong family	1,865,385	13.42 %
Miss Sriratana Jaroenchaipong	350,950	2.52 %
Mr. Sotas Jaroenchaiyapong	268,670	1.93 %
Miss Ratana Jaroenchaipong	245,207	1.76 %
Miss Sumalee Jaroenchaipong	220,058	1.58 %

<b>Major Shareholders (Par Value of Baht 10)</b>	<b>No. of Shares</b>	<b>% of Shares</b>
<i>Mrs. Varaporn Jaroenchaiyapongs</i>	157,000	1.13 %
<i>Mrs. Nussara Charoenchaipong</i>	107,000	0.77 %
<i>Mr. Chotitat Charoenchaipong</i>	100,000	0.72 %
<i>Mr. Teerat Jaroenchaipong</i>	100,000	0.72 %
<i>Miss Paiwan Charoenchaipong</i>	96,500	0.69 %
<i>Miss Wimon Charoenchaipong</i>	65,030	0.47 %
<i>Miss Pattharisa Charoenchaipong</i>	45,000	0.32 %
<i>Mr. Wichai Charoenchaipong</i>	37,800	0.27 %
<i>Mr. Pairach Charoenchaipong</i>	37,500	0.27 %
<i>Mr. Voravatch Jaroenchaiyapongs</i>	34,670	0.25 %
4) Thai NVDR Co., Ltd.	1,034,810	7.44 %
5) Fusriboon Family	435,589	3.13 %
<i>Mrs. Lucksana Fusriboon</i>	230,150	1.66 %
<i>Miss Jomkwan Fusriboon</i>	110,000	0.79 %
<i>Mr. Ard Fusriboon</i>	78,250	0.56 %
<i>Mr. Somboon Fusriboon</i>	17,189	0.12 %
6) Miss Lillian Fu	300,600	2.16 %
7) Puasiri Family	268,670	1.93 %
<i>Mr. Rapeesak Puasiri</i>	153,400	1.10 %
<i>Mrs. Chotima Puasiri</i>	115,270	0.83 %
8) Chernrungrroj Family	244,428	1.76 %
<i>Mrs. Kanjana Chernrongroj</i>	149,428	1.08 %
<i>Mr. Tanit Chernrungrroj</i>	95,500	0.69 %
9) Mrs. Varunee Apanutat	189,000	1.36 %
10) Mr. Wirach Kanchanasevee	110,000	0.79 %
11) Other shareholders who signed the share purchase agreement	654,820	4.71 %
<i>Mrs. Kamolporn Chinthammit</i>	100,750	0.72 %
<i>Mrs. Laor Thammajaro</i>	95,500	0.69 %
<i>Mrs. Patcharasawat Chavanotai</i>	77,000	0.55 %
<i>Mr. Pholwat Tangsatit</i>	65,000	0.47 %
<i>Mrs. Aoythip Haerabut</i>	47,050	0.34 %
<i>Ms. Suwannee Charinkarn</i>	40,000	0.29 %
<i>Mr. Boonchu Opasvibul</i>	40,000	0.29 %
<i>Mrs. Pornpun Tanariyakul</i>	34,550	0.25 %
<i>Mr. Yodchai Phusanti</i>	33,130	0.24 %

Major Shareholders (Par Value of Baht 10)	No. of Shares	% of Shares
<i>Mr. Puttaporn Manutmongkul</i>	24,600	0.18 %
<i>Mr. Surapong Techaruvichit</i>	24,550	0.18 %
<i>Mr. Surapol Techaruvichit</i>	24,550	0.18 %
<i>Mr. Thongchai Jongsuksirichoke</i>	20,000	0.14 %
<i>Mr. Wasan Pasurapun</i>	20,000	0.14 %
<i>Mrs. Somsirin Phusanti</i>	6,400	0.05 %
<i>Mr. Yongyuth Phusanti</i>	1,740	0.01 %
12) Others	2,401,961	17.28 %
<b>Total</b>	<b>13,900,000</b>	<b>100.00 %</b>

Source: Major shareholders list of Nam Seng Insurance Public Company Limited from TSD

Note: 1/ N.S. Alliance Company Limited has 7 authorized directors including Mr. Somboon Fusriboon, Mrs. Ratana Jaroenchaipong, Mr. Yongyuth Phusanti, Miss Sumalee Jaroenchaipong, Mrs. Kanjana Chernrungrroj, Mrs. Chotima Puasiri, and Mrs. Pornpun Tanariyakul in which it is stated that "Mr. Somboon Fusriboon or Mrs. Ratana Jaroenchaipong signed together with another director, totaling two and stamped with Company seal" and has shareholders as follow:

Major Shareholders (Par Value Baht 1,000)	No. of Shares	% Shares	% Voting rights
1) Jaroenchaipong family	14,843	43.92 %	43.92 %
<i>Miss Ratana Jaroenchaipong</i>	7,417	21.95 %	21.95 %
<i>Miss Sumalee Jaroenchaipong</i>	4,638	13.72 %	13.72 %
<i>Miss Sriratana Jaroenchaipong</i>	2,788	8.25 %	8.25 %
2) Mrs. Kanjana Chernrungrroj	5,456	16.15 %	16.15 %
3) Mr. Somboon Fusriboon	4,639	13.73 %	13.73 %
4) Mrs. Arusaya Phupat	2,630	7.78 %	7.78 %
5) Mrs. Pornpun Tanariyakul	1,300	3.85 %	3.85 %
6) Pattanarach Family	851	2.52 %	2.52 %
<i>Miss Nida Pattanarach</i>	310	0.92 %	0.92 %
<i>Miss Nonlawan Pattanarach</i>	271	0.80 %	0.80 %
<i>Miss Nawaporn Pattanarach</i>	270	0.80 %	0.80 %
7) Tansirikongkol Family	785	2.32 %	2.32 %
<i>Mr. Wilas Tansirikongkol</i>	315	0.93 %	0.93 %
<i>Mr. Wiroj Tansirikongkol</i>	315	0.93 %	0.93 %
<i>Mrs. Chopaka Tansirikongkol</i>	155	0.46 %	0.46 %
8) Mr. Yodchai Phusanti	728	2.15 %	2.15 %
9) Mr. Suwat Dusitrojjanawong	575	1.70 %	1.70 %
10) Mrs. Phusanee Tanatanit	485	1.44 %	1.44 %
11) Ms. Matana Harnvanich	297	0.88 %	0.88 %
12) Mrs. Anantita Intapantee	232	0.69 %	0.69 %
13) Mr. Panja Ngamtrakoolpanich	200	0.59 %	0.59 %
14) Mrs. Yuvadee Punjavenin	200	0.59 %	0.59 %

Major Shareholders (Par Value Baht 1,000)	No. of Shares	% Shares	% Voting rights
15) Mr. Suthiporn Chirathivat	150	0.44 %	0.44 %
16) Mrs. Boonnag Wongsangnag	140	0.41 %	0.41 %
17) Mr. Tadapong Prakanlakul	107	0.32 %	0.32 %
18) Mr. Surayuth Panjavenin	100	0.30 %	0.30 %
19) Mr. Winai Disphanurat	75	0.22 %	0.22 %
<b>Total</b>	<b>33,793</b>	<b>100.00 %</b>	<b>100.00 %</b>

2/ Pokkim Company Limited has 2 authorized directors composing of Mr. Somboon Fusriboon and Miss Ratana Jaroenchaipong which it is stated that "Mr. Somboon Fusriboon or Miss Ratana Jaroenchaipong signed together with another director, totaling two and stamped with Company seal" and has shareholders as follow:

Major Shareholders	No. of Shares	% Shares	% voting rights
1) Jaroenchaipong family	166,666	66.66 %	66.66 %
Miss Ratana Jaroenchaipong	83,332	33.33 %	33.33 %
Miss Sumalee Jaroenchaipong	41,667	16.67 %	16.67 %
Miss Sriratana Jaroenchaipong	41,667	16.67 %	16.67 %
2) Mrs. Kanjana Chernrungrroj	41,667	16.67 %	16.67 %
3) Mr. Somboon Fusriboon	41,667	16.67 %	16.67 %
<b>Total</b>	<b>250,000</b>	<b>100.00 %</b>	<b>100.00 %</b>

### 1.6.2. Shareholder Structure after the Tender Offer

If all shareholders of the Business accept the tender offer, the shareholders of the Business will be as follows:

No.	Name - Surname	No. of Shares	% Shares
1	Thaisri Insurance Public Company Limited	13,900,000	100.00
	Total	13,900,000	100.00

### 1.7 List of the Board of Directors

#### 1.7.1. List of the Board of Directors as of 3 February 2023, there are 9 persons consisting of:

- |    |               |                   |   |
|----|---------------|-------------------|---|
| 1) | Mr. Yongyuth  | Phusanti          | Chairman of The Board of Directors / Independent Director |
| 2) | Mr. Somboon   | Fusriboon         | Vice Chairman of The Board of Directors                   |
| 3) | Mr. Voravatch | Jaroenchaiyapongs | Director  |
| 4) | Mr. Till      | Boehmer           | Director  |
| 5) | Mr. Matthias  | Benedikt Veith    | Director  |
| 6) | Mr. Patrick   | Blust             | Director  |
| 7) | Mr. Bunchert  | Tangtorith        | Director  |
| 8) | Mr. Surasak   | Vajasit           | Independent Director                                      |
| 9) | Mrs. Pornpun  | Tanariyakul       | Independent Director                                      |

Source: The company (refer to the minutes of the Board of Directors Meeting No. 14/2022-2023)

*Note: The directors listed in No. 4-8 are in the process of registering with the Department of Business Development and obtaining approval from the Office of Insurance Commission to register changes in the register.*

Authorized directors as of 3 February 2023 “Mr. Somboon Fusriboon jointly signs with Mr. Till Boehmer or Mr. Matthias Benedikt Veith, two directors with the Company’s seal affixed or Mr. Till Boehmer jointly signs with Matthias Benedikt Veith with the Company’s seal affixed”.

*Source: The company (refer to the minutes of the Board of Directors Meeting No. 13/2022-2023)*

*Note: The number and names of directors who are authorized to sign documents binding the company. It is in the process of registering with the Department of Business Development and seeking approval from the Office of Insurance Commission to register the change in such registration.*

Restricting the power of directors -None-

#### **1.7.2. List of the Board of Directors of the Company post completion of the Tender Offer**

Upon the completion of the Tender Offer, the Offeror may change the board of directors as deemed appropriate. Any change in the composition of the Board of Directors will comply with the relevant laws and regulations, including Business policies, and approval process from the Board of Directors and/or the shareholders' meetings.

**1.8 Financial Highlights****1.8.1 Financial Statement****Balance Sheet**

(Unit: Baht Thousand)

<b>Item</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>As of 30 Sep 2022</b>
<b>Assets</b>				
Cash and cash equivalents	48,933.19	590,036.60	950,447.20	369,588.69
Premium receivables	194,685.25	235,769.81	248,658.23	227,218.94
Accrued investment income	17,188.66	9,697.53	6,637.09	9,925.46
Reinsurance assets	167,471.38	141,806.82	169,953.90	183,961.34
Reinsurance receivables	207,739.95	93,735.78	48,940.99	138,642.97
Derivative asset - warrant	-	165.13	-	-
Investment assets				
Investment in securities	2,799,512.82	2,475,835.40	2,499,595.69	3,235,470.12
Loans	7,492.59	7,650.76	8,050.20	8,938.06
Properties foreclosed	8,590.94	8,590.94	8,590.94	-
Property, buildings and equipment	172,390.21	168,314.66	163,508.19	160,858.16
Right - of - use assets	-	4,273.04	2,858.38	2,985.20
Intangible assets	3,740.64	3,793.85	3,375.86	2,330.96
Deferred tax assets	189,906.84	220,056.63	245,414.50	343,288.44
Receivable from sale of securities	1,151.63	20,415.18	15,770.33	-
Other assets	85,204.27	49,732.06	25,018.81	56,934.54
<b>Total assets</b>	<b>3,904,007.37</b>	<b>4,029,874.19</b>	<b>4,396,820.32</b>	<b>4,740,142.87</b>

(Unit: Baht Thousand)

Item	2019	2020	2021	As of 30 Sep 2022
<b>Liabilities</b>				
Insurance contract liabilities	2,036,206.45	2,103,481.27	2,461,498.68	2,887,198.85
Amount due to reinsurance	283,945.89	205,832.15	198,667.73	302,707.20
Income tax payable	11,656.01	33,365.74	21,296.88	16,610.62
Lease liabilities	-	3,790.85	1,985.73	2,609.54
Employee benefit obligations	60,845.61	63,641.08	64,147.76	70,363.69
Accrued commissions	35,558.73	44,642.33	43,77.27	42,094.71
Other liabilities	120,496.70	177,989.56	178,032.66	196,747.53
<b>Total Liabilities</b>	<b>2,548,709.39</b>	<b>2,632,742.99</b>	<b>2,969,386.70</b>	<b>3,518,332.13</b>
<b>Owners' Equity</b>				
Share capital (20,000,000 ordinary shares of Baht 10 each)	200,000.00	200,000.00	200,000.00	200,000.00
Issued and paid-up (13,900,000 ordinary shares of Baht 10 each)	139,000.00	139,000.00	139,000.00	139,000.00
Premium on share capital	594,436.84	594,436.84	594,436.84	594,436.84
Appropriated Retained earnings – Statutory reserve	24,848.79	24,848.79	24,848.79	24,848.79
Appropriated Retained earnings – General reserve	6,163.85	6,163.85	6,163.85	6,163.85
Unappropriated Retained earnings	596,936.40	619,344.78	645,151.42	625,947.32
Other components of equity – Revaluation surplus (deficit) on available-for-sale investments (net of income taxes)	(6,087.90)	13,336.95	17,832.73	(168,586.04)
<b>Total Owners' Equity</b>	<b>1,355,297.98</b>	<b>1,397,131.19</b>	<b>1,427,433.62</b>	<b>1,221,810.75</b>
<b>Total Liabilities and Owners' Equity</b>	<b>3,904,007.37</b>	<b>4,029,874.19</b>	<b>4,396,820.32</b>	<b>4,740,142.87</b>

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**Income Statement**

(Unit: Baht Thousand)

Item	2019	2020	2021	9-Month Period of 2021	9-Month Period of 2022
<b>Revenues</b>					
Gross premium written	2,388,756.58	2,288,971.36	2,649,873.67	1,953,669.63	2,310,296.45
Add (Less): Premium ceded to reinsurers	(302,459.59)	(221,936.81)	(275,230.99)	(203,896.22)	(213,989.67)
Net premium written	2,086,296.99	2,067,034.56	2,374,642.68	1,749,773.41	2,096,306.78
Add (Less): Unearned premium reserves increased from prior period	(98,637.83)	2,270.01	(115,054.48)	(76,578.68)	(148,522.22)
Net earned premium	1,987,659.17	2,069,304.57	2,259,588.20	1,673,194.73	1,947,784.56
Fee and commission income	66,327.70	68,368.72	82,823.71	58,925.04	52,529.74
Net investment income	83,465.85	67,652.77	76,844.35	59,046.54	45,991.21
Gains (losses) on investments	(4,332.68)	(29,267.70)	(10,354.63)	6,829.41	487.04
Fair value losses	8,530.95	3,518.88	(3,578.67)	(3,628.67)	-
Rental income	15,355.71	15,574.40	15,875.86	11,915.24	11,620.36
Other income	2,700.32	4,349.14	2,751.62	576.37	904.11
<b>Total revenues</b>	<b>2,159,707.01</b>	<b>2,199,500.79</b>	<b>2,423,950.43</b>	1,806,858.66	2,059,317.02
<b>Expenses</b>				-	-
Long-term insurance policy reserve increased	105,020.75	85,870.59	167,941.64	126,379.96	185,500.04
Claims expenses	1,354,102.63	1,183,715.99	1,251,204.62	940,224.79	1,083,352.25
Less: Claims recoverable from reinsurers	(245,936.03)	(103,386.83)	(69,589.40)	(52,587.17)	(82,893.60)
Commission and brokerage expenses	372,048.89	385,301.37	443,331.01	324,510.35	382,381.86



(Unit: Baht Thousand)

Item	2019	2020	2021	9-Month Period of 2021	9-Month Period of 2022
Other underwriting expenses	186,283.54	167,216.58	197,229.12	143,269.36	165,009.52
Operating expenses	290,139.69	272,808.65	278,248.58	210,188.07	229,678.53
Finance cost	-	68.08	85.17	61.70	90.63
Expected credit losses	-	9,525.74	(513.91)	400.88	(499.22)
<b>Total expenses</b>	<b>2,061,659.47</b>	<b>2,001,120.16</b>	<b>2,267,936.82</b>	1,692,447.95	1,962,620.02
Profit (Loss) before income tax	98,047.55	198,380.62	156,013.61	114,410.70	96,697.01
Income tax (Less)	(15,493.57)	(37,745.56)	(26,387.80)	(18,941.63)	(18,605.36)
<b>Net Profit (Loss)</b>	<b>82,553.98</b>	<b>160,635.07</b>	<b>129,625.81</b>	95,469.07	78,091.65
<b>Profit (Loss) per share</b>					
Profit (Loss) per share	5.94	11.56	9.33	6.87	5.62

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**Statement of Cash flow**

(Unit: Baht Thousand)

รายการ	2019	2020	2021	9-Month Period of 2021	9-Month Period of 2022
Cash flows from (used in) operating activities	(51,358.40)	648,319.03	476,761.47	332,067.73	(488,239.53)
Cash flows from (used in) investing activities	(11,273.22)	(5,765.45)	(5,837.67)	(5,150.56)	5,275.63
Cash flows from (used in) financing activities	(54,905.00)	(136,947.92)	(110,175.29)	(109,366.76)	(98,369.33)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(117,536.61)</b>	<b>541,605.66</b>	<b>360,748.51</b>	<b>217,550.41</b>	<b>(581,333.23)</b>

(Unit: Baht Thousand)

รายการ	2019	2020	2021	9-Month Period of 2021	9-Month Period of 2022
Cash and cash equivalents at beginning of period	166,469.81	48,933.19	590,036.60	590,036.60	950,447.20
Allowance for expected credit losses decreased (increased)	-	(502.26)	(337.91)	(331.72)	474.72
<b>Cash and cash equivalents at end of period</b>	<b>48,933.19</b>	<b>590,036.60</b>	<b>950,447.20</b>	<b>807,255.29</b>	<b>369,588.69</b>

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**Financial Ratios Highlight**

Item	Unit	2019	2020	2021	Q3 2021	Q3 2022
<b>Liquidity Ratio</b>						
Liquid Ratio	Times	1.51	1.52	1.46	1.45	1.30
Aging of Premium Receivables	Days	29.34	37.08	33.78	33.61	26.55
<b>Profitability Ratio</b>						
Retention Rate	%	87.34	90.30	89.61	89.56	90.74
Loss Ratio	%	55.75	52.21	52.29	53.05	51.36
Gross Profit Margin	%	(0.37)	6.61	3.14	2.27	1.80
Combined ratio	%	100.39	93.40	96.70	97.63	98.06
Return on Investment	%	3.19	1.41	1.93	1.97	1.34
Written Premium / Equity	Times	1.56	1.50	1.68	1.28	1.62
Net Profit Margin	%	3.82	7.30	5.35	5.28	3.79
Return on Equity	%	6.17	11.67	9.18	6.96	6.05
Payout Ratio	%	59.94	80.04	80.42	43.68	44.05

Item	Unit	2019	2020	2021	Q3 2021	Q3 2022
<b>Efficiency Ratio</b>						
Return on Assets	%	2.20	4.05	3.08	2.35	1.74
Assets Turnover	Times	0.57	0.55	0.58	0.45	0.46
<b>Financial Ratio</b>						
Liability / Equity	Times	1.88	1.88	2.08	2.13	2.88
Policy Liability to Capital Fund	Times	1.50	1.51	1.72	1.76	2.36
Premium Reserve / Equity	Times	1.08	1.11	1.31	1.31	1.79
Premium Reserve / Assets	Times	0.38	0.39	0.42	0.42	0.46
Capital Adequacy Ratio	%	360.26	306.31	322.02	286.95	218.71
<b>Per Share</b>						
Book Value per Share	Baht	97.17	99.34	97.93	97.93	87.90
Net Profit (Loss) per Share	Baht	5.94	11.56	9.33	6.87	5.62

## 1.8.2 Management Discussion and Analysis

The Company expanded its business with policies that premium rates should be set at an appropriate level to reduce insurance risks, improved customer services, and develop products that are customer-centric to give customers the best impression.

Important service development is the adoption of the Application “NSI” to support both sales and claims service, including allowing customers to receive online policy(E-Policy) by the change of consumer behavior. It can also help to reduce the use of paper, which reduces greenhouse gas emissions indirectly.

### 1.8.2.1 Company Performance and Profitability

#### Underwriting Revenue

The Company recorded direct premiums amounting to Baht 2,388.52 million, Baht 2,288.91 million, and Baht 2,649.80 million for the year ended 2019-2021 respectively and the net premiums earned were Baht 1,987.66 million, Baht 2,067.30 million and Baht 2,259.59 million for the year ended 2019-2021 respectively. In 2020, an increase in net premiums earned of Baht 81.65 million or 4.11% from 2019 mostly came from Motor policies amounting to Baht 31.76 million or 2.09% from 2019. In 2021, an increase in net premiums earned of Baht 190.28 million or 9.20% from 2020 mostly came from Motor policies amounting to Baht 32.20 million or 2.08% from 2020 and Non-Motor policies amounting to Baht 158.08 million or 30.41% from 2020

For the nine months of 2022, the company recorded direct premiums amounting to Baht 2,310.30 million and the net premiums earned were Baht 1,947.78 million

Unit: Baht million

Net premiums earned	2019	2020	2021	9M 2022
Motor	1,517.68	1,549.44	1,581.64	1,292.10
Non-Motor	469.97	519.87	677.95	655.69
Total	1,987.66	2,069.31	2,259.59	1,947.78

The company recorded net premiums earned by policy type as following details.

#### (1) Motor

The Company recorded net premiums earned amounting to Baht 1,517.68 million, Baht 1,549.44 million, and Baht 1,581.64 million for the years ended 2019-2021 respectively. An increase in net premiums earned came from an increase in the number of policies. For the period of nine-month 2022, The Company recorded net premiums earned amounting to Baht 1,202.10 million

#### (2) Non-Motor compose of

- 2.1 fire
- 2.2 Marine and transportation
- 2.3 Miscellaneous

The Company recorded net premiums earned from fire insurance amounting to Baht 10.44 million, Baht 14.22 million, and Baht 15.30 million for the years ended 2019-2021 respectively.

The Company recorded net premiums earned from marine and transportation insurance amounting to Baht 13.79 million, Baht 15.70 million, and Baht 20.41 million for the years ended 2019-2021 respectively.

The Company recorded net premiums earned from miscellaneous insurance amounting to Baht 445.74 million, Baht 489.95 million, and Baht 642.24 million for the years ended 2019-2021 respectively.

For the year ended 2020, The Company recorded net premiums earned from non-motor amounting to Baht 519.87 million, an increase of Baht 49.90 million or 10.62% from 2019. And for the year ended 2021, the Company recorded net premiums earned from non-motor amounting to Baht 677.95 million, an increase of Baht 158.08 million or 30.41% from 2020

For the period ended six-month 2022, The Company recorded net premiums earned from non-motor amounting to Baht 655.69 million

### **Investment Income**

The company recorded net investment income, gain(loss) on investment, fair value gain(loss), and other income amounting to Baht 87.66 million, Baht 41.90 million, and Baht 62.91 million for the year ended 2019-2021 respectively. A decrease in 2020 mostly came from a net investment income decrease of Baht 15.81 million and a loss on investment of Baht 29.27 million. An increase in 2021 mostly came from a net investment income increase of Baht 9.19 million and a loss on investment decrease of Baht 10.35 million due to the price of stocks listed on the Stock Exchange of Thailand have begun to rebound after a significant drop in the price of stocks in 2020.

For the period that ended nine-month 2022, The company recorded net investment income, gain(loss) on investment, fair value gain(loss), and other income amounting to Baht 58.10 million compared to Baht 62.25 million for the period ended six-month 2021. The decrease in such income came from the price of stocks listed on the Stock Exchange of Thailand decrease.

### **Expense**

The company recorded expenses including long-term insurance policy reserve, claims, commission and brokerage expense, reinsurance, operating expenses, and finance costs 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 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 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 long-term insurance policy reserve increase.

**Profit for the period**

The Company recorded profits amounting to Baht 82.55 million, Baht 160.64 million, and Baht 129.63 million for the year ended 2019-2021 respectively. And net profit margins of the company were 4.15%, 7.76%, and 5.74% for the year ended 2019-2021 respectively.

For the period ended nine-month 2022, The company recorded a profit amounting to Baht 78.09 million which is a 4.01% net profit margin.

**1.8.2.2 Assets Management****1.8.2.2.1 Structure of Assets**

The Company's assets amounting to Baht 3,904.01 million, Baht 4,029.87 million, and 4,396.82 million for the year ended 2019-2021 respectively composed of the following:

1. Cash, Loans, Deposits, and Investment in securities, amounting to Baht 2,855.94 million, Baht 3,073.52 million, and Baht 3,458.09 million, or 73.15%, 76.27%, and 78.65% of total assets for the year ended 2019-2021 respectively
2. Reinsurance assets amounting to Baht 375.21 million, Baht 235.54 million, and Baht 218.89 million, or 9.61%, 5.84%, and 4.98% of total assets for the year ended 2019-2021 respectively
3. Premiums receivables net amounting to Baht 194.69 million, Baht 235.77 million, and Baht 248.66 million, or 4.99%, 5.85%, and 5.66% of total assets for the year ended 2019-2021 respectively
4. Property and equipment amounting to Baht 172.39 million, Baht 168.31 million, and Baht 163.51 million, or 4.42%, 4.18%, and 3.72% of total assets for the year ended 2019-2021 respectively
5. Deferred tax assets amounting to Baht 189.91 million, Baht 220.06 million, and Baht 245.51 million, or 4.86%, 5.46%, and 5.58% of total assets for the year ended 2019-2021 respectively

**1.8.2.2.2 The Quality of Assets**

The company diversified financial instruments to diversify associated risks according to the notification of the OIC. The value of the mentioned assets was booked in our financial report at a fair price under accounting standards as follows :

- a. Investments in securities held for trading are stated at the fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b. Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in comprehensive income.
- c. Investments in debt securities expected to be held to maturity are recorded at amortized cost.

Details have been shown in notes to financial statements.

Premium receivables as of 31 December 2021 were Baht 248.66 million. The company set aside Baht 20.51 million of allowance for doubtful accounts and believes that the allowance is adequate.

The Company recommended premium receivables to pay money following the principle of Cash Before Cover (CBC) set by the OIC. Moreover, the amount assessed by the registrar was 100% of the premium's receivables reported in the financial statements which follow the regulation of the OIC.

Net loans as of 31 December 2021 were Baht 8.05 million. The company has set aside an adequate allowance for doubtful accounts.

#### **1.8.2.2.3 Asset Management**

The Company has an asset turnover of 0.57, 0.55, and 0.58 time and returns on equity (ROE) of 6.17%, 11.67%, and 9.18% for the year ended 2019-2021 respectively. An increase in ROE in 2020 came from a significant increase in net profit for such a period.

#### **1.8.2.3 Liquidity and Capital Adequacy**

##### **1.8.2.3.1 Source and Use of Funds**

The source of funds was the equity and insurance contract liabilities. The Company did not borrow money from any financial institution as cash flows from operating activities were adequate.

The majority of our liabilities were the insurance contract liabilities totaling Baht 2,036 million, Baht 2,103.48 million, and Baht 2,461.50 million for the year ended 2019-2021 respectively. Most of them could be considered short-term debts. The company had prepared liquid assets amounting to 1.51, 1.52, and 1.46 times greater than the insurance contract liabilities for the year ended 2019-2021 respectively. The mismatch of funding hence is not expected to occur.

For the period that ended nine-month 2022, the company has insurance contract liabilities amounting to Baht 3,518.33 million which increase from the year ended 2021 so the liquidity ratio decreases from 1.46 in 2021 to 1.30 in September 2022.

##### **1.8.2.3.2 Capital Adequacy**

The company has shareholder's equity amounting to Baht 1,355.30 million, Baht 1,397.13 million, and Baht 1,427.43 million for the year ended 2019-2021 respectively. Such equity increased over time since the Company had realized profit for the consecutive year even though dividends were paid regularly.

The policy liability to capital fund was 1.50 times, 1.51 times, and 1.72 times for the year ended 2019-2021 respectively and reserves over equity were 1.08 times, 1.11 times, and 1.31 times for the year ended 2019-2021 respectively.

Both ratios are always greater than 1 time representing the capital adequacy and ability to compensate for potential risk.

#### **1.8.2.4 Contractual obligations and off-balance sheet arrangements**

The Company had no contractual obligations and off-balance sheet arrangements.

## **1.9 Industry Outlook**

At present, as many as 54 insurance companies are operating in Thailand while the market share is rather agglomerated to a few companies. As of 31 December 2021, the top 10 insurance companies have taken up 65.10% of the market share, with the top-ranking company taking up 14.58%. NSI occupies the 28th rank of market share, or equivalent to 1.00%. Considering only the market share of motor insurance, the Company can occupy the 23rd rank of the market, which is equivalent to 1.11%.

Insurance companies still rely on agents as their main channel of market expansion. However, today, Online Broker has increased in large amounts. Some websites support customers to compare it could be expected that the online broker of insurance companies will be increased to enhance more efficient customer access in the digital era.

### Industry Trend and its Competition in the Future

The growth trend of the non-life insurance industry is expected to be positive from the vaccines that can reduce transmission, which will make the economic activity better respectively. However, the economic recovery after the COVID-19 crisis is expected to take 2 to 3 years to return to normal.

In the long term, the insurance industry still has the potential to grow so far. Moreover, with the crisis of the COVID-19 pandemic in Thailand, people are paying attention to transferring the risk and see the importance of purchasing insurance policies to protect their risks which will be a good sign for future insurance expansion. The people have more understanding and will transfer the risk of living a new normal life. This is a good opportunity for non-life insurance companies because when insurance purchasing increases, the Penetration rate will be higher as well.

Another challenge facing the non-life insurance business is how to maintain an advantage among the intense competition and regulations that are likely to have a higher level of standards. There are many factors that insurance companies must consider at the same time as well, whether risk issues of natural disasters that are likely to intensify, emerging pandemics, the social structure of the aging society, or even barriers to trade Competition and the consolidation of various free trade areas that have increased.

Moreover, there is a great challenge for the future of non-life insurance companies, which cannot be overlooked: in preparing for the transformation of the digital age and aging society. In the online social age where people are hasty behavior, less tolerant of waiting, less interaction. These changing behaviors inevitably affect the sale channel structure and service satisfaction. Therefore, the non-life insurance business must adapt to keep pace with changing environmental factors in all dimensions whether a product, sales, or service. Moreover, the proportion of total premiums for each category will also change in the future due to the age structure of the population will begin to change with more and more elderly people entering the aging society completely by 2024.

## **1.10 Trend and status of the Company and forecasted operating results in future.**

According to the tender offeror's plan for the entire business transfer of the business which consists of all assets, liabilities, rights, duties, and liabilities of the business. to the tender offeror after the Company can successfully delist its securities from the SET and after the completion of certain conditions related, such as the implementation of various steps related to the Entire Business Transfer Transaction as required by law. The business is expected to complete dissolution within the year 2023 and proceed to liquidation.



**2. Opinion on the correctness of the Company's information in the tender offer document**

The Company's board of directors has considered information relating to the Company as appeared in the tender offer document (form 247-4), dated 17 January 2023, and opines that the Company's information as appeared in the tender offer document is correct as at the time in which the Tender Offeror and its financial advisor prepared form 247-4.

### 3. Relationship between the Offeror and the Business, Major Shareholders, or Directors of the Business

#### 3.1 Summary of the material information of any contract/agreement/memorandum of understanding, entered into by the Offeror before making the Tender Offer to trade securities of the Business, regardless of whether or not such contract/agreement/memorandum of understanding is entered into for trading of securities in the Tender Offer

In addition, some shareholders of the Company have entered into the Share Purchase Agreement ("SPA") stating the acquisition of the Company with THAISRI. The shareholders agreed to accept the tender offer for the shares held on SPA's date, collectively referred to as "Major Shareholders Willing to Accept the Tender Offer". As of 28th October 2022 (SPA signed date) Major Shareholders Willing to Accept the Tender Offer are as of the following.

No.	Major Shareholders Willing to Accept the Tender Offer	No. of Shares	% Shares
Group 1	N.S. Alliance Company Limited <sup>1/</sup>	3,996,710	28.75 %
	Pokkim Company Limited <sup>2/</sup>	2,398,027	17.25 %
	Mrs. Nussara Charoenchaipong	107,000	0.77 %
	Mr. Teerat Jaroenchaipong	100,000	0.72 %
	Miss Vimol Charoenchaipong	65,030	0.47 %
	Mr. Pholawat Tangsatit	65,000	0.47 %
	Mr. Wichai Charoenchaipong	37,800	0.27 %
	Mrs. Varunee Apanutat	189,000	1.36 %
	Mr. Chotitat Charoenchaipong	100,000	0.72 %
	Miss Paiwan Charoenchaipong	96,500	0.69 %
	Miss Pattharisa Charoenchaipong	45,000	0.32 %
	Mr. Pairach Charoenchaipong	37,500	0.27 %
	Mrs. La-or Thammajaro	95,500	0.69 %
	Mrs. Kanjana Chernrongroj	149,428	1.08 %
	Mrs. Kamonporn Chinthammit	100,750	0.72 %
	Mr. Tanit Chernrongroj	95,500	0.69 %
	Ms.Lillian Fu (Taiwanese)	300,600	2.16 %
	Mrs. Lucksana Fusriboon	230,150	1.66 %
	Miss Jomkwan Fusriboon	110,000	0.79 %
	Mr. Ard Fusriboon	78,250	0.56 %
Mr. Somboon Fusriboon	17,189	0.12 %	
Miss Sriratana Jaroenchaipong	350,950	2.52 %	
Miss Ratana Jaroenchaipong	245,207	1.76 %	
Miss Sumalee Jaroenchaipong	220,058	1.58 %	
Mr. Putaporn Manusmongkol	24,600	0.18 %	
Mr. Sotas Jaroenchaiyapong	268,670	1.93 %	

No.	Major Shareholders Willing to Accept the Tender Offer	No. of Shares	% Shares
	Mrs. Varaporn Jaroenchaiyapongs	157,000	1.13 %
	Mr. Rapeesak Puasiri	153,400	1.10 %
	Mrs. Chotima Puasiri	115,270	0.83 %
	Mrs. Patcharaswas Chavanothai	77,000	0.55 %
	Mr. Voravatch Jaroenchaiyapongs	34,670	0.25 %
	Total	10,061,759	72.39 %
Group 2	Mr. Wirach Kanchanasevee	110,000	0.79 %
	Mrs. Suwannee Charinkan	40,000	0.29 %
	Mr. Boonchu Opasvibul	40,000	0.29 %
	Mr. Thongchai Chongsuksirichok	20,000	0.14 %
	Mr. Vason Parsuraphun	20,000	0.14 %
	Mrs. Pornpun Tanariyakul	34,550	0.25 %
	Mr. Surapong Techaruvichit	24,550	0.18 %
	Mr. Surapol Techaruvichit	24,550	0.18 %
	Mrs. Oyetip Hayrabut	47,050	0.34 %
	Mr. Yodchai Pooanti	33,130	0.24 %
	Mrs. Somsirin Phusanti	6,400	0.05 %
	Mr. Yongyuth Phusanti	1,740	0.01 %
	Total	401,970	2.89 %
<b>Total Shares of Major Shareholders Willing to Accept the Tender Offer</b>		<b>10,503,929</b>	<b>75.57%</b>
<b>Total Shares of the Company</b>		<b>13,900,000</b>	<b>100.00%</b>

Note: 1/ N.S. Alliance Company Limited has 7 authorized directors including Mr. Somboon Fusriboon, Mrs. Ratana Jaroenchaipong, Mr. Yongyuth Phusanti, Miss Sumalee Jaroenchaipong, Mrs. Kanjana Chernrunroj, Mrs. Chotima Puasiri, and Mrs. Pornpun Tanariyakul in which it is stated that "Mr. Somboon Fusriboon or Mrs. Ratana Jaroenchaipong signed together with another director, totaling two and stamped with Company seal" and has shareholders as follow:

Major Shareholders (Par Value Baht 1,000)	No. of Shares	% Shares
1) Jaroenchaipong family	14,843	43.92 %
Miss Ratana Jaroenchaipong	7,417	21.95 %
Miss Sumalee Jaroenchaipong	4,638	13.72 %
Miss Sriratana Jaroenchaipong	2,788	8.25 %
2) Mrs. Kanjana Chernrunroj	5,456	16.15 %
3) Mr. Somboon Fusriboon	4,639	13.73 %
4) Mrs. Arusaya Phupat	2,630	7.78 %
5) Mrs. Pornpun Tanariyakul	1,300	3.85 %
6) Pattanarach Family	851	2.52 %
Miss Nida Pattanarach	310	0.92 %
Miss Nonlawan Pattanarach	271	0.80 %

<b>Major Shareholders (Par Value Baht 1,000)</b>	<b>No. of Shares</b>	<b>% Shares</b>
<i>Miss Nawaporn Pattanarach</i>	270	0.80 %
7) <i>Tansirikongkol Family</i>	785	2.32 %
<i>Mr. Wilas Tansirikongkol</i>	315	0.93 %
<i>Mr. Wiroj Tansirikongkol</i>	315	0.93 %
<i>Mrs. Chopaka Tansirikongkol</i>	155	0.46 %
8) <i>Mr. Yodchai Phusanti</i>	728	2.15 %
9) <i>Mr. Suwat Dusitrojanawong</i>	575	1.70 %
10) <i>Mrs. Phusanee Tanatanit</i>	485	1.44 %
11) <i>Ms. Matana Harnvanich</i>	297	0.88 %
12) <i>Mrs. Anantita Intapantee</i>	232	0.69 %
13) <i>Mr. Panja Ngamtrakoolpanich</i>	200	0.59 %
14) <i>Mrs. Yuvadee Punjavenin</i>	200	0.59 %
15) <i>Mr. Suthiporn Chirathivat</i>	150	0.44 %
16) <i>Mrs. Boonnag Wongsangnag</i>	140	0.41 %
17) <i>Mr. Tadapong Prakanlakul</i>	107	0.32 %
18) <i>Mr. Surayuth Panjavenin</i>	100	0.30 %
19) <i>Mr. Winai Disphanurat</i>	75	0.22 %
<b>Total</b>	<b>33,793</b>	<b>100.00 %</b>

2/ Pokkim Company Limited has 2 authorized directors composing of Mr. Somboon Fusriboon and Miss Ratana Jaroenchaipong which it is stated that "Mr. Somboon Fusriboon or Miss Ratana Jaroenchaipong signed together with another director, totaling two and stamped with Company seal" and has shareholders as follow:

<b>Major Shareholders</b>	<b>No. of Shares</b>	<b>% Shares</b>
1) <i>Jaroenchaipong family</i>	166,666	66.66 %
<i>Miss Ratana Jaroenchaipong</i>	83,332	33.33 %
<i>Miss Sumalee Jaroenchaipong</i>	41,667	16.67 %
<i>Miss Sriratana Jaroenchaipong</i>	41,667	16.67 %
2) <i>Mrs. Kanjana Chernrungrroj</i>	41,667	16.67 %
3) <i>Mr. Somboon Fusriboon</i>	41,667	16.67 %
<b>Total</b>	<b>250,000</b>	<b>100.00 %</b>

### **Share Purchase Agreement**

The Offeror has entered into the Share Purchase Agreement with the Group of Major Shareholders of the Business on 28 October 2022. According to the share purchase agreement, the Group of Major Shareholders of the Business will sell their shares to the Offeror through this Tender Offer.

<b>Share Purchase Agreement</b>	<b>Details</b>
<b>Parties</b>	(1) The Group of Major Shareholders (as Transferor) (2) The Offeror (as Transferee)

Share Purchase Agreement	Details
<b>Key condition precedents</b>	<p>(1) The shareholders' meeting of the Business has approved.</p> <p>(i) the delisting</p> <p>(ii) the Entire Business Transfer to the Offeror and</p> <p>(iii) the amendment to the articles of association of the Business regarding non-Thai shareholding and directors' proportion.</p> <p>(2) The Business has registered with the Ministry of Commerce the amendment to the articles of association of the Business regarding non-Thai shareholding and directors' proportion.</p> <p>(3) The Business having obtained the letter issued by the SET regarding the preliminary approval for the delisting, save only for the official delisting approval from the SET, which the Business shall apply after the completion of the Tender Offer.</p> <p>(4) The Business has obtained the necessary approvals from the OIC about the Tender Offer and the Entire Business Transfer, and the OIC has not imposed any condition(s) on either the Business or the Offeror which would prohibit or prevent either Party from the consummation of the transaction. If any of such approval is subject to condition(s) imposed by the OIC, such condition(s) must be fulfilled before the start of the Tender Offer.</p> <p>(5) The Offeror has obtained the necessary approvals from the OIC or the Ministry of Finance with the capital increase of the Offeror.</p> <p>(6) The Entire Business Transfer agreement substantially in the form set out in the Share Purchase Agreement has duly been executed by the Business and delivered to the Offeror for countersigning;</p> <p>(7) There is no material adverse change to the Business; and</p> <p>(8) No person or governmental authority having commenced or threatened to commence, any proceedings or investigation to prohibit or otherwise challenge or interfere with the transaction or third-party consents related thereto, or have taken or threatened to take any action as a result of or in anticipation of the transaction that would be materially inconsistent with any of the warranties or having enacted or proposed any legislation (including any subordinate legislation) or order or imposed any condition which would prohibit, materially restrict, or materially delay the implementation of the transaction.</p>
<b>Other key conditions</b>	<p>(1) There is no material adverse change to the Business.</p> <p>(2) The Offeror is not responsible to tender for the shares in the case that the Offeror must increase the Tender Offer price per share to be above THB 215.00.</p> <p>(3) On the date that the Offeror submitted the Tender Offer for all securities of the Business to delist the Business's securities from the SET to the SEC the Group of Major</p>

Share Purchase Agreement	Details
	<p>shareholders of the Business agrees to propose to the Board of Directors the Business to consider and approve the following matters:</p> <p>(A) the appointment of directors nominated by the Offeror as new directors of the Business.</p> <p>(B) change of authorized directors of the Business.</p> <p>in order to effectively implement the entire business transfer plan.</p>

### **Business Transfer Agreement**

On 6 January 2023 the business will enter into an Entire Business Transfer Transaction of the Business, by transferring all assets, liabilities, rights, duties, and liabilities that exist on the date of completion of the business transfer including insurance policy, employees, contracts with proxies, agents, and business partners to the Offeror, who would become a connected person of the Business after the completion of the Tender Offer by the Offeror. The entering into the Entire Business Transfer Transaction is subject to the completion of the condition precedents under the Business Transfer Agreement and/or receiving a waiver from the parties involved (as the case may be). The details of key terms and conditions of the Business Transfer Agreement to be entered into by the Business and the Offeror are as follows:

Business Transfer Agreement	Details
<b>Parties</b>	<p>(1) The Business (as Transferor)</p> <p>(2) The Offeror (as Transferee)</p>
<b>Value of Consideration for Entire Business Transfer</b>	Not exceeding THB 2,988,500,000.00 payment in cash and promissory notes to the Business by the Offeror.
<b>Key condition precedents</b>	<p>(1) The sale of the Business's ordinary shares between the Offeror and the Group of Major Shareholders of the Business through the Tender Offer by the Offeror under the terms and conditions of the Share Purchase Agreement to be entered into between the Offeror and the Group of Major Shareholders of the Business has been completed;</p> <p>(2) The shareholders' meeting of the Business has approved the Entire Business Transfer of the Business to the Offeror;</p> <p>(3) The Business shall have obtained the necessary approvals from the OIC about the acquisition of shares in the Business by The Offeror and the Entire Business Transfer Transaction, and the OIC has not imposed any condition(s) on either the Business or the Offeror which would prohibit or prevent the Business or the Offeror from the consummation of the acquisition of shares in the Business by the Offeror and the Entire Business Transfer Transaction. If any of such approval is subject to condition(s) imposed</p>

<b>Business Transfer Agreement</b>	<b>Details</b>
	<p>by the OIC, such condition(s) must be fulfilled before the completion under the Share Purchase Agreement between the Offeror and Group of Major shareholders;</p> <p>(4) The Offeror shall have obtained the necessary approvals from the OIC or the Ministry of Finance with the capital increase of the Offeror;</p> <p>(5) No person or governmental authority having commenced, or threatened to commence, any proceedings or investigation to prohibit or otherwise challenge or interfere with the transaction contemplated under the Business Transfer Agreement or any requisite approval or consent for the completion of the transaction contemplated under the Business Transfer Agreement, or threatened to take any action as a result of or in anticipation of the completion of the transaction contemplated under the Business Transfer Agreement, which would prohibit, materially restrict, or materially delay the completion of the transaction contemplated under the Business Transfer Agreement; and</p> <p>(6) There has been no legislation enacted or proposed to be enacted, or order imposed, which would prohibit, materially restrict, or materially delay the completion of the transaction contemplated under the Business Transfer Agreement.</p>
<b>Other key conditions</b>	<p>(1) If at any time before completion, a Party breaches the terms of the Business Transfer Agreement, which breach is incapable of remedy or, which, if capable of remedy, continues unremedied for fifteen (15) days, the other Party shall have the right to terminate the Business Transfer Agreement by giving written notice to the defaulting Party.</p> <p>(2) The Business Transfer Agreement will be terminated automatically upon the termination of the Share Purchase Agreement.</p>

**3.2 Shareholding, whether direct or indirect, by the Offeror or the persons authorized to bind the Offeror (in the case the Offeror is the juristic person) in the Business or major shareholders of the Business (in the case the major shareholders of the Business are the juristic person)**

**3.2.1 Shareholding of the Offeror in the Business**

- None -

**3.2.2 Shareholding of the Offeror in major shareholders of the Business**

- None -

**3.3 Shareholding, whether direct or indirect, by the Business, major shareholders, or directors of the Business in the Offeror (in the case the Offeror is the juristic person)**

**3.3.1 Shareholding by the Business in the Offeror**

- None -

### 3.3.2 Shareholding by the major shareholder of the Business in the Offeror

- None -

### 3.3.3 Shareholding by the directors of the Business in the Offeror

- None -

## 3.4 Other relationships

### 3.4.1 Common directors

The Board of Directors' Meeting No. 12/2022-2023 held on 17 January 2023 resolved to appoint 5 new directors to replace 8 resigned directors and the Board of Directors' meeting of Business No. 14/2022-2023 held on February 3, 2023, resolved to appoint one new director, who was nominated by the tender offeror, as the new director of affairs to replace the resigned director of the business. As a result, the Offeror and the Business have common directors namely (1) Mr. Matthias Benedickt Veith. Who is the director of the Offeror and the Business, and (2) Mr. Surasak Vajasit, who is the independent director of the Offeror and the Business.

In addition, the Offeror and the Business can have common directors since the Offeror and the Business have been approved by the OIC for the Business to transfer the entire business to the Offeror and the Offeror to accept the entire business transfer. According to the OIC Notification on Criteria and Conditions for the exemption of a person who is or acts as a director, manager, or a person with management authority of a non-life insurance company to become a director, manager or a person with management authority of a non-life insurance company B.E. 2008.

### 3.4.2 Associated company or joint venture in other businesses.

- None -

### 3.4.3 Other agreement or contract.

- None -

### 3.4.4 Related Party Transactions.

Related party transactions between the Offeror and the Business for the period ending 31 December 2020 and 2021 and 9-month ending 30 September 2021 and 2022 are detailed below:

(Unit: THB)

	For the year ended		For 9-month ended	
	31 December		30 September	
	2020	2021	2021	2022
Claim Received from the Business <sup>1/</sup>	678,950	413,386	291,856	855,946
Claim Paid to the Business <sup>2/</sup>	426,520	443,110	443,110	345,002

Source: Offeror

Note: /1 Claim received from the Business is the compensation paid by the Business to the Offeror to compensate for the damage which arises from the event that the motor insurance policyholders of the Business causes the accident and have an



obligation to pay compensation to the motor insurance policyholders of the Offeror. As a result, the Business has to pay compensation to the Offeror. This is the normal transaction for doing insurance business.

2/ Claim paid to the Business is the compensation paid by the Offeror to the Business to Compensate for the damage which arises from the event that the motor insurance policyholders of the Offeror causes the accident and have an obligation to pay compensation to the motor insurance policyholders of the Business. As a result, the Offeror has to pay compensation to the Business. This is the normal transaction for doing insurance business.

#### **4. Other Relevant Information for the Securities Holders' Decision Making**

##### **4.1 Securities of the Offeror held before making the Tender Offer (Information as of the date of submission of the Tender Offer)**

(1) Ordinary Shares

-None-

(2) Convertible securities

-None-

##### **4.2 Source of funds for the Tender Offer**

In the event that all shareholders accept the Tender Offer, the Offeror will be required to purchase all of the ordinary shares of the Business of 13,900,000 shares, representing 100.00 % of the total issued and paid-up shares of the Business and equivalent to 100.00 % of the total voting rights of the Business at the price of THB 215.00 per share. Therefore, the total funds required for the Tender Offer is THB 2,988,500,000.00 (Two Billion, Nine Hundred Eighty-Eight Million, Five Hundred Thousand Baht).

The Offeror will pay cash compensation to all shareholders who accept this Tender Offer. The Offeror's source of funds for this Tender Offer comes from the Offeror's internal cash. To prove that the Offeror has sufficient cash to pay for the tendered shares, the Offeror also submitted an order to Citibank, N.A. Bangkok Branch to issue the Confirmation Letter for Sufficiency of Source of Fund. As of 4 January 2023. Citibank, N.A. Bangkok Branch has issued the Confirmation Letter for Sufficiency of Source of Fund certifying that the Offeror has a cash deposit in the saving account of THB 3,154,187,279.72 (Refer to appendix 1 of the Tender Offer, Form 247-4). Some portion of this was received from the capital increase by means of offering new ordinary shares to the shareholders of the Offeror in proportion to their shareholding during December 2022 to January 2023. This deposit in the bank account indicates that the Offeror has sufficient funds to cover the amount required of THB 2,988,500,000.00 for the payment of the Tender Offer.

The Quant Group Company Limited as a Tender Offer Preparer has verified the source of funds, and financial status of the Offeror, and viewed that the Offeror has sufficient funds to conduct the Tender Offer.

##### **4.3 Plan to sell shares of the Business.**

The Offeror may sell, or transfer shares of the Business received from this Tender Offer in any amount to other people within 12 months from the last day of the Offer Period if there are any interested persons or if the Offeror is required to take certain actions to comply with the regulatory requirements or if the Offeror has a shareholding restructuring and/or the business restructuring and/or to manage financial liquidity. Moreover, the Offeror may sell or transfer shares of the

Business to other persons including the Major Shareholders or persons under Section 258 of the SEC Act or other interested persons. The sale or transfer of shares of the Business is subject to terms and conditions agreed upon between parties.

The Offeror plans to complete the Entire Business Transfer of Business which consists of all assets, liabilities, rights, duties, and liabilities that exist on the date of completion of the business transfer of the Business to the Offeror after the Business can successfully delist its securities from the SET and after the completion of conditions such as the implementation of various steps related to the Entire Business Transfer transaction as required by law. Therefore, under the Entire Business Transfer transaction that may occur, it is expected that the dissolution and liquidation will be completed in 2023.

#### 4.4 Other necessary information

However, if the shareholders do not accept the Tender Offer during the tender offer period, the shareholders will be able to sell their shares through the stock market approximately within 2 weeks after the end of the tender offer period before the Business's securities are delisted from the SET. As a result, the Business's shares lack trading liquidity as they are not listed shares.

After the completion of the Tender Offer, the delisting of the securities of the Business from the SET, and the Entire Business Transfer. The Business will proceed to return the non-life insurance license, dissolution, and liquidation (which is expected to be completed within 2023). In the case that there is any shareholder who does not sell shares in the Tender Offer and continues to hold the shares until after the completion of the dissolution and liquidation of the Business, such a shareholder will receive the liquidation proceeds, pro-rata to the amount of shares held.

#### 5. Opinion of the board of directors for shareholders

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 Vajasit	Independent Director	None <sup>/1</sup>	-
3 Mrs. Pompun Tanariyakul	Independent Director	None	0.25 %

Note: /1 Mr. Surasak Vajasit is an independent director of the tender offeror.

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.

## **5.1 Reason to accept and/or reject the tender offer.**

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 as detailed below.

### **5.1.1 The Offer Price**

The Offer Price of THB 215.00 per share is the price that the independent financial advisor has deemed to be appropriate. The offering price is higher than the fair value of the Company's share that IFA values with a base case of Actuarial Appraisal of Economic Value Approach at Baht 150.24 – 179.26 per share, whereby the fair value price range that IFA considered is based on the Actuarial Appraisal of Economic Value Approach (regarding the appraisal by independent actuary Mr. Thanyanop Lausuksringam from Blue venture Actuarial Company Limited). IFA has considered the suitability of NSI share value (Details on valuation as appeared in Opinion of the Advisor who is in the list of an approved financial advisor of the SEC), and the offering price is higher than the highest price calculated based on tender offer for delisting of shares guideline of the Notification TorJor. 12/2554 as indicated in Form 247-4. In addition, the Tender Offeror must tender offers for all shares of the Business at the Offer Price. Therefore, the shareholders of the Business will be able to sell any number of their ordinary shares in the Business in the desired amount at the Offer Price without share trading liquidity constraint, which is different from the normal trading of the shares of the Business on the SET. Considering the average trading volume of the Company's shares in the SET for the past 360 days from 21 July 2021 to 16 January 2023 (the period before the disclosure of the delisting of securities of the Business from the SET), it is found that the average trading volume is 24,143.61 shares per day or turnover ratio of 0.17 percent per day which is lower than SET average trading volume at 0.61 percent.

### **5.1.2 Avoid certain post-delisting effects.**

After the delisting of the shares of the Business from the SET, the shareholders who do not accept the tender offer and are still the shareholders of the Business will face the following effects.

#### **(1) Lack of trading liquidity of the Company's share**

After the delisting of the Company's share from the SET, such share can no longer be traded on the SET, which is the secondary market. As a result, shareholders who want to trade the share will not be able to do so all of a sudden. Additionally, the information on share price or trading liquidity will be limited as there will be no reliable public information to reference as part of the investment decision.

#### **(2) Limit on return on investment**

After the delisting of the Company's share from the SET, the return from investment to shareholders shall be limited to the only dividend payment. In addition, there is less opportunity to receive capital gain from the sale of shares as there will be no secondary market that will give a reference price. After the Tender offer, the dividend policy may be changed by THAISRI (In case THAISRI gains a sufficient number of shares that it has control over and can change the dividend policy). Nonetheless, THAISRI as an Offeror will have to disclose the "Operational Plan after the Business Takeover", which includes dividend policy in the Tender Offer form (247-4).

(3) No longer receive a tax benefit

After the delisting, the shareholder of the Company who is an Individual Investor will no longer be exempted from capital gain tax. (Shareholder who is Individual Investor is exempted from capital gain tax from selling listed company's stocks in the SET) Additionally, the transferer needs to bear stamp duty in case of share transfer.

(4) Limited access to the Company's information and/or disclosure

After the delisting of the Company's share from the SET, although the Company will still be a public limited company according to Public Limited Companies Act, shareholders will receive less disclosure and information about the Company as the Company will no longer have to follow the SET's disclosure guidelines.

1. In case that (1) the Company has other shareholders, who are not Offeror, Person Acting in Concert, and Person described as per Article 258 of Securities and Exchange Act, hold more than 5.00 percent of total voting rights of the Company or (2) shareholders and stock warrant holders in total exceed 100 persons will affect the duty of the Company to disclose information of the Company. The Company will no longer have to prepare and submit financial statements and operating results to the SEC according to the Notification of the Capital Market Supervisory Board No. TorJor. 44/2556 Re: Rules, Conditions, and Procedures for Disclosure regarding Financial and Non-financial Information of Securities Issuers dated 22nd October 2013 (as amended). Furthermore, the Company, including directors and executives, will no longer be subject to any requirement under Chapter 3/1 of the Securities and Exchange Act, such as entering into a connected transaction, entering into a transaction that is significant to the Company, and responsibilities to report on the interest of director and executives.
2. Directors, executives, and auditor of the Company will cease their position to prepare and submit the changes to the securities holding of the Company as described in Notification of the SEC No. SorJor 38/2561 Re: Preparation of Report on Changes to the Securities and Derivatives Holding of Director, Executive, Auditor, Plan Preparer, and Plan Administrator dated 16th July 2018 (as amended).

However, the Company will still have to disclose and deliver some information as a public limited company according to Public Limited Companies Act such as information required to disclose in shareholders' meetings and annual reports. Moreover, the Company has to disclose information regarding the Notification of OIC Re: Good Corporate Governance in Insurance Business B.E. 2562 such as trends, policy, strategy, corporate governance, internal control procedure, monitoring and auditing of the Company's performance continuously. Besides, should minority shareholders need to get an affidavit, list of shareholders, and financial statements of the Company, they can request copies from the Ministry of Commerce.

After the completion of the Tender Offer, THAISRI intends to proceed with the Entire Business Transfer which consists of all assets, liabilities, rights, duties, and liabilities that exist on the date of completion of the business transfer to THAISRI to support THAISRI insurance business. THAISRI shall compensate the Company with cash and promissory notes in the amount not exceeding 2,988,500,000 Baht. (Entire Business Transfer to THAISRI is considered as a disposition of total assets of the Company into cash.) The Company shall proceed with the dissolution afterward. Therefore, the Company's shareholders after dissolution, who do not accept Tender Offer and THAISRI becomes the Company's major shareholders after Tender Offer, shall receive proceed after the dissolution by their proportion.

### **5.1.3 Avoid the effect of checks and balances.**

Because the Major Shareholders Willing to Accept the Tender Offer, who are major shareholders of the Company, with a total holding portion of 75.2786 percent of the total issued and paid-up shares of the Company, desire to sell their stakes to THAISRI. As a result, after the sale of shares to THAISRI, the Company will be under the control of THAISRI, which will become the Company's major shareholder. Minority shareholders will not be able to counterbalance any proposals from the major shareholder. Therefore, THAISRI can control the business direction and determine critical policies of the Company such as dividend policy, including shareholder resolution from a resolution that requires a majority vote of shareholders who attend and has the right to vote or a resolution that requires more than 3/4 (third-fourth) vote of shareholders who attend and has the right to vote, which is capital reduction, capital increase, mergers, and acquisition. In this regard, minority shareholders bear the risk of not being able to counterbalance the control of the major shareholder.

However, the reason and necessity of the necessity of raising funds, administrative checks, and balances, and the Company's ability to compete in the insurance business of the Company aforementioned will be topics that shareholders have to consider during the period from the completion of the delisting process until the listed company dissolves and liquidates, which the company expects to complete within the year 2023 and will continue to settle the accounts. This is because, after the completion of the Tender Offer by THAISRI, THAISRI plans to proceed with the Entire Business Transfer, which includes all assets, liabilities, rights, duties, and liabilities of the Company that existed as of the date of the completion of the business transfer to THAISRI. This will strengthen the stability of THAISRI's non-life insurance business, THAISRI will pay compensation in cash and promissory notes in the total amount of not more than 2,988.50 million Baht to the Company (the entire business transfer transaction of the Company to THAISRI is considered the sale of assets used in operate all business. As a result, all assets of the Company are in the form of cash). As a result, the Company's shareholders who did not sell their shares in the tender offer process and THAISRI who will become the Company's shareholders after the tender offer receives the remaining investment after dissolution and liquidation in proportion to their shareholding.

## **5.2 Opinion and reason of each director of the Business and number of shares held (in case the opinion under item 5.1 is not unanimous)**

-None –

**5.3 Benefits or effects of the plans and policies of the Tender Offeror indicated in the Tender Offer Document and the probability of such plans and policies.**

After consideration of the post-tender offer plans and policies indicated in Form 247-4, the opinion of the Board of Directors of the Business (excluding directors with conflict of interest) was as follows:

**5.3.1 The Business status**

According to the Tender Offer Document (Form 247-4), After the delisting Tender Offer of the Business and approval of the delisting from the SET, the status of the Business as a SET-listed company will cease but its status as a public limited company will remain under the Public Limited Companies Act B.E. 2535 (as amended) (if any) (the "Public Companies Act").

Nonetheless, as the Business will maintain its status as a public limited company, it is still required to make disclosures and deliveries of information according to the Public Company Act, but the obligations for disclosures as a listed company in the SET, including obligations under the Rules, Conditions, and Procedures Governing the Disclosure of Information and Other Acts of a Listed Company will cease. In addition, if the Business has shareholders who are not the Tender Offeror, including their concert parties and their persons under Section 258, holding less than 5.00% of the total voting rights of the Business, this will result in (1) the cessation of the Business's obligation to prepare and deliver financial statements to the SEC in accordance with the Notification of the Capital Market Supervisory Board TorChor. 44/2556 re: the Rules, Conditions, and Procedures for Disclosure regarding Financial and Non-financial Information of Securities Issuers (2) the Business as well as the directors and executives of the Business no longer being under the requirements related to the governance of a listed company in accordance to Section 3/1 of the SEC Act such as requirements on entering into Connected Transaction, Major Transactions, and Reporting of Equity Holdings of Directors and Executives, and (3) the cessation of requirements for the directors, executives, and auditor of the Business to prepare and disclose reports of their securities holdings in accordance to the Notification of the Office of the Securities and Exchange Commission No. Sor Jor. 38/2561 Re: Preparation of Report on Changes to the Securities and Derivatives Holding of Director, Executive, Auditor, Plan Preparer, and Plan Administrator.

In this regard, as the Offeror plans to transfer the entire business ("Entire Business Transfer") of the Business which consists of all assets, liabilities, rights, duties, and liabilities that exist on the date of completion of the business transfer of the Business to the Offeror after the Business successfully delist its securities from the SET and after the completion of certain conditions related such as the implementation of various steps related to the Entire Business Transfer Transaction as required by law. Therefore, the Business is expected to complete dissolution within the year 2023 and proceed with the liquidation afterward.

Opinion of the Board of Directors of the Business

board of directors (excluding interested directors) has considered the status of the business as specified in Form 247-4 and agrees with the Independent Financial Advisor that After delisting and the business still has the status of a public limited company The Business will not have an obligation to disclose information as a listed company under the Securities Law. This includes the regulations of the Stock Exchange of Thailand, but the business still has to comply with the Act. A

public company and its shareholders still have rights as specified in the Articles of Association of the Company and the Public Company Act. Register the dissolution and liquidation according to the entire business transfer process, which the company expects to complete within the year 2023 only.

### **5.3.2 Policies and plans of business operations.**

According to the Tender Offer Document (Form 247-4), After the delisting Tender Offer of the Business and approval of the delisting from the SET, the Offeror plans to transfer the entire business of the Business to the Offeror after the Business successfully delists its securities from the SET and after the completion of various conditions related, such as the implementation of various steps related to the Entire Business Transfer transaction as required by law. Under the Entire Business Transfer transaction that may occur, it is expected that the Business will complete the dissolution within the year 2023 and proceed with the liquidation afterward. Therefore, during the period between the date that the Offeror completes the Tender Offer and the date that the entire business transfer and dissolution of the Business is completed. The Offeror expects that there will be no significant change in the Business's policy and business plan. Any change to the Business's policy will only be for the preparation of the entire business transfer process.

The Business's policy and management plan after the Tender Offer are as follows:

#### **Business objectives**

During the 12 months upon completion of the Tender Offer, the Offeror has no plan to change the business objectives of the Business.

If there is a significant change in the financial or business status of the Business or other factors that materially affect the Business, the Offeror may review and revise the business objectives as appropriate subject to a change in the environment, however, such change will have complied with the Business' policies and procedures (approval process from the Board of Directors and/or the shareholders' meetings), and relevant laws and regulations.

#### Opinion of the Board of Directors of the Business

board of directors (excluding interested directors) has considered the business objectives of the Company as specified in Form 247-4 and agrees with the Independent Financial Advisor that Shareholders who refuse to make this tender offer and continue to be shareholders of the Company It is expected that there will be no significant impact from the plan to change the business objectives of the Company during 12 months after the end of the Tender Offer period. Since the tender offeror has no plan to significantly change the business objectives of the business, and if there is a material change in the business objectives of business Such changes will be made to be suitable for changing circumstances. from the financial status of the business condition of the entity or other changes that will have a significant effect on the entity.

In addition, if the Offeror will make any material changes that are different from those specified in the Tender Offer Offeror Will proceed to get approval from the Board of Directors' meeting. and/or the shareholders' meeting of the company and obtaining any other necessary approvals to comply with applicable and applicable regulations, laws, and regulations at the time.

**Organization and management restructuring****- Board of Directors and Subcommittees**

As of 17 January 2023, the remaining Board of Directors of the Business has appointed 5 directors, nominated by the Offeror to serve as directors of the Business, via the Group of Major shareholders of the Group of Major Shareholders in order to implement the entire business transfer plan effectively. However, Mr. Nattawut Nganpinyo, who was appointed as a director on January 17, 2023, submitted a letter of resignation from being a director on February 1, 2023, and the Board of Directors Meeting No. 14/2022-2023 was held on February 3, 2023, and Mr. Banjerd Tangtorit was appointed as a director to replace the resigned director.

**- Management team**

The Offeror expects to appoint the existing managing director of the Business as a consultant for advice, help, and support in implementing the entire business transfer plan to ensure a smooth and efficient implementation of the entire business transfer plan (including the merger of business units or divisions of both companies after the entire business transfer).

**Opinion of the Board of Directors of the Business**

board of directors (excluding interested directors) has considered the business objectives of the Company as specified in Form 247-4 and agrees with the Independent Financial Advisor that Shareholders who refuse to make this tender offer and continue to be shareholders of the Company May be affected by the reorganization plan for both directors and executives. and if the company has other shareholders who are not the tender offeror Person acting in concert (Concert Party) with the Tender Offeror and persons under section 258 of such persons holding shares in aggregate not exceeding 5.00 percent of the total number of voting rights of the company or the total number of shareholders does not exceed 100 persons, the Offeror may consider nominating a representative to take the position in place of the independent director as well This may result in no checks and balances within the Board of Directors by independent directors. still have to comply with the rules of the Public Limited Companies Act And the rules of the Office of Insurance Commission on good corporate governance of non-life insurance companies, 2019, such as determining the direction, policies, and strategies of the company. Supervising the company to have process and control mechanisms Effective tracking and monitoring Continuous monitoring and supervision of the company's operations.

However, the shareholders who did not accept the tender offer currently continue to be the shareholders of the Business. will be affected by the entire business transfer of the business which consists of all assets, liabilities, rights, duties, and liabilities of the business It is expected that the business will complete dissolution within the year 2023 and will continue to liquidate. Therefore, shareholders who did not accept the tender offer This time will receive the remaining investment after dissolution and liquidation in proportion to their shareholding.

**Asset acquisition and disposition plan**

During the 12 months from the end of the Tender Offer period, the Offeror has no plan to materially acquire or dispose of assets. The Offeror has only the entire business transfer plan as mentioned above.



Opinion of the Board of Directors of the Business

board of directors (excluding interested directors) has considered the business objectives of the Company as specified in Form 247-4 and agrees with the Independent Financial Advisor that Shareholders who refuse to make this tender offer and continue to be shareholders of the Company will be affected by the entire business transfer of the business which consists of all assets, liabilities, rights, duties, and liabilities of the business. It is expected that the business will complete dissolution within the year 2023 and will continue to liquidate. Therefore, shareholders who did not accept the tender offer This time will receive the remaining investment after dissolution and liquidation in proportion to their shareholding.

In addition, the Extraordinary General Meeting of Shareholders of Company No. 1/2022 held on December 9, 2022, resolved to approve the entire business transfer of the business, consisting of all assets, liabilities, rights, duties, and liabilities of the existing business. as of the completion of the business transfer to THAISRI after the completion of the tender offer by THAISRI

**Financial restructuring plan**

During the 12 months from the end of the Tender Offer period, the Offeror has no plan to materially change the financial structure of the Business.

In the event of a significant change from industry competition or external factors, the Business may consider adjusting the financial structure of the Business to be consistent and to support the business operation and financial position of the Business. This will support the business operating efficiently and reduce the negative effect on the Business.

Opinion of the Board of Directors of the Business

board of directors (excluding interested directors) has considered the business objectives of the Company as specified in Form 247-4 and agrees with the Independent Financial Advisor that Shareholders who refuse to make this tender offer and continue to be shareholders of the Company It is not expected to be significantly affected by the financial restructuring plan. During 12 months from the end of the tender offer period Because the Offeror has no plan to significantly change the financial structure. Such changes will be for enhancing the efficiency of management of the Company and for the best interest of the Company. And to reduce any impact that may affect the business of the company.

However, the shareholders who did not accept the tender offer currently continue to be the shareholders of the Business. will be affected by the entire business transfer of the business which consists of all assets, liabilities, rights, duties, and liabilities of the business It is expected that the business will complete dissolution within the year 2023 and will continue to liquidate. Therefore, shareholders who did not accept the tender offer This time will receive the remaining investment after dissolution and liquidation in proportion to their shareholding.

**Dividend policy**

During the 12 months from the end of the Tender Offer period, the Offeror has no plan to change the current dividend payment policy of the Business.

In the event of a significant change to the financial status or an operation of the Business, or any other significant changes affecting the Business, the Offeror may consider adjusting the Business' dividend policy to be consistent with the Business operation and financial position of the Business.

#### Opinion of the Board of Directors of the Business

board of directors (excluding interested directors) has considered the business objectives of the Company as specified in Form 247-4 and agrees with the Independent Financial Advisor that Shareholders who refuse to make this tender offer and continue to be shareholders of the Company It is not expected to be affected by the plan to change the dividend policy of the Company during 12 months from the end of the Tender Offer period. Because the tender offeror has no plans to change the dividend payment policy of the business, and if there is a change in the dividend payment policy of the business Such changes will be for clarity and suitability to operations. and financial status of the business or to increase efficiency and competitiveness in the future from significant changes in the financial or business conditions of the entity or other necessary changes.

However, the shareholders who did not accept the tender offer currently continue to be the shareholders of the Business. will be affected by the entire business transfer of the business which consists of all assets, liabilities, rights, duties, and liabilities of the business It is expected that the business will complete dissolution within the year 2023 and will continue to liquidate. Therefore, shareholders who did not accept the tender offer This time will receive the remaining investment after dissolution and liquidation in proportion to their shareholding.

#### **5.3.3 Related party transaction**

According to the Tender Offer Document (Form 247-4), At present, the Business has set out policies and procedures regarding the approval of related party transactions in compliance with the rules and regulations of the SET and the SEC to prevent conflicts of interest between the Business, its subsidiaries, associates, related persons and/or any person who may have a conflict of interest.

Nonetheless, after the completion of the Tender Offer and the cessation of the status of the Business as a SET-listed company, the duties to comply with the rules and regulations as a listed company will cease. If the Business still has other shareholders other than the Offeror, its concert party, and the persons under Section 258 of the Offeror (if any) who holds shares in aggregate of not more than 5.00 % of the total voting rights of the Business or the aggregate number of shareholders is not more than 100, the Business, including its directors and management will no longer require to adhere to the regulations under Chapter 3/1 of the SEC Act (Governance of Publicly Traded Company) which regulate related party transactions, and to the relevant rules of the SET.

However, if there are other related party transactions between the Offeror and the Business in the future. The Business will consider the needs and appropriateness of the transaction based on the interest of the Business first and foremost. However, the Business' related party transaction policy may be changed but the Business will still comply with any related regulations under the Business' Board of Directors resolution (as the case may be).

Opinion of the Board of Directors of the Business

After consideration of the related party transactions as indicated in Form 247-4, the Board of Directors of the Business (excluding directors with conflict of interest) shared the same opinion as the independent financial advisor and viewed that the shareholders who do not accept the tender offer and are still the shareholders of the Business might be materially affected by the future related party transactions. However, for any entry into related party transactions, the Business has still had the duty to comply with the laws, the Public Company Act, and regulations that are relevant and effective at that time.

However, the shareholders who did not accept the tender offer currently continue to be the shareholders of the Business. will be affected by the entire business transfer of the business which consists of all assets, liabilities, rights, duties, and liabilities of the business It is expected that the business will complete dissolution within the year 2023 and will continue to liquidate. Therefore, shareholders who did not accept the tender offer This time will receive the remaining investment after dissolution and liquidation in proportion to their shareholding.

**5.3.4 Plan to sell shares of the Business.**

According to the Tender Offer Document (Form 247-4), The Offeror may sell or transfer shares of the Business received from this Tender Offer in any amount to another person within 12 months from the last day of the Offer Period if there are any interested persons or if the Offeror is required to take certain actions to comply with the regulatory requirements or if the Offeror has a shareholding restructuring and/or the business restructuring and/or to manage financial liquidity. Moreover, the Offeror may sell or transfer shares of the Business to other persons including the Major Shareholders or persons under Section 258 of the SEC Act or other interested persons. The sale or transfer of shares of the Business is subject to terms and conditions agreed upon between parties.

The Offeror plans to complete the Entire Business Transfer of Business which consists of all assets, liabilities, rights, duties, and liabilities that exist on the date of completion of the business transfer of the Business to the Offeror after the Business can successfully delist its securities from the SET and after the completion of conditions such as the implementation of various steps related to the Entire Business Transfer transaction as required by law. Therefore, under the Entire Business Transfer transaction that may occur, it is expected that the dissolution and liquidation will be completed in 2023.

Opinion of the Board of Directors of the Business

After consideration of the plan to sell shares of the Business as indicated in Form 247-4, the Board of Directors of the Business (excluding directors with conflict of interest) shared the same opinion as the independent financial advisor. shareholders who reject this Tender Offer and are still shareholders of the Company post-SET delisting will be much affected by a change in control of the Company within 12 months from the end of the Offer Period. This is because the Tender Offeror may sell or transfer shares of the Business received from this Tender Offer in any amount to another person within 12 months from the last day of the Offer Period if there are any interested persons or if the Offeror is required to take certain actions to comply with the regulatory requirements or if the Offeror has a shareholding restructuring and/or the business restructuring and/or to manage financial liquidity. Moreover, the Offeror may sell or transfer shares of the Business

to other persons including the Major Shareholders or persons under Section 258 of the SEC Act or other interested persons. The sale or transfer of shares of the Business is subject to terms and conditions agreed upon between parties. The Offeror plans to complete the Entire Business Transfer of Business which consists of all assets, liabilities, rights, duties, and liabilities that exist on the date of completion of the business transfer of the Business to the Offeror after the Business can successfully delist its securities from the SET and after the completion of conditions such as the implementation of various steps related to the Entire Business Transfer transaction as required by law. Therefore, under the Entire Business Transfer transaction that may occur, it is expected that the dissolution and liquidation will be completed in 2023.

#### **5.4 Additional opinion of the Board of Directors of the Business (in case of a tender offer for delisting of securities by the SET's regulations)**

##### **5.4.1 Benefits to the shareholders and effects on shareholders who reject the tender offer.**

The Board of Directors of the Business (excluding directors with conflict of interest) had considered and viewed that the shareholders who do not accept this tender offer and are still the shareholders of the Business post-SET delisting would still have the rights as indicated in the articles of association of the Business and the Public Company Act. However, the shareholders who do not accept this tender offer would face certain effects from the fact that the Business would no longer be a SET-listed company, such as lack of trading liquidity of the securities of the Business, investment return constraint, lower access to the Business's information, and challenges for using checks and balances for the Tender Offeror's entry into transactions (see item 5.1 "Reasons to accept or reject the tender offer" for further information).

However, the aforementioned effects will occur during the period from the completion of the delisting process until the listed company is dissolved and liquidated according to the entire business transfer process, which the company expects to complete by 2023. Only and shareholders who do not accept the tender offer This time will receive the remaining investment after dissolution and liquidation in proportion to their shareholding.

##### **5.4.2 Appropriateness of the Offer Price.**

The Board of Directors of the Business (excluding directors with conflict of interest) shared the same opinion as the independent financial advisor, The Offer Price of THB 215.00 per share is the price that the independent financial advisor has deemed to be appropriate. The offering price is higher than the fair value of the Company's share that IFA values with a base case of Actuarial Appraisal of Economic Value Approach at Baht 150.24 – 179.26 per share, whereby the fair value price range that IFA considered is based on the Actuarial Appraisal of Economic Value Approach (regarding the appraisal by independent actuary Mr. Thanyanop Lausksringam from Blue venture Actuarial Company Limited). IFA has considered the suitability of NSI share value (Details on valuation as appeared in Opinion of the Advisor who is in the list of an approved financial advisor of the SEC), and the offering price is higher than the highest price calculated based on tender offer for delisting of shares guideline of the Notification TorJor. 12/2554 as indicated in Form 247-4. In addition, the Tender Offeror must tender offers for all shares of the Business at the Offer Price. Therefore, the shareholders of the Business will be able to sell any number of their ordinary shares in the Business in the desired amount at the Offer Price without share trading liquidity constraint, which is different from the normal trading of the shares of the Business on the SET. Considering the average trading volume of the Company's shares in the SET for the past 360 days from 21 July 2021

to 16 January 2023 (the period before the disclosure of the delisting of securities of the Business from the SET), it is found that the average trading volume is 24,143.61 shares per day or turnover ratio of 0.17 percent per day which is lower than SET average trading volume at 0.61 percent.

**6. Opinion of the Advisor who is on the list of an approved financial advisors of the SEC.**

Please refer to the details provided in the enclosed “Report of the Opinion of the Independent Financial Advisor on the Tender Offer for the Delisting of Securities of Nam Seng Insurance Corporation Public Company Limited from the Stock Exchange of Thailand”.

Each shareholder should decide to accept or reject the tender offer after analyzing all relevant information, including the opinion of the Business on the tender offer, the opinion of the independent financial advisor and information from other sources, where the final decision to accept or reject the proposed tender offer is subject to the shareholder’s discretion.

The Company hereby certifies that the above statements are complete and accurate without any misleading information and no concealment has been made on any material information which should have been disclosed.

best regard

**Nam Seng Insurance Corporation Public Company Limited**

*Somboon Fusriboon*

(Mr. Somboon Fusriboon)

Managing director