

DHIPAYA GROUP HOLDINGS PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2022

Independent Auditor's Report

To the shareholders of Dhipaya Group Holdings Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Dhipaya Group Holdings Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2022 and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p><i>Acquisition of investment in a subsidiaries</i></p> <p><i>Refer to Note of the consolidated and separate financial statements 5.2 (Accounting policies - Business combination) Note 16.2 (Investments in subsidiaries) and Note 44 (Business Acquisition)</i></p> <p>During 2022, the Group acquired share capital in three companies. The Group invested in a non-life insurance broker, a surveying company, and a non-life insurance company. The total purchase consideration paid by the Group was Baht 403.89 million. Management assessed that this acquisition is qualifies as a business combination. Following the transaction, the management has recognised the difference between the purchase consideration paid and the fair value of net assets acquired as a goodwill of Baht 248.46 million.</p> <p>Management engaged an independent valuer to prepare the purchase price allocation to evaluate the fair value of net assets acquired. As at 31 December 2022, the valuation reports were completed for two companies. For the remaining company, the management is currently assessing the fair value of net assets acquired; it's expected to be completed within 12 months from the acquisition date.</p> <p>I focused on this area because the assessment of fair value for these net assets is complex and involves significant management's judgement on data and assumptions in the valuation model and the discount rates applied. In addition, the amounts of these transactions are significant.</p>	<p>The audit procedures I performed regarding this matter are as follows:</p> <ul style="list-style-type: none">• Examined the purchase transactions with the related agreements to obtain an understanding of the transactions and evaluated management's assessment whether the acquisition should be accounted for as a business acquisition including the identified the control date of this business combination transaction.• Evaluated the competency, independence and objectivity of the valuer as a management's expert.• Engaged expertise to assess the appropriateness and reasonableness of the methodology used in the valuation, the estimation of the discount rate and discount factor estimation, and the model's logic and calculations by comparing with market practice in a comparable industry and evaluation.• Assessed the appropriateness of the identifiable assets acquired and the liabilities assumed at the acquisition date and evaluated management's procedures for determining the fair values of the net identifiable assets acquired and the allocation of the purchase price proportionally according to the relative fair values and tested the calculation of goodwill.• Evaluated the adequacy and appropriateness of presentations and disclosures in the financial statements. <p>From the above procedures performed, I found that the booking of the acquisition of investments was under a business acquisition in accordance with TFRS 3 "Business Combination". In addition, I considered that the assumptions applied in assessing the fair value of the net assets acquired, accounting treatment and the disclosures made in a note to the financial statements were reasonable based on available evidence and in line with the accounting for business combinations.</p>

Key audit matter	How my audit addressed the key audit matter
<p data-bbox="280 427 823 456">Valuation of insurance contract liabilities -</p> <p data-bbox="280 477 823 689">Refer to Note of the consolidated and separate financial statements 5.4 (Accounting policies - Loss reserve and outstanding claims) Note 22 (Insurance contract liabilities) and Note 9.6 (Critical accounting estimates, assumptions and judgements - Valuation of Insurance contract liabilities)</p> <p data-bbox="280 692 823 752">Insurance contract liabilities of Baht 27,415.71 million composed of two key components:</p> <ol data-bbox="280 781 823 994" style="list-style-type: none"> <li data-bbox="280 781 823 904">1. Claim liabilities includes reported claim reserves not yet settled, claim payable, and claims incurred but not reported (IBNR), as well as claims handling reserve and payable <li data-bbox="280 934 823 994">2. Premium liabilities which are also called unearned premium reserve. 	<p data-bbox="845 692 1428 752">My key audit procedures in relation to the claim liabilities included:</p> <ul data-bbox="845 781 1428 1615" style="list-style-type: none"> <li data-bbox="845 781 1428 904">• Obtained an understanding of the controls used when identifying and approving the qualifications of the surveyors and also obtained evidence of approval for the new surveyor as an audit evidence. <li data-bbox="845 934 1428 1057">• Evaluated and tested the internal control environment relating to the core insurance system used to process the technical data and integrate that data into the accounting system. <li data-bbox="845 1086 1428 1368">• Evaluated and tested the design effectiveness and implementation of key controls around the claims handling and claim liabilities setting processes. I examined evidence of the key accounting controls over the valuation of claim liabilities incurred and claim handling reserve by examining related supporting documentation and the approval by an authorised person of the Group. <li data-bbox="845 1397 1428 1615">• Checked samples of claim reserves from the core insurance system by comparing the estimated amount of the claim reserve to the appropriate. Moreover, I checked samples documentation, such as reports from the surveyor of claim handling reserve by checking with invoices from surveyors.

Key audit matter	How my audit addressed the key audit matter
<p>I focussed on the valuation of the claim liabilities as this involved a high level of judgement and expertise to evaluate claims liabilities as follows:</p> <ol style="list-style-type: none"> 1) Claim liabilities are provided upon receipt of claim advices from the insured for the amount reported. The Group uses external surveyors or internal claim specialist for certain claim cases to assess the claim payments and management records the claim liabilities based on the surveyor's reports. 2) Claim incurred but not reported ("IBNR"), I focussed on the balance because of the complexity involved in the estimation process, and the significant judgements that management needed to make to estimate the related balance. 	<ul style="list-style-type: none"> • Tested the claim payables and claim reserves which are significant in profit and loss of the Group. Also, by checking settled claims with the surveyor's report and supporting documents showing claim payments, and checking claim reserves with the latest surveyor's reports. In addition, we tested the reserve related to claim handling reserve by checking with invoices from surveyors. • Applied the fluctuation analytical review procedures (including monitoring the change in loss ratios) to analyse the significant changes that took place over the reporting period. • Assessed the sufficiency of the disclosures in the financial statements.

Key audit matter	How my audit addressed the key audit matter
<p>Estimating IBNR involves significant judgement because of the size of the liability and inherent uncertainty when assessing the expected future payments for the claims incurred. In particular, judgement is needed to estimate payments for claims that have been incurred as of the end of the year but have not yet been reported to the Group at the reporting date. In addition, certain types of insurance contracts where there is a greater length of time between the initial claim event and the agreed settlement also may tend to incur greater variability between initial estimates and the final settlement.</p> <p>The valuation of IBNR relies on the quality of the underlying data and assumptions. It involves complex and subjective judgements about future events, both internal and external to the business, for which small changes in assumptions can have a material effect on the estimate.</p> <p>The key assumptions that underpin the reserve calculations include the expected ultimate loss ratio and the loss development factor by types of insurances. The valuation of insurance liabilities depends on complete and accurate data about the number of claims, claim amounts and the pattern of historical claims since these are often used to form expectations about future claims. If the data used to calculate insurance liabilities, or to form judgements over key assumptions, is not complete and accurate then, material impacts on the valuation of insurance liabilities may arise. As a result of the above factors, insurance liabilities represent a significant risk.</p>	<p>My key audit procedures in relation to claims incurred but not reported (IBNR) included gaining an understanding of the process used to estimate the claims incurred but not reported and actuarial reserve methods. I also tested the control over claims handling and case reserve setting processes and performed the following detailed tests:</p> <ul style="list-style-type: none"> • Evaluated the design effectiveness and implementation of key controls around the claims handling and claim liabilities setting processes because historical claims data was a key input to the actuarial estimates. I examined evidence of the key accounting controls over the valuation of claim liabilities which are recorded in financial statements by examining related supporting documentation and approval by an authorised person of the Group. • Checked samples of claim reserves in the claim module in the core insurance system of the Group by comparing the estimated amount of the claim reserves to appropriate documentation, such as reports from the surveyors. <p>Moreover, I performed detailed testing of claims case estimates and settlements. These included the procedures below.</p> <ul style="list-style-type: none"> • Tested significant claim expenses in profit and loss of the Group (including claims settled, claims reserved, claims handling fee reserved and claims handling fee settled) and checked these against the surveyor report.

Key audit matter

How my audit addressed the key audit matter

- Tested reconciliations between the claims data recorded in the claim module in the core insurance system and the data used in the actuarial reserving calculations as at the reporting date to ensure accuracy and completeness of data.
- Evaluated whether the Group's actuarial methodologies were consistent with those used in the industry and prior year. Obtained an understanding of the assumptions involved when determining the valuation of insurance liabilities. I evaluated the reasonableness of management's significant assumptions by comparing weighted average ultimate loss ratios in the past with the expected loss ratio used by the Group's actuary and investigated any significant differences. I also tested the calculation of the loss development factor based on the Group's historical claim data.
- Evaluated the competence, capabilities and objectivity of the actuary, who is management's expert.
- Engaged my actuarial specialists to carry out independent modelling to assess if the Group's best estimate of gross and net claims reserves fell into my estimated reasonable ranges for selected types of insurance. My actuarial specialists' estimates of outstanding claims reserves are based on a statistical model of the claims process.

Based on all of the above procedures, I found that the key management assumptions are reasonable and the valuation of insurance contract liabilities are reliable.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

Paiboon Tunkoon
Certified Public Accountant (Thailand) No. 4298
Bangkok
27 February 2023

Dhipaya Group Holdings Public Company Limited
Statement of Financial Position
As at 31 December 2022

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Assets					
Cash and cash equivalents	10	3,110,863,748	2,475,129,985	71,302,688	460,660
Premium receivables, net	11	6,148,118,526	4,473,957,602	-	-
Accrued investment income		52,414,478	37,576,327	594,282,336	-
Reinsurance assets, net	12, 22	21,093,609,954	18,304,764,652	-	-
Amount due from reinsurance, net	13	3,694,299,123	4,465,955,258	-	-
Accounts receivable, net	14	8,750,188	-	-	-
Invested assets					
Investment in securities, net	15	14,930,815,695	14,921,312,685	-	-
Investment in associates	16	304,266,179	-	-	-
Investment in subsidiaries	16	-	-	9,889,387,290	9,136,387,350
Investment property, net	17	150,203,042	149,499,254	-	-
Property, plant and equipment, net	18	1,457,511,966	1,470,797,424	943,146	-
Goodwill	19, 44	248,455,379	-	-	-
Intangible assets, net	20	64,749,770	49,869,502	-	-
Income tax receivables		-	40,841,059	-	-
Deferred tax assets	21	1,106,680,934	1,028,318,403	-	-
Prepaid reinsurance premiums, net		1,203,422,143	703,671,674	-	-
Prepaid commissions		951,931,307	806,226,701	-	-
Other assets		1,309,029,533	711,495,030	751,545	11
Total assets		55,835,121,965	49,639,415,556	10,556,667,005	9,136,848,021

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2022

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Liabilities and equity					
Liabilities					
Insurance contract liabilities	22	27,415,711,168	24,253,407,312	-	-
Due to reinsurers	23	8,401,152,825	7,127,135,126	-	-
Accrued commission expenses		978,808,777	1,062,459,957	-	-
Borrowings from financial institution	24	240,000,000	-	240,000,000	-
Borrowings from related company	24, 37	532,000,000	-	532,000,000	-
Premium received in advance		6,697,292,561	5,402,859,062	-	-
Premium suspense accounts		56,362,015	67,722,172	-	-
Income tax payables		59,612,164	-	-	-
Employee benefit obligations	25	484,067,686	512,265,981	5,136,321	-
Other liabilities	26	1,619,147,126	1,538,597,861	13,208,383	15,864,000
Total liabilities		46,484,154,322	39,964,447,471	790,344,704	15,864,000

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2022

		Consolidated financial statements		Separate financial statements	
	Notes	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares, 600,010,000 shares of par Baht 1 each	28	600,010,000	600,010,000	600,010,000	600,010,000
Issued and paid-up share capital					
Ordinary shares, 594,292,336 shares paid-up Baht 1 each	28	594,292,336	594,292,336	594,292,336	594,292,336
Premium on ordinary shares	28	895,385,444	895,385,444	8,541,105,044	8,541,105,044
Surplus from changes in interests in subsidiaries		1,354,834	-	-	-
Retained earnings (deficits)					
Appropriated					
Legal reserve	29	118,857,468	59,428,234	59,429,234	-
General reserve	29	1,136,277,450	1,044,987,282	-	-
Unappropriated		8,343,199,851	8,397,587,462	571,247,871	(14,413,359)
Other components of equity		(1,878,867,747)	(1,409,048,235)	247,816	-
Equity attributable to owners of the Company		9,210,499,636	9,582,632,523	9,766,322,301	9,120,984,021
Non-controlling interests		140,468,007	92,335,562	-	-
Total equity		<u>9,350,967,643</u>	<u>9,674,968,085</u>	<u>9,766,322,301</u>	<u>9,120,984,021</u>
Total liabilities and equity		<u>55,835,121,965</u>	<u>49,639,415,556</u>	<u>10,556,667,005</u>	<u>9,136,848,021</u>

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2022

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Revenues					
Premium written		32,567,903,985	29,410,096,347	-	-
<u>Less</u> Ceded premium		(24,440,340,004)	(21,225,921,910)	-	-
Net premium written		8,127,563,981	8,184,174,437	-	-
<u>Add(Less)</u> (Increase) decrease in unearned premium reserves from previous year		312,704,091	(374,967,479)	-	-
Net premium earned		8,440,268,072	7,809,206,958	-	-
Fee and commission income		5,713,882,969	4,839,095,792	-	-
Income on investments, net		632,497,263	590,191,367	1,783,155,761	1,077
Gains on investments		61,169,737	273,754,694	-	-
Gains on the revaluation of investments		(3,248)	10,037	-	-
Share of profit (loss) of associates		(5,733,821)	-	-	-
Other service income		13,395,696	-	-	-
Other income		319,219,414	101,555,653	-	-
Total revenues		15,174,696,082	13,613,814,501	1,783,155,761	1,077
Expenses					
Gross insurance claims and loss adjustment expenses		16,790,089,307	16,239,650,757	-	-
<u>Less</u> Insurance claims and loss adjustment expenses recovery		(9,716,463,877)	(10,779,398,913)	-	-
Commission and brokerage expenses		2,838,735,518	2,297,560,010	-	-
Other underwriting expenses		1,545,289,945	1,623,365,871	-	-
Finance costs		11,259,331	-	11,259,331	-
Service cost		169,493,827	-	-	-
Operating expenses	31	2,068,352,214	1,988,109,538	57,216,661	14,203,176
(Reversal) expected credit losses	35	(2,014,346)	873,998	-	-
Total expenses		13,704,741,919	11,370,161,261	68,475,992	14,203,176
Profit (loss) before income tax		1,469,954,163	2,243,653,240	1,714,679,769	(14,202,099)
Income tax expense	34	(286,934,713)	(414,617,180)	-	-
Profit (loss) for the year		1,183,019,450	1,829,036,060	1,714,679,769	(14,202,099)

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the year ended 31 December 2022

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Other comprehensive incomes (expenses)					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Unrealised actuarial gains	25	61,587,709	-	247,816	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	21	(12,267,979)	-	-	-
Total items that will not be reclassified subsequently to profit or loss		49,319,730	-	247,816	-
<i>Items that will be reclassified subsequently to profit or loss</i>					
Unrealised gains (losses) in value of investments measured at fair value through other comprehensive income		(794,846,804)	465,259,581	-	-
Realised losses from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		142,500,370	138,429,749	-	-
Income tax relating to items that will be reclassified subsequently to profit or loss	21	130,484,602	(120,737,866)	-	-
Total items that will be reclassified subsequently to profit or loss		(521,861,832)	482,951,464	-	-
Other comprehensive incomes (expenses) for the year, net of income tax		(472,542,102)	482,951,464	247,816	-
Total comprehensive income for the year		710,477,348	2,311,987,524	1,714,927,585	(14,202,099)

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the year ended 31 December 2022

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Profit (loss) attributable to:					
Owners of the parent		1,165,921,096	1,811,469,784	1,714,679,769	(14,202,099)
Non-controlling interests		17,098,354	17,566,276	-	-
		<u>1,183,019,450</u>	<u>1,829,036,060</u>	<u>1,714,679,769</u>	<u>(14,202,099)</u>
Total comprehensive income (expense)					
attributable to:					
Owners of the parent		696,101,584	2,289,818,990	1,714,927,585	(14,202,099)
Non-controlling interests		14,375,764	22,168,534	-	-
		<u>710,477,348</u>	<u>2,311,987,524</u>	<u>1,714,927,585</u>	<u>(14,202,099)</u>
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	36	1.96	3.05	2.89	(0.07)

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2022

Consolidated financial statements													
Attributable to owners of the parent													
	Notes	Other components of equity					Total other components of equity	Retained earnings			Total owners of the parent	Non-controlling interests	Total equity
		Issued and paid-up share capital	Share premium	Share capital to be issued and share premium for capital reorganisation	Unrealised gains (losses) on change in value of investments measured at fair value through other comprehensive income - net of tax	Unrealised actuarial gains and losses - net of tax		Legal reserve	General reserve	Unappropriated			
Beginning balance as at 1 January 2021		10,000	-	1,489,667,780	(1,855,042,972)	(32,354,469)	(1,887,397,441)	59,428,234	942,727,408	7,758,083,182	8,362,519,163	80,458,768	8,442,977,931
Net profit		-	-	-	-	-	-	-	-	1,811,469,784	1,811,469,784	17,566,276	1,829,036,060
Dividend paid	30	-	-	-	-	-	-	-	-	(1,069,705,630)	(1,069,705,630)	(10,291,770)	(1,079,997,400)
Issue shares		-	-	-	-	-	-	-	-	-	-	30	30
Transfer of unappropriated retained earnings	29	-	-	-	-	-	-	-	102,259,874	(102,259,874)	-	-	-
Unrealised gains on change in value of investments measured at fair value through other comprehensive income - net of tax	27	-	-	-	368,660,734	-	368,660,734	-	-	-	368,660,734	3,546,931	372,207,665
Realised losses from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss - net of tax	27	-	-	-	109,688,472	-	109,688,472	-	-	-	109,688,472	1,055,327	110,743,799
Impact of reorganisation	28	594,282,336	895,385,444	(1,489,667,780)	-	-	-	-	-	-	-	-	-
Closing balance as at 31 December 2021		594,292,336	895,385,444	-	(1,376,693,766)	(32,354,469)	(1,409,048,235)	59,428,234	1,044,987,282	8,397,587,462	9,582,632,523	92,335,562	9,674,968,085

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Changes in Equity (Cont'd)
For the year ended 31 December 2022

Consolidated financial statements												
Attributable to owners of the parent												
Notes	Issued and paid-up share capital Baht	Share premium Baht	Surplus from changes in interests in subsidiaries Baht	Other components of equity			Retained earnings			Total owners of the parent Baht	Non-controlling interests Baht	Total Baht
				Unrealised gains (losses) on change in value of investments measured at fair value through other comprehensive income - net of tax Baht	Unrealised actuarial gains and losses - net of tax Baht	Total other components of equity Baht	Appropriated		Unappropriated Baht			
							Legal reserve Baht	General reserve Baht				
Beginning balance as at 1 January 2022	594,292,336	895,385,444	-	(1,376,693,766)	(32,354,469)	(1,409,048,235)	59,428,234	1,044,987,282	8,397,587,462	9,582,632,523	92,335,562	9,674,968,085
Net profit	-	-	-	-	-	-	-	-	1,165,921,096	1,165,921,096	17,098,354	1,183,019,450
Dividend paid	30	-	-	-	-	-	-	-	(1,069,589,305)	(1,069,589,305)	(17,152,992)	(1,086,742,297)
Issue shares	-	-	-	-	-	-	-	-	-	-	60	60
Change in the ownership interests in subsidiaries	-	-	1,354,834	-	-	-	-	-	-	1,354,834	(2,354,834)	(1,000,000)
Non-controlling interest arising from business combinations	-	-	-	-	-	-	-	-	-	-	53,264,447	53,264,447
Transfer of unappropriated retained earnings	29	-	-	-	-	-	-	91,290,168	(91,290,168)	-	-	-
Legal reserve	-	-	-	-	-	-	59,429,234	-	(59,429,234)	-	-	-
Unrealised actuarial gains and losses - net of tax	27	-	-	-	48,852,103	48,852,103	-	-	-	48,852,103	467,627	49,319,730
Unrealised gains on change in value of investments measured at fair value through other comprehensive income - net of tax	27	-	-	(631,585,552)	-	(631,585,552)	-	-	-	(631,585,552)	(4,276,576)	(635,862,128)
Realised losses from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss - net of tax	27	-	-	112,913,937	-	112,913,937	-	-	-	112,913,937	1,086,359	114,000,296
Closing balance as at 31 December 2022	594,292,336	895,385,444	1,354,834	(1,895,365,381)	16,497,634	(1,878,867,747)	118,857,468	1,136,277,450	8,343,199,851	9,210,499,636	140,468,007	9,350,967,643

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited

Statement of Changes in Equity (Cont'd)

For the year ended 31 December 2022

	Separate financial statements						
	Notes	Issued and paid-up share capital Baht	Share premium Baht	Unrealised actuarial gains and losses - net of tax Baht	Retained earnings		Total Baht
					Appropriated		
					legal reserve Baht	Unappropriated Baht	
Opening balance as at 1 January 2021		10,000	-	-	-	(211,260)	(201,260)
Loss for the period		-	-	-	-	(14,202,099)	(14,202,099)
Issue shares		594,282,336	8,541,105,044	-	-	-	9,135,387,380
Closing balance as at 31 December 2021		<u>594,292,336</u>	<u>8,541,105,044</u>	<u>-</u>	<u>-</u>	<u>(14,413,359)</u>	<u>9,120,984,021</u>
Opening balance as at 1 January 2022		594,292,336	8,541,105,044	-	-	(14,413,359)	9,120,984,021
Profit for the period		-	-	-	-	1,714,679,769	1,714,679,769
Dividend paid	30	-	-	-	-	(1,069,589,305)	(1,069,589,305)
Transfer of unappropriated retained earnings	29	-	-	-	59,429,234	(59,429,234)	-
Unrealised actuarial gains - net of tax		-	-	247,816	-	-	247,816
Closing balance as at 31 December 2022		<u>594,292,336</u>	<u>8,541,105,044</u>	<u>247,816</u>	<u>59,429,234</u>	<u>571,247,871</u>	<u>9,766,322,301</u>

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2022

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Note	Baht	Baht	Baht	Baht
Cash flows from (used in) operating activities				
Net direct premium written	31,639,295,817	27,807,183,750	-	-
Cash received (paid) for reinsurance	(8,184,701,836)	(6,240,250,965)	-	-
Losses incurred of direct insurance	(14,448,602,528)	(14,624,952,452)	-	-
Loss adjustment expenses of direct insurance	(486,088,613)	(537,152,473)	-	-
Commissions and brokerages of direct insurance	(2,961,220,022)	(2,064,169,378)	-	-
Other underwriting expenses	(1,523,914,125)	(1,199,247,450)	-	-
Cash received from other service income	48,411,933	-	-	-
Interest income	99,050,404	133,682,574	308,753	1,077
Dividend received	542,775,712	497,925,547	1,188,564,672	-
Other income	350,391,674	107,206,694	-	-
Operating expenses	(2,171,370,497)	(2,314,313,005)	(43,065,887)	(13,397,119)
Income tax paid	(161,942,580)	(615,448,874)	-	-
Cash received from financial assets	7,427,126,509	17,812,174,644	-	-
Cash used in financial assets	(8,127,105,334)	(18,956,291,356)	-	-
Others	(300,855,343)	110,123,951	(23,681)	94,518
Net cash flows from (used in) operating activities	1,741,251,171	(83,528,793)	1,145,783,857	(13,301,524)
Cash flows from (used in) investing activities				
<u>Cash provided from</u>				
Proceeds from disposal of property, plant and equipment	2,970,521	3,004,014	(39,804)	-
Proceeds from acquisition of subsidiaries	38,740,345	-	-	-
Cash provided from investing activities	41,710,866	3,004,014	(39,804)	-
<u>Cash used in</u>				
Purchase of property, plant and equipment	(61,837,164)	(88,650,720)	-	-
Purchase of intangible assets	(11,346,036)	(10,323,286)	-	-
Acquisition of investment in associate	16 (310,000,000)	-	-	-
Acquisition of investment in subsidiaries	16 (402,714,132)	-	(752,999,940)	(999,970)
Cash used in investing activities	(785,897,332)	(98,974,006)	(752,999,940)	(999,970)
Net cash used in investing activities	(744,186,466)	(95,969,992)	(753,039,744)	(999,970)

The accompanying notes are an integral part of these financial statements.

Dhipaya Group Holdings Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Cash flows from (used in) financing activities					
Proceeds from issue of ordinary shares		60	30	-	-
Employee cash advances		(766)	19,999	(766)	(2,000)
Advances from related party		-	-	(14,763,054)	14,763,054
Borrowing from financial institution	24	240,000,000	-	240,000,000	-
Borrowings from related company	24	532,000,000	-	532,000,000	-
Finance costs		(9,548,960)	-	(9,548,960)	-
Repayment on lease liabilities		(42,756,643)	(38,064,508)	-	-
Dividend paid	30	(1,081,024,633)	(1,079,997,400)	(1,069,589,305)	-
Net cash from (used in) financing activities		(361,330,942)	(1,118,041,879)	(321,902,085)	14,761,054
Net increase (decrease) in cash and cash equivalents					
Cash and cash equivalents		635,733,763	(1,297,540,664)	70,842,028	459,560
as at the beginning of the year		2,475,129,985	3,772,670,649	460,660	1,100
Cash and cash equivalents as at the end of the year					
		3,110,863,748	2,475,129,985	71,302,688	460,660
Significant non-cash transactions comprised of:					
Accounts payable - purchase of property, plant and equipment		18,306,116	3,193,500	-	-
Accounts payable - purchase of intangible assets		1,256,900	350,000	-	-
Acquisition of right-of-use assets		19,726,757	21,500,713	-	-
Reclassify investments in securities with maturity not over 3 months from acquisition date from investments measured at fair value through other comprehensive income to cash and cash equivalents		-	199,978,140	-	-
The restructuring of an entity by means of ordinary shares issue		-	-	-	9,135,387,380

The accompanying notes are an integral part of these financial statements.

1. General information

Dhipaya Group Holdings Public Company Limited (“the Company”) is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand on 31 July 2020. The address of the Company’s registered office is as follows:

The Company’s registered address is 1115 Rama III Road, Chong Nonsri, Yannawa, Bangkok.

The principal business operations of the Company is holding investment in other companies.

The Company and its subsidiaries are subsequently referred as “the Group”.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 27 February 2023.

2. Significant events during the current year

2.1 Coronavirus Disease 2019 outbreak

The outbreak of Coronavirus Disease 2019 (“COVID-19”) since early 2020 has adverse effects on operating results for the year ended 31 December 2022 particularly on Non-life insurance business.

The nationwide COVID-19 outbreak substantially has affected the amount of claims under the COVID-19 policies issued by the Group and adequacy of the estimate of the of unexpired risk liabilities in respect of those policies. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of contingent liabilities, and has used estimates and judgement in respect of various issues (if any) as the situation has evolved.

2.2 Business acquisition

On 25 January 2022, the Board of Director passed a resolution at the Board of Directors' meeting No. 1/2022 to approve that TIP ISB Co., Ltd. ("TIP ISB"), its subsidiary in which the Company holds 99.99%, invests in Amity Insurance Broker Co., Ltd. ("Amity") and DP Survey and Law Co., Ltd. ("DP Survey") by purchasing 75% of ordinary shares of Amity and DP Survey from existing shareholders respectively.

On 31 May 2022, the Group has completed purchase and acceptance of the business of Amity and DP Survey, as per business transfer agreement dated 15 March 2022 for a promissory note of Baht 162.71 million which paid in July 2022 (Note 44).

On 5 August 2022, the Board of Director passed a resolution at the Board of Directors' meeting No. 2/2022 to approve that TIP IB Co., Ltd. ("TIP IB"), its subsidiary in which the Company holds 99.99%, invests in Erawan Insurance Public Co., Ltd. ("Erawan Insurance") by purchasing 80% of ordinary shares of Erawan Insurance from existing shareholders.

On 4 October 2022, the Group has completed purchase and acceptance of the business of Erawan Insurance, as per business transfer agreement dated 9 August 2022 for cash of Baht 240 million which paid in October 2022 (Note 44).

2.3 Transferred portfolio

During the first quarter of 2022, the Company received insurance contracts transferred from Southeast Insurance Public Company Limited and Thai Insurance Public Company Limited. The transferred policies are fire insurance policies for homes of Government Housing Bank customers which the Company was co-insurance, Personal Accident insurance and Miscellaneous insurance. Total short-term premium (coverage period not exceed 1 year) and long-term premium amount of Bath 697.06 million and Baht 271.85 million respectively. The conditions for insurance contracts transferred are in accordance with the memorandum of understanding (MOU) to take care of non-life insurance customers was signed and enforced on 23 February 2022. The liabilities under the insurance contracts were assessed by actuary and recognised in the insurance contract liabilities as part of this financial information.

2.4 Investment in associate

On 31 May 2022, the Board of Director passed a resolution at the Board of Directors' meeting No. 5/2022 to approve that TIP Exponential Co., Ltd. ("TIP X^m"), a subsidiary in which the Company holds 99.99%, invests in Mee Tee Mee Ngern Co., Ltd. by purchasing 31% of ordinary shares (Notes 16.1).

3. Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act and as required by the Notification of the Office of Insurance Commission entitled “Principle, methodology, condition and timing of preparation, submission and reporting of financial statements and operation performance for non-life insurance company (No. 2) B.E. 2562” dated on 4 April 2019 (‘OIC Notification’).

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

An English version of the consolidated and separate financial statements has been prepared from the statutory financial statements that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

4. New and amended financial reporting standards

4.1 For new and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022

Management assessed that it has no significant impacts to the Group.

4.2 For amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Group and the Company.

- a) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn’t be recognised at the acquisition date.

The Group’s management is currently assessing the impacts from this standard.

5. Accounting policies

5.1 Principles of consolidation accounting

(a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

(b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

When the Group loses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

(c) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

(d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates equals or exceeds its interest in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

(e) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

5.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements.

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

5.3 Revenue recognition

(a) Net premium earned

Premium written comprised of direct premium written and inward reinsurance premium, less cancelled premium. Premium written is recognised on the date the insurance policy comes into effective date for insurance policies of which the coverage periods are less than 1 year. For long-term policies which the coverage periods are longer than 1 year, the related revenues is recorded as "Premium received in advance". The Group amortises the recognition of the unearned items as income over the coverage period on the annual basis. Inward reinsurance premium is recognised as income when the reinsurer places the reinsurance application or Statement of Accounts with the Group.

Ceded premium is premium income which the Group ceded to reinsurer. For long-term policies which the coverage periods are longer than 1 year, the Group presented as "Prepaid reinsurance premium, net" by net presenting with related prepaid commission income.

Net premium earned comprises of premium written after deducting ceded premium, adjusted with unearned premium reserve adjustment.

(b) Fee and commission income

Fee and commission from ceded premium are recognised as income within the accounting period when incurred.

Fee and commission from ceded premium with coverage periods longer than 1 year are recorded as unearned items net presenting in “Prepaid reinsurance premium, net” and recognised as income over the coverage period on the annual basis.

(c) Interest income and dividends

Interest income is recognised as interest accrues based on the effective rate method. Dividends are recognised when the right to receive the dividend is established.

(d) Gains (losses) on securities trading

Gains (losses) on trading in securities is recognised as incomes or expenses on the transaction date.

(e) Other service income

Other service income are recognised on an accrual basis.

(f) Other income

Other income is recognised on the accrual basis.

5.4 Premium reserve

(a) Unearned premium reserve

Unearned premium reserve is set aside in compliance with the Notification of the Office of Insurance Commission governing the principle, methodology and condition of unearned premium reserves, loss reserves and other reserves of non-life insurance companies B.E.2554 as follows:

Type of insurance	Reserve calculation method
- Fire, marine (hull), and miscellaneous (except for travel accident with coverage of less than 6 months)	- Monthly average basis (the one-twenty fourth basis)
- Marine and transportation, travel accident (the coverage not more than 6 months)	- 100% of net premium written starting from the policy effective date

(b) Unexpired risks reserve

Unexpired risks reserve is the reserve for the claims that may be incurred in respect of in-force policies. Unexpired risks reserve is set aside using an actuarial method, at the best estimate of the claims that are expected be incurred during the remaining period of coverage, based on historical claims data.

The Group compares the amounts of unexpired risks reserve with unearned premium reserve, and if unexpired risks reserve is higher than unearned premium reserve, the difference is recognised as unexpired risks reserve in the financial statements.

5.5 Loss reserve and outstanding claims

The Group records outstanding claims at the amount to be paid, while loss reserves are provided upon receipt of claim advices from the insured. They are recorded at the value appraised by an independent surveyors, or by the Group's officer as each case but not exceed the maximum of sum insured of each policy.

The Group sets up reserve for claims incurred but not yet reported (IBNR) which is calculated as based on the best estimate by professional actuary, the provision will be covered for all projected losses, such as losses incurred during this period, claims incurred but not reported (IBNR) and net by loss paid.

5.6 Product classification

The Group has classified the insurance and reinsurance contracts considering the transfer of significant insurance risk by agreeing to compensate the policyholder if a specified uncertain future event, insured event, adversely affects the policyholder. None of the insurance and reinsurance contracts contain embedded derivatives or are required to be unbundled the components or classified as financial reinsurance contract. Such contracts are accounted for as insurance contracts for the remainder of its lifetime until all right and obligations of loss compensation to the policyholder are extinguished or expired.

The Group has classified all insurance contracts as short term insurance contracts which mean the coverage period under the contract is not exceeding 1 year and no certification of automatic renewal. The insurance contracts that cover dread disease and the personal accident or health insurance contracts which the coverage period is exceeding 1 year, the Group is able to terminate the contract, the insurance premium can either be added or reduced, and any amendment of the benefit of the insurance contract can be made throughout coverage period.

5.7 Liabilities adequacy testing

Liability adequacy tests of insurance contract liabilities recognised in the financial statement are performed at the end of reporting period, using the best estimate of ultimate loss, best estimate of future contractual liabilities of the in-forced insurance contracts, also including claims handling expense, policy maintenance expense, and cost of reinsurance. If that assessment shows that the carrying amount of its insurance liabilities less related acquisition cost is inadequate in the light of the future estimates, the entire deficiency shall be recognised in profit or loss.

5.8 Commissions, brokerages and other expenses

Commissions and brokerages are expensed within the accounting period when incurred. For long-term policies which the coverage periods are longer than one year, the Group amortises the recognition of the “Prepaid commissions” as expenses over the coverage period on the annual basis.

Other expenses are recognised on the accrual basis.

5.9 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

While cash and cash equivalents are also subject to the impairment requirements of The Accounting Guidance, the identified impairment loss was immaterial.

5.10 Premium due and uncollected

Premium due and uncollected is carried at its net realisable value. The Group sets up an allowance for doubtful accounts based on the estimated loss that may incurred in collection of receivables. The allowance is generally based on collection experiences by considering long outstanding balance more than 180 days and analysis of debtor aging and current status of the premium due as at the Statement of Financial Position date.

5.11 Reinsurance assets and due to reinsurers

(a) Reinsurance assets, net

Reinsurance assets are stated at the outstanding balance of insurance reserve refundable from reinsurers.

Insurance reserve refundable from reinsurers is estimated based on the related reinsurance contract of premium reserve, loss reserve and claims incurred but not yet reported by insured accordance with the law regarding insurance reserve calculation.

The Group records allowance for doubtful accounts for the estimated losses that may be incurred due to inability to make collection by considering financial status of reinsurers as at the end of the reporting period.

(b) Amount due from reinsurance, net

Amount due from reinsurance are stated at the outstanding balance of claims and various other items receivable from reinsurers, amounts deposit on reinsurance, and reinsurance premium receivable, less allowance for doubtful accounts.

The Group records allowance for doubtful accounts for the estimated losses that may be incurred due to inability to make collection by considering long outstanding balance more than two years and financial status of reinsurers as at the end of the reporting period.

(c) Due to reinsurers

Due to reinsurers are stated at the outstanding balance payable from reinsurance and amounts withheld on reinsurance. Amounts due to reinsurers consist of reinsurance premiums and other items payable to reinsurers, excluding claims. The Group presents net of reinsurance to the same entity (reinsurance assets or amounts due to reinsurers) when the criteria for offsetting as follows:

- (1) The Group has a legal right to offset amounts presented in the Statement of Financial Position, and
- (2) The Group intends to receive or pay the net amount recognised in the Statement of Financial Position, or to realise the asset at the same time as it pays the liability.

5.12 Accounts receivable, net

Accounts receivable are stated at the net realisable value less allowance for doubtful account (if any). The Group provides allowance for doubtful accounts equal to the amount expected to be uncollectible approximately based on collection experience.

5.13 Financial asset

The Group temporary exemption from TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures under TFRS 4 (revised 2018) Insurance Contracts. The Group apply the 'financial instruments and disclosures for insurance companies' accounting guidance' ("The Accounting Guidance") issued by the Federation of Accounting Professions until TFRS 17 becomes effective.

(a) Classification

The Group classifies its investments in securities as follows:

- Investments measured at fair value through profit or loss (FVPL)
- Investments measured at fair value through other comprehensive income (FVOCI)
- Investments measured at amortised cost

(b) Recognition and derecognition

Regular way purchases, acquires and sales of investments in securities are recognised on trade-date, the date on which the Group commits to purchase or sell the investments. Investments in securities are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures an investment in securities at its fair value plus, in the case of an investment in securities not at FVPL, transaction costs that are directly attributable to the acquisition of the investments. Transaction costs of investments carried at FVPL are expensed in profit or loss.

(d) Debt instruments

There are two measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Investments in securities that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these investments is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in gain (loss) on investments together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- FVOCI: Investments in securities that the Group intends to either hold for an indefinite period or sell in response to the needs of the Group's liquidity or change in interest rate are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of 1) impairment gains or losses, 2) interest income using the effective interest method, and 3) foreign exchange gains and losses which are recognised in profit or loss. When the investments is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in gain (loss) on investments. Interest income is included in net investment income. Impairment expenses are presented separately in the statement of comprehensive income.

(e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is still subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as net investment income when the right to receive payments is established.

Changes in the fair value of investments in equity instruments at FVPL are recognised in gains (losses) on the revaluation of investments in the statement of comprehensive income.

Impairment losses and reversal of impairment losses on equity investments are reported together with changes in fair value.

The gains and losses from foreign currency translation of equity instruments is recognise at fair value through other comprehensive income.

The Group presents its investments in Property Fund unit trusts / Real Estate Investment Trust units / Infrastructure Fund units / Infrastructure Trust units (the fund / the trust) established and registered in Thailand as equity investments and measures them at FVOCI following the TFAC's clarification, "Interpretation of investments in Property Fund unit trusts, Real Estate Investment Trust units, Infrastructure Fund units, and Infrastructure Trust units established and registered in Thailand" dated 25 June 2020. The fund / trust is required to distribute benefits of not less than 90% of its adjusted net profit.

(f) Impairment

The Group assesses expected credit loss on a forward looking basis for its financial assets which classified as debt instruments carried at FVOCI and at amortised cost. The impairment methodology applied depends on whether there has been any significant increases in credit risk. The Group accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the Group measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

The expected credit loss will be recognised in profit or loss.

For impairment of equity instruments which classified as investments measured at fair value through other comprehensive income will be recognised in profit and loss immediately when there is evidence supports the impairment of the instruments. The Group will recognise allowance of losses in other comprehensive income and the carrying amount of financial assets which classified as equity instruments in the statement of financial position will not be decreased.

5.14 Investment property

Investment properties, principally land and freehold office buildings, are held for long-term rental yields or for capital appreciation or both and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Building and improvements	20 years
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5.15 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and improvements	10 - 40 years
Furniture, fixtures and office equipment	5 - 20 years
Motor vehicles	5 - 7 years

The assets' residual values and useful lives are reviewed by the Group, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

5.16 Goodwill

The measurement of goodwill at initial recognition is measured at the fair value of the acquisition, less the net recognized amount (fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date.

Subsequent to the initial recognition, goodwill is measured at cost less allowance for impairment. The Group assesses an impairment of goodwill annually, without consideration of indication that such goodwill may be impaired.

Goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination.

5.17 Intangible assets

Intangible asset is stated at cost less accumulated amortisation and impairment of assets (if any).

Amortisation of intangible assets is calculated by reference to their costs on a straight-line basis over the period of the lease and the expected beneficial period as follows:

Computer software	5 - 7 years
Customer relationships	9.6 years

5.18 Leasehold rights

Leasehold rights stated at cost less accumulated amortisation. Amortisation of leasehold rights is calculated by reference to their costs on a straight-line basis over the lease period of 30 years.

5.19 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

5.20 Leases

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Right-of-use assets are recorded as "Property, Plant and equipment" in Statement of Financial Position.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise Computer and Printer rental agreement.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

5.21 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

5.22 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

The Group derecognises borrowings from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Finance costs are recognised by using the effective interest method.

5.23 Employee benefits

(a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, profit-sharing and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employee's service up to the end of the reporting period. They are measured at the amount expected to be paid.

(b) Defined contribution plan

The Group pays contributions to a separate fund on a voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

(c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

(d) Other long-term benefits

The Group gives gold rewards to employees when they have worked for the Group for 20, 25 and 30 years.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

5.24 Current and deferred income taxes

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

5.25 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

5.26 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown as a deduction in equity.

5.27 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

6. Financial risk management

6.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the Risk Management Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools.

6.1.1 Market risk

Market risk arises from variability in fair values of financial instruments or related future cash flows due to variability in market risks variables. Market risk comprises foreign currency risk, interest rate risk and price risk.

a) Foreign currency risk

The Group considers that there is significant foreign currency risk relating to receipts of insurance premiums and reinsurance with foreign insurance companies in foreign currencies which the Group does not buy any monetary instruments contract to prevent the foreign currency risk. However, the management believes that the Group has no significant effect because the traditional reinsurance will use the same foreign currencies as quoted with the insured.

The Group's exposure to foreign currency risk as of 31 December 2022 and 2021, expressed in Baht are as follows:

	Consolidated financial statements					
	2022			2021		
	US Dollar Baht	Euro Baht	Other Baht	US Dollar Baht	Euro Baht	Other Baht
Assets						
Premium receivables	893,179,959	2,056,276	63,907	371,790,755	1,921,177	1,498,966
Reinsurance assets	969,121,102	-	-	1,045,062,554	3,103,073	-
Amount due from Reinsurance	33,585,799	-	136,149	88,106,392	-	151,542
Investments in Securities	32,200,687	-	-	66,272,432	-	-
Liabilities						
Insurance contract Liabilities	994,406,151	737,588	1,972,183	1,079,449,376	5,056,224	585,942
Due to reinsurers	961,410,265	2,940,332	54,751	386,197,402	1,742,936	1,255,280
Accrued commission expenses (refund)	95,585,227	1,726	444	75,802,400	(14,771)	-

Foreign exchange risk sensitivity analysis

As shown in the table above, The Group is exposed to foreign exchange risk. The sensitivity of profit or loss to changes in the exchange rates.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The table below shows the sensitivity of profit or loss to 5% changes in the exchange rates.

	Consolidated financial statements	
	Impact to net profit	
	2022	2021
	Baht	Baht
Foreign exchange increases 5% *		
US Dollar	(6,165,705)	1,489,148
Euro	(81,168)	(88,006)
Other	(91,365)	(9,535)
Foreign exchange decreases 5% *		
US Dollar	6,165,705	(1,489,148)
Euro	81,168	88,006
Other	91,365	9,535

* Holding all other variables constant

b) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate and the Group's cash flows will affect due to changes in market interest rate.

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed by considering the changes in interest rate under crisis situation in order to assess whether the Group has adequate assets to fulfil its obligations under the situation.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

	Consolidated financial statements								
	2022								
	Fixed interest rates			Floating interest rates			Non- Interest bearing	Total	Interest rate
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht		
Financial assets									
Cash and cash equivalents	-	-	-	3,024	-	-	87	3,111	0.05-0.45
Accrued investment income	34	13	6	-	-	-	-	53	0.06-4.94
Investment in securities	2,800	2,483	891	-	-	-	8,757	14,931	0.06-4.94
	2,834	2,496	897	3,024	-	-	8,844	18,095	
Financial liabilities									
Borrowings from financial institution	240	-	-	-	-	-	-	240	3.18
Borrowings from related company	-	-	-	532	-	-	-	532	3.12-3.82
Lease liabilities	33	44	-	-	-	-	-	77	2.25-12.00
	273	44	-	532	-	-	-	849	

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Consolidated financial statements									
2021									
	Fixed interest rates			Floating interest rates			Non-Interest bearing Million Baht	Total Million Baht	Interest rate (% p.a.)
	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht			
Financial assets									
Cash and cash equivalents	200	-	-	2,168	-	-	107	2,475	0.13-2.00
Accrued investment income	6	30	1	-	-	-	-	37	0.09-4.94
Investment in securities	1,603	3,861	219	-	-	-	9,238	14,921	0.09-4.94
	1,809	3,891	220	2,168	-	-	9,345	17,433	
Financial liabilities									
Lease liabilities	27	56	2	-	-	-	-	85	2.43-5.00
	27	56	2	-	-	-	-	85	
Separate financial statements									
2022									
	Fixed interest rates			Floating interest rates			Non-Interest bearing Million Baht	Total Million Baht	Interest rate (% p.a.)
	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht			
Financial assets									
Cash and cash equivalents	-	-	-	71	-	-	-	71	0.13-0.35
Accrued investment income	-	-	-	-	-	-	594	594	-
	-	-	-	71	-	-	594	665	
Financial liabilities									
Borrowings from financial institution	240	-	-	-	-	-	-	240	3.18
Borrowings from related company	-	-	-	532	-	-	-	532	3.12-3.82
Lease liabilities	-	1	-	-	-	-	-	1	7.50
	240	1	-	532	-	-	-	773	
Separate financial statements									
2021									
	Fixed interest rates			Floating interest rates			Non-Interest bearing Million Baht	Total Million Baht	Interest rate (% p.a.)
	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht	Within 1 year Million Baht	1 - 5 years Million Baht	Over 5 years Million Baht			
Financial assets									
Cash and cash equivalents	-	-	-	1	-	-	-	1	0.25
	-	-	-	1	-	-	-	1	

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Interest rate sensitivity analysis

Profit or loss is sensitive to higher or lower interest income from cash and cash equivalents, investments in securities and interest expenses from borrowings as a result of changes in interest rates. Other components of equity changes as a result of an increase or decrease in the fair value of debt investments at fair value through other comprehensive income.

The table below shows the interest sensitivity for the financial assets and financial liabilities held as at reporting date.

	Consolidated financial statements			
	Impact to net profit		Impact to other components of equity	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Interest rate - increase 1%*	25,059,246	23,071,575	(104,701,788)	(76,601,263)
Interest rate - decrease 1%*	(2,296,327)	(5,767,894)	111,643,367	79,632,298

* Holding all other variables constant

c) Price risk

Price risk is the risk that changes in the market prices of equity securities will result in fluctuations in revenues or in the values of financial assets.

The Group's exposure to equity securities price risk arises from investments held by the Group which are classified either as at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVPL).

As at 31 December 2022 and 2021, the Group had risk from its investments in securities of which the price will change with reference to market conditions. Investment Department will manage investment portfolios according to investment plan approved by Investment Committee and Board of Directors, in accordance to investment policies under related Notification of Office of Insurance Commission.

Equity price risk sensitivity analysis

The table below summarises the impact of increase/decrease of these equity indices on the Group's other components of equity and net profit for the period. The analysis is based on the assumption that the SET index had increased by 1% or decreased by 1%, respectively.

	Consolidated financial statements			
	Impact to net profit		Impact to other components of equity	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Equity prices				
- increase 1%*	172	119	47,420,213	43,517,428
Equity prices				
- decrease 1%*	(172)	(119)	(47,420,213)	(43,517,428)

* Holding all other variables constant and all the Group's equity instruments moved in line with the index

Post-tax profit for the period would increase or decrease as a result of gains/losses on equity securities classified at FVPL. Other components of equity would increase or decrease as a result of gains/losses on equity securities classified at FVOCI.

6.1.2 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group to incur a financial loss.

Credit risk arises from cash and cash equivalents, contractual cash flows of investment in debt instruments carried at amortised cost and at fair value through other comprehensive income (FVOCI), premium receivables, and amount due from reinsurance.

a) **Risk management**

The Group has the credit risk management policy that is approved by Risk Management Committee which consisted of:

Risk assessment

- to determine the credit risk limitation and verified by Risk Management Department;
- to consider the significant increase in credit risk - the Group determined whether the credit risk of financial instruments has increased significantly since initial recognition;
- to determine the definitions of default, including the reasons for selecting those definitions.

Risk reporting

Risk Management Department reports results to Risk Management Committee at least on a quarterly basis. Risk Management Committee assesses the appropriateness of credit risk management policy and adjusts the policy to be consistent with the entity's operation and industry.

Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The Group's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

The Group is exposed to credit risk primarily with respect to premium receivables and amount due from reinsurance. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of premium due and uncollected as stated in the Statement of Financial Position.

b) Impairment of financial assets

The Group has 3 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Investment in debt instruments measured at amortised cost and FVOCI

While cash and cash equivalents are also subject to the impairment requirements of The Accounting Guidance, the identified impairment loss was immaterial.

The expected credit loss is measured on either a 12-month or lifetime basis depending on whether the significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired financial asset. The expected credit loss is the discounted product of probability of default, loss given default and exposure at default, defined as follows;

- The probability of default represents the likelihood of a borrower defaulting on its financial obligation either over the next 12 months or over the remaining lifetime of the obligation.
- The exposure at default is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months or over the remaining lifetime.
- The loss given default represents the Group's expectation of the extent of loss on a defaulted exposure. The loss given default varies by type of borrower, type and seniority of claim and availability of collateral or other credit support. The loss given default is calculated on a 12-month or over the remaining lifetime of the loan.

The expected credit loss is determined by projecting the probability of default, loss given default and exposure at default for each future month and for each individual exposure or collective segment. These three components are multiplied together and adjusted for the likelihood of survival. This effectively calculates an expected credit loss for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the expected credit loss calculation is the original EIR.

Forward-looking economic information is also included in determining the next 12 months or over the remaining lifetime.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

Maximum credit risk exposure

The exposure to credit risk of the Group equals their carrying amount in the statement of financial position as at reporting date. The maximum credit risk exposure of the Group in the event of other parties failing to perform their obligation, no account taken of any collateral held and the maximum exposure to loss is considered to be the statement of financial position carrying amount.

Investment in debt instruments

The Group accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the Group measures impairment losses and applies the effective interest rate method. The Group considers that all debt investments measured at amortised cost and FVOCI have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider 'low credit risk' for bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Investment in debt instruments measured at amortised cost

Investment in debt instruments measured at amortised cost include debentures, bonds and saving lottery.

The allowance of expected credit loss for investment in debt instruments measured at amortised cost by stage of risk are as follows:

	Consolidated financial statements			
	2022			
	Loss allowance measured at amount equal to 12 months expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses (credit-impaired financial assets)	Total
	Baht	Baht	Baht	Baht
Investment in debt instruments measured at amortised cost				
Beginning balance	7,103	-	-	7,103
New financial assets purchased	154,427	-	-	154,427
Reversal	(4,788)	-	-	(4,788)
Ending balance	156,742	-	-	156,742
	Consolidated financial statements			
	2021			
	Loss allowance measured at amount equal to 12 months expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses (credit-impaired financial assets)	Total
	Baht	Baht	Baht	Baht
Investment in debt instruments measured at amortised cost				
Beginning balance	1,232	-	-	1,232
New financial assets purchased	5,871	-	-	5,871
Ending balance	7,103	-	-	7,103

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Debt investments measured at fair value through other comprehensive income

Debt investments measured at fair value through other comprehensive income (FVOCI) include listed and unlisted debt securities. The loss allowance is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

The allowance of expected credit loss for investment in debt investments measured at FVOCI by stage of risk are as follows:

	Consolidated financial statements			
	2022			
	Loss allowance measured at amount equal to 12 months expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses (credit-impaired financial assets)	Total
	Baht	Baht	Baht	Baht
Investment in debt investments measured at FVOCI				
Beginning balance	4,066,809	-	-	4,066,809
New financial assets purchased	194,097	-	-	194,097
Reversal	(2,372,165)	-	-	(2,372,165)
Ending balance	1,888,741	-	-	1,888,741
	Consolidated financial statements			
	2021			
	Loss allowance measured at amount equal to 12 months expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses	Loss allowance measured at amount equal to lifetime expected credit losses (credit-impaired financial assets)	Total
	Baht	Baht	Baht	Baht
Investment in debt investments measured at FVOCI				
Beginning balance	3,198,682	-	-	3,198,682
New financial assets purchased	3,348,825	-	-	3,348,825
Reversal	(2,480,698)	-	-	(2,480,698)
Ending balance	4,066,809	-	-	4,066,809

6.1.3 Liquidity risk

Liquidity risk, is the risk that the insurance company will encounter difficulty to settle the obligation related to financial liabilities which must be settled in cash or other financial assets.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

The Group's financial assets mainly comprises of cash and cash equivalents, invested assets, and premium due and uncollected which are not yet due or overdue not more than 1 year, whereas most outstanding due to reinsurers and accrued commission payable are due within 1 year.

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated	
	financial statements	
	2022	2021
	Baht	Baht
Floating rate		
Expiring within one year		
- Bank overdraft	10,000,000	10,000,000
	10,000,000	10,000,000

6.2 Capital management

6.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain solvency capital as required by the Office of Insurance Commission and to maintain an optimal capital structure to reduce the cost of capital, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

7. Insurance risk

There are three major risk sub-categories in insurance risk which are underwriting risk, reinsurance risk and concentration of risk.

7.1 Underwriting risk

Underwriting risk is the risk that actual claims loss and related expenses deviate from underlying estimation assumptions which may cause insufficient Group's premium reserves and loss reserves. Underwriting risk management guideline was developed in order to manage the risks including underwriting standards and underwriting guidelines. Underwriting standards and underwriting guidelines were developed to ensure that premium charged is matched with coverage of risks. Underwriting principles were individually developed for each group of risk including house, commercial building, hotel and industrial facilities. The principles also limit insurance proportion for each risk group to control concentration of risks. Additionally, insurance claims monitoring process has been continuously conducted which consists of IBNR calculation and premium reserve adequacy testing to ensure that holding reserves will be sufficient for actual claim losses.

7.2 Reinsurance risk

Reinsurance risk is the risk that in-force reinsurance contracts are inadequate for risk transfer according to the Group's risk appetite level, and also the risk that reinsurers cannot fulfil their obligation according to reinsurance contracts. Reinsurance risk management guideline is developed in order to manage the risks including reinsurance guidelines and reinsurance plan selection. There are four types of reinsurance contracts which are facultative, proportional treaty, non-proportional treaty, and catastrophe reinsurance. Overall risk monitoring has been conducted in order to ensure that retained risks are according to risk management policy. In addition, reinsurer selection principles are developed for both domestic and foreign reinsurers to ensure that they will be able to fulfil their obligations.

7.3 Concentration of risks

Concentration of risks will increase the possibility of load of claims to incur at the same time and may result in actual claim losses deviate from expectation. Concentration risk monitoring and control has been conducted including insurance of various categories of products, insurance block control, geographic control and high risk area (natural disaster i.e. flood and earthquake) to limit risk exposure. The Group uses information technology system to collect data and prevent concentration of risk. Additionally, concentration of risk management also apply on reinsurance port in order to avoid too much reinsurance proportion to any single reinsurer. Concentration risk can be effectively managed by product diversification because the claims will not concentrate within any categories of products.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The Group has written premium divided into categories of products in gross of reinsurance basis as follows:

Categories of products	Consolidated financial statements	
	2022 Baht	2021 Baht
Fire	2,675,210,938	1,957,770,155
Marine and transportation	682,339,671	577,783,588
Motor	7,281,902,533	6,029,135,294
Personal accident	7,592,539,796	7,309,114,887
Miscellaneous	14,335,911,047	13,536,292,423
Total	32,567,903,985	29,410,096,347

The Group has written premium divided into categories of products in net of reinsurance basis as follows:

Categories of products	Consolidated financial statements	
	2022 Baht	2021 Baht
Fire	1,212,437,826	1,283,153,129
Marine and transportation	61,360,551	62,786,578
Motor	3,282,808,603	2,887,787,117
Personal accident	2,260,058,003	2,350,741,712
Miscellaneous	1,310,898,998	1,599,705,901
Total	8,127,563,981	8,184,174,437

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

8. Fair value

The following table shows fair values and carrying amounts of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value.

Consolidated financial statements					
2022					
	Fair value through profit or loss (FVPL) Baht	Fair value through other comprehensive income (FVOCI) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
Financial assets measured at fair value					
Financial assets at FVPL	10,821	-	-	10,821	10,821
Financial assets at FVOCI	-	12,204,090,083	-	12,204,090,083	12,204,090,083
	10,821	12,204,090,083	-	12,204,100,904	12,204,100,904
Financial assets not measured at fair value					
Financial assets at amortised cost	-	-	2,726,714,791	2,726,714,791	2,728,513,464
	-	-	2,726,714,791	2,726,714,791	2,728,513,464
Consolidated financial statements					
2021					
	Fair value through profit or loss (FVPL) Baht	Fair value through other comprehensive income (FVOCI) Baht	Amortised cost Baht	Total carrying amount Baht	Fair value Baht
Financial assets measured at fair value					
Financial assets at FVPL	14,069	-	-	14,069	14,069
Financial assets at FVOCI	-	12,349,157,915	-	12,349,157,915	12,349,157,915
	14,069	12,349,157,915	-	12,349,171,984	12,349,171,984
Financial assets not measured at fair value					
Financial assets at amortised cost	-	-	2,572,140,701	2,572,140,701	2,574,512,767
	-	-	2,572,140,701	2,572,140,701	2,574,512,767

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Proportion of the financial instruments' contract value grouped by counterparties are as follows:

	Consolidated financial statements	
	2022 %	2021 %
Financial institutions	32.63	38.67
Government and state enterprise	7.24	5.05
Other parties	60.13	56.28
Total	100.00	100.00

The following table presents fair value of financial assets recognised or disclosed by their fair value hierarchy.

	Consolidated financial statements			
	2022			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Financial assets at fair value through profit or loss				
<u>Investment in securities</u>				
Equity securities	10,821	-	-	10,821
Financial assets at fair value through other comprehensive income				
<u>Investment in securities</u>				
Government and state enterprise securities	-	753,818,339	-	753,818,339
Private enterprise debt securities	-	2,713,920,285	-	2,713,920,285
Equity securities	8,089,780,492	-	646,570,967	8,736,351,459
Total	8,089,791,313	3,467,738,624	646,570,967	12,204,100,904

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Consolidated financial statements				
2021				
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Financial assets at fair value through profit or loss				
<u>Investment in securities</u>				
Equity securities	14,069	-	-	14,069
Financial assets at fair value through other comprehensive income				
<u>Investment in securities</u>				
Government and state enterprise securities	-	1,357,630,838	-	1,357,630,838
Private enterprise debt securities	-	2,772,855,978	-	2,772,855,978
Equity securities	7,411,457,844	-	807,213,255	8,218,671,099
Total	7,411,471,913	4,130,486,816	807,213,255	12,349,171,984

The following table presents non-financial assets that are disclosed fair value:

Consolidated financial statements				
2022				
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Assets				
Investment property (Note 17)	-	627,756,647	-	627,756,647
Total assets	-	627,756,647	-	627,756,647
Consolidated financial statements				
2021				
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Assets				
Investment property (Note 17)	-	617,139,754	-	617,139,754
Total assets	-	617,139,754	-	617,139,754

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

Valuation techniques used to determine fair values

Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices such as at the Statement of Financial Position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis such as prices obtained from The Stock Exchange of Thailand. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Financial instruments in level 2

Level 2 debt investments of marketable securities are fair valued based on quoted last bid price or the yield curve which the Thai Bond Market Association at the close of business on the Statement of Financial Position date. Level 2 unit trusts are fair valued using the net asset value of the investment which has majority investing portion in marketable securities which traded in the Stock Exchange of Thailand and debt securities which has fair valued announced by Thai Bond Market Association.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Valuation process in level 3

The investment department performs the valuations of financial assets required for financial reporting purposes, including Level 3 fair values. This team reports directly to the assistance managing director. Discussions of valuation processes and results are held between the assistance managing director and the valuation team at least once every quarter, in line with the Group's quarterly reporting dates.

The main Level 3 input of unquoted equity investments that was used by the Group pertains to estimated cash flows from gains on securities trading, dividends and/or other benefits to the shareholders. The discount rate is based on a zero-coupon bond yield, announced by ThaiBMA, plus appropriate risk premium.

Fair value hierarchy level 3 of Road Accident Victims Protection Company Limited is determine based on fair value calculated using discounted cashflows method announced by Thailand General Insurance Association.

Transfer between fair value hierarchy

There were no transfers between Levels 1 and 2 during the year.

Financial assets measured in level 3

Changes in level 3 financial instruments, which are unquoted equity investments, are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Beginning balance of the year	807,213,255	587,088,096
Acquisition of subsidiaries	47,634,012	-
Purchase	1,636,529	-
Gains (losses) recognised in other comprehensive income	(209,912,829)	220,125,159
Closing balance of the year	646,570,967	807,213,255

As at 31 December 2022, the discount rate used to compute the fair value is between 18.42% to 89.86% per annum (2021: 9% to 91% per annum), depending on risk premium of each security. Based on the sensitivity analysis, should the discount rate shifted up by +1%, the other comprehensive income would decrease by Baht 18.34 million (31 December 2021: Baht 65.73 million). On the other hand, should the discount rate shifted down by -1%, the other comprehensive income would increase by Baht 19.94 million (31 December 2021: Baht 143.49 million).

9. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

9.1 Impairment of premium receivable

The Group maintains an allowance for doubtful accounts to reflect impairment of premium due and uncollected receivables. The allowance for doubtful accounts is based on collection experience and a review of current status of the premium due as at the date of Statement of Financial Position.

9.2 Impairment on amount due from reinsurance

The objective evidence of impairment estimation on amount due from reinsurance is based on latest credit rating or solvency capital data available as at closing date and other public information.

9.3 Buildings and equipment and intangible assets

Management determines the estimated useful lives and residual values for the buildings and equipment and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different from previous estimates, or will write off or write down technically obsolete assets that have been abandoned or sold.

9.4 Goodwill impairment

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a ten-year period.

Cash flows beyond the ten-year period are extrapolated using the estimated growth rates stated in Note 19. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

9.5 Deferred tax

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The Group considers future taxable income and ongoing prudent and feasible tax planning strategies in assessing whether to recognise deferred tax assets. The Group's assumptions regarding the future profitability and the anticipated timing of utilisation of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on the Group's reported financial position and results of operations.

9.6 Valuation of Insurance contract liabilities

Claim liabilities

Claim liabilities are provided upon receipt of claim advices from the insured for the amount reported. They are recorded at the value appraised by an independent appraiser, or by the Group's officer as each case but not exceed the maximum of sum insured of each policy.

Claims incurred but not yet reported by insured ("IBNR")

The IBNR recognised in the Statement of Financial Position is estimated based on various assumptions by using actuarial methods required by Office of Insurance Commission. The assumptions are regularly reviewed in the light of recent experience and current conditions.

The IBNR is estimated as the difference between estimated ultimate loss and reported incurred loss. Reported incurred loss is the summation of paid claims, loss reserve, and outstanding claims. The calculation was separately conducted for each product category in the following list.

- Fire
- Marine Hull
- Marine Cargo
- Motor Compulsory
- Motor Voluntary
- Personal Accident
- Travel Accident
- Aviation
- Engineering
- Health
- COVID-19
- Personal Liability
- Industrial All Risks (IAR)
- Crop
- Others

There are 3 major methods to estimate the ultimate loss which are Incurred Chain Ladder, Bornhuetter-Ferguson and Expected Loss Ratio. The most appropriate method for each product category is selected based on actuarial judgement for both gross and net of reinsurance basis.

Unallocated loss adjustment expense (“ULAE”)

Unallocated loss adjustment expense (ULAE), estimated from ratio between past ULAE and past paid losses which is separately calculated between motor product categories and non-motor product categories.

9.7 Unexpired risk reserve

Unexpired risks reserve has two components, the claims that may be incurred in respect of in-force policies which is calculated based on ultimate loss ratio described in Note 9.6, and other claim processing expenses detailed below.

- Past maintenance expense, estimated from ratio between estimated maintenance expense and earned premium net of reinsurance.
- Unallocated loss adjustment expense (ULAE), estimated from ratio between past ULAE and past paid losses which was separately calculated between motor product categories and non-motor product categories.
- Cost of reinsurance, estimated based on current existing excess of loss reinsurance contracts.

9.8 Employee benefits obligations

Employee benefits obligations are determined by independent actuary. The amount recognised in the Statement of Financial Position is determined on an estimation basis utilising various assumptions. The assumptions used in determining the cost for employee benefits include discount rate, future salary increase rate, staff turnover rate, mortality rate, gold prices and gold inflation rates. Any changes in these assumptions will impact the cost recorded for employee benefits. On an annual basis, the Group reviews the appropriate assumptions, which represents the provision expected to settle for the employee benefits.

9.9 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the Statement of Financial Position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the financial statements and disclosures of fair value hierarchy.

9.10 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

9.11 Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

9.12 Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

10. Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Cash on hand	1,380,915	1,289,857	10,000	10,000
Bank deposits held at call	3,109,482,833	2,273,861,988	71,292,688	450,660
Bank deposits with fixed maturity and certificate of deposits	1,832,418,332	1,818,050,000	-	-
Investment in securities with maturity not over 3 months from acquisition date	-	199,978,140	-	-
Total cash and deposits at financial institutions	4,943,282,080	4,293,179,985	71,302,688	460,660
<u>Less</u> Deposits at banks and other institutions with maturity over 3 months from acquisition date (Note 15)	(1,764,289,232)	(1,763,950,000)	-	-
Restricted deposit at banks	(68,129,100)	(54,100,000)	-	-
Cash and cash equivalents	3,110,863,748	2,475,129,985	71,302,688	460,660

As at 31 December 2022, the Group had pledged fixed deposits totaling Baht 68.13 million (2021: Baht 54.10 million) as collaterals against bank overdrafts and as bail bond in cases where insured drivers have been charged with criminal offence, place as a reserve for insurance premiums with the Registrar, in accordance with Section 23 of the Insurance Act B.E. 2535, and placed with the Registrar, in accordance with Section 19 of the Insurance Act B.E. 2535, (as stated in Notes 38 and 42).

11. Premium receivables, net

The Group has balances of premium receivables which classified by aging from the due date of the premium collection as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Undue	4,606,242,253	3,552,001,291
Overdue		
Less than 30 days	487,462,330	247,972,300
31 - 60 days	216,303,652	113,735,968
61 - 90 days	191,684,112	96,517,302
91 days - 1 year	436,340,562	319,193,898
More than 1 year	378,352,164	306,358,117
Total premium receivables	6,316,385,073	4,635,778,876
<u>Less</u> Allowance for doubtful accounts	(168,266,547)	(161,821,274)
Premium receivables, net	6,148,118,526	4,473,957,602

For premiums due from agents and brokers, the Group has established collection guidelines in accordance with the regulatory requirement for premium collection. For overdue premium receivables, the Group is pursuing legal proceedings against such agents and brokers case by case.

12. Reinsurance assets, net

The Group has assets from reinsurance as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
<u>Insurance reserve to be called from reinsurance companies</u>		
Loss reserve	7,577,313,540	6,897,749,138
<u>Less</u> Allowance for doubtful accounts	(22,840,015)	(22,840,015)
<u>Premium reserve</u>		
- Unearned premium reserve (UPR)	13,539,136,429	11,429,855,529
- Unexpired risk reserve (URR)	-	-
Reinsurance assets, net	21,093,609,954	18,304,764,652

12.1 Loss reserve to be called from reinsurance companies

	Consolidated financial statements	
	2022 Baht	2021 Baht
Beginning balance for the year	6,897,749,138	5,793,311,148
Claims and loss adjustment recovery and incurred during the year	11,579,807,327	11,764,668,497
Change in claim reserve of claim recovery and incurred in previous year	(272,091,414)	(418,719,593)
Change in claim reserve recovery from change in assumptions during the year	(21,471,360)	(220,628,621)
Claims and loss adjustment recovery settled during the year	(10,606,717,092)	(10,020,882,293)
Acquisition of subsidiaries (Note 44)	36,941	-
Closing balance for the year	7,577,313,540	6,897,749,138

12.2 Unearned premium reserve to be called from reinsurance companies

	After restructuring	After restructuring
	Consolidated financial statements	
	2022 Baht	2021 Baht
Beginning balance for the year	11,429,855,529	9,750,371,317
Ceded premium written for the year	24,440,340,004	21,225,921,910
Ceded premium earned in the year	(22,331,495,093)	(19,546,437,698)
Acquisition of subsidiaries (Note 44)	435,989	-
Closing balance for the year	13,539,136,429	11,429,855,529

13. Amount due from reinsurance, net

The Group has amount due from reinsurance as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Amounts deposited on reinsurance	3,183	3,182
Due from reinsurers	4,600,925,363	5,348,060,964
<u>Less</u> Allowance for doubtful accounts	4,600,928,546 (906,629,423)	5,348,064,146 (882,108,888)
Amount due from reinsurance, net	3,694,299,123	4,465,955,258

Balances of due from reinsurers are classified by aging as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Undue	20,527,651	30,410,810
Overdue		
Less than 12 months	2,329,920,513	2,728,252,739
1 - 2 years	1,017,126,693	720,504,417
More than 2 years	1,233,350,506	1,868,892,998
Total due from reinsurers	4,600,925,363	5,348,060,964

As at 31 December 2022, the Group had reversed the previous year allowance for doubtful accounts of Baht 25.67 million (2021: Baht 53.61 million) and recorded allowance for doubtful accounts in current year of Baht 50.19 million (2021: Baht 27.54 million) according to the current status of amount due from reinsurers as at the date of Statement of Financial Position. The amount recorded and reversed have been included in 'operating expenses' in the Statement of Comprehensive Income.

14. Accounts receivable, net

The Group has trade receivables, included in trade and other receivables in statements of financial position, can analyse aging as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Within 3 months	6,002,405	-
3 - 6 months	48,073	-
6 - 12 months	118,352	-
Over 12 months	4,572,765	-
Total accounts receivable	10,741,595	-
<u>Less</u> Allowance for doubtful accounts	(1,991,407)	-
Accounts receivable, net	8,750,188	-

15. Investment in securities, net

The Group has investment in securities as follows:

	Consolidated financial statements 2022	
	Cost/ Amortised cost Baht	Fair Value Baht
Investments measured at fair value through profit or loss		
Equity securities	3,395	10,821
Total	3,395	10,821
<u>Add</u> Unrealised gains	7,426	-
Total investments measured at fair value through profit or loss	10,821	10,821
Investments measured at fair value through other comprehensive income		
Government and state enterprise securities	761,747,670	753,818,339
Private enterprise debt securities	2,742,413,386	2,713,920,285
Equity securities	11,048,658,876	8,736,351,459
Total	14,552,819,932	12,204,090,083
<u>Less</u> Unrealised (losses)	(2,348,729,849)	-
Total investments measured at fair value through other comprehensive income	12,204,090,083	12,204,090,083
Investment measured at amortised cost		
Government and state enterprise securities	772,582,301	-
Private enterprise debt securities	180,000,000	-
Deposit at banks (Note 10)	1,764,289,232	-
Savings lottery	10,000,000	-
Total	2,726,871,533	-
<u>Less</u> Expected credit loss	(156,742)	-
Total investment measured at amortised cost	2,726,714,791	-
Total investments in securities, net	14,930,815,695	

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Consolidated financial statements	
	2021	
	Cost/ Amortised cost Baht	Fair Value Baht
Investments measured at fair value through profit or loss		
Equity securities	3,395	14,069
Total	3,395	14,069
<u>Add</u> Unrealised gains	10,674	-
Total investments measured at fair value through profit or loss	14,069	14,069
Investments measured at fair value through other comprehensive income		
Government and state enterprise securities	1,359,487,070	1,357,630,838
Private enterprise debt securities	2,780,679,793	2,772,855,978
Equity securities	9,950,486,180	8,218,671,099
Total	14,090,653,043	12,349,157,915
<u>Less</u> Unrealised (losses)	(1,741,495,128)	-
Total investments measured at fair value through other comprehensive income	12,349,157,915	12,349,157,915
Investment measured at amortised cost		
Government and state enterprise securities	798,197,804	-
Deposit at banks (Note 10)	1,763,950,000	-
Savings lottery	10,000,000	-
Total	2,572,147,804	-
<u>Less</u> Expected credit loss	(7,103)	-
Total investment measured at amortised cost	2,572,140,701	-
Total investments in securities, net	14,921,312,685	

15.1 Financial assets at amortised cost

a) **Details of financial assets at amortised cost**

Investments in debt securities that are measured at amortised cost as at 31 December 2022 and 2021 will be due as follows:

Consolidated financial statements				
2022				
Period to maturity				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Government and state enterprise securities	501,656,521	270,925,780	-	772,582,301
Private enterprise debt securities	-	180,000,000	-	180,000,000
Deposit at banks	1,764,289,232	-	-	1,764,289,232
Savings lottery	-	10,000,000	-	10,000,000
Government and state enterprise securities	-	(156,742)	-	(156,742)
Total	2,265,945,753	460,769,038	-	2,726,714,791

Consolidated financial statements				
2021				
Period to maturity				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Government and state enterprise securities	244,920,528	553,277,276	-	798,197,804
Deposit at banks	763,950,000	1,000,000,000	-	1,763,950,000
Savings lottery	10,000,000	-	-	10,000,000
<u>Less</u> Expected credit loss	-	(7,103)	-	(7,103)
Total	1,018,870,528	1,553,270,173	-	2,572,140,701

For the year ended 31 December 2022, the Group received interest income from financial assets at amortised cost amounts of Baht 24.86 million (2021 : Baht 25.59 million).

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

b) Fair values of financial assets at amortised cost

Fair value for the following investments was determined by reference to significant observable inputs and, as little as possible, entity-specific estimates (classified as level 2 in the fair value hierarchy).

	Consolidated financial statements	
	2022 Baht	2021 Baht
Government and state enterprise Securities	773,264,102	800,562,767
Private enterprise debt securities	180,960,130	-
Savings lottery	10,000,000	10,000,000

For deposit at banks with maturity over 3 months from issuance, their carrying amount is considered to be the same as their fair value.

c) Financial assets pledged as security

As at 31 December 2022, the Group pledge bonds, debenture, savings lottery and fixed deposit at the carrying amounts of Baht 717.57 million (2021: Baht 736.20 million) as collateral against premium reserve with the registrar, collateral for underwriting policies and collateral in case of the insured driver is an alleged offender (as stated in Notes 39 and 42).

d) Loss allowance

Debt securities that are measured at amortised cost

	Consolidated financial statements		
	2022		
	Gross carrying value Baht	Expected credit loss Baht	Carrying value Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	2,726,871,533	(156,742)	2,726,714,791
Total	2,726,871,533	(156,742)	2,726,714,791

	Consolidated financial statements		
	2021		
	Gross carrying value	Expected credit loss	Carrying value
	Baht	Baht	Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	2,572,147,804	(7,103)	2,572,140,701
Total	2,572,147,804	(7,103)	2,572,140,701

15.2 Financial assets at fair value through other comprehensive income

a) Details of financial assets at fair value through other comprehensive income

Financial assets at FVOCI comprise the following investments:

	Consolidated financial statements	
	2022	2021
	Baht	Baht
Investments in equity investments		
- Listed securities	8,093,613,013	7,414,224,711
- Unlisted securities	642,738,446	804,446,388
Investments in debt securities		
- Listed bonds	3,467,738,624	4,130,486,816
Total	12,204,090,083	12,349,157,915

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Investments in debt securities that are measured at fair value through other comprehensive income as at 31 December 2022 and 2021 will be due as follows:

Consolidated financial statements				
2022				
Period to maturity				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Government and state enterprise securities	-	480,083,597	281,664,073	761,747,670
Private enterprise debt securities	534,518,724	1,571,401,757	636,492,905	2,742,413,386
<u>Less</u> Unrealised gains (losses)	(364,622)	(29,417,695)	(6,640,115)	(36,422,432)
Total	534,154,102	2,022,067,659	911,516,863	3,467,738,624
Consolidated financial statements				
2021				
Period to maturity				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Government and state enterprise securities	40,000,000	279,851,332	1,039,635,738	1,359,487,070
Private enterprise debt securities	544,179,749	2,031,404,198	205,095,846	2,780,679,793
<u>Less</u> Unrealised gains (losses)	332,387	(3,216,501)	(6,795,933)	(9,680,047)
Total	584,512,136	2,308,039,029	1,237,935,651	4,130,486,816

Disposals of equity and debt investments

For the year ended 31 December 2022, the Group has sold its investment in equity and debt securities at fair value of Baht 5,780.83 million and realised a gain of Baht 62.54 million to profit or loss (net of tax of Baht 50.03 million).

For the year ended 31 December 2021, the Group has sold its investment in equity and debt securities at fair value of Baht 13,831.79 million and realised a gain of Baht 273.75 million to profit or loss (net of tax of Baht 219 million).

Investment income from debt investments

For the year ended 31 December 2022, the Group received interest income from financial assets at fair value through other comprehensive income amounts of Baht 59.16 million (2021 : Baht 60.74 million).

b) **Amounts recognised in profit or loss and other comprehensive income**

The following gains/(losses) were recognised in profit or loss and other comprehensive income during the year as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Gains/(losses) recognised in other comprehensive income	(792,668,736)	465,259,581
Gains/(losses) reclassified from other comprehensive income to profit or loss on the sale of investments at FVOCI (reclassified FVOCI reserve in OCI to other gains/(losses))	142,500,370	138,429,749
Dividends from equity investments at FVOCI recognised as income on investments in profit or loss		
- Related to investments derecognised during the year	31,600,640	72,110,813
- Related to investments held at the end of the reporting period	511,175,073	425,814,733
Expected credit losses for debt investments at FVOCI recognised in profit or loss (12 months expected credit losses / Lifetime expected credit losses) (Reversal)	(2,178,068)	(868,127)

Significant acquisitions and disposals during the year

During the year 2022, the Group acquired listed securities measured at FVOCI in the amount of Baht 4,804 million (2021: Baht 10,115 million).

During the year 2022, the Group disposed listed securities measured at FVOIC in the amount of Baht 4,762 million (2021: Baht 8,901 million).

c) **Financial assets pledged as security**

As at 31 December 2022, the Group pledge debenture at the carrying amounts of Baht 636.69 million (2021: Baht 383.59 million) as collateral against premium reserve with the registrar (as stated in Notes 39).

d) **Loss allowance**

Debt securities that are measured at fair value through other comprehensive income

	Consolidated financial statements	
	2022	
	Fair value Baht	Expected credit loss recognised in other comprehensive income Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	3,467,738,624	1,888,741
Total	3,467,738,624	1,888,741
	Consolidated financial statements	
	2021	
	Fair value Baht	Expected credit loss recognised in other comprehensive income Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	4,130,486,816	4,066,809
Total	4,130,486,816	4,066,809

15.3 Financial assets at fair value through profit or loss

a) **Details of financial assets at fair value through profit or loss**

Financial assets measured at FVPL include the following:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Listed equity securities	10,821	14,069
Total	10,821	14,069

b) **Amounts recognised in profit or loss**

The following gains/(losses) were recognised in profit or loss during the year as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Fair value gains (losses) on equity investments at FVPL recognised in other gains/(losses)	7,426	10,674

Significant acquisitions and disposals during the year

During the year 2022, the Group acquired listed securities measured at FVPL in the amount of Baht 67 million (2021: Baht 1,600 million) and the Group disposed listed securities measured FVPL in the amount of Baht 66 million (2021: Baht 1,598 million).

15.4 Disclosure on fair value of investments

The fair value measurement of investments were as follows:

	Consolidated financial statements		
	2022		
	Opening Fair value Baht	Changes in Fair value Baht	Ending Fair value Baht
Financial assets only give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates except for financial assets for trading as defined by TFRS9 (when announced) or financial assets managed by the Group and performance evaluated on a fair value basis	6,704,999,583	(508,747,495)	6,196,252,088
Financial assets defined as held-for-sell	14,069	(3,248)	10,821
Others	8,218,671,099	517,680,360	8,736,351,459

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Consolidated financial statements		
	2021		
	Opening Fair value Baht	Changes in Fair value Baht	Ending Fair value Baht
Financial assets only give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates except for financial assets for trading as defined by TFRS9 (when announced) or financial assets managed by the Group and performance evaluated on a fair value basis	5,743,008,552	961,991,031	6,704,999,583
Financial assets defined as held-for-sale	4,033	10,036	14,069
Others	7,136,829,964	1,081,841,135	8,218,671,099

16. Investment in associate and subsidiaries

16.1 Investments in associate

As at 31 December 2022, investment in a associate was as follows:

	Country of incorporation	Nature of business	Investment portion	Consolidated financial statements Investment at equity method
			2022 %	2022 Baht
Associate company				
Mee Tee Mee Ngern Company Limited	Thailand	Land loan and consignment business	30.99	304,266,179

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

a) Movements of investments in a associate are as follows:

	Consolidated financial statements
	Investment in equity method
	Baht
Opening net book value	-
Increase in investment	310,000,000
Share of net profit (loss)	(5,733,821)
Closing net book value	304,266,179

On 31 May 2022, the Board of Director passed a resolution at the Board of Directors' meeting No. 5/2022 to approve TIP Exponential Co., Ltd. ("TIP X"), a subsidiary in which the Company holds 99.99%, of acquiring Mee Tee Mee Ngern Co., Ltd. with ordinary shares of 31,000,000 at Baht 10 per share, totaling Baht 310,000,000 and the Group paid for the paid-up share capital of 31,000,000 at Baht 10 per share, totaling Baht 310,000,000 on 12 July 2022 and 30 September 2022.

b) **Summarised financial information for associates**

The table below is summarised of financial information for associates that are material to the Group. The financial information is included in associates own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy.

	Mee Tee Mee Ngern Company Limited
	2022 Baht
<i>Summarised of performance</i>	
Revenue	510,191
Profit (loss) from continuing operations	(18,472,983)
Other comprehensive income	-
Total comprehensive income	(18,472,983)
<i>Summarised of statement of financial position</i>	
Current assets	924,624,965
Non-current assets	77,148,821
	1,001,773,786
Current liabilities	6,662,782
Non-current liabilities	13,574,291
	20,237,073
Net assets	981,536,713
Group's share in associates (%)	30.99
Group's share in associates (Baht)	304,266,179
Goodwill	-
Associates carrying amount	304,266,179

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

16.2 Investments in subsidiaries

As at 31 December 2022 and 2021, the subsidiaries included in consolidated financial statement are listed below.

	Nature of business	Country of incorporation	Relationship	Investment portion held by the Group		Separate financial statements	
				2022	2021	Investment at cost	
				%	%	2022 Baht	2021 Baht
Subsidiary company							
Dhipaya Insurance Public Company Limited (“Dhipaya Insurance”)	Non-life insurance	Thailand	Direct shareholding	99.05	99.05	9,135,387,380	9,135,387,380
TIP ISB Company Limited (“TIP ISB”)	Investment	Thailand	Direct shareholding	99.99	99.99	199,999,970	999,970
TIP IB Company Limited (“TIP IB”)	Investment	Thailand	Direct shareholding	99.99	-	240,999,970	-
TIP Exponential Company Limited (“TIP X st ”)	Investment	Thailand	Direct shareholding	99.99	-	312,999,970	-
Amity Insurance Broker Company Limited (Note 44)	Non-life insurance broker	Thailand	Indirect shareholding via TIP ISB	74.99	-	-	-
DP Survey & Law Company Limited (Note 44)	Surveyor	Thailand	Indirect shareholding via TIP ISB	74.99	-	-	-
Dhipaya Training Centre Company Limited (Note 44)	Training center	Thailand	Indirect shareholding via Dhipaya Insurance, Amity, DP Survey	69.90	-	-	-
Insurverse Public Company Limited (Formerly named Erawan Insurance Public Company Limited) (Note 44)	Non-life insurance	Thailand	Indirect shareholding via TIP IB	79.99	-	-	-

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Movements of investments in subsidiaries are as follows:

	Separate financial statements	
	Investment at cost method	
	2022 Baht	2021 Baht
Opening net book value	9,136,387,350	-
Increase in investment	752,999,940	9,136,387,350
Closing net book value	9,889,387,290	9,136,387,350

On 7 September 2021, the Company recognised investment in Dhipaya Insurance Public Company Limited ('Dhipaya Insurance') amounting to Baht 9,135.39 million in the separate financial information, calculated based on the proportion of the net book value of shareholders equity which presented in the interim financial information as at the date of restructuring.

On 26 October 2021, the Board of Directors' Meeting No.7/2564 passed a resolution to invest in TIP ISB Company Limited which is a newly incorporated company, with ordinary shares of 99,997 at Baht 10 per share, totaling Baht 999,970. TIP ISB Company Limited was registered with Department of Business Development on 15 November 2021.

On 25 January 2022, the Board of Directors' Meeting No.1/2565 passed a resolution to invest in TIP ISB Company Limited in 15,000,000 additional ordinary shares at Baht 10 per share, totaling Baht 150,000,000.

On 23 February 2022, the Board of Directors' Meeting No.2/2565 passed a resolution to invest in TIP ISB Company Limited in 4,900,000 additional ordinary shares at Baht 10 per share, totaling Baht 49,000,000.

On 29 March 2022, the Board of Directors' Meeting No.3/2565 passed a resolution to invest in TIP IB Company Limited which is a newly incorporated company, with ordinary shares of 99,997 at Baht 10 per share, totaling Baht 999,970. TIP IB Company Limited was registered with Department of Business Development on 11 May 2022.

On 28 April 2022, the Board of Directors' Meeting No.4/2565 passed a resolution to invest in TIP IB Company Limited in 24,000,000 additional ordinary shares at Baht 10 per share, totaling Baht 240,000,000.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

On 31 May 2022, the Board of Directors' Meeting No.5/2565 passed a resolution to invest in TIP Exponential Company Limited which is a newly incorporated company, with ordinary shares of 999,997 at Baht 10 per share, totaling Baht 9,999,970. TIP Exponential Company Limited was registered with Department of Business Development on 27 June 2022.

On 26 July 2022, the Board of Directors' Meeting No.7/2565 passed a resolution to invest in TIP Exponential Company Limited in 30,300,000 additional ordinary shares at Baht 10 per share, totaling Baht 303,000,000.

17. Investment property, net

	Consolidated financial statements		
	Land Baht	Buildings and improvements Baht	Total Baht
As at 1 January 2021			
Cost	136,804,876	128,767,469	265,572,345
<u>Less</u> Accumulated depreciation	-	(111,189,999)	(111,189,999)
Net book amount	136,804,876	17,577,470	154,382,346
For the year ended 31 December 2021			
Opening net book amount	136,804,876	17,577,470	154,382,346
Transferred in/(out) (Note 18.1)	-	(3,123,789)	(3,123,789)
Depreciation	-	(1,759,303)	(1,759,303)
Closing net book amount	136,804,876	12,694,378	149,499,254
As at 31 December 2021			
Cost	136,804,876	105,883,496	242,688,372
<u>Less</u> Accumulated depreciation	-	(93,189,118)	(93,189,118)
Net book amount	136,804,876	12,694,378	149,499,254
Fair value (Note 8)	566,054,095	51,085,659	617,139,754

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Consolidated financial statements		
	Land Baht	Buildings and improvements Baht	Total Baht
As at 1 January 2022			
Cost	136,804,876	105,883,496	242,688,372
<u>Less</u> Accumulated depreciation	-	(93,189,118)	(93,189,118)
Net book amount	136,804,876	12,694,378	149,499,254
For the year ended 31 December 2022			
Opening net book amount	136,804,876	12,694,378	149,499,254
Transferred in/(out) (Note 18.1)	743,505	1,935,257	2,678,762
Depreciation	-	(1,974,974)	(1,974,974)
Closing net book amount	137,548,381	12,654,661	150,203,042
As at 31 December 2022			
Cost	137,548,381	121,512,455	259,060,836
<u>Less</u> Accumulated depreciation	-	(108,857,794)	(108,857,794)
Net book amount	137,548,381	12,654,661	150,203,042
Fair value (Note 8)	569,130,476	58,626,171	627,756,647

Investment property mainly represents land and buildings located at Rama IX Road for the purpose of rental.

For the year 2022, the Group's investment properties were valued as a 11 August 2020 by independent professionally qualified valuers (2021: as at 11 August 2020), who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use. Management have considered and believed that there is no factor which will significantly affect the latest valuation amount of Baht 628 million (2021: Baht 617 million).

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The methods used to determine the fair value of investment properties are as follows:

For land with building, land is determine using the market approach which are based on sales prices of comparable property in close proximity and adjusted for differences in key attributes such as size and shape, location and condition of investment property. Building and improvement are determine using the replacement cost approach which estimates the cost to replace the building and building improvements based on current construction cost, less depreciation based on useful life determined by valuer. Such information is sufficient for comparison to determine the fair values of investment property. The Group classified the fair value measurement as level 2 of fair value hierarchy.

The fair value is based on valuations by independent valuers which will be revalued every three years. However, management will review the fair value to reflect market conditions at the end of the reporting period.

Amounts recognised in profit and loss that are related to investment property are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Rental and service income	21,104,011	20,281,507
Direct operating expense arise from investment property that generated rental and service income	6,653,197	5,361,248
Direct operating expense arise from investment property that did not generated rental and service Income	1,735,622	2,396,379

18. Property, plant and equipment, net

18.1 Property, plant and equipment

	Consolidated financial statements					Total Baht
	Land Baht	Buildings and improvements Baht	Fixtures and equipment Baht	Vehicles Baht	Assets under construction Baht	
At 1 January 2021						
Cost	473,825,365	1,181,262,507	632,732,629	141,795,832	2,067,436	2,431,683,769
<u>Less</u> Accumulated depreciation	-	(407,440,738)	(475,013,766)	(119,571,038)	-	(1,002,025,542)
Net book amount	473,825,365	773,821,769	157,718,863	22,224,794	2,067,436	1,429,658,227
For the year ended 31 December 2021						
Opening net book amount	473,825,365	773,821,769	157,718,863	22,224,794	2,067,436	1,429,658,227
Additions	-	528,412	13,945,269	32,100	56,696,603	71,202,384
Disposals	-	-	(11,573)	(6,025,256)	-	(6,036,829)
Transfers in/(out)	-	10,865,832	6,509,544	-	(17,375,376)	-
Transferred from (to) investment property (Note 17)	-	3,123,789	-	-	-	3,123,789
Transferred from right-of-use assets (Note 18.2)	-	-	-	6,809,095	-	6,809,095
Depreciation charge	-	(60,690,639)	(43,879,802)	(10,811,384)	-	(115,381,825)
Closing net book amount	473,825,365	727,649,163	134,282,301	12,229,349	41,388,663	1,389,374,841
At 31 December 2021						
Cost	473,825,365	1,215,540,724	652,741,144	129,015,942	41,388,663	2,512,511,838
<u>Less</u> Accumulated depreciation	-	(487,891,561)	(518,458,843)	(116,786,593)	-	(1,123,136,997)
Net book amount	473,825,365	727,649,163	134,282,301	12,229,349	41,388,663	1,389,374,841

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Consolidated financial statements					Total Baht
	Land Baht	Buildings and improvements Baht	Fixtures and equipment Baht	Vehicles Baht	Assets under construction Baht	
At 1 January 2022						
Cost	473,825,365	1,215,540,724	652,741,144	129,015,942	41,388,663	2,512,511,838
<u>Less</u> Accumulated depreciation	-	(487,891,561)	(518,458,843)	(116,786,593)	-	(1,123,136,997)
Net book amount	473,825,365	727,649,163	134,282,301	12,229,349	41,388,663	1,389,374,841
For the year ended 31 December 2022						
Opening net book amount	473,825,365	727,649,163	134,282,301	12,229,349	41,388,663	1,389,374,841
Acquisition of subsidiaries (Note 44)	15,694,000	13,077,454	3,407,355	1,613,215	-	33,792,024
Additions	-	479,105	19,870,128	1,550,471	55,851,598	77,751,302
Disposals	-	-	(7,221)	(3,735,897)	-	(3,743,118)
Write-off	-	-	(16,220)	-	-	(16,220)
Transfers in/(out)	-	57,757,257	14,502,484	-	(72,259,741)	-
Transferred from (to) investment properties (Note 17)	(743,505)	(1,935,257)	-	-	-	(2,678,762)
Transferred from right-of-use assets (Note 18.2)	-	-	-	898,228	-	898,228
Depreciation charge	-	(63,570,170)	(42,482,307)	(5,857,787)	-	(111,910,264)
Closing net book amount	488,775,860	733,457,552	129,556,520	6,697,579	24,980,520	1,383,468,031
At 31 December 2022						
Cost	488,775,860	1,281,444,718	742,822,723	114,976,552	24,980,520	2,653,000,373
<u>Less</u> Accumulated depreciation	-	(547,987,166)	(613,266,203)	(108,278,973)	-	(1,269,532,342)
Net book amount	488,775,860	733,457,552	129,556,520	6,697,579	24,980,520	1,383,468,031

18.2 Right-of-use asset

	Consolidated financial statements			
	Land Baht	Buildings Baht	Vehicles Baht	Total Baht
At 1 January 2021				
Cost	37,221,512	13,155,148	80,199,000	130,575,660
<u>Less</u> Accumulated amortisation	(6,845,290)	(6,052,329)	(19,956,772)	(32,854,391)
Net book amount	30,376,222	7,102,819	60,242,228	97,721,269
For the year ended 31 December 2021				
Opening net book amount	30,376,222	7,102,819	60,242,228	97,721,269
Additions	-	5,384,388	16,116,325	21,500,713
Transferred to property, plant and equipment (Note 18.1)	-	-	(6,809,095)	(6,809,095)
Amortisation charge	(6,845,289)	(7,787,515)	(16,357,500)	(30,990,304)
Closing net book amount	23,530,933	4,699,692	53,191,958	81,422,583
At 31 December 2021				
Cost	37,221,512	18,539,536	83,551,325	139,312,373
<u>Less</u> Accumulated amortisation	(13,690,579)	(13,839,844)	(30,359,367)	(57,889,790)
Net book amount	23,530,933	4,699,692	53,191,958	81,422,583

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Consolidated financial statements			
	Land Baht	Buildings Baht	Vehicles Baht	Total Baht
At 1 January 2022				
Cost	37,221,512	18,539,536	83,551,325	139,312,373
<u>Less</u> Accumulated amortisation	(13,690,579)	(13,839,844)	(30,359,367)	(57,889,790)
Net book amount	23,530,933	4,699,692	53,191,958	81,422,583
For the year ended 31 December 2022				
Opening net book amount	23,530,933	4,699,692	53,191,958	81,422,583
Acquisition of subsidiaries (Note 44)	-	2,155,747	2,606,987	4,762,734
Additions	8,026,311	7,663,962	5,665,884	21,356,157
Transferred to property, plant and equipment (Note 18.1)	-	-	(898,228)	(898,228)
Amortisation charge	(7,127,156)	(6,428,210)	(19,043,945)	(32,599,311)
Closing net book amount	24,430,088	8,091,191	41,522,656	74,043,935
At 31 December 2022				
Cost	45,247,823	28,359,246	89,966,195	163,573,264
<u>Less</u> Accumulated amortisation	(20,817,735)	(20,268,055)	(48,443,539)	(89,529,329)
Net book amount	24,430,088	8,091,191	41,522,656	74,043,935

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Seperate financial statements			
	Land Baht	Buildings Baht	Vehicles Baht	Total Baht
At 1 January 2022				
Cost	-	-	-	-
<u>Less</u> Accumulated amortisation	-	-	-	-
Net book amount	-	-	-	-
For the year ended 31 December 2022				
Opening net book amount	-	-	-	-
Additions	-	-	993,215	993,215
Amortisation charge	-	-	(50,069)	(50,069)
Closing net book amount	-	-	943,146	943,146
At 31 December 2022				
Cost	-	-	993,215	993,215
<u>Less</u> Accumulated amortisation	-	-	(50,069)	(50,069)
Net book amount	-	-	943,146	943,146

Related lease liabilities are disclosed in Note 26.

For the year ended 31 December 2022, the lease payments resulting from lease and service contracts which are not capitalised comprised of variable lease payments amounting to Baht 2.54 million (2021 : 2.30 million), short-term leases amounting to Baht 0.81 million (2021 : 0.74 million), and low-value leases amounting to Baht 29.34 million (2021 : 28.61 million). Total cash outflow for leases repayment during the year ended 31 December 2022 was Baht 69.44 million (2021 : 69.71 million).

19. Goodwill

	Consolidated financial statements
	2022 Baht
At 1 January	
Cost	-
<u>Less</u> Accumulated impairment	-
Net book amount	-
For the year ended 31 December	
Opening net book amount	-
Acquisition of subsidiary (Note 44)	248,455,379
Impairment charge	-
Closing net book amount	<u>248,455,379</u>
At 31 December	
Cost	248,455,379
<u>Less</u> Accumulated impairment	-
Net book amount	<u>248,455,379</u>

Goodwill is allocated to a cash generating unit (CGU) identified according to business segment.

A segment-level summary of the goodwill allocation is presented below;

	Consolidated financial statements
	2022 Baht
Goodwill allocation to;	
Non-life insurance business	194,952,524
Insurance supported business	53,502,855
Total	<u>248,455,379</u>

Impairment assessment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 9.4. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

As at 31 December 2022, the Group tested impairment of the goodwill and considered that there is no impairment for the goodwill.

Management determined growth rate from budget based on past performance and its expectations of market development.

The recoverable amount goodwill is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a ten-year period. Cash flows beyond the ten-year period are extrapolated using the estimated growth rates which does not exceed the long-term average market growth rate for the business in which the Group operates.

The key assumptions used for value-in-use calculations are as follows:

	Non-life insurance business	Insurance supported business
Revenue growth rate (%)	1.89 - 9.21	5.00
Pre-tax discount rate (%)	11.06 - 12.00	10.30

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

The key assumption that will affect the value in use is discount rate. The management has considered the sensitivity of the change in the discount rate. If the pre-tax discount had been 1% per annum higher than management's estimate, the value in use is still higher than the carrying value and no impairment recognised.

20. Intangible assets, net

	Consolidated financial statements		
	Computer software Baht	Computer software under installation Baht	Total Baht
At 1 January 2021			
Cost	299,859,942	15,340,960	315,200,902
<u>Less</u> Accumulated amortisation	(255,311,890)	-	(255,311,890)
Net book amount	44,548,052	15,340,960	59,889,012
For the year ended 31 December 2021			
Opening net book amount	44,548,052	15,340,960	59,889,012
Additions	2,627,136	3,923,700	6,550,836
Transfers in/(out)	9,425,000	(9,425,000)	-
Amortisation charge	(16,570,346)	-	(16,570,346)
Closing net book amount	40,029,842	9,839,660	49,869,502
At 31 December 2021			
Cost	311,912,078	9,839,660	321,751,738
<u>Less</u> Accumulated amortisation	(271,882,236)	-	(271,882,236)
Net book amount	40,029,842	9,839,660	49,869,502

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Consolidated financial statements			
	Computer software Baht	Computer software under installation Baht	Customer relationships Baht	Total Baht
At 1 January 2022				
Cost	311,912,078	9,839,660	-	321,751,738
<u>Less</u> Accumulated amortisation	(271,882,236)	-	-	(271,882,236)
Net book amount	40,029,842	9,839,660	-	49,869,502
For the year ended 31 December 2022				
Opening net book amount	40,029,842	9,839,660	-	49,869,502
Acquisition of subsidiaries (Note 44)	29,456	1,040,000	17,900,000	18,969,456
Additions	7,105,236	5,114,700	-	12,219,936
Transfers in/(out)	6,881,882	(6,744,500)	-	137,382
Amortisation charge	(15,351,736)	-	(1,094,770)	(16,446,506)
Closing net book amount	38,694,680	9,249,860	16,805,230	64,749,770
At 31 December 2022				
Cost	326,901,889	9,249,860	17,900,000	354,051,749
<u>Less</u> Accumulated amortisation	(288,207,209)	-	(1,094,770)	(289,301,979)
Net book amount	38,694,680	9,249,860	16,805,230	64,749,770

21. Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Deferred tax assets	1,106,682,418	1,028,320,537
Deferred tax liabilities	(1,484)	(2,134)
Deferred tax asset, net	1,106,680,934	1,028,318,403

Deferred taxes are calculated on all temporary differences under the liabilities method using a principal tax rate of 20% (2021: 20%).

The movement on the net deferred tax assets for the years ended 31 December 2022 and 2021 are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Beginning balance as at 1 January	1,028,318,403	1,120,539,316
Acquisition of subsidiaries (Note 44)	(7,065,312)	-
Change in net deferred tax per Statement of Income	(32,788,780)	28,516,953
Change in net deferred tax per Statement of Comprehensive Income	118,216,623	(120,737,866)
Closing balance as at 31 December	1,106,680,934	1,028,318,403

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The movement in deferred tax for the year ended 31 December 2022 and 2021 are as follows:

	Balance as of 1 January 2022 Baht	Acquisition of subsidiaries Baht	Charges to profit or loss Baht	Charges to other comprehensive income Baht	Balance as of 31 December 2022 Baht
Deferred tax assets					
Provision for losses incurred but not yet reported (IBNR)	53,658,542	19,932	6,567,497	-	60,245,971
Allowance for doubtful accounts	106,316,219	927,262	(1,865,748)	-	105,377,733
Allowance for impairment of Investments	26,207,509	-	-	-	26,207,509
Loss reserves	193,273,882	4	29,146,820	-	222,420,706
Employee benefit liabilities	88,050,810	3,695,017	820,601	-	92,566,428
Unrealised actuarial gains and losses	14,402,384	-	-	(12,267,979)	2,134,405
Unrealised losses on the change in value of investments measured at fair value through other comprehensive Income	347,484,777	(8,128,123)	-	130,484,602	469,841,256
Unearned premium reserves	166,684,182	596	(58,017,411)	-	108,667,367
Depreciation of intangible assets	10,666,112	(3,580,000)	(784,821)	-	6,301,291
Unallocated loss adjustment expense reserve (ULAE)	21,576,120	-	(8,656,368)	-	12,919,752
	<u>1,028,320,537</u>	<u>(7,065,312)</u>	<u>(32,789,430)</u>	<u>118,216,623</u>	<u>1,106,682,418</u>
Deferred tax liabilities					
Unrealised gain on the change in value of trading securities	(2,134)	-	650	-	(1,484)
	<u>(2,134)</u>	<u>-</u>	<u>650</u>	<u>-</u>	<u>(1,484)</u>
Deferred tax assets, net	<u>1,028,318,403</u>	<u>(7,065,312)</u>	<u>(32,788,780)</u>	<u>118,216,623</u>	<u>1,106,680,934</u>

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Balance as of 1 January 2021 Baht	Charges to profit or loss Baht	Charges to other comprehensive income Baht	Balance as of 31 December 2021 Baht
Deferred tax assets				
Provision for losses incurred but not yet reported (IBNR)	88,429,741	(34,771,199)	-	53,658,542
Allowance for doubtful accounts	110,487,139	(4,170,920)	-	106,316,219
Allowance for impairment of Investments	26,207,509	-	-	26,207,509
Loss reserves	161,519,625	31,754,257	-	193,273,882
Employee benefit liabilities	83,470,857	4,579,953	-	88,050,810
Unrealised actuarial gains and losses	14,402,384	-	-	14,402,384
Unrealised losses on the change in value of investments measured at fair value through other comprehensive Income	468,222,643	-	(120,737,866)	347,484,777
Unearned premium reserves	132,782,920	33,901,262	-	166,684,182
Depreciation of intangible assets	12,283,458	(1,617,346)	-	10,666,112
Unallocated loss adjustment expense reserve (ULAE)	22,733,167	(1,157,047)	-	21,576,120
	<u>1,120,539,443</u>	<u>28,518,960</u>	<u>(120,737,866)</u>	<u>1,028,320,537</u>
Deferred tax liabilities				
Unrealised gain on the change in value of trading securities	(127)	(2,007)	-	(2,134)
	<u>(127)</u>	<u>(2,007)</u>	<u>-</u>	<u>(2,134)</u>
Deferred tax assets, net	<u>1,120,539,316</u>	<u>28,516,953</u>	<u>(120,737,866)</u>	<u>1,028,318,403</u>

22. Insurance contract liabilities

	Consolidated financial statements					
	2022			2021		
	Insurance contract liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht	Insurance contract liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht
Claim liabilities						
- Reported claims	8,850,032,461	(6,686,457,230)	2,163,575,231	7,450,837,076	(5,985,458,409)	1,465,378,667
- Claims incurred but not reported	1,233,844,910	(868,016,294)	365,828,616	1,265,624,021	(889,450,714)	376,173,307
Premium liabilities						
- Unearned premium reserve	17,331,833,797	(13,539,136,430)	3,792,697,367	15,536,946,215	(11,429,855,529)	4,107,090,686
Total	27,415,711,168	(21,093,609,954)	6,322,101,214	24,253,407,312	(18,304,764,652)	5,948,642,660

22.1 Claim liabilities

	Consolidated financial statements	
	2022 Baht	2021 Baht
Beginning balance for the year	8,716,461,097	7,962,128,863
Claims and loss adjustment expenses incurred during the year	17,531,271,834	17,504,095,021
Change in claim reserve of claim incurred in previous year	(130,329,343)	(273,930,946)
Change in claim reserve from change in assumptions during the year	(31,913,616)	(400,269,856)
Claims and loss adjustment expenses paid during the year	(16,001,749,227)	(16,075,561,985)
Acquisition of subsidiaries (Note 44)	136,626	-
Closing balance for the year	10,083,877,371	8,716,461,097

22.2 Unearned premium reserve

	Consolidated financial statements	
	2022 Baht	2021 Baht
Beginning balance for the year	15,536,946,215	13,482,494,524
Premium written for the year	32,567,903,985	29,410,096,347
Premium earned in the year	(30,773,541,710)	(27,355,644,656)
Acquisition of subsidiaries (Note 44)	525,307	-
Closing balance for the year	17,331,833,797	15,536,946,215

As at 31 December 2022, the Group had not provided for unexpired risk reserve for the amount of Baht 8,849.98 million (2021: Baht 9,695.45 million) since unexpired risk reserve was lower than unearned premium reserve.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

22.3 Gross claim development table

Accident Year / Reporting Year	prior 2018 Baht	2018 Baht	2019 Baht	2020 Baht	2021 Baht	2022 Baht	Total Baht
Gross estimate of cumulative claim cost							
- As at accident year		10,466,726,909	10,495,577,458	12,357,914,233	15,824,079,345	16,909,594,731	
- One year later		9,617,500,990	12,124,981,202	12,082,864,334	16,653,210,037		
- Two years later		9,563,674,899	12,046,472,788	11,982,256,398			
- Three years later		9,516,867,496	11,920,045,799				
- Four years later		9,545,640,512					
Current estimate of ultimate loss	98,587,148,548	9,545,986,837	11,920,935,458	11,985,297,676	16,661,543,075	16,924,725,896	
Cumulative payments	98,458,073,916	9,433,804,463	11,645,678,688	11,250,957,392	14,170,450,377	10,628,502,456	
Total	129,074,632	112,182,374	275,256,770	734,340,284	2,491,092,698	6,296,223,440	10,038,170,198
Foreign exchange impact							39,261,124
Transferred portfolio							6,446,049
Total gross claim liabilities as at 31 December 2022							10,083,877,371

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

22.4 Net claim development table

Accident Year / Reporting Year	prior 2018 Baht	2018 Baht	2019 Baht	2020 Baht	2021 Baht	2022 Baht	Total Baht
Net estimate of cumulative claim cost							
- As at accident year		2,675,439,840	3,181,801,413	4,349,894,668	4,419,540,212	6,018,949,726	
- One year later		2,840,584,652	3,955,300,640	4,477,111,092	5,385,978,822		
- Two years later		2,807,662,963	3,532,437,343	4,393,396,699			
- Three years later		2,800,481,362	3,611,243,110				
- Four years later		2,771,234,163					
Current estimate of ultimate loss	27,650,932,200	2,771,580,488	3,612,132,769	4,396,437,977	5,394,311,860	6,034,080,891	
Cumulative payments	27,566,587,376	2,786,133,307	3,517,807,395	4,293,416,548	4,941,562,232	4,254,295,308	
Total	84,344,824	(14,552,819)	94,325,374	103,021,429	452,749,628	1,779,785,583	2,499,674,019
Foreign exchange impact							443,764
Transferred portfolio							6,446,049
Allowance for doubtful accounts - loss reserve to be called from reinsurance companies							22,840,015
Total net claim liabilities as at 31 December 2022							2,529,403,847

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

22.5 Maturity analysis of claim liabilities expected to be paid

	Consolidated financial statements	
	2022 Baht	2021 Baht
Claim liabilities expected to be paid within 12 months	6,980,059,003	5,970,512,084
Claim liabilities expected to be paid between 1 and 2 years	1,909,337,468	1,625,383,573
Claim liabilities expected to be paid between 2 and 5 years	1,066,166,155	949,777,234
Claim liabilities expected to be paid in more than 5 years	128,314,745	170,788,206
Total claim liabilities expected to be paid	10,083,877,371	8,716,461,097

22.6 Sensitivity analysis

	2022				
	Change in key assumption	Effect to Reinsurance Assets	Effect to Claim liabilities and unallocated loss adjustment expenses	Effect to Profit or loss	Effect to Owners' Equity
Loss					
Development					
Factor (LDF)	+10%	722,630,489	980,478,620	(257,848,131)	(206,278,505)
	-10%	(883,214,087)	(1,198,359,007)	315,144,920	252,115,936
Expected					
Ultimate					
Loss Ratio	+10%	335,559,294	545,657,690	(210,098,396)	(168,078,717)
	-10%	(335,559,298)	(545,657,469)	210,098,171	168,078,537
	2021				
	Change in key assumption	Effect to Reinsurance Assets	Effect to Claim liabilities and unallocated loss adjustment expenses	Effect to Profit or loss	Effect to Owners' Equity
Loss					
Development					
Factor (LDF)	+10%	552,442,256	703,756,331	(151,314,075)	(121,051,260)
	-10%	(673,685,377)	(857,728,385)	184,043,008	147,234,406
Expected					
Ultimate					
Loss Ratio	+10%	381,541,311	598,246,282	(216,704,971)	(173,363,977)
	-10%	(381,541,311)	(598,246,280)	216,704,969	173,363,975

23. Due to reinsurers

	Consolidated financial statements	
	2022 Baht	2021 Baht
Outward premium payables	4,688,838,515	3,973,070,482
Amounts withheld on reinsurance treaties	3,712,314,310	3,154,064,644
Total due to reinsurers	8,401,152,825	7,127,135,126

24. Borrowings

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Borrowings from financial institution	240,000,000	-	240,000,000	-
Borrowings from related company (Note 37)	532,000,000	-	532,000,000	-
Total borrowings	772,000,000	-	772,000,000	-

As at 31 December 2022, The Group and the Company has the borrowing from financial institution which will be matured on 18 February 2023. The interest is fixed on the date of loan disbursement at the rate of 3.18%. (31 December 2021: Nil). The undrawn committed borrowing facilities for short-term borrowing from financial institution of Baht 60 million at fixed rate 3.18% per year (31 December 2021: Nil).

The Group and the Company has the borrowing from related party will be matured on 16 January 2023. The interest is fixed on the date of loan disbursement at the rate of 3.12% to 3.82%. (31 December 2021: Nil). The undrawn committed borrowing facilities for short-term borrowing from related company of Baht 38 million at BIBOR 6 months plus fixed rate 2.20% per year (31 December 2021: Nil).

25. Employee benefit obligations

	Consolidated financial statements		Seperate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Statement of Financial Position:				
Post-employment benefit	431,579,556	462,041,790	4,903,051	-
Other benefit	52,488,130	50,224,191	233,270	-
Statement of Comprehensive Income:				
Post-employment benefit	46,564,677	41,816,334	5,150,867	-
Other benefit	4,991,879	4,787,285	220,481	-
Remeasurement for:				
Post-employment benefit	(61,587,709)	-	(247,816)	-
Other benefit	(820,720)	-	12,789	-

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The movement of employee benefit obligations over the year is as follows:

	Consolidated financial statements					
	2022			2021		
	Post-employment benefit Baht	Other benefit Baht	Total Baht	Post-employment benefit Baht	Other benefit Baht	Total Baht
Beginning balance for the year	462,041,790	50,224,191	512,265,981	438,705,723	50,660,491	489,366,214
Current service cost	40,767,382	4,436,245	45,203,627	36,578,641	4,293,850	40,872,491
Interest cost	5,797,295	555,634	6,352,929	5,237,693	493,435	5,731,128
Remeasurements :						
Actuarial (gains) losses due to experience adjustments	12,411,691	2,697,593	15,109,284	-	-	-
Actuarial (gains) losses - demographic Assumptions	-	-	-	-	-	-
Actuarial (gains) losses - financial Assumptions	(73,999,400)	(3,518,313)	(77,517,713)	-	-	-
Acquisition of subsidiaries (Note 44)	21,574,561	-	21,574,561	-	-	-
<u>Less</u> Benefits paid	(37,013,763)	(1,907,220)	(38,920,983)	(18,480,267)	(5,223,585)	(23,703,852)
Closing balance for the year	431,579,556	52,488,130	484,067,686	462,041,790	50,224,191	512,265,981

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Separate financial statements					
	2022			2021		
	Post-employment benefit Baht	Other benefit Baht	Total Baht	Post-employment benefit Baht	Other benefit Baht	Total Baht
Beginning balance for the year	-	-	-	-	-	-
Current service cost	632,568	28,815	661,383	-	-	-
Interest cost	82,190	3,105	85,295	-	-	-
Remeasurements :						
Actuarial (gains) losses due to experience adjustments	1,513,125	57,868	1,570,993	-	-	-
Actuarial (gains) losses - demographic Assumptions	-	-	-	-	-	-
Actuarial (gains) losses - financial Assumptions	(1,760,941)	(45,079)	(1,806,020)	-	-	-
Transfer liabilities due to staff relocation	4,436,109	188,561	4,624,670	-	-	-
<u>Less</u> Benefits paid	-	-	-	-	-	-
Closing balance for the year	4,903,051	233,270	5,136,321	-	-	-

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The principal actuarial assumptions used are as follows:

	Consolidated financial statements		Seperate financial statements	
	2022	2021	2022	2021
Discount rate	3.2% per year	1.6% per year	3.2% per year	-
Salary increase rate	7.0% per year	7.0% per year	7.0% per year	-
Average turnover rate	4.5% per year	4.5% per year	4.5% per year	-
Mortality rate	TMO 2017 with 3 % improvement	TMO 2017 with 3 % improvement	TMO 2017 with 3 % improvement	-
Retirement age	60 years	60 years	60 years	-
Gold prices	30,300 Baht	27,350 Baht	30,300 Baht	-
Gold Inflation rate	2.0% per year	2.0% per year	2.0% per year	-

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Sensitivity analysis on key assumption changes are as follows:

	Consolidated financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2022	2021	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Discount rate	1%	1%	(40,108,220)	(49,337,952)	46,742,115	56,097,603
Expected rate of salary increase	1%	1%	40,464,080	54,867,739	(35,492,839)	(47,424,190)
Turnover rate	20%	20%	(16,959,256)	(24,153,492)	18,470,378	26,624,859
Mortality rate improvement	1%	1%	1,400,720	1,663,877	(1,599,072)	(1,892,752)
Gold prices	20%	20%	10,497,629	10,077,569	(10,497,645)	(10,077,610)

	Separate financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2022	2021	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Discount rate	1%	-	(781,052)	-	950,427	-
Expected rate of salary increase	1%	-	873,639	-	(735,064)	-
Turnover rate	20%	-	(408,796)	-	449,696	-
Mortality rate improvement	1%	-	37,423	-	(43,797)	-
Gold prices	20%	-	46,655	-	(46,652)	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the Statement of Financial Position.

The methods and types of assumptions used in preparing the sensitivity analysis were not changed when compared to the prior year.

Through its post-employment benefit plan and other benefit plan, the Group and the Company is exposed to a number of risks, the most significant of which are detailed below:

Changes in bond yields

An increase in government bond yields will decrease plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The weighted average duration of the defined benefit obligation of the Group is 16.7 years (2021: 16.8 years).

The weighted average duration of the defined benefit obligation of the Company is 16.7 years (2021: Nil).

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Consolidated financial statements	
	2022 Baht	2021 Baht
Maturity analysis of benefits expected to be paid		
Benefits expected to be paid within 12 months	36,452,876	39,388,633
Benefits expected to be paid between 1 and 2 years	41,424,261	26,822,713
Benefits expected to be paid between 2 and 5 years	112,630,412	131,307,721
Benefits expected to be paid in more than 5 years	1,426,491,773	1,269,548,783
	Separate financial statements	
	2022 Baht	2021 Baht
Maturity analysis of benefits expected to be paid		
Benefits expected to be paid within 12 months	754,176	-
Benefits expected to be paid between 1 and 2 years	-	-
Benefits expected to be paid between 2 and 5 years	-	-
Benefits expected to be paid in more than 5 years	51,866,642	-

The Company transferred in its employees from its subsidiary, Dhipaya Insurance Public Company Limited on 1 February 2022. The provision described above was also transferred amounting to Baht 4,624,670.

26. Other liabilities

	Consolidated financial statements		Separated financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Subrogation payables	6,966,421	4,941,404	-	-
Suspense accounts	482,360,107	312,093,515	-	-
Lease liabilities	76,587,357	84,527,823	971,777	-
Accrued expenses	291,648,839	262,462,139	11,403,631	950,751
Amount withheld on insurance	29,928,068	80,729,667	-	-
Others	731,656,334	793,843,313	832,975	14,913,249
Total other liabilities	1,619,147,126	1,538,597,861	13,208,383	15,864,000

26.1 Lease liabilities

Maturity of lease liabilities are as follows:

	Consolidated financial statements		Seperate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Minimum lease liabilities payments				
Not later than one year	35,932,732	30,057,852	258,726	-
Later than 1 year but not later than 5 years	46,250,433	60,026,197	895,590	-
Later than 5 years	-	1,783,158	-	-
	82,183,165	91,867,207	1,154,316	-
<u>Less</u> Future finance charges on leases	(5,595,808)	(7,339,384)	(182,539)	-
Present value of lease liabilities	76,587,357	84,527,823	971,777	-
Present value of lease liabilities:				
Not later than one year	33,142,890	26,766,118	193,213	-
Later than 1 year but not later than 5 years	43,444,467	55,993,494	778,564	-
Later than 5 years	-	1,768,211	-	-
	76,587,357	84,527,823	971,777	-

For the year ended 31 December 2022, the Group has interest expense on lease liabilities amounted to Baht 3.81 million (2021: Baht 3.89 million) and the Company has interest expense on lease liabilities amounted to Baht 0.02 million (2021: Nil) which are recorded as "Operating expenses" in the statement of comprehensive income.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

27. Tax effects relating to each component of other comprehensive income

	Consolidated financial statements					
	2022			2021		
	Amount before tax Baht	Income (expense) tax Baht	Amount after tax Baht	Amount before tax Baht	Income (expense) tax Baht	Amount after tax Baht
Remeasurement of post-employee benefit obligations	61,587,709	(12,267,979)	49,319,730	-	-	-
Changes in value of investments measured at fair value through FVOCI	(794,846,804)	158,984,676	(635,862,128)	465,259,581	(93,051,916)	372,207,665
Loss on sales of investments measured at fair value through FVOCI	142,500,370	(28,500,074)	114,000,296	138,429,749	(27,685,950)	110,743,799
Total	(590,758,725)	118,216,623	(472,542,102)	603,689,330	(120,737,866)	482,951,464
	Separate financial statements					
	2022			2021		
	Amount before tax Baht	Income (expense) tax Baht	Amount after tax Baht	Amount before tax Baht	Income (expense) tax Baht	Amount after tax Baht
Remeasurement of post-employee benefit obligations	247,816	-	247,816	-	-	-
Total	247,816	-	247,816	-	-	-

28. Share capital and premium on share capital

	Separate financial statements		
	Number of Shares	Ordinary Shares Baht	Share Premium Baht
<u>Authorised share capital</u>			
At 1 January 2021	600,010,000	600,010,000	-
Issue of shares	-	-	-
At 31 December 2021	600,010,000	600,010,000	-
Issue of shares	-	-	-
At 31 December 2022	600,010,000	600,010,000	-
<u>Paid-up share capital</u>			
At 1 January 2021	10,000	10,000	-
Issue of shares	594,282,336	594,282,336	8,541,105,044
At 31 December 2021	594,292,336	594,292,336	8,541,105,044
Issue of shares	-	-	-
At 31 December 2022	594,292,336	594,292,336	8,541,105,044

Issue of ordinary shares

As at 31 August 2021 the Company summarized number of ordinary share which were issued to exchange with ordinary share of Dhipaya Insurance total of 594,282,336 shares at 1 Baht per share. The Company registered the increase in the authorised share capital with the Ministry of Commerce on 1 September 2021.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

29. Statutory reserve and general reserve

Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net income until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

As at 31 December 2022 and 2021, the Group's statutory reserve has reached 10% of the registered capital.

General reserve

The Group have appropriated a portion of retained earnings for the general reserve for their business activities in the future.

30. Dividend paid

Separate financial statements

At the Board of Directors' meeting no. 8 held on 30 August 2022, the directors approved an interim dividend from net profit for 8-months period ended 31 August 2022 at Baht 0.50 per share, totalling Baht 297,146,168. Such dividend was paid to the shareholders on 28 September 2022 and appropriate its net income to legal reserve amounting to Baht 15,087,938.

At the Board of Directors' meeting no. 5 held on 31 May 2022, the directors approved an interim dividend from net profit for 3-month period ended 31 March 2022 at Baht 1.30 per share, totalling Baht 772,580,037. Such dividend will be paid to the shareholders on 24 June 2022 and appropriate its net income to legal reserve amounting to Baht 44,341,296.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Consolidated financial statements

At the Board of Directors' meeting no.12 of Dhipaya Insurance Public Company Limited ("Dhipaya Insurance") held on 21 December 2022, the directors approved an interim dividend from net profit for 9-month period ended 30 September 2022 at Baht 1 per share, totalling Baht 600,000,000. Such dividend was paid to the shareholders on 20 January 2023.

At the Board of Directors' meeting no.8 of Dhipaya Insurance held on 30 August 2022, the directors approved an interim dividend from net profit for 6-month period ended 30 June 2022 at Baht 0.50 per share, totalling Baht 300,000,000. Such dividend was paid to the shareholders on 22 September 2022.

At the Annual General Meeting of the shareholders of Dhipaya Insurance held on 29 March 2022, the shareholders approved the payment of annual dividend from net profit for the year ended 31 December 2021 at Baht 1.50 per share, totalling Baht 900,000,000. Such dividend was paid to the shareholders on 22 April 2022 and appropriate its retained earnings to general reserve amounting to Baht 92,168,482 in Statement of Changes in Equity.

At the Board of Directors' meeting no. 7 of Dhipaya Insurance held on 10 June 2021, the directors approved an interim dividend from net profit for 3-month period ended 31 March 2021 at Baht 0.50 per share, totalling Baht 300,000,000. Such dividend was paid to the shareholders on 7 July 2021.

At the Annual General Meeting of the shareholders of Dhipaya Insurance held on 22 April 2021, the shareholders approved the payment of annual dividend from net profit for the year ended 31 December 2020 at Baht 1.30 per share, totalling Baht 780,000,000. Such dividend was paid to the shareholders on 19 May 2021 and appropriate its retained earnings to general reserve amounting to Baht 103,243,729.

31. Operating expenses

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Personal expenses which are not expenses for underwritings and claims	929,079,910	875,363,409	26,205,465	-
Premises and equipment expenses which is not expenses for underwriting and claims	397,657,427	370,890,165	68,434	-
(Reversal) Bad debts and doubtful accounts	32,521,407	(54,079,200)	-	-
Directors' remuneration	47,718,750	41,315,000	10,733,000	6,723,000
Other operating expenses	661,374,720	754,620,164	20,209,762	7,480,176
Total operating expenses	2,068,352,214	1,988,109,538	57,216,661	14,203,176

32. Employee and company's committee expenses

	Consolidated financial statements	
	2022 Baht	2021 Baht
Salary and wages	1,188,500,581	1,092,839,335
Social security fund	9,327,688	6,535,976
Contribution to provident fund	63,770,300	59,475,215
Other benefits	194,033,252	98,399,385
Total employee and company's committee expenses	1,455,631,821	1,257,249,911

	Separate financial statements	
	2022 Baht	2021 Baht
Salary and wages	30,594,396	6,723,000
Social security fund	48,750	-
Contribution to provident fund	625,402	-
Other benefits	5,669,917	-
Total employee and company's committee expenses	36,938,465	6,723,000

33. Provident fund

The Group and the Company and its employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. The fund is contributed to by employees at the monthly rate of 2 percent, 5 percent, 10 percent and 15 percent of the employees' basic salary, and the Group and the Company at the monthly rate of 2 percent, 5 percent and 10 percent based on the length of employment and will be paid to the employees upon termination in accordance with the rules of the fund. The fund is managed by Tisco Asset Management Company Limited. For the year ended 31 December 2022 the Group contributed to the Fund approximately Baht 63.77 million (2021: Baht 59.48 million). The Company contributed to the Fund approximately Baht 0.63 million (2021: Nil).

34. Income tax expense

Income tax expense for the years ended 31 December 2022 and 2021 are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Current tax:		
Current tax on profits for the year	254,145,933	443,134,133
Deferred tax:		
Decrease (increase) in deferred tax assets (Note 21)	32,789,430	(28,518,960)
(Decrease) increase in deferred tax liabilities (Note 21)	(650)	2,007
Total deferred tax	32,788,780	(28,516,953)
Income taxes expense	286,934,713	414,617,180

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the Thai basic tax rate of the Group as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Profit before tax	1,469,954,163	2,257,986,828
Tax calculated at a tax rate of 20%	293,990,833	451,597,366
Tax effect of:		
Income not subject to tax	(31,788,523)	(33,301,959)
Expenses not deductible for tax purpose	24,732,403	(3,678,227)
Income tax expense	286,934,713	414,617,180

The weighted average applicable tax rate was 20% (2021: 18%).

More information relating to deferred tax is presented in Note 21.

35. (Reversal) expected credit losses

	Consolidated financial statements	
	2022 Baht	2021 Baht
Investments in securities	(2,014,346)	873,998
Total (reversal) expected credit losses	(2,014,346)	873,998

For the year ended 31 December 2022, there is an increase in allowance for expected credit loss amounting to Baht 2,014,346 (2021: Baht 873,998).

36. Earnings (losses) per share

Basic earnings (loss) per share is calculated by dividing profit for the year attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings (loss) per share:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net profit (loss) attributable to shareholders (Baht)	1,165,921,096	1,811,469,784	1,714,679,769	(14,202,099)
Weighted average number of ordinary shares outstanding (Shares)	594,292,336	594,292,336	594,292,336	200,275,006
Basic earnings (loss) per share (Baht)	1.96	3.05	2.89	(0.07)

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2022 and 2021.

37. Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Related parties are as follows:

Company's name	Nature of relationship
Dhipaya Insurance Public Company Limited	Subsidiary company
TIP ISB Company Limited	Subsidiary company
TIP IB Company Limited	Subsidiary company
TIP Exponential Company Limited	Subsidiary company
Amity Insurance Broker Company Limited	Subsidiary company
DP Survey & Law Company Limited	Subsidiary company
Dhipaya Training Centre Company Limited	Subsidiary company
Insurverse Public Company Limited (Formerly named Erawan Insurance Public Company Limited)	Subsidiary company
Mee Tee Mee Ngern Company Limited	Associate company
PTT Public Company Limited	13.46 of shares held in the Company and common director
Government Saving Bank	11.35 of shares held in the Company and common director
Krung Thai Bank Public Company Limited	10.00 of shares held in the Company and common director
Dhipaya Life Assurance Public Company Limited	17.76 of shares held by the subsidiary and common director
Dhipaya Insurance Co., Ltd. (Lao PDR)	10.00 of shares held by the subsidiary and common director
Community and Estate Management Company Limited	10.00 of shares held by the subsidiary and common director
Vejthani Public Company Limited	1.54 of shares held by the subsidiary and common director

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

During the year, the Group had significant business transactions with related parties. These transactions have been conducted on commercial terms in the ordinary course of businesses. Below is a summary of those transactions.

	Consolidated financial statements		Pricing policies
	2022 Baht	2021 Baht	
Statement of Comprehensive Income			
Related parties			
Premium written	1,161,095,958	1,079,877,208	Normal commercial terms for major customers.
Commission and Brokerage expenses	493,120,961	389,169,795	Rate of commission terms for depending on types of insurance that not over the rate under the regulation.
Gross insurance claims and loss adjustment expenses	165,045,700	636,376,447	As actually incurred
Net investment income			
Interest income	12,459,180	12,185,134	Interest rate 0.13% - 1.10% per annum.
Dividend received	18,759,000	10,631,750	According to the payment declaration.
Gains on investments	(204,680)	(728,464)	Offer price
Operating expenses	33,908,168	37,986,385	Market price
Other income			
Rental revenue	6,019,161	5,539,146	Contract price referencing to market rate.
Service revenue	8,800,500	8,140,463	Contract price referencing to market rate.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

	Seperate financial statements		Pricing policies
	2022 Baht	2021 Baht	
Statement of Comprehensive Income			
Net investment income			
Dividend received	1,782,847,008		- According to the payment declaration.

The Group has the following assets, which mainly arise from investments, and liabilities, which are significant to related companies:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Statement of Financial Position		
Related parties		
Investments in securities, net	937,759,223	1,272,189,843
Deposits at financial institutions	1,814,839,782	1,529,127,347
Accrued investment income	26,798,628	15,799,362
Premium receivables	86,168,508	23,447,530
Amount due from reinsurance	41,341,892	49,208,567
Accrued commission expenses	263,169,396	154,906,336
Insurance contract liabilities	526,470,383	561,843,456
Borrowings from related party	532,000,000	-
Other liabilities	6,460,019	5,083,804
	Seperate financial statements	
	2022 Baht	2021 Baht
Statement of Financial Position		
Subsidiaries		
Other asset	560,000	-
Other liabilities	-	14,763,054
Related parties		
Other liabilities	1,710,370	-

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Borrowings from related parties

The movements of borrowings from related parties for the year ended 31 December 2022 and 2021 are shown below:

	Consolidated financial information		Separate financial information	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Opening book value, net	-	-	-	-
Loans received during the year	532,000,000	-	532,000,000	-
Total	532,000,000	-	532,000,000	-

As at 31 December 2022, the loans from Government Savings Bank will be matured on 16 January 2023. The interest is fixed on the date of loan disbursement at 3.12% to 3.82% (31 December 2021: Nil).

The Group and the Company had the undrawn committed borrowing facilities for short-term borrowing from Government Savings Bank of Baht 38 million at BIBOR 6 months plus fixed rate 2.2% per year (31 December 2021: Nil).

Key management compensation

The compensation paid or payable to key management for their services for the year ended 31 December 2022 and 2021 is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Short-term employee benefits	160,697,118	142,050,011	16,179,004	6,723,000
Post-employment benefits	2,439,819	2,833,216	-	-
Other long-term employee benefits	77,684	79,434	-	-
Total	163,214,621	144,962,661	16,179,004	6,723,000

38. Assets pledged with registrar

As at 31 December 2022, the Group had placed bank deposit amount of Baht 28 million (2021: Baht 14 million) as collateral with the registrar in accordance with the Section 19 of Insurance Act B.E. 2535 (Note 10).

39. Assets reserve pledged with registrar

As at 31 December 2022, bonds, debentures and fixed deposits amount of Baht 1,156.28 million (2021: Baht 919.66 million) had been placed as collateral against premium reserve with the registrar in accordance with the Section 23 of Insurance Act B.E. 2535 (Note 15).

40. Contribution to Non-life guarantee fund

As at 31 December 2022, the Group had cumulated contribution to Non-life guarantee fund in accordance with the OIC Notification subject: the Rates, Rules, Procedures, Conditions, and Period that the Group has to Submit Contribution to the Non-Life Insurance Fund B.E. 2552 of Baht 712.80 million (2021: Baht 632.36 million).

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

41. Financial information by segment

The Group's operations involve in three business segments being of non-life insurance, investment business and insurance supported business, and are carried on in the single geographic area in Thailand. As a result, all of the revenues, operating profits and assets as reflected in this consolidated financial statements pertain to the aforementioned business segment and geographical area. For the purposes of administration, the Group has reported operating segments as segment income and profit for the year ended 31 December 2022 and 2021 are as follows:

	Consolidated financial information									
	Non-life insurance business		Investment business		Insurance supported business		Elimination of inter-segment		Total	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht	2022 Baht	2021 Baht	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Underwriting revenues	14,145,201,428	12,648,302,750	-	-	199,123,354	-	(190,173,741)	-	14,154,151,041	12,648,302,750
Income on investments	693,230,050	863,955,011	1,783,280,710	1,087	-	-	(1,782,847,008)	-	693,663,752	863,956,098
Share of (profit) loss from investment in associates	-	-	(5,733,821)	-	-	-	-	-	(5,733,821)	-
Other service income	-	-	-	-	212,135,020	-	(198,739,324)	-	13,395,696	-
Other income	310,306,481	101,555,653	-	-	9,326,879	-	(413,946)	-	319,219,414	101,555,653
Total revenue	15,148,737,959	13,613,813,414	1,777,546,889	1,087	420,585,253	-	(2,172,174,019)	-	15,174,696,082	13,613,814,501
Insurance business expenses	11,610,803,827	9,381,177,725	-	-	175,454,104	-	(328,607,038)	-	11,457,650,893	9,381,177,725
Directors and key management personnel's remuneration	138,665,045	138,239,661	16,299,004	6,723,000	8,250,572	-	-	-	163,214,621	144,962,661
Other expenses	1,889,189,947	1,835,535,202	42,626,577	7,611,675	33,851,483	-	(60,530,414)	-	1,905,137,593	1,843,146,877
Expected credit losses	(2,014,346)	873,998	-	-	-	-	-	-	(2,014,346)	873,998
Finance cost	-	-	11,259,331	-	-	-	-	-	11,259,331	-
Service cost	-	-	-	-	169,683,387	-	(189,560)	-	169,493,827	-
Income tax expense	275,543,240	414,617,180	-	-	11,391,473	-	-	-	286,934,713	414,617,180
Total expenses	13,912,187,713	11,770,443,766	70,184,912	14,334,675	398,631,019	-	(389,327,012)	-	13,991,676,632	11,784,778,441
Profit (loss) for the year	1,236,550,246	1,843,369,648	1,707,361,977	(14,333,588)	21,954,234	-	(1,782,847,007)	-	1,183,019,450	1,829,036,060

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

The assets and liabilities of the Group's operating segments are as follows:

	Non-life insurance business Baht	Investment business Baht	Insurance supported business Baht	Elimination of inter-segment Baht	Total Baht
<u>Assets</u>					
As at 31 December 2022	54,998,099,661	11,304,130,672	309,300,367	(10,776,408,735)	55,835,121,965
As at 31 December 2021	49,652,707,429	9,137,858,531	-	(9,151,150,404)	49,639,415,556
<u>Liabilities</u>					
As at 31 December 2022	46,289,631,936	791,257,650	156,555,458	(753,290,722)	46,484,154,322
As at 31 December 2021	39,963,204,526	16,005,999	-	(14,763,054)	39,964,447,471

42. Restricted assets and commitment

As at 31 December 2022, bonds of Baht 187.98 million (2021: Baht 190.13 million) and savings lottery of Baht 10 million (2021: Baht 10 million) were used as collateral in case where the insured drivers are alleged offenders and as guarantees for underwriting business, and bank deposits of Baht 40.13 million (2021: Baht 40.10 million) were used as collateral in case where the insured drivers are alleged offenders and as guarantee for credit lines with banks and electricity meters (Notes 10 and 15).

As at 31 December 2022, the Group had the undrawn committed borrowing facilities of Baht 10 million at the fixed term deposit interest rate plus 2% per year (2021: Baht 10 million with fixed term deposit interest rate plus 2% per year). The Group and the Company had the undrawn committed borrowing facilities for short-term borrowing from financial institution of Baht 60 million at fixed rate 3.18% per year (31 December 2021: Nil) and for short-term borrowing from related company of Baht 38 million at BIBOR 6 months plus fixed rate 2.20% per year (31 December 2021: Nil).

43. Contingent liabilities and commitment

Operating lease and building construction obligations

As at 31 December 2022, the Group had entered into the lease agreements with third parties for the building area, tools, constructions and other services over the period of 1-5 years in which the Group is to be liable for lease payment of Baht 153.75 million for 1 year (2021: 147.89 million) and Baht 30.85 million for over 1 year respectively (2021: Baht 54.78 million).

Litigation cases

As at 31 December 2022, the Group was still under legal process in the normal course of the business as the Group was litigated as the insurer with the prosecution value of Baht 1,659.69 million (2021: Baht 719.86 million). However, the Group's value of contingent liabilities from outstanding litigation cases should not be more than the policy coverage amount of Baht 1,394.50 million (2021: Baht 617.38 million). Those litigation cases have been still ongoing and the Group expects to win most of these cases. Nevertheless, the Group recorded the provision for contingent loss amount of Baht 283.83 million in the financial statements (2021: Baht 211.72 million).

Guarantees

As at 31 December 2022, the Group had unused letters of guarantee issued by banks under the name of the Group for underwriting business of Baht 4.95 million (2021: Baht 15.66 million).

44. Business Acquisition

On 31 May 2022, the Group acquired 75% of the share capital of Amity Insurance Broker Co., Ltd. for a total consideration of Baht 52,265,614 and 75% of the share capital of DP Survey and Law Co., Ltd. for a total consideration of Baht 110,448,518. After the investments, the Group holds effectively 45%, 15% and 10% of Dhipaya Training Centre Co., Ltd. through Amity Insurance Broker Co., Ltd., DP Survey and Law Co., Ltd. and Dhipaya Insurance Public Co., Ltd. respectively.

On 30 September 2022, the Group acquired 80% of the share capital of Erawan Insurance Public Co., Ltd. for a total consideration of Baht 240,000,000. As a result of the acquisition, the Group is expected to increase its presence in these markets. It also expects to reduce costs through economies of scale. None of the goodwill is expected to be deductible for tax purposes.

The goodwill of Baht 248,455,379 arises from a number of factors such as expected synergy's through combining a highly skilled workforce and obtaining economies of scale and unrecognised assets such as the workforce.

During the year 2022, the Group engaged an independent appraiser to appraise the fair value of identifiable assets acquired and liabilities assumed and allocation of fair value at the acquisition date of Amity Insurance Broker Co., Ltd. and DP Survey and Law Co., Ltd. The Group has applied Thai Financial Reporting Standard No. 3 "Business Combinations" to recognize the business acquisition transaction. The Group has considered the fair value of assets acquired and liabilities assumed from the business acquisition and recorded the difference amount between the purchase price and the value of consideration received in the account "Goodwill" in the amount of Baht 53.50 million by considering the information from the purchase price allocation report of an independent appraiser and other relevant factors obtained within one year from the acquisition date.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Fair values of assets and liabilities recognised as a result of the acquisition of Amity Insurance Broker Co., Ltd. and Dhipaya Training Centre Co., Ltd. are as follows:

	As at 31 May 2022
	Baht
Assets	
Cash and cash equivalents	22,571,005
Premium receivables, net	203,669,949
Accrued income	72,184,644
Accounts receivable	39,691,185
Investments in securities, net	857,946
Property, plant and equipment, net	6,031,607
Intangible assets, net	18,940,000
Deferred tax assets	1,134,156
Other assets	30,903,208
Total Assets	395,983,700
Liabilities	
Premium payable	(233,900,989)
Accrued commission expenses	(5,982,972)
Deferred tax liabilities	(3,580,000)
Income tax payables	(2,741,051)
Employment benefit obligations	(3,550,486)
Other liabilities	(86,827,484)
Total Liabilities	(336,582,982)
Net identifiable assets acquired	59,400,718
Less: Non-controlling interests	(18,754,928)
Add: Goodwill	12,797,207
Net assets acquired	53,442,997
Purchase consideration	
Promissory note	52,265,614
Investment 10% in Dhipaya Training Centre Co., Ltd. measured at fair value through other comprehensive income (FVOCI)	1,177,383
Total purchase consideration	53,442,997

The fair value measurement of identifiable assets acquired and liabilities assumed at the acquisition date

- a) The acquired identifiable intangible assets comprises of computer software, computer software under installation and customer relationships. The fair value of customer relationship amount of Baht 17,900,000 was calculated by appraiser using Multi-period excess earnings method.
- b) Other acquired assets and liabilities were adjusted to be in accordance with the relevant financial reporting standard. The management assessed that the fair value is insignificantly different from book value.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Fair values of assets and liabilities recognised as a result of the acquisition of DP Survey and Law Co., Ltd. are as follows:

	As at 31 May 2022
	Baht
Assets	
Cash and cash equivalents	14,834,694
Accounts receivable	47,298,069
Investments in securities, net	2,554,648
Property, plant and equipment, net	32,500,032
Deferred tax assets	4,009,629
Other assets	34,591,040
	<hr/>
Total Assets	135,788,112
	<hr/>
Liabilities	
Income tax payables	(2,609,250)
Employee benefit obligations	(16,789,541)
Other liabilities	(23,398,809)
	<hr/>
Total Liabilities	(42,797,600)
	<hr/>
Net identifiable assets acquired	92,990,512
Less: Non-controlling interests	(23,247,642)
Add: Goodwill	40,705,648
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Net assets acquired	110,448,518
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Purchase consideration	
Promissory note	110,448,518
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The fair value measurement of identifiable assets acquired and liabilities assumed at the acquisition date

- a) Property and plant are valued by the external appraiser using market data approach for valuation of land and cost approach for valuation of plant.
- b) Other acquired assets and liabilities were adjusted to be in accordance with the relevant financial reporting standard. The management assessed that the fair value is insignificantly different from book value.

Dhipaya Group Holdings Public Company Limited
Notes to consolidated and separate financial statements
For the year ended 31 December 2022

Book values of assets and liabilities recognised as a result of the acquisition of Erawan Insurance Public Co., Ltd. are as follows:

	As at 30 September 2022 Baht
Assets	
Cash and cash equivalents	1,194,919
Accrued investment income	52,562
Reinsurance assets, net	472,930
Amount due from reinsurance, net	5
Investments in securities, net	59,838,141
Property, plant and equipment, net	23,119
Intangible assets, net	29,456
Other assets	7,222,390
Total Assets	68,833,522
Liabilities	
Insurance contract liabilities	(661,933)
Due to reinsurers	(511,777)
Deferred tax liabilities	(8,629,097)
Premium received in advance	(187,879)
Employee benefit obligations	(1,234,534)
Other liabilities	(1,298,950)
Total Liabilities	(12,524,170)
Net identifiable assets acquired	56,309,352
Less: Non-controlling interests	(11,261,876)
Add: Goodwill	194,952,524
Net assets acquired	240,000,000
Purchase consideration	
Cash consideration	240,000,000

As at 31 December 2022, the Group is in the process of assessing the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date of Erawan Insurance Public Co., Ltd. It is to be completed within the period of twelve months from the acquisition date. The Group will retrospectively adjust provisional amounts recognised at the acquisition date, recognise additional assets or liabilities to reflect new information obtained about facts and circumstances that existed as of the acquisition date. The goodwill of Baht 194.95 million may be adjusted to reflect these changes.

45. Event after the Statement of Financial Position date

On 27 February 2023, the Board of Directors approved a dividend payment of Baht 0.75 per share, totaling to the amount of Baht 445,719,252 from net profit for the year ended 31 December 2022. A dividend payment will be further considered in the Annual General Meeting of shareholders.