

Thaivivat Insurance Public Company Limited and its subsidiary  
Review report and interim financial statements  
30 September 2018

## **Independent Auditor's Report on Review of Interim financial Information**

To the Shareholders of Thaivivat Insurance Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Thaivivat Insurance Public Company Limited and its subsidiary as at 30 September 2018, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018, the consolidated statements of changes in equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Thaivivat Insurance Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Somjai Khunapasut

Certified Public Accountant (Thailand) No. 4499

EY Office Limited

Bangkok: 9 November 2018

**Thaivivat Insurance Public Company Limited and its subsidiary**

**Statements of financial position**

**As at 30 September 2018**

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements		
	30 September 2018	31 December 2017	30 September 2018	31 December 2017	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Assets</b>					
Cash and cash equivalents	3	223,484,097	240,644,140	220,191,297	237,379,687
Premium receivables	4	452,092,241	483,827,953	451,754,087	483,761,041
Accrued investment income		10,748,294	9,005,242	6,745,391	6,905,382
Reinsurance assets	5	492,824,640	476,374,747	492,824,640	476,374,747
Reinsurance from receivables contracts	6	43,792,709	51,583,665	44,855,623	52,070,930
Investment assets					
Investments in securities	7	3,280,886,716	3,034,526,290	3,235,084,049	2,984,710,290
Loans	8	7,379,689	5,714,562	7,379,689	5,714,562
Investment in subsidiary	9	-	-	67,200,000	67,200,000
Property, buildings and equipment	10	299,392,593	292,108,672	294,296,853	284,832,877
Goodwill		18,240,000	18,720,000	-	-
Intangible assets - computer software		9,458,288	6,361,779	9,299,692	6,172,919
Deferred tax assets	11	73,905,989	79,009,259	73,905,989	79,009,259
Other assets	12	723,219,965	523,785,290	723,503,231	524,067,481
<b>Total assets</b>		<b>5,635,425,221</b>	<b>5,221,661,599</b>	<b>5,627,040,541</b>	<b>5,208,199,175</b>

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

**Thaivivat Insurance Public Company Limited and its subsidiary**

**Statements of financial position (Continued)**

**As at 30 September 2018**

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements		
	30 September 2018	31 December 2017	30 September 2018	31 December 2017	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	13	3,120,815,319	2,825,442,132	3,118,721,616	2,824,322,807
Due to reinsurers	14	553,767,557	507,547,684	553,767,557	507,547,684
Income tax payable		14,093,641	2,733,885	14,093,641	2,733,885
Employee benefit obligations		94,264,077	87,820,420	94,264,077	87,820,420
Other liabilities	15	532,217,319	615,364,431	531,576,957	614,815,140
<b>Total liabilities</b>		<b>4,315,157,913</b>	<b>4,038,908,552</b>	<b>4,312,423,848</b>	<b>4,037,239,936</b>
<b>Equity</b>					
Share capital					
Registered					
303,000,000 ordinary shares of Baht 1 each		303,000,000	303,000,000	303,000,000	303,000,000
Issued and paid-up					
303,000,000 ordinary shares of Baht 1 each		303,000,000	303,000,000	303,000,000	303,000,000
Premium on share capital		163,800,007	163,800,007	163,800,007	163,800,007
Retained earnings					
Appropriated - statutory reserve		30,300,000	30,300,000	30,300,000	30,300,000
Unappropriated		652,698,952	528,219,520	657,069,683	529,707,855
Other components of equity					
Surplus on changes in value of available-for-sale investments					
	7.2	160,447,003	144,151,377	160,447,003	144,151,377
Exchange differences on translation of financial statements in foreign currency					
		(6,361,839)	(4,800,000)	-	-
Equity attributable to shareholders of the Company		1,303,884,123	1,164,670,904	1,314,616,693	1,170,959,239
Non-controlling interests of the subsidiary		16,383,185	18,082,143	-	-
<b>Total equity</b>		<b>1,320,267,308</b>	<b>1,182,753,047</b>	<b>1,314,616,693</b>	<b>1,170,959,239</b>
<b>Total liabilities and equity</b>		<b>5,635,425,221</b>	<b>5,221,661,599</b>	<b>5,627,040,541</b>	<b>5,208,199,175</b>
		-	-	-	-

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

Directors

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of comprehensive income****For the three-month period ended 30 September 2018**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Profit or loss:</b>					
<b>Income</b>					
Gross premium written		1,191,084,362	964,707,784	1,190,199,027	963,602,757
Less: Premium ceded to reinsurers		(388,785,546)	(288,428,457)	(388,785,546)	(288,354,595)
Net premium written		802,298,816	676,279,327	801,413,481	675,248,162
Less: Unearned premium reserves increase					
from prior period		(25,906,963)	(45,350,671)	(25,716,322)	(44,464,322)
Net earned premium		776,391,853	630,928,656	775,697,159	630,783,840
Fee and commission income		71,571,256	57,284,471	71,571,256	57,264,528
Net investment income		15,668,699	17,135,438	14,975,293	15,764,376
Loss on investments		(11,130,135)	(1,745,779)	(11,130,135)	(1,745,779)
Fair value gain on investments		26,722,183	6,725,828	26,722,183	6,725,828
Other income		2,374,574	2,034,903	2,369,323	2,034,903
<b>Total income</b>		<b>881,598,430</b>	<b>712,363,517</b>	<b>880,205,079</b>	<b>710,827,696</b>
<b>Expenses</b>					
Claim and loss adjustment expenses		503,778,242	482,676,111	502,996,783	482,492,185
Less: Claim recovered from reinsurers		(72,017,974)	(99,420,907)	(72,017,974)	(99,420,461)
Commission and brokerage expenses		146,743,079	142,983,759	146,644,376	142,818,639
Other underwriting expenses		74,853,376	70,080,449	74,823,209	69,806,048
Operating expenses	16	100,176,896	93,893,112	98,623,809	92,830,462
<b>Total expenses</b>		<b>753,533,619</b>	<b>690,212,524</b>	<b>751,070,203</b>	<b>688,526,873</b>
<b>Profit before income tax</b>		<b>128,064,811</b>	<b>22,150,993</b>	<b>129,134,876</b>	<b>22,300,823</b>
Income tax expenses	11	(24,821,032)	(2,598,061)	(24,821,032)	(2,598,061)
<b>Profit for the period</b>		<b>103,243,779</b>	<b>19,552,932</b>	<b>104,313,844</b>	<b>19,702,762</b>

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of comprehensive income (continued)****For the three-month period ended 30 September 2018**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Other comprehensive income:</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of financial statements in foreign currency		(1,975,223)	(2,560,000)	-	-
Gain on changes in value of available-for-sale investments		54,891,137	50,973,737	54,891,137	50,973,737
Income tax effect		(10,978,227)	(10,194,747)	(10,978,227)	(10,194,747)
<b>Other comprehensive income for the period - net of income tax</b>		<u>41,937,687</u>	<u>38,218,990</u>	<u>43,912,910</u>	<u>40,778,990</u>
<b>Total comprehensive income for the period</b>		<u>145,181,466</u>	<u>57,771,922</u>	<u>148,226,754</u>	<u>60,481,752</u>
<b>Profit for the period attributable to:</b>					
Equity holders of the Company		103,564,798	19,597,881	<u>104,313,844</u>	<u>19,702,762</u>
Non-controlling interests of the subsidiary (loss)		(321,019)	(44,949)		
		<u>103,243,779</u>	<u>19,552,932</u>		
<b>Total comprehensive income for the period attributable to:</b>					
Equity holders of the Company		145,951,052	58,776,871	<u>148,226,754</u>	<u>60,481,752</u>
Non-controlling interests of the subsidiary (loss)		(769,586)	(1,004,949)		
		<u>145,181,466</u>	<u>57,771,922</u>		
<b>Earnings per share</b>	17				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.34</u>	<u>0.06</u>	<u>0.34</u>	<u>0.07</u>

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of comprehensive income****For the nine-month period ended 30 September 2018**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Profit or loss:</b>					
<b>Income</b>					
Gross premium written		3,108,130,929	2,602,064,292	3,106,036,278	2,600,959,265
Less: Premium ceded to reinsurers		(736,665,656)	(650,247,553)	(736,665,656)	(650,173,691)
Net premium written		2,371,465,273	1,951,816,739	2,369,370,622	1,950,785,574
Less: Unearned premium reserves increase					
from prior period		(201,569,878)	(117,996,962)	(201,219,527)	(117,110,613)
Net earned premium		2,169,895,395	1,833,819,777	2,168,151,095	1,833,674,961
Fee and commission income		178,323,490	162,886,556	178,323,490	162,866,613
Net investment income		56,490,129	48,283,923	54,258,490	46,912,861
Gain (loss) on investments		(12,065,587)	36,684	(12,065,587)	36,684
Fair value gain (loss) on investments		(2,526,427)	12,452,224	(2,526,427)	12,452,224
Other income		5,888,918	3,855,047	5,963,902	3,855,047
<b>Total income</b>		<b>2,396,005,918</b>	<b>2,061,334,211</b>	<b>2,392,104,963</b>	<b>2,059,798,390</b>
<b>Expenses</b>					
Claim and loss adjustment expenses		1,439,756,107	1,409,003,571	1,437,515,721	1,408,819,645
Less: Claim recovered from reinsurers		(214,881,686)	(281,457,963)	(214,881,686)	(281,457,517)
Commission and brokerage expenses		486,022,005	427,441,865	485,781,501	427,276,745
Other underwriting expenses		198,990,978	179,053,872	198,878,232	178,779,471
Operating expenses	16	310,824,342	287,390,676	305,399,314	286,328,026
<b>Total expenses</b>		<b>2,220,711,746</b>	<b>2,021,432,021</b>	<b>2,212,693,082</b>	<b>2,019,746,370</b>
<b>Profit before income tax</b>		<b>175,294,172</b>	<b>39,902,190</b>	<b>179,411,881</b>	<b>40,052,020</b>
Income tax expenses	11	(30,840,109)	(2,346,000)	(30,840,109)	(2,346,000)
<b>Profit for the period</b>		<b>144,454,063</b>	<b>37,556,190</b>	<b>148,571,772</b>	<b>37,706,020</b>

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of comprehensive income (continued)****For the nine-month period ended 30 September 2018**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Other comprehensive income:</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Exchange differences on translation of financial statements in foreign currency		(2,025,484)	(4,160,000)	-	-
Gain on changes in value of available-for-sale investments		20,369,532	49,238,140	20,369,532	49,238,140
Income tax effect		(4,073,906)	(9,847,628)	(4,073,906)	(9,847,628)
<b>Other comprehensive income for the period - net of income tax</b>		<u>14,270,142</u>	<u>35,230,512</u>	<u>16,295,626</u>	<u>39,390,512</u>
<b>Total comprehensive income for the period</b>		<u>158,724,205</u>	<u>72,786,702</u>	<u>164,867,398</u>	<u>77,096,532</u>
<b>Profit for the period attributable to:</b>					
Equity holders of the Company		145,689,376	37,601,139	<u>148,571,772</u>	<u>37,706,020</u>
Non-controlling interests of the subsidiary (loss)		(1,235,313)	(44,949)		
		<u>144,454,063</u>	<u>37,556,190</u>		
<b>Total comprehensive income for the period attributable to:</b>					
Equity holders of the Company		160,423,163	73,791,651	<u>164,867,398</u>	<u>77,096,532</u>
Non-controlling interests of the subsidiary (loss)		(1,698,958)	(1,004,949)		
		<u>158,724,205</u>	<u>72,786,702</u>		
<b>Earnings per share</b>	17				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.48</u>	<u>0.12</u>	<u>0.49</u>	<u>0.12</u>

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



(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of cash flows****For the nine-month period ended 30 September 2018**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Cash flows from (used in) operating activities</b>				
Direct premium written	3,133,370,602	2,436,517,799	3,130,828,414	2,436,159,121
Cash paid for reinsurance	(210,053,204)	(117,930,767)	(210,053,204)	(117,930,767)
Interest income	22,520,646	19,152,032	22,245,893	19,151,710
Dividend income	32,425,238	28,295,550	32,425,238	28,295,550
Other investment income	1,782,510	2,081,290	1,782,510	2,081,290
Other income	3,505,015	1,985,126	3,556,781	1,985,127
Claim incurred on direct insurance	(1,461,284,696)	(1,324,573,880)	(1,459,722,568)	(1,324,416,520)
Loss adjustment expenses on direct insurance	(30,252,257)	(24,904,425)	(30,218,836)	(24,904,425)
Commission and brokerage on direct insurance	(496,877,751)	(427,757,274)	(496,565,826)	(427,757,274)
Other underwriting expenses	(201,647,874)	(180,939,333)	(201,535,128)	(180,664,933)
Operating expenses	(499,845,270)	(252,776,321)	(496,918,262)	(245,479,247)
Income tax	(18,450,989)	(5,761,920)	(18,450,989)	(5,790,620)
Investments in securities	(190,501,948)	(118,833,503)	(190,501,948)	(118,833,503)
Loans	(1,665,127)	3,132,506	(1,665,127)	3,132,506
Deposits at financial institutions	(47,539,585)	49,456,760	(50,275,585)	79,216,760
<b>Net cash from operating activities</b>	<b>35,485,310</b>	<b>87,143,640</b>	<b>34,931,363</b>	<b>124,244,775</b>
<b>Cash flows from (used in) investing activities</b>				
Investments in subsidiary	-	(22,394,540)	-	(67,200,000)
Purchases of property, buildings and equipment	(25,308,108)	(12,985,642)	(25,028,272)	(12,985,642)
Purchase of intangible assets	(6,441,205)	(757,100)	(6,253,582)	(757,100)
Disposals of equipment	372,045	184,014	372,045	184,014
<b>Net cash used in investing activities</b>	<b>(31,377,268)</b>	<b>(35,953,268)</b>	<b>(30,909,809)</b>	<b>(80,758,728)</b>
<b>Cash flows from (used in) financial activities</b>				
Dividend paid	(21,209,944)	(15,149,960)	(21,209,944)	(15,149,960)
<b>Net cash used in financial activities</b>	<b>(21,209,944)</b>	<b>(15,149,960)</b>	<b>(21,209,944)</b>	<b>(15,149,960)</b>
<b>Decrease from translation adjustments</b>	<b>(58,141)</b>	<b>(2,133,593)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(17,101,902)</b>	<b>33,906,819</b>	<b>(17,188,390)</b>	<b>28,336,087</b>
Cash and cash equivalents at beginning of period	240,644,140	228,894,842	237,379,687	228,894,842
<b>Cash and cash equivalents at end of period</b>	<b>223,484,097</b>	<b>262,801,661</b>	<b>220,191,297</b>	<b>257,230,929</b>

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

(Unaudited but reviewed)

## Thaivivat Insurance Public Company Limited and its subsidiary

## Statements of changes in equity

For the nine-month period ended 30 September 2018

(Unit: Baht)

Consolidated financial statements									
Equity attributable to equity holders of the Company									
	Retained earnings				Other components of equity		Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiary	Total equity
	Issued and paid-up share capital	Premium on share capital	Appropriated - statutory reserve	Unappropriated	Surplus on changes in value of available-for-sale investments	Exchange differences on translation of financial statements in foreign currency			
<b>Balance as at 1 January 2017</b>	303,000,000	163,800,007	30,300,000	514,867,659	92,609,090	-	1,104,576,756	-	1,104,576,756
Profit for the period	-	-	-	37,601,139	-	-	37,601,139	(44,949)	37,556,190
Other comprehensive income for the period (loss)	-	-	-	-	39,390,512	(3,200,000)	36,190,512	(960,000)	35,230,512
Total comprehensive income for the period (loss)	-	-	-	37,601,139	39,390,512	(3,200,000)	73,791,651	(1,004,949)	72,786,702
Increase in non-controlling interest from investment in the subsidiary	-	-	-	-	-	-	-	20,160,000	20,160,000
Dividend paid during the period (Note 18)	-	-	-	(15,149,960)	-	-	(15,149,960)	-	(15,149,960)
<b>Balance as at 30 September 2017</b>	303,000,000	163,800,007	30,300,000	537,318,838	131,999,602	(3,200,000)	1,163,218,447	19,155,051	1,182,373,498
<b>Balance as at 1 January 2018</b>	303,000,000	163,800,007	30,300,000	528,219,520	144,151,377	(4,800,000)	1,164,670,904	18,082,143	1,182,753,047
Profit for the period (loss)	-	-	-	145,689,376	-	-	145,689,376	(1,235,313)	144,454,063
Other comprehensive income for the period (loss)	-	-	-	-	16,295,626	(1,561,839)	14,733,787	(463,645)	14,270,142
Total comprehensive income for the period (loss)	-	-	-	145,689,376	16,295,626	(1,561,839)	160,423,163	(1,698,958)	158,724,205
Dividend paid during the period (Note 18)	-	-	-	(21,209,944)	-	-	(21,209,944)	-	(21,209,944)
<b>Balance as at 30 September 2018</b>	303,000,000	163,800,007	30,300,000	652,698,952	160,447,003	(6,361,839)	1,303,884,123	16,383,185	1,320,267,308
	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**

**Statements of changes in equity (continued)**

**For the nine-month period ended 30 September 2018**

(Unit: Baht)

	Separate financial statements					Total
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity - surplus on changes in value of available-for-sale investments	
			Appropriated - statutory reserve	Unappropriated		
<b>Balance as at 1 January 2017</b>	303,000,000	163,800,007	30,300,000	514,867,659	92,609,090	1,104,576,756
Profit for the period	-	-	-	37,706,020	-	37,706,020
Other comprehensive income for the period	-	-	-	-	39,390,512	39,390,512
Total comprehensive income for the period	-	-	-	37,706,020	39,390,512	77,096,532
Dividend paid during the period (Note 18)	-	-	-	(15,149,960)	-	(15,149,960)
<b>Balance as at 30 September 2017</b>	303,000,000	163,800,007	30,300,000	537,423,719	131,999,602	1,166,523,328
<b>Balance as at 1 January 2018</b>	303,000,000	163,800,007	30,300,000	529,707,855	144,151,377	1,170,959,239
Profit for the period	-	-	-	148,571,772	-	148,571,772
Other comprehensive income for the period	-	-	-	-	16,295,626	16,295,626
Total comprehensive income for the period	-	-	-	148,571,772	16,295,626	164,867,398
Dividend paid during the period (Note 18)	-	-	-	(21,209,944)	-	(21,209,944)
<b>Balance as at 30 September 2018</b>	303,000,000	163,800,007	30,300,000	657,069,683	160,447,003	1,314,616,693
	-	-	-	-	-	-

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

**Thaivivat Insurance Public Company Limited and its subsidiary**

**Notes to interim financial statements**

**For the three-month and nine-month periods ended 30 September 2018**

**1. General information**

Thaivivat Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in non-life insurance. The registered office of the Company is at 71 Thaivivat Insurance Building, Dindaeng Road, Samsen Nai, Phayathai, Bangkok.

**2. Basis for preparation of the financial statements**

**2.1 Basis for preparation of the interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in equity, and cash flows in the same format as that used for the annual financial statements, and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, conditions and terms for preparation and submission of financial statements and operating performance reports of non-life insurance companies B.E. 2559 dated 4 March 2016.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, the interim financial statements focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

## 2.2 Basis for interim consolidation financial statements

- (a) The consolidated financial statements included the financial statements of Thaivivat Insurance Public Company Limited (herein after called as “the Company”) and the following subsidiary (herein after called “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			30 September 2018	31 December 2017
			Percent	Percent
Laovivat Insurance Co., Ltd.	Non-life insurance	Lao PDR	70.0	70.0

On 29 June 2016, the Company has entered into a share purchase agreement with shareholders of Laovivat Insurance Company Limited (“LVI”), a company incorporated and domiciled in Lao People’s Democratic Republic (“Lao PDR”), to purchase 1.4 million ordinary shares at a net price of LAK 16,000 million from the former shareholders, representing 70% of its registered capital. The investment has been approved by the OIC.

On 19 January 2017, the Company made first payment of LAK 4,800 million and recorded as advance payment for share subscription. On 31 May 2017, the Company made payment to purchase 1.4 million ordinary shares of subsidiary amounting to Baht 67.2 million, accounted for 70% of shareholding. The subsidiary was therefore fully consolidated, being the date on 31 May 2017 which the Company obtained control.

- (b) The consolidated financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017.

## 2.3 New financial reporting standards

- (a) Financial reporting standards that became effective in the current year

During the period, the Company and its subsidiary have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal year beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiary’s financial statements.

(b) Financial reporting standards that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal year beginning on or after 1 January 2019 and a set of 5 standards related to financial instruments, which are effective for fiscal year beginning on or after 1 January 2020. Key principles of these standards are summarised below.

**TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiary is in the process of evaluating the impact of this standard to the financial statements in the year when it is adopted.

**Thai Financial Reporting Standards related to financial instruments**

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiary is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## 2.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

## 3. Cash and cash equivalents

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Cash on hand	405,396	889,444	387,202	883,465
Deposits at banks with no fixed maturity date	219,612,799	236,347,640	216,338,193	233,089,166
Deposits at banks and certificate of deposit with fixed maturity date	3,465,902	3,407,056	3,465,902	3,407,056
Cash and cash equivalents	<u>223,484,097</u>	<u>240,644,140</u>	<u>220,191,297</u>	<u>237,379,687</u>

As at 30 September 2018, saving deposits and fixed deposits carried interest between 0.25% and 1.25% per annum (Separate financial statements: between 0.25% and 0.80% per annum) (31 December 2017: between 0.25% and 1.00% per annum for the consolidated financial statements and between 0.25% and 0.75% per annum for the separate financial statements).

#### 4. Premium receivables

The balances as at 30 September 2018 and 31 December 2017 of premium receivables from direct insurance are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Not yet due	357,481,098	365,115,966	357,434,538	365,110,684
Not over 30 days	39,526,243	26,238,767	39,249,849	26,179,021
Over 30 days to 60 days	11,258,467	10,198,385	11,243,267	10,196,501
Over 60 days to 90 days	5,974,947	4,358,689	5,974,947	4,358,689
Over 90 days	40,069,983	81,272,927	40,069,983	81,272,927
Total premium receivables	454,310,738	487,184,734	453,972,584	487,117,822
Less: Allowance for doubtful accounts	(2,218,497)	(3,356,781)	(2,218,497)	(3,356,781)
Total premium receivables, net	452,092,241	483,827,953	451,754,087	483,761,041

For premium receivables due from agents and brokers, the Company has stipulated the collection guideline in accordance with the law of the premium collection. For overdue premium receivables, the Company takes legal actions with such agents and brokers on a case by case basis.



(Unaudited but reviewed)

**5. Reinsurance assets**

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Insurance reserves refundable from reinsurers				
Claim reserves and outstanding claims	108,511,112	187,269,811	108,511,112	187,269,811
Unearned premium reserves	384,313,528	289,104,936	384,313,528	289,104,936
Reinsurance assets	<u>492,824,640</u>	<u>476,374,747</u>	<u>492,824,640</u>	<u>476,374,747</u>

**6. Receivables from reinsurance contracts**

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Amounts deposited on reinsurance	-	-	18,040	-
Amounts due from reinsurers	43,792,709	51,583,665	44,837,583	52,070,930
Receivables from reinsurance contracts	<u>43,792,709</u>	<u>51,583,665</u>	<u>44,855,623</u>	<u>52,070,930</u>

As at 30 September 2018 and 31 December 2017, the balances of amounts due from reinsurers are classified by aging as follows:

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Not yet due	18,023,013	23,370,044	18,278,915	23,857,309
Not over 1 year	25,423,785	27,873,657	26,212,757	27,873,657
Over 1 year to 2 years	345,911	339,964	345,911	339,964
Total amounts due from reinsurers	<u>43,792,709</u>	<u>51,583,665</u>	<u>44,837,583</u>	<u>52,070,930</u>

## 7. Investments in securities

### 7.1 Classified by type of investments

As at 30 September 2018 and 31 December 2017, investments in securities classified by type of investments are as follows:

(Unit : Baht)

	Consolidated financial statements			
	30 September 2018		31 December 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments</b>				
Equity securities	276,481,603	277,420,560	274,723,621	277,621,774
Warrants	-	-	-	567,230
<b>Total</b>	<b>276,481,603</b>	<b>277,420,560</b>	<b>274,723,621</b>	<b>278,189,004</b>
Add: Unrealised gain	938,957		3,465,383	
<b>Trading investments, net</b>	<b>277,420,560</b>		<b>278,189,004</b>	
<b>Available-for-sale investments</b>				
Government and state enterprise securities	90,019,718	89,990,974	90,023,019	91,757,455
Private debt securities	420,093,940	423,405,693	485,102,103	492,564,411
Equity securities	50,506,667	119,238,285	50,506,668	127,351,388
Unit trusts	1,661,955,063	1,787,117,764	1,443,836,555	1,537,808,029
<b>Total</b>	<b>2,222,575,388</b>	<b>2,419,752,716</b>	<b>2,069,468,345</b>	<b>2,249,481,283</b>
Add: Unrealised gain	200,558,753		180,189,221	
Less: Allowance for impairment	(3,381,425)		(176,283)	
<b>Available-for-sale investments, net</b>	<b>2,419,752,716</b>		<b>2,249,481,283</b>	
<b>Held-to-maturity investments</b>				
Government and state enterprise securities	377,996,063		347,238,505	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	201,996,727		155,896,848	
<b>Total</b>	<b>580,833,790</b>		<b>503,976,353</b>	
Less: Allowance for impairment	(841,000)		(841,000)	
<b>Held-to-maturity investments, net</b>	<b>579,992,790</b>		<b>503,135,353</b>	
<b>Other investments</b>				
Equity securities	3,720,650		3,720,650	
<b>Other investments, net</b>	<b>3,720,650</b>		<b>3,720,650</b>	
<b>Total investments in securities</b>	<b>3,280,886,716</b>		<b>3,034,526,290</b>	

(Unaudited but reviewed)

(Unit : Baht)

	Separate financial statements			
	30 September 2018		31 December 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments</b>				
Equity securities	276,481,603	277,420,560	274,723,621	277,621,774
Warrants	-	-	-	567,230
Total	276,481,603	277,420,560	274,723,621	278,189,004
Add: Unrealised gain	938,957		3,465,383	
<b>Trading investments, net</b>	277,420,560		278,189,004	
<b>Available-for-sale investments</b>				
Government and state enterprise securities	90,019,718	89,990,974	90,023,019	91,757,455
Private debt securities	420,093,940	423,405,693	485,102,103	492,564,411
Equity securities	50,506,667	119,238,285	50,506,668	127,351,388
Unit trusts	1,661,955,063	1,787,117,764	1,443,836,555	1,537,808,029
Total	2,222,575,388	2,419,752,716	2,069,468,345	2,249,481,283
Add: Unrealised gain	200,558,753		180,189,221	
Less: Allowance for impairment	(3,381,425)		(176,283)	
<b>Available-for-sale investments, net</b>	2,419,752,716		2,249,481,283	
<b>Held-to-maturity investments</b>				
Government and state enterprise securities	377,996,063		347,238,505	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	156,194,060		106,080,848	
Total	535,031,123		454,160,353	
Less: Allowance for impairment	(841,000)		(841,000)	
<b>Held-to-maturity investments, net</b>	534,190,123		453,319,353	
<b>Other investments</b>				
Equity securities	3,720,650		3,720,650	
<b>Other investments, net</b>	3,720,650		3,720,650	
<b>Total investments in securities</b>	3,235,084,049		2,984,710,290	

## 7.2 Other components of equity - surplus on changes in value of available-for-sale investments

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the
	nine-month	year ended	nine-month	year ended
	period ended	year ended	period ended	year ended
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Balance - beginning of the period	180,189,221	115,761,362	180,189,221	115,761,362
Changes during the period				
Gain on revaluation during the period	25,336,276	76,274,071	25,336,276	76,274,071
Loss transferred to be recognised in profit or loss	3,205,142	-	3,205,142	-
Gain on sales recognised in profit or loss during the period	(8,171,886)	(11,846,212)	(8,171,886)	(11,846,212)
Balance - end of the period	200,558,753	180,189,221	200,558,753	180,189,221
Less: Income tax effect	(40,111,750)	(36,037,844)	(40,111,750)	(36,037,844)
Balance - end of the period, net of income tax	160,447,003	144,151,377	160,447,003	144,151,377

### 7.3 Investments subject to restriction

As at 30 September 2018 and 31 December 2017, the Company had pledged the following assets as collateral.

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Government debt securities which pledged for				
Bail bond in cases where insured drivers				
have been charged with criminal				
offense	-	504,570	-	504,570
Guarantee electricity use	1,015,350	1,029,529	1,015,350	1,029,529
Deposit at bank which pledged for				
Bail bond in cases where insured drivers				
have been charged with criminal				
offense	3,403,902	3,172,932	3,403,902	3,172,932
Bank overdraft	3,183,698	3,000,000	3,183,698	3,000,000
Letter of bank guarantee	5,262,806	5,000,000	5,262,806	5,000,000
Total	<u>12,865,756</u>	<u>12,707,031</u>	<u>12,865,756</u>	<u>12,707,031</u>

Furthermore, the Company placed part of its investments in securities with the Registrar as described in Note 21 to the interim financial statements.

**8. Loans**

As at 30 September 2018 and 31 December 2017, loans and accrued interest are provided to employees in accordance with employee's benefits plan. The balances are aged by principal and interest receivables as follows:

(Unit: Baht)

Consolidated and separate financial statements							
30 September 2018							
Outstanding period	Mortgage loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest	Total
Not yet due	5,720,298	-	1,659,391	-	7,379,689	-	7,379,689
Overdue							
Over 12 months	600,873	152,939	-	-	600,873	152,939	753,812
Total	6,321,171	152,939	1,659,391	-	7,980,562	152,939	8,133,501
Less: Allowance for doubtful accounts	(600,873)	(152,939)	-	-	(600,873)	(152,939)	(753,812)
Loans, net	5,720,298	-	1,659,391	-	7,379,689	-	7,379,689

(Unit: Baht)

Consolidated and separate financial statements							
31 December 2017							
Outstanding period	Mortgage loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest	Total
Not yet due	3,549,261	-	2,165,301	-	5,714,562	-	5,714,562
Overdue							
Over 12 months	600,873	152,939	-	-	600,873	152,939	753,812
Total	4,150,134	152,939	2,165,301	-	6,315,435	152,939	6,468,374
Less: Allowance for doubtful accounts	(600,873)	(152,939)	-	-	(600,873)	(152,939)	(753,812)
Loans, net	3,549,261	-	2,165,301	-	5,714,562	-	5,714,562

## 9. Investment in subsidiary

9.1 Detail of investment in subsidiary as presented in separate financial statements is as follow:

Company's name	Paid up capital		Shareholding percentage		Cost	
	30	31	30	31	30	31
	September	December	September	December	September	December
	2018	2017	2018	2017	2018	2017
	Baht	Baht	%	%	Baht	Baht
Laovivat Insurance Co., Ltd.	67,200,000	67,200,000	70.0	70.0	67,200,000	67,200,000

On 31 May 2017, the Company acquired ordinary shares of Laovivat Insurance Co., Ltd., total 1.4 million ordinary shares for total amounting to Baht 67.2 million, accounted for 70 percent of its registered capital and was considered as investment in subsidiary. That company is principally engaged in non-life insurance.

9.2 Summarised financial information about subsidiary that based on amounts before inter-company elimination

(a) Summarised information about financial position

	As at	
	30 September 2018	31 December 2017
	Assets	59,093,300
Liabilities	4,482,685	4,290,469
Net book value	54,610,615	60,273,809

(b) Summarised information about comprehensive income

	For the three-months periods ended		For the nine-months periods ended	
	30 September	30 September	30 September	30 September
	2018	2017	2018	2017
	Revenue	1,457,622	1,535,821	4,069,018
Loss for the period	(1,070,065)	(149,830)	(4,117,709)	(149,830)
Other comprehensive income	-	-	-	-
Total comprehensive income (loss)	(1,070,065)	(149,830)	(4,117,709)	(149,830)

**10. Property, buildings and equipment**

Movement of property, buildings and equipment for the nine-month period ended 30 September 2018 is summarised below:

(Unit: Baht)

	Consolidated financial statements						Total
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	
<b>Net book value as at</b>							
<b>1 January 2018</b>	194,027,280	50,162,866	17,390,479	13,915,739	16,612,308	-	292,108,672
Acquisitions during period - at cost	12,972,900	2,574,012	1,628,210	2,759,986	2,881,000	2,492,000	25,308,108
Transfer in (out)	-	2,880,000	(1,280,000)	-	-	(1,600,000)	-
Disposals during period - net book value	-	-	-	(83)	(1)	-	(84)
Depreciation for the period	-	(2,578,270)	(4,958,133)	(5,104,494)	(5,196,649)	-	(17,837,546)
Exchange on differences on translation of financial statements in foreign currency	-	-	(107,025)	(51,188)	(28,344)	-	(186,557)
<b>Net book value as at 30 September 2018</b>	<b>207,000,180</b>	<b>53,038,608</b>	<b>12,673,531</b>	<b>11,519,960</b>	<b>14,268,314</b>	<b>892,000</b>	<b>299,392,593</b>

(Unit: Baht)

	Separate financial statements						Total
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	
<b>Net book value as at</b>							
<b>1 January 2018</b>	194,027,280	50,162,866	13,216,503	11,919,337	15,506,891	-	284,832,877
Acquisitions during period - at cost	12,972,900	2,574,012	1,475,450	2,632,910	2,881,000	2,492,000	25,028,272
Transfer in (out)	-	2,880,000	(1,280,000)	-	-	(1,600,000)	-
Disposals during period - net book value	-	-	-	(83)	(1)	-	(84)
Depreciation for the period	-	(2,578,270)	(3,151,171)	(4,804,778)	(5,029,993)	-	(15,564,212)
<b>Net book value as at 30 September 2018</b>	<b>207,000,180</b>	<b>53,038,608</b>	<b>10,260,782</b>	<b>9,747,386</b>	<b>13,357,897</b>	<b>892,000</b>	<b>294,296,853</b>



## 11. Deferred tax assets/Income tax expenses

### 11.1 Deferred tax assets

As at 30 September 2018 and 31 December 2017, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Baht)			
	Change in deferred tax assets or liabilities that are recognised in profit or loss for the nine- month periods ended 30			
	Consolidated and separate financial statements		September	
	30 September 2018	31 December 2017	2018	2017
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	6,913,259	7,212,358	(299,099)	(315,566)
Allowance for impairment of investment	641,028	-	641,028	-
Unearned premium reserves	64,328,768	57,571,667	6,757,101	10,151,935
Provision for claim incurred but not yet reported and outstanding claims	23,469,660	33,392,071	(9,922,411)	(3,423,890)
Loss on changes in value of trading securities	-	-	-	(2,490,446)
Post employee benefit obligations	18,852,815	17,564,084	1,288,731	1,122,377
<b>Total</b>	<b>114,205,530</b>	<b>115,740,180</b>		
<b>Deferred tax liabilities</b>				
Gain on changes in value of Trading securities	187,791	693,077	505,286	-
Available-for-sale securities	40,111,750	36,037,844	-	-
Unrealised gain on exchange rate	-	-	-	28,789
<b>Total</b>	<b>40,299,541</b>	<b>36,730,921</b>		
<b>Deferred tax assets, net</b>	<b>73,905,989</b>	<b>79,009,259</b>		
Changes in deferred tax assets or liabilities that recognised in profit or loss			<b>(1,029,364)</b>	<b>5,073,199</b>

As at 30 September 2018, the subsidiary has temporary differences and unused tax losses totaling Baht 6 million (31 December 2017: Baht 2 million), on which deferred tax assets have not been recognised as the subsidiary believes that there is an uncertainty to allow utilisation of temporary differences and unused tax losses.

**11.2 Income tax expenses**

The income tax expenses for the three-month and nine-month periods ended 30 September 2018 and 2017 are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2018	2017	2018	2017
<b>Current income tax:</b>				
Corporate income tax charge				
in accordance with Revenue Code	16,086,469	4,227,192	16,086,469	4,227,192
<b>Deferred tax:</b>				
Relating to origination and reversal of				
temporary differences	8,734,563	(1,629,131)	8,734,563	(1,629,131)
<b>Income tax expense reported in the</b>				
<b>    statements of comprehensive income</b>	<u>24,821,032</u>	<u>2,598,061</u>	<u>24,821,032</u>	<u>2,598,061</u>

	(Unit : Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2018	2017	2018	2017
<b>Current income tax:</b>				
Corporate income tax charge				
in accordance with Revenue Code	29,810,745	7,419,199	29,810,745	7,419,199
<b>Deferred tax:</b>				
Relating to origination and reversal of				
temporary differences	1,029,364	(5,073,199)	1,029,364	(5,073,199)
<b>Income tax expense reported in the</b>				
<b>    statements of comprehensive income</b>	<u>30,840,109</u>	<u>2,346,000</u>	<u>30,840,109</u>	<u>2,346,000</u>

(Unaudited but reviewed)

Reconciliation between income tax expenses and the product of accounting profit and the applicable tax rate for the three-month and the nine-month periods ended 30 September 2018 and 2017 are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2018	2017	2018	2017
Accounting profit before income tax expenses	<u>128,064,811</u>	<u>22,150,993</u>	<u>129,134,876</u>	<u>22,300,823</u>
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	25,570,160	4,460,165	25,826,975	4,460,165
Tax effect on income or expenses that are not taxable or not deductible in determining taxable profits/tax loss which are not recorded as deferred tax assets	<u>(749,128)</u>	<u>(1,862,104)</u>	<u>(1,005,943)</u>	<u>(1,862,104)</u>
Income tax expenses reported in the statements of comprehensive income	<u>24,821,032</u>	<u>2,598,061</u>	<u>24,821,032</u>	<u>2,598,061</u>

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2018	2017	2018	2017
Accounting profit before income tax expenses	<u>175,294,172</u>	<u>39,902,190</u>	<u>179,411,881</u>	<u>40,052,020</u>
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	34,894,126	8,010,404	35,882,376	8,010,404
Tax effect on income or expenses that are not taxable or not deductible in determining taxable profits/tax loss which are not recorded as deferred tax assets	<u>(4,054,017)</u>	<u>(5,664,404)</u>	<u>(5,042,267)</u>	<u>(5,664,404)</u>
Income tax expenses reported in the statements of comprehensive income	<u>30,840,109</u>	<u>2,346,000</u>	<u>30,840,109</u>	<u>2,346,000</u>

**12. Other assets**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Claim receivables from litigants, net	264,325,598	213,944,329	264,325,598	213,944,329
Advance payment of ceded premium	124,887,618	130,140,655	124,887,618	130,140,655
Deposits on rice field insurance scheme	229,400,316	72,835,390	229,400,316	72,835,390
Prepaid commission expenses	43,931,314	45,269,123	43,931,314	45,269,123
Receivable from sale of investments	10,114,041	7,198,913	10,114,041	7,198,913
Cash equivalents which subject to restrictions	8,432,374	8,270,000	8,432,374	8,270,000
Others	42,128,704	46,126,880	42,411,970	46,409,071
<b>Total other assets</b>	<b>723,219,965</b>	<b>523,785,290</b>	<b>723,503,231</b>	<b>524,067,481</b>

As at 30 September 2018, the Company has pledged deposit at financial institutions which amount maturing within 3 months totaling Baht 8.4 million (31 December 2017: Baht 8.2 million) as security against bank overdraft facilities, and as bail bond in cases where insured drivers have been charged with criminal offence.

**13. Insurance contract liabilities**

(Unit: Baht)

	Consolidated financial Statements		
	30 September 2018		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,096,050,194	97,775,134	998,275,060
- Provision for claim incurred but not reported	70,871,100	10,735,978	60,135,122
Premium reserves			
- Unearned premium reserves	1,953,894,025	384,313,528	1,569,580,497
<b>Total</b>	<b>3,120,815,319</b>	<b>492,824,640</b>	<b>2,627,990,679</b>

(Unaudited but reviewed)

(Unit: Baht)

Consolidated financial Statements			
31 December 2017			
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,107,998,324	182,138,692	925,859,632
- Provision for claim incurred but not reported	60,301,867	5,131,119	55,170,748
Premium reserves			
- Unearned premium reserves	1,657,141,941	289,104,936	1,368,037,005
Total	2,825,442,132	476,374,747	2,349,067,385

(Unit: Baht)

Separate financial Statements			
30 September 2018			
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,095,442,140	97,775,134	997,667,006
- Provision for claim incurred but not reported	70,738,439	10,735,978	60,002,461
Premium reserves			
- Unearned premium reserves	1,952,541,037	384,313,528	1,568,227,509
Total	3,118,721,616	492,824,640	2,625,896,976

(Unit: Baht)

Separate financial Statements			
31 December 2017			
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,107,946,241	182,138,692	925,807,549
- Provision for claim incurred but not reported	60,263,649	5,131,119	55,132,530
Premium reserves			
- Unearned premium reserves	1,656,112,917	289,104,936	1,367,007,981
Total	2,824,322,807	476,374,747	2,347,948,060

**13.1 Claim reserves and outstanding claims**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the
	nine-month	year ended	nine-month	year ended
	period ended	year ended	period ended	year ended
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Balance - beginning of the period	1,168,300,191	1,000,058,660	1,168,209,890	1,000,058,660
Claim incurred and loss adjustment expenses for the period	1,575,067,066	2,030,296,600	1,573,463,062	2,030,025,768
Changes in claim reserves and assumptions	(37,705,885)	38,993,496	(37,764,081)	38,955,279
Claim and loss adjustment expenses paid during the period	(1,538,734,206)	(1,901,048,565)	(1,537,728,292)	(1,900,829,817)
Exchange on differences on translation of financial statements in foreign currency	(5,872)	-	-	-
Balance - end of the period	<u>1,166,921,294</u>	<u>1,168,300,191</u>	<u>1,166,180,579</u>	<u>1,168,209,890</u>

As at 30 September 2018, the Company and its subsidiary have claim reserves and outstanding claims under reinsurance contracts of Baht 0.3 million (Separate financial statements: Baht 0.4 million) (31 December 2017: Baht 0.3 million in consolidated and separate financial statements).

(Unaudited but reviewed)

### 13.2 Unearned premium reserves

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the
	nine-month	year ended	nine-month	year ended
	period ended	year ended	period ended	year ended
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Balance - beginning of the period	1,657,141,941	1,576,081,680	1,656,112,917	1,576,081,680
Premium written for the period	3,108,130,929	3,547,253,747	3,106,036,278	3,545,875,526
Premium earned for the current period	(2,811,352,458)	(3,466,193,486)	(2,809,608,158)	(3,465,844,289)
Exchange on differences on translation of financial statements in foreign currency	(26,387)	-	-	-
Balance - end of the period	<u>1,953,894,025</u>	<u>1,657,141,941</u>	<u>1,952,541,037</u>	<u>1,656,112,917</u>

### 14. Due to reinsurers

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Outward premium payable	444,906,983	383,781,937	444,906,983	383,781,937
Amounts withheld on reinsurances	108,860,574	123,765,747	108,860,574	123,765,747
Total due to reinsurers	<u>553,767,557</u>	<u>507,547,684</u>	<u>553,767,557</u>	<u>507,547,684</u>

**15. Other liabilities**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Premium received in advance	233,357,173	240,284,247	233,357,173	240,284,247
Accrued commissions	80,007,867	92,285,778	79,878,682	92,228,550
Accrued operating expenses	47,364,303	60,561,966	46,844,621	60,098,856
Payables on purchase of investments	1,162,997	3,127,233	1,162,997	3,127,233
Commission received in advance	58,909,573	60,177,350	58,909,573	60,177,350
Other payable	58,027,047	57,331,941	58,048,050	55,669,675
Others	53,388,359	101,595,916	53,375,861	103,229,229
Total other liabilities	532,217,319	615,364,431	531,576,957	614,815,140

**16. Operating expenses**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2018	2017	2018	2017
Personal expenses which are not expenses for underwriting and claims	20,671,559	20,420,822	20,493,431	20,020,022
Property and equipment expenses which are not expenses for underwriting	24,409,942	20,821,627	23,397,633	20,736,867
Taxes and duties	378,817	242,729	377,530	242,729
Bad debts and doubtful accounts	389,888	553,440	389,888	553,440
Support services expenses	44,772,314	38,443,365	44,772,314	38,443,365
Advertising and promotion expenses	2,272,303	5,833,323	2,251,330	5,833,323
Other operating expenses	7,282,073	7,577,806	6,941,683	7,000,716
Total operating expenses	100,176,896	93,893,112	98,623,809	92,830,462



(Unaudited but reviewed)

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the nine-month periods ended 30 September				
	2018	2017	2018	2017
Personal expenses which are not expenses for underwriting and claims	59,824,457	61,637,414	59,560,753	61,236,614
Property and equipment expenses which are not expenses for underwriting	66,491,791	60,351,910	63,339,697	60,267,150
Taxes and duties	2,230,774	1,269,075	2,228,293	1,269,075
Bad debts and doubtful accounts (reversal)	(1,138,285)	(2,514,456)	(1,138,285)	(2,514,456)
Support services expenses	143,253,219	113,018,953	143,253,219	113,018,953
Advertising and promotion expenses	17,315,184	29,015,870	16,701,155	29,015,870
Other operating expenses	22,847,202	24,611,910	21,454,482	24,034,820
Total operating expenses	310,824,342	287,390,676	305,399,314	286,328,026

#### 17. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

#### 18. Dividend paid

Dividend declared during the periods consists of the following:

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2017	Annual General Meeting of the shareholders on 20 April 2018	21.21	0.07
Final dividends for 2016	Annual General Meeting of the shareholders on 8 April 2017	15.15	0.05

#### 19. Related party transactions

During the periods, the Company had significant business transactions (related by way of common directors and shareholding) with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 September				
	2018	2017	2018	2017	
<b><u>Transactions with subsidiary</u></b>					
<b>Laovivat Insurance Co., Ltd.</b>					
(eliminated from the consolidated financial statements)					
Reinsurance premium written	-	-	315	-	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission expenses	-	-	64	-	As stated in the agreement upon normal commercial terms
Claim expenses	-	-	162	-	As actually incurred, in proportions per agreement
<b><u>Transactions with related parties</u></b>					
<b>Thai Reinsurance Plc.</b>					
Premium ceded	126,193	77,769	126,193	77,769	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission income	8,076	7,782	8,076	7,782	As stated in the agreement upon normal commercial terms
Claims refunded	9,658	10,549	9,658	10,549	As actually incurred, in proportions per agreement
Reinsurance premium written	17	9	17	9	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission expenses	5	3	5	3	As stated in the agreement upon normal commercial terms
Claim expenses	-	49	-	49	As actually incurred, in proportions per agreement
Dividend income	-	147	-	147	As declared
<b>Road Accident Victims Protection Co., Ltd.</b>					
Contribution expenses	2,659	2,509	2,659	2,509	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	606	1,442	606	1,442	As stated in the agreement upon normal commercial terms
<b>Paiboonwattana Co., Ltd.</b>					
Other income	-	14	-	14	As stated in the agreement upon normal commercial terms

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the nine-month periods ended 30 September				
	2018	2017	2018	2017	
<b><u>Transactions with subsidiary</u></b>					
<b>Laovivat Insurance Co., Ltd.</b>					
(eliminated from the consolidated financial statements)					
Reinsurance premium written	-	-	720	-	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission expenses	-	-	145	-	As stated in the agreement upon normal commercial terms
Claim expenses	-	-	347	-	As actually incurred, in proportions per agreement
Other income	-	-	23	-	As stated in the agreement upon normal commercial terms
<b><u>Transactions with related parties</u></b>					
<b>Thai Reinsurance Plc.</b>					
Premium ceded	167,075	118,102	167,075	118,102	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission income	20,725	18,822	20,725	18,822	As stated in the agreement upon normal commercial terms
Claims refunded	29,294	25,342	29,294	25,342	As actually incurred, in proportions per agreement
Reinsurance premium written	31	28	31	28	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission expenses	10	17	10	17	As stated in the agreement upon normal commercial terms
Claim expenses	-	431	-	431	As actually incurred, in proportions per agreement
Dividend income	183	183	183	183	As declared
<b>Road Accident Victims Protection Co., Ltd.</b>					
Contribution expenses	8,365	7,721	8,365	7,721	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	1,918	4,441	1,918	4,441	As stated in the agreement upon normal commercial terms

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the nine-month periods ended 30 September				
	2018	2017	2018	2017	
<b><u>Transactions with related parties</u></b>					
<b>T.I.I. Co., Ltd.</b>					
Dividend income	20	21	20	21	As declared
<b>Paiboonwattana Co., Ltd.</b>					
Other income	14	41	14	41	As stated in the agreement upon normal commercial terms

As at 30 September 2018 and 31 December 2017, the Company had the following significant balances of assets and liabilities with its related parties:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
<b><u>Transactions with subsidiary</u></b>				
<b>Laovivat Insurance Co., Ltd.</b>				
Receivables from reinsurance contracts	-	-	1,062,914	487,265
Advances payment	-	-	764,584	1,678,568
<b><u>Transactions with related parties</u></b>				
<b>Thai Reinsurance Plc.</b>				
Receivables from reinsurance contracts	16,424,594	21,350,852	16,424,594	21,350,852
Investments in equity securities	3,999,779	6,459,054	3,999,779	6,459,054
Amounts due to reinsurers	125,272,613	100,860,278	125,272,613	100,860,278
<b>Road Accident Victims Protection Co., Ltd.</b>				
Investments in equity securities	3,518,150	3,518,150	3,518,150	3,518,150
Other assets	1,933,410	1,562,045	1,933,410	1,562,045
Other liabilities	2,659,517	2,733,161	2,659,517	2,733,161
<b>T.I.I. Co., Ltd.</b>				
Investments in equity securities	202,500	202,500	202,500	202,500
<b>Vichitbhan Palmoil Plc.</b>				
Investments in equity securities	132,000	79,000	132,000	79,000

**Directors and management's remuneration**

During the three-month and nine-month periods ended 30 September 2018 and 2017, the Company had employee benefit expenses to their directors and management as below.

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the three-month periods ended 30 September				
	2018	2017	2018	2017
Short-term employee benefits	21,073,237	21,952,218	21,073,237	21,952,218
Post employee benefits	3,421,529	1,551,891	3,421,529	1,551,891
<b>Total</b>	<b>24,494,766</b>	<b>23,504,109</b>	<b>24,494,766</b>	<b>23,504,109</b>

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the nine-month periods ended 30 September				
	2018	2017	2018	2017
Short-term employee benefits	61,862,970	64,356,547	61,862,970	64,356,547
Post employee benefits	5,947,484	4,511,900	5,947,484	4,511,900
<b>Total</b>	<b>67,810,454</b>	<b>68,868,447</b>	<b>67,810,454</b>	<b>68,868,447</b>

**19. Segment information**

The Company is principally engaged in the provision of all types of non-life insurance products and for the purpose of underwriting and operation management, the Company has divided into business units that correspond to the types of insurance product offered i.e. Fire, Marine and transportation, Motor and Miscellaneous. The operating segment information presented below is consistent with the internal reports that the Company's Chief Operating Decision Maker (who is granted authority by the Board of Directors) regularly receives and reviews for use in making decisions about the allocation of the resources to the segment and assess its performance. The Chairman of the Executive Board has been identified as Chief Operating Decision Maker, with decisions passing through the Board of Directors.

Segment performance is measured based on operating profit or loss on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

(Unaudited but reviewed)

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Segment revenue and profit information of the Company for the three-month and nine-month periods ended 30 September 2018 and 2017 are as follows:

(Unit: Baht)

Consolidate financial statements								
For the three-month period ended 30 September 2018								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
<b>Underwriting income</b>								
Premium written	36,741,770	2,178,455	777,985,864	373,292,938	1,190,199,027	1,201,191	(315,856)	1,191,084,362
Less: Premium ceded	(26,037,568)	(452,046)	(73,160,153)	(289,135,779)	(388,785,546)	(315,856)	315,856	(388,785,546)
Net premium written	10,704,202	1,726,409	704,825,711	84,157,159	801,413,481	885,335	-	802,298,816
Add (Less): Unearned premium reserves (increase) decrease from prior period	1,674,599	470,430	(23,925,764)	(3,935,587)	(25,716,322)	(190,641)	-	(25,906,963)
Earned premium	12,378,801	2,196,839	680,899,947	80,221,572	775,697,159	694,694	-	776,391,853
Fee and commission income	12,844,157	77,892	30,923,008	27,726,199	71,571,256	64,271	(64,271)	71,571,256
<b>Total underwriting income</b>	<b>25,222,958</b>	<b>2,274,731</b>	<b>711,822,955</b>	<b>107,947,771</b>	<b>847,268,415</b>	<b>758,965</b>	<b>(64,271)</b>	<b>847,963,109</b>
<b>Underwriting expenses</b>								
Claims and loss adjustment expenses	(833,571)	651,829	397,195,527	33,965,024	430,978,809	781,459	-	431,760,268
Commission and brokerage expenses	8,378,215	280,332	135,392,356	2,593,473	146,644,376	162,974	(64,271)	146,743,079
Other underwriting expenses	986,093	81,809	47,191,769	26,563,538	74,823,209	30,167	-	74,853,376
<b>Total underwriting expenses before operating expenses</b>	<b>8,530,737</b>	<b>1,013,970</b>	<b>579,779,652</b>	<b>63,122,035</b>	<b>652,446,394</b>	<b>974,600</b>	<b>(64,271)</b>	<b>653,356,723</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>16,692,221</b>	<b>1,260,761</b>	<b>132,043,303</b>	<b>44,825,736</b>	<b>194,822,021</b>	<b>(215,635)</b>	<b>-</b>	<b>194,606,386</b>
Operating expenses					(98,623,809)	(1,553,087)	-	(100,176,896)
<b>Profit (loss) from underwriting</b>					<b>96,198,212</b>	<b>(1,768,722)</b>	<b>-</b>	<b>94,429,490</b>
Investment income					14,975,293	693,406	-	15,668,699
Loss on investments					(11,130,135)	-	-	(11,130,135)
Profit on fair value adjustment of investments					26,722,183	-	-	26,722,183
Other income					2,369,323	5,251	-	2,374,574
<b>Profit (loss) before income tax expenses</b>					<b>129,134,876</b>	<b>(1,070,065)</b>	<b>-</b>	<b>128,064,811</b>
Income tax expense					(24,821,032)	-	-	(24,821,032)
<b>Profit (loss) for the period</b>					<b>104,313,844</b>	<b>(1,070,065)</b>	<b>-</b>	<b>103,243,779</b>

(Unaudited but reviewed)

(Unit: Baht)

## Consolidate financial statements

For the three-month period ended 30 September 2017

## Total of the Company

	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Total
<b>Underwriting income</b>							
Premium written	40,243,613	1,979,253	644,176,617	277,203,274	963,602,757	1,105,027	964,707,784
Less: Premium ceded	(27,863,425)	(696,461)	(69,519,902)	(190,274,807)	(288,354,595)	(73,862)	(288,428,457)
Net premium written	12,380,188	1,282,792	574,656,715	86,928,467	675,248,162	1,031,165	676,279,327
Add (Less): Unearned premium reserves (increase) decrease from prior period	530,007	885,964	(39,496,922)	(6,383,371)	(44,464,322)	(886,349)	(45,350,671)
Earned premium	12,910,195	2,168,756	535,159,793	80,545,096	630,783,840	144,816	630,928,656
Fee and commission income	13,649,045	128,484	22,277,466	21,209,533	57,264,528	19,943	57,284,471
<b>Total underwriting income</b>	26,559,240	2,297,240	557,437,259	101,754,629	688,048,368	164,759	688,213,127
<b>Underwriting expenses</b>							
Claims and loss adjustment expenses	1,715,195	(468,172)	337,675,813	44,148,888	383,071,724	183,480	383,255,204
Commission and brokerage expenses	8,850,964	253,547	114,026,428	19,687,700	142,818,639	165,120	142,983,759
Other underwriting expenses	1,223,950	68,388	58,844,869	9,668,841	69,806,048	274,401	70,080,449
<b>Total underwriting expenses before operating expenses</b>	11,790,109	(146,237)	510,547,110	73,505,429	595,696,411	623,001	596,319,412
<b>Profit (loss) from underwriting before operating expenses</b>	14,769,131	2,443,477	46,890,149	28,249,200	92,351,957	(458,242)	91,893,715
Operating expenses					(92,830,462)	(1,062,650)	(93,893,112)
<b>Loss from underwriting</b>					(478,505)	(1,520,892)	(1,999,397)
Investment income					15,764,376	1,371,062	17,135,438
Loss on investments					(1,745,779)	-	(1,745,779)
Profit on fair value adjustment of investments					6,725,828	-	6,725,828
Other income					2,034,903	-	2,034,903
<b>Profit (loss) before income tax expenses</b>					22,300,823	(149,830)	22,150,993
Income tax expenses					(2,598,061)	-	(2,598,061)
<b>Profit (loss) for the period</b>					19,702,762	(149,830)	19,552,932

## Consolidate financial statements

For the nine-month period ended 30 September 2018

	Total of the Company					Total of subsidiary	Elimination	Total
	Fire	Marine and transportation	Motor	Miscellaneous	Total			
<b>Underwriting income</b>								
Premium written	113,371,247	8,089,910	2,347,993,397	636,581,724	3,106,036,278	2,815,145	(720,494)	3,108,130,929
Less: Premium ceded	(79,443,740)	(1,551,364)	(223,517,780)	(432,152,772)	(736,665,656)	(720,494)	720,494	(736,665,656)
Net premium written	33,927,507	6,538,546	2,124,475,617	204,428,952	2,369,370,622	2,094,651	-	2,371,465,273
Add (Less): Unearned premium reserves (increase) decrease from prior period	2,332,888	(875,755)	(209,123,746)	6,447,086	(201,219,527)	(350,351)	-	(201,569,878)
Earned premium	36,260,395	5,662,791	1,915,351,871	210,876,038	2,168,151,095	1,744,300	-	2,169,895,395
Fee and commission income	38,504,792	303,409	80,643,463	58,871,826	178,323,490	144,845	(144,845)	178,323,490
<b>Total underwriting income</b>	<b>74,765,187</b>	<b>5,966,200</b>	<b>1,995,995,334</b>	<b>269,747,864</b>	<b>2,346,474,585</b>	<b>1,889,145</b>	<b>(144,845)</b>	<b>2,348,218,885</b>
<b>Underwriting expenses</b>								
Claims and loss adjustment expenses	2,381,832	1,013,835	1,123,814,716	95,423,652	1,222,634,035	2,240,386	-	1,224,874,421
Commission and brokerage expenses	25,188,243	1,046,298	413,253,606	46,293,354	485,781,501	385,349	(144,845)	486,022,005
Other underwriting expenses	3,620,182	319,149	147,309,639	47,629,262	198,878,232	112,746	-	198,990,978
<b>Total underwriting expenses before operating expenses</b>	<b>31,190,257</b>	<b>2,379,282</b>	<b>1,684,377,961</b>	<b>189,346,268</b>	<b>1,907,293,768</b>	<b>2,738,481</b>	<b>(144,845)</b>	<b>1,909,887,404</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>43,574,930</b>	<b>3,586,918</b>	<b>311,617,373</b>	<b>80,401,596</b>	<b>439,180,817</b>	<b>(849,336)</b>	<b>-</b>	<b>438,331,481</b>
Operating expenses					(305,399,314)	(5,448,246)	23,218	(310,824,342)
<b>Profit (loss) from underwriting</b>					<b>133,781,503</b>	<b>(6,297,582)</b>	<b>23,218</b>	<b>127,507,139</b>
Investment income					54,258,490	2,231,639	-	56,490,129
Loss on investments					(12,065,587)	-	-	(12,065,587)
Loss on fair value adjustment of investments					(2,526,427)	-	-	(2,526,427)
Other income (expenses)					5,963,902	(51,766)	(23,218)	5,888,918
<b>Profit (loss) before income tax expenses</b>					<b>179,411,881</b>	<b>(4,117,709)</b>	<b>-</b>	<b>175,294,172</b>
Income tax expenses					(30,840,109)	-	-	(30,840,109)
<b>Profit (loss) for the period</b>					<b>148,571,772</b>	<b>(4,117,709)</b>	<b>-</b>	<b>144,454,063</b>



(Unaudited but reviewed)

(Unit: Baht)

Consolidate financial statements							
For the nine-month period ended 30 September 2017							
Total of the Company							
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Total
<b>Underwriting income</b>							
Premium written	118,762,493	9,835,010	1,875,495,948	596,865,814	2,600,959,265	1,105,027	2,602,064,292
Less: Premium ceded	(81,253,764)	(3,177,993)	(203,490,543)	(362,251,391)	(650,173,691)	(73,862)	(650,247,553)
Net premium written	37,508,729	6,657,017	1,672,005,405	234,614,423	1,950,785,574	1,031,165	1,951,816,739
Add (Less): Unearned premium reserves (increase) decrease from prior period	719,590	564,749	(124,623,078)	6,228,126	(117,110,613)	(886,349)	(117,996,962)
Earned premium	38,228,319	7,221,766	1,547,382,327	240,842,549	1,833,674,961	144,816	1,833,819,777
Fee and commission income	39,599,239	544,565	69,305,983	53,416,826	162,866,613	19,943	162,886,556
<b>Total underwriting income</b>	<b>77,827,558</b>	<b>7,766,331</b>	<b>1,616,688,310</b>	<b>294,259,375</b>	<b>1,996,541,574</b>	<b>164,759</b>	<b>1,996,706,333</b>
<b>Underwriting expenses</b>							
Claims and loss adjustment expenses	3,865,548	715,370	1,002,462,730	120,318,480	1,127,362,128	183,480	1,127,545,608
Commission and brokerage expenses	26,560,792	1,194,388	332,150,603	67,370,962	427,276,745	165,120	427,441,865
Other underwriting expenses	3,988,688	440,608	144,156,295	30,193,880	178,779,471	274,401	179,053,872
<b>Total underwriting expenses before operating expenses</b>	<b>34,415,028</b>	<b>2,350,366</b>	<b>1,478,769,628</b>	<b>217,883,322</b>	<b>1,733,418,344</b>	<b>623,001</b>	<b>1,734,041,345</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>43,412,530</b>	<b>5,415,965</b>	<b>137,918,682</b>	<b>76,376,053</b>	<b>263,123,230</b>	<b>(458,242)</b>	<b>262,664,988</b>
Operating expenses					(286,328,026)	(1,062,650)	(287,390,676)
<b>Loss from underwriting</b>					<b>(23,204,796)</b>	<b>(1,520,892)</b>	<b>(24,725,688)</b>
Investment income					46,912,861	1,371,062	48,283,923
Gain on investments					36,684	-	36,684
Gain on fair value adjustment of investments					12,452,224	-	12,452,224
Other income					3,855,047	-	3,855,047
<b>Profit (loss) before income tax expenses</b>					<b>40,052,020</b>	<b>(149,830)</b>	<b>39,902,190</b>
Income tax expenses					(2,346,000)	-	(2,346,000)
<b>Profit (loss) for the period</b>					<b>37,706,020</b>	<b>(149,830)</b>	<b>37,556,190</b>

For the nine-month periods ended 30 September 2018 and 2017, the Company has premium written from three major brokers in amounting of Baht 1,443.6 million and Baht 1,187.4 million, respectively.

Segment assets and liabilities of the Company and its subsidiary as at 30 September 2018 and 31 December 2017 are as follows:

(Unit: Baht)

	Consolidated financial statements								
	Total of the Company					Total	Total of subsidiary	Eliminations	Total
	Fire	Marine and transportation	Motor	Miscellaneous	Unallocated				
<b>Assets</b>									
As at 30 September 2018	173,293,544	881,672	773,143,922	433,248,346	4,246,473,057	5,627,040,541	59,093,300	(50,708,620)	5,635,425,221
As at 31 December 2017	185,103,157	2,295,578	719,158,421	444,894,610	3,856,747,409	5,208,199,175	64,564,278	(51,101,854)	5,221,661,599
<b>Liabilities</b>									
As at 30 September 2018	289,577,668	6,203,195	2,845,937,164	811,233,746	359,472,075	4,312,423,848	4,482,685	(1,748,620)	4,315,157,913
As at 31 December 2017	308,072,686	6,064,717	2,518,134,711	794,072,500	410,895,322	4,037,239,936	4,290,469	(2,621,853)	4,038,908,552

## 21. Assets pledged and assets reserved with the Registrar

As at 30 September 2018 and 31 December 2017, the following assets have been pledged and reserved with the Registrar in accordance with the Non-life Insurance Act.

(Unit: Million Baht)

	Consolidated financial statements			
	30 September 2018		31 December 2017	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Asset pledged</b>				
Fixed deposit	20.3	20.3	20.8	20.8
Government bonds	15.1	15.7	15.1	16.1
Total	35.4	36.0	35.9	36.9
<b>Assets reserved</b>				
Government bonds	216.9	216.9	128.0	130.6
Certificate of deposits	-	-	50.0	50.0
State enterprise debt securities	80.0	79.9	80.0	81.4
Private debt securities	50.0	53.4	50.0	54.5
Total	346.9	350.2	308.0	316.5
Total	382.3	386.2	343.9	353.4

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
	30 September 2018		31 December 2017	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Asset pledged</b>				
Government bonds	15.1	15.7	15.1	16.1
Total	15.1	15.7	15.1	16.1
<b>Assets reserved</b>				
Government bonds	216.9	216.9	128.0	130.6
Certificate of deposits	-	-	50.0	50.0
State enterprise debt securities	80.0	79.9	80.0	81.4
Private debt securities	50.0	53.4	50.0	54.5
Total	346.9	350.2	308.0	316.5
Total	362.0	365.9	323.1	332.6

## 22. Commitments and contingent liabilities

### 22.1 Capital commitments

As at 30 September 2018, the Group has capital commitments of approximately Baht 2.4 million, relating to the construction of buildings and equipment (The Company only: Baht 2.4 million).

### 22.2 Operating lease commitments

The Company has entered into several lease agreements of office building space. The terms of the agreements are generally between 3 years to 5 years. As at 30 September 2018 and 31 December 2017, future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2018	2017	2018	2017
Payable:				
Within 1 year	1.3	1.2	0.8	0.7
Over 1 year and not over 5 years	2.8	3.1	1.4	1.3

### 22.3 Bank guarantees

As at 30 September 2018, there were outstanding bank guarantees of Baht 1.4 million issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business (31 December 2017: Baht 1.3 million).

### 22.4 Litigation

As at 30 September 2018, the Company has been sued as insurer for damages totaling approximately Baht 53.7 million (amount claimed). The cases have yet to be finalised. However, the Company has set aside reserves for contingent losses in the financial statements amounting to approximately Baht 17.5 million, with the recoverable portion from reinsurers amounting to Baht 2.3 million. The Company's management believes that such reserve is adequate (31 December 2017: Baht 55.6 million, Baht 17.8 million and Baht 1.0 million, respectively).

### 23. Fair value of financial instruments

As at 30 September 2018 and 31 December 2017, the Company had the following financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements			
	30 September 2018			
	Book value	Fair value		
	Level 1	Level 2	Total	
Held for trading investments				
Equity securities	277.4	277.4	-	277.4
Available-for-sale investments				
Government and state enterprise debt securities	90.0	-	90.0	90.0
Private debt securities	423.4	-	423.4	423.4
Equity securities	119.2	119.2	-	119.2
Unit trusts	1,787.1	162.0	1,625.1	1,787.1

(Unit: Million Baht)

	Consolidated and separate financial statements			
	31 December 2017			
	Book value	Fair value		
	Level 1	Level 2	Total	
Held for trading investments				
Equity securities	277.6	277.6	-	277.6
Warrants	0.6	0.6	-	0.6
Available-for-sale investments				
Government and state enterprise debt securities				
	91.8	-	91.8	91.8
Private debt securities	492.6	-	492.6	492.6
Equity securities	127.3	127.3	-	127.3
Unit trusts	1,537.8	142.4	1,395.4	1,537.8

The Company and its subsidiary had valuation techniques for financial instruments as follows:

- a) Fair value of investments in debt securities has been calculated by using the yield rate as announced by the Thai Bond Market Association.
- b) Investments in marketable equity securities have been presented at fair value by using market price. Fair value of investments in non-listed unit trusts have been calculated by using the net asset value as announced by asset management company.

#### 24. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 November 2018.