

Thaivivat Insurance Public Company Limited  
and its subsidiary  
Review report and interim financial statements  
30 September 2019

## **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 2019, the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, the related 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: 12 November 2019

Thaivivat Insurance Public Company Limited and its subsidiary

Statements of financial position

As at 30 September 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
Cash and cash equivalents	3	196,248,289	229,766,928	194,560,317	227,320,041
Premium receivables	4	601,590,373	523,277,518	601,470,948	523,143,844
Accrued investment income		11,591,024	12,040,139	5,380,406	7,306,365
Reinsurance assets	5	490,969,900	408,451,103	490,969,900	408,451,103
Receivables from reinsurance contracts	6	45,112,510	215,132,383	46,203,842	215,937,578
Investment assets					
Investments in securities	7	3,809,477,550	3,262,293,511	3,767,290,884	3,216,490,844
Loans	8	7,291,489	7,168,090	7,291,489	7,168,090
Investment in subsidiary	9	-	-	67,200,000	67,200,000
Property, buildings and equipment	10	331,619,496	317,223,243	329,700,265	312,882,797
Goodwill		16,800,000	18,240,000	-	-
Intangible assets - computer software		10,028,961	10,199,695	10,014,835	10,087,936
Deferred tax assets	11	101,569,903	91,702,016	101,569,903	91,702,016
Other assets	12	778,302,877	553,947,851	778,962,042	554,393,839
<b>Total assets</b>		<b>6,400,602,372</b>	<b>5,649,442,477</b>	<b>6,400,614,831</b>	<b>5,642,084,453</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 2019

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements		
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	13	3,672,805,598	3,135,720,447	3,669,657,300	3,133,927,643
Due to reinsurers	14	566,247,238	506,562,790	566,247,238	506,562,790
Income tax payable		3,274,605	15,420,600	3,274,605	15,420,600
Employee benefit obligations	15	128,600,000	91,215,706	128,600,000	91,215,706
Other liabilities	16	703,204,903	647,871,888	702,624,817	647,203,550
<b>Total liabilities</b>		<b>5,074,132,344</b>	<b>4,396,791,431</b>	<b>5,070,403,960</b>	<b>4,394,330,289</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		649,805,566	621,258,591	656,542,209	626,021,433
Other components of equity					
Surplus on changes in value of available-for-sale investments	7.2	176,568,655	124,632,724	176,568,655	124,632,724
Exchange differences on translation of financial statements in foreign currency		(11,001,947)	(6,497,341)	-	-
Equity attributable to shareholders of the Company		1,312,472,281	1,236,493,981	1,330,210,871	1,247,754,164
Non-controlling interests of the subsidiary		13,997,747	16,157,065	-	-
<b>Total equity</b>		<b>1,326,470,028</b>	<b>1,252,651,046</b>	<b>1,330,210,871</b>	<b>1,247,754,164</b>
<b>Total liabilities and equity</b>		<b>6,400,602,372</b>	<b>5,649,442,477</b>	<b>6,400,614,831</b>	<b>5,642,084,453</b>

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

Directors

Directors

(Unaudited but reviewed)

## Thaivivat Insurance Public Company Limited and its subsidiary

## Statements of comprehensive income

For the three-month period ended 30 September 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Profit or loss:</b>					
<b>Income</b>					
Gross premium written		1,420,035,954	1,191,084,362	1,418,511,938	1,190,199,027
Less: Premium ceded to reinsurers		(417,101,315)	(388,785,546)	(417,101,315)	(388,785,546)
Net premium written		1,002,934,639	802,298,816	1,001,410,623	801,413,481
Less: Unearned premium reserves increase					
from prior period		(102,567,255)	(25,906,963)	(101,989,914)	(25,716,322)
Net earned premium		900,367,384	776,391,853	899,420,709	775,697,159
Fee and commission income		67,549,984	71,571,256	67,549,984	71,571,256
Net investment income		20,048,804	15,668,699	19,410,915	14,975,293
Gain (loss) on investments		2,765,367	(11,130,135)	2,765,367	(11,130,135)
Gain (loss) on fair value adjustment		(12,967,376)	26,722,183	(12,967,376)	26,722,183
Other income		2,536,074	2,374,574	2,545,425	2,369,323
<b>Total income</b>		<b>980,300,237</b>	<b>881,598,430</b>	<b>978,725,024</b>	<b>880,205,079</b>
<b>Expenses</b>					
Claim and loss adjustment expenses		678,365,201	503,778,242	677,564,946	502,996,783
Less: Claim recovered from reinsurers		(98,517,437)	(72,017,974)	(98,517,437)	(72,017,974)
Commission and brokerage expenses		194,200,921	146,743,079	193,983,955	146,644,376
Other underwriting expenses		96,028,141	74,853,376	95,970,027	74,823,209
Operating expenses	17	125,863,503	100,176,896	124,597,463	98,623,809
<b>Total expenses</b>		<b>995,940,329</b>	<b>753,533,619</b>	<b>993,598,954</b>	<b>751,070,203</b>
<b>Profit (loss) before income tax</b>		<b>(15,640,092)</b>	<b>128,064,811</b>	<b>(14,873,930)</b>	<b>129,134,876</b>
Income tax revenue (expenses)	11	2,952,539	(24,821,032)	2,952,539	(24,821,032)
<b>Profit (loss) for the period</b>		<b>(12,687,553)</b>	<b>103,243,779</b>	<b>(11,921,391)</b>	<b>104,313,844</b>

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

## Thaivivat Insurance Public Company Limited and its subsidiary

## Statements of comprehensive income (continued)

For the three-month period ended 30 September 2019

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<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	(2,104,187)	(1,975,223)	-	-
Profit on changes in value of				
available-for-sale investments	11,294,690	54,891,137	11,294,690	54,891,137
Income tax effect	(2,258,938)	(10,978,227)	(2,258,938)	(10,978,227)
<b>Other comprehensive income for the period</b>				
- net of income tax	6,931,565	41,937,687	9,035,752	43,912,910
<b>Total comprehensive income for the period (loss)</b>				
	(5,755,988)	145,181,466	(2,885,639)	148,226,754
<b>Profit for the period attributable to:</b>				
Equity holders of the Company (loss)	(12,457,704)	103,564,798	(11,921,391)	104,313,844
Non-controlling interests of the subsidiary (loss)	(229,849)	(321,019)		
	(12,687,553)	103,243,779		
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the Company (loss)	(5,038,883)	145,951,052	(2,885,639)	148,226,754
Non-controlling interests of the subsidiary (loss)	(717,105)	(769,586)		
	(5,755,988)	145,181,466		
<b>Earnings per share</b>				
	18			
Basic earnings (loss) per share				
Profit (loss) attributable to equity holders of the Company	(0.04)	0.34	(0.04)	0.34

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

## Thaivivat Insurance Public Company Limited and its subsidiary

## Statements of comprehensive income

For the nine-month period ended 30 September 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<b>Profit or loss:</b>					
<b>Income</b>					
Gross premium written		3,550,239,105	3,108,130,929	3,547,402,632	3,106,036,278
Less: Premium ceded to reinsurers		(807,878,052)	(736,665,656)	(807,878,052)	(736,665,656)
Net premium written		2,742,361,053	2,371,465,273	2,739,524,580	2,369,370,622
Less: Unearned premium reserves increase					
from prior period		(206,401,594)	(201,569,878)	(205,830,072)	(201,219,527)
Net earned premium		2,535,959,459	2,169,895,395	2,533,694,508	2,168,151,095
Fee and commission income		180,690,898	178,323,490	180,690,898	178,323,490
Net investment income		56,103,709	56,490,129	54,091,787	54,258,490
Gain (loss) on investments		28,733,724	(12,065,587)	28,733,724	(12,065,587)
Gain (loss) on fair value adjustment		18,117,842	(2,526,427)	18,117,842	(2,526,427)
Other income		6,305,355	5,888,918	6,322,565	5,963,902
<b>Total income</b>		<b>2,825,910,987</b>	<b>2,396,005,918</b>	<b>2,821,651,324</b>	<b>2,392,104,963</b>
<b>Expenses</b>					
Claim and loss adjustment expenses		1,810,313,877	1,439,756,107	1,807,971,394	1,437,515,721
Less: Claim recovered from reinsurers		(278,540,480)	(214,881,686)	(278,540,480)	(214,881,686)
Commission and brokerage expenses		547,994,795	486,022,005	547,616,707	485,781,501
Other underwriting expenses		262,244,498	198,990,978	262,091,576	198,878,232
Operating expenses	17	377,354,086	310,824,342	373,148,200	305,399,314
<b>Total expenses</b>		<b>2,719,366,776</b>	<b>2,220,711,746</b>	<b>2,712,287,397</b>	<b>2,212,693,082</b>
<b>Profit before income tax</b>		<b>106,544,211</b>	<b>175,294,172</b>	<b>109,363,927</b>	<b>179,411,881</b>
Income tax expenses	11	(18,243,151)	(30,840,109)	(18,243,151)	(30,840,109)
<b>Profit for the period</b>		<b>88,301,060</b>	<b>144,454,063</b>	<b>91,120,776</b>	<b>148,571,772</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 comprehensive income (continued)

For the nine-month period ended 30 September 2019

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<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	(5,818,009)	(2,025,484)	-	-
Profit on changes in value of				
available-for-sale investments	64,919,914	20,369,532	64,919,914	20,369,532
Income tax effect	(12,983,983)	(4,073,906)	(12,983,983)	(4,073,906)
<b>Other comprehensive income for the period</b>				
<b>- net of income tax</b>	<b>46,117,922</b>	<b>14,270,142</b>	<b>51,935,931</b>	<b>16,295,626</b>
<b>Total comprehensive income for the period</b>				
	<b>134,418,982</b>	<b>158,724,205</b>	<b>143,056,707</b>	<b>164,867,398</b>
<b>Profit for the period attributable to:</b>				
Equity holders of the Company	89,146,975	145,689,376	91,120,776	148,571,772
Non-controlling interests of the subsidiary (loss)	(845,915)	(1,235,313)		
	<b>88,301,060</b>	<b>144,454,063</b>		
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the Company	136,578,300	160,423,163	143,056,707	164,867,398
Non-controlling interests of the subsidiary (loss)	(2,159,318)	(1,698,958)		
	<b>134,418,982</b>	<b>158,724,205</b>		
<b>Earnings per share</b>				
	18			
Basic earnings per share				
Profit attributable to equity holders of the Company	0.29	0.48	0.30	0.49

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 2019

(Unit: Baht)

## Consolidated financial statements

	Equity attributable to equity holders of the Company								
	Issued and paid-up share capital	Premium on share capital	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
			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 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 19)	-	-	-	(21,209,944)	-	-	(21,209,944)	-	(21,209,944)
<b>Balance as at 30 September 2018</b>	<b>303,000,000</b>	<b>163,800,007</b>	<b>30,300,000</b>	<b>652,698,952</b>	<b>160,447,003</b>	<b>(6,361,839)</b>	<b>1,303,884,123</b>	<b>16,383,185</b>	<b>1,320,267,308</b>
<b>Balance as at 1 January 2019</b>	303,000,000	163,800,007	30,300,000	621,258,591	124,632,724	(6,497,341)	1,236,493,981	16,157,065	1,252,651,046
Profit for the period (loss)	-	-	-	89,146,975	-	-	89,146,975	(845,915)	88,301,060
Other comprehensive income for the period (loss)	-	-	-	-	51,935,931	(4,504,606)	47,431,325	(1,313,403)	46,117,922
Total comprehensive income for the period (loss)	-	-	-	89,146,975	51,935,931	(4,504,606)	136,578,300	(2,159,318)	134,418,982
Dividend paid during the period (Note 19)	-	-	-	(60,600,000)	-	-	(60,600,000)	-	(60,600,000)
<b>Balance as at 30 September 2019</b>	<b>303,000,000</b>	<b>163,800,007</b>	<b>30,300,000</b>	<b>649,805,566</b>	<b>176,568,655</b>	<b>(11,001,947)</b>	<b>1,312,472,281</b>	<b>13,997,747</b>	<b>1,326,470,028</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 (continued)

For the nine-month period ended 30 September 2019

(Unit: Baht)

	Separate financial statements					Total equity
	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 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 19)	-	-	-	(21,209,944)	-	(21,209,944)
<b>Balance as at 30 September 2018</b>	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>657,069,683</u>	<u>160,447,003</u>	<u>1,314,616,693</u>
<b>Balance as at 1 January 2019</b>	303,000,000	163,800,007	30,300,000	626,021,433	124,632,724	1,247,754,164
Profit for the period	-	-	-	91,120,776	-	91,120,776
Other comprehensive income for the period	-	-	-	-	51,935,931	51,935,931
Total comprehensive income for the period	-	-	-	91,120,776	51,935,931	143,056,707
Dividend paid during the period (Note 19)	-	-	-	(60,600,000)	-	(60,600,000)
<b>Balance as at 30 September 2019</b>	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>656,542,209</u>	<u>176,568,655</u>	<u>1,330,210,871</u>

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

(Unaudited but reviewed)

## Thaivivat Insurance Public Company Limited and its subsidiary

## Statements of cash flows

For the nine-month period ended 30 September 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<b>Cash flows from (used in) operating activities</b>				
Direct premium written	3,495,949,155	3,133,370,602	3,491,846,155	3,130,828,414
Cash paid for reinsurance	(131,930,863)	(210,053,204)	(131,267,930)	(210,053,204)
Interest income	23,593,758	22,520,646	23,432,399	22,245,893
Dividend income	32,651,694	32,425,238	32,651,694	32,425,238
Other investment income	1,806,730	1,782,510	1,806,730	1,782,510
Other income	4,398,188	3,505,015	4,410,245	3,556,781
Claim incurred on direct insurance	(1,587,744,550)	(1,461,284,696)	(1,586,305,542)	(1,459,722,568)
Loss adjustment expenses on direct insurance	(38,596,266)	(30,252,257)	(38,570,308)	(30,218,836)
Commission and brokerage on direct insurance	(558,113,138)	(496,877,751)	(557,411,384)	(496,565,826)
Other underwriting expenses	(264,530,830)	(201,647,874)	(264,377,910)	(201,535,128)
Operating expenses	(402,159,655)	(499,845,270)	(400,378,951)	(496,918,262)
Income tax	(53,241,016)	(18,450,989)	(53,241,016)	(18,450,989)
Investments in securities	(601,305,221)	(190,501,948)	(601,305,221)	(190,501,948)
Loans	(123,398)	(1,665,127)	(123,398)	(1,665,127)
Deposits at financial institutions	139,218,189	(47,539,585)	139,218,189	(50,275,585)
<b>Net cash from operating activities</b>	<b>59,872,777</b>	<b>35,485,310</b>	<b>60,383,752</b>	<b>34,931,363</b>
<b>Cash flows from (used in) investing activities</b>				
Cash paid for purchases of property, buildings and equipment	(31,121,764)	(25,308,108)	(31,097,165)	(25,028,272)
Cash paid for purchase of intangible assets	(1,485,563)	(6,441,205)	(1,485,563)	(6,253,582)
Cash received from disposals of equipment	61,155	372,045	39,252	372,045
<b>Net cash used in investing activities</b>	<b>(32,546,172)</b>	<b>(31,377,268)</b>	<b>(32,543,476)</b>	<b>(30,909,809)</b>
<b>Cash flows from (used in) financial activities</b>				
Dividend paid	(60,600,000)	(21,209,944)	(60,600,000)	(21,209,944)
<b>Net cash used in financial activities</b>	<b>(60,600,000)</b>	<b>(21,209,944)</b>	<b>(60,600,000)</b>	<b>(21,209,944)</b>
<b>Decrease in translation adjustments</b>	<b>(245,244)</b>	<b>(58,141)</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(33,518,639)</b>	<b>(17,160,043)</b>	<b>(32,759,724)</b>	<b>(17,188,390)</b>
Cash and cash equivalents at beginning of period	229,766,928	240,644,140	227,320,041	237,379,687
<b>Cash and cash equivalents at end of period</b>	<b>196,248,289</b>	<b>223,425,956</b>	<b>194,560,317</b>	<b>220,191,297</b>

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 2019**

**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 (“the Company”) and the following subsidiary (Collectly called “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			30 September 2019	31 December 2018
			Percent	Percent
Laovivat Insurance Co., Ltd.	Non-life insurance	Lao PDR	70.0	70.0

- (b) The interim consolidated financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2018.

## 2.3 New financial reporting standards

### (a) Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiary have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal period beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiary's financial statements. However, the new standard involves changes to key principles, which are summarised below:

### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

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.

This standard does not have any significant impact on the Company's and its subsidiary's financial statements.

### **TFRS 4 (revised 2018) Insurance contracts**

This standard provides an option to insurers that meet certain criteria stipulated in the standard, whereby they can be temporarily exempted from adoption of certain measures under TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures, which applicable for the financial reporting period beginning in or after 1 January 2020, and can instead adopt the Thai Accounting Guidance applicable for insurance business related to financial instruments and disclosures for the financial reporting period beginning before 1 January 2022 or before the effective date of TFRS 17 Insurance Contracts (when issued).

This standard does not have any significant impact on the current period's financial statements and the Company's management is currently considering the option as discussed above.

**(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

A 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.

### **Thai Accounting Guidance related to financial instruments and disclosures applicable to insurance business**

This accounting guidance allows to use a temporary exemption from adoption of certain measures under TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures which will be effective in 2020. This accounting guidance has some differences from TFRS 9, with the significant differences being as described below.

- Classification and measurement of financial assets: These are to be classified as trading securities, available-for-sale securities, held to maturity debt securities, and loans and receivables, with no requirement to take into account the assessment of the Company's business model and the characteristics of the contractual cash flows.
- Loss on impairment, gain or loss on derecognition, and gain and loss on fair value hedges for available-for-sale equity securities items are to be recognised in profit or loss.
- The embedded derivatives in financial assets that are hybrid contracts are to be separated from host contract if they meet all criteria for separation.

In addition, the accounting guidance has some differences from TFRS 7 with respect to disclosures.

The management of the Company and its subsidiary is currently evaluating the impact of the financial reporting standards related to financial instruments on the financial statements in the year when they are adopted, and considering the alternatives allowed under the accounting guidance.

### **TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiary is currently evaluating the impact of this standard on the financial statements in the year when it is 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 2018.



**3. Cash and cash equivalents**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
Cash on hand	2,899,415	1,181,029	2,887,342	1,146,293
Deposits at banks with no fixed maturity date	191,096,946	225,614,923	189,421,047	223,202,772
Deposits at banks and certificate of deposit with fixed maturity date	2,251,928	2,970,976	2,251,928	2,970,976
Cash and cash equivalents	196,248,289	229,766,928	194,560,317	227,320,041

As at 30 September 2019, saving deposits and fixed deposits carried interest between 0.10% and 1.25% per annum (Separate financial statements: between 0.10% and 0.80% per annum) (31 December 2018: between 0.25% and 1.25% per annum for the consolidated financial statements and between 0.25% and 0.80% per annum for the separate financial statements).

**4. Premium receivables**

The balances as at 30 September 2019 and 31 December 2018 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 September	31 December	30 September	31 December
	2019	2018	2019	2018
Not yet due	417,239,967	455,916,978	417,238,277	455,853,757
Not over 30 days	61,331,646	37,631,916	61,248,313	37,618,964
Over 30 days to 60 days	22,641,220	15,270,332	22,607,623	15,236,970
Over 60 days to 90 days	8,042,235	4,753,443	8,042,235	4,729,304
Over 90 days	95,527,633	11,548,869	95,526,828	11,548,869
Total premium receivables	604,782,701	525,121,538	604,663,276	524,987,864
Less: Allowance for doubtful accounts	(3,192,328)	(1,844,020)	(3,192,328)	(1,844,020)
Total premium receivables, net	601,590,373	523,277,518	601,470,948	523,143,844

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.

**5. Reinsurance assets**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
Insurance reserves refundable from reinsurers				
Claim reserves and outstanding claims	108,978,837	96,097,494	108,978,837	96,097,494
Unearned premium reserves	381,991,063	312,353,609	381,991,063	312,353,609
Reinsurance assets	<u>490,969,900</u>	<u>408,451,103</u>	<u>490,969,900</u>	<u>408,451,103</u>

**6. Receivables from reinsurance contracts**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
Amounts deposited on reinsurance	-	-	42,367	14,470
Amounts due from reinsurers	<u>45,112,510</u>	<u>215,132,383</u>	<u>46,161,475</u>	<u>215,923,108</u>
Receivables from reinsurance contracts	<u>45,112,510</u>	<u>215,132,383</u>	<u>46,203,842</u>	<u>215,937,578</u>

As at 30 September 2019 and 31 December 2018, the balances of amounts due from reinsurers are classified by aging as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
Not yet due	21,654,427	180,351,097	21,654,427	180,386,028
Not over 1 year	23,240,645	34,563,848	24,289,610	35,319,642
Over 1 year to 2 years	217,438	217,438	217,438	217,438
Total amounts due from reinsurers	<u>45,112,510</u>	<u>215,132,383</u>	<u>46,161,475</u>	<u>215,923,108</u>

## 7. Investments in securities

### 7.1 Classified by type of investments

As at 30 September 2019 and 31 December 2018, investments in securities classified by type of investments are as follows:

(Unit: Baht)

	Consolidated financial statements			
	30 September 2019		31 December 2018	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments</b>				
Equity securities	335,688,398	326,376,202	257,794,575	231,340,421
Private debt securities	21,207,365	21,073,446	-	-
Unit trusts	14,285,962	15,395,765	-	-
Total	371,181,725	362,845,413	257,794,575	231,340,421
Less: Unrealised loss	(8,336,312)		(26,454,154)	
<b>Trading investments, net</b>	362,845,413		231,340,421	
<b>Available-for-sale investments</b>				
Government and state enterprise securities	80,015,213	81,649,501	90,018,592	90,276,442
Private debt securities	420,093,940	427,527,722	430,093,940	434,087,501
Equity securities	50,505,830	99,106,349	50,506,668	112,038,147
Unit trusts	2,203,501,118	2,358,289,974	1,510,394,265	1,593,141,045
Total	2,754,116,101	2,966,573,546	2,081,013,465	2,229,543,135
Add: Unrealised gain	220,710,819		155,790,905	
Less: Allowance for impairment	(8,253,374)		(7,261,235)	
<b>Available-for-sale investments, net</b>	2,966,573,546		2,229,543,135	
<b>Held-to-maturity investments</b>				
Government and state enterprise securities	417,804,467		595,635,371	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	58,533,474		202,053,934	
Total	477,178,941		798,530,305	
Less: Allowance for impairment	(841,000)		(841,000)	
<b>Held-to-maturity investments, net</b>	476,337,941		797,689,305	
<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>	3,809,477,550		3,262,293,511	

(Unit: Baht)

	Separate financial statements			
	30 September 2019		31 December 2018	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments</b>				
Equity securities	335,688,398	326,376,202	257,794,575	231,340,421
Private debt securities	21,207,365	21,073,446	-	-
Unit trusts	14,285,962	15,395,765	-	-
Total	371,181,725	362,845,413	257,794,575	231,340,421
Less: Unrealised loss	(8,336,312)		(26,454,154)	
<b>Trading investments, net</b>	<b>362,845,413</b>		<b>231,340,421</b>	
<b>Available-for-sale investments</b>				
Government and state enterprise securities	80,015,213	81,649,501	90,018,592	90,276,442
Private debt securities	420,093,940	427,527,722	430,093,940	434,087,501
Equity securities	50,505,830	99,106,349	50,506,668	112,038,147
Unit trusts	2,203,501,118	2,358,289,974	1,510,394,265	1,593,141,045
Total	2,754,116,101	2,966,573,546	2,081,013,465	2,229,543,135
Add: Unrealised gain	220,710,819		155,790,905	
Less: Allowance for impairment	(8,253,374)		(7,261,235)	
<b>Available-for-sale investments, net</b>	<b>2,966,573,546</b>		<b>2,229,543,135</b>	
<b>Held-to-maturity investments</b>				
Government and state enterprise securities	417,804,467		595,635,371	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	16,346,808		156,251,267	
Total	434,992,275		752,727,638	
Less: Allowance for impairment	(841,000)		(841,000)	
<b>Held-to-maturity investments, net</b>	<b>434,151,275</b>		<b>751,886,638</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>3,767,290,884</b>		<b>3,216,490,844</b>	

## 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
	2019	2018	2019	2018
Balance - beginning of the period	155,790,905	180,189,221	155,790,905	180,189,221
Changes during the period				
Gain (loss) on revaluation during the period	91,077,913	(37,760,082)	91,077,913	(37,760,082)
Loss transferred to be recognised in profit or loss	992,139	7,084,952	992,139	7,084,952
Loss (gain) on sales recognised in profit or loss during the period	(27,150,138)	6,276,814	(27,150,138)	6,276,814
Balance - end of the period	220,710,819	155,790,905	220,710,819	155,790,905
Less: Income tax effect	(44,142,164)	(31,158,181)	(44,142,164)	(31,158,181)
Balance - end of the period, net of income tax	176,568,655	124,632,724	176,568,655	124,632,724

## 7.3 Investments subject to restriction

As at 30 September 2019 and 31 December 2018, the Company had pledged the following assets as collateral.

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
Government debt securities which pledged for				
Guarantee electricity use	1,023,366	1,010,155	1,023,366	1,010,155
Deposit at bank which pledged for				
Bail bond in cases where insured drivers have been charged with criminal offense	40,000	3,353,844	40,000	3,353,844
Bank overdraft	3,218,368	3,218,369	3,218,368	3,218,369
Letter of bank guarantee	5,320,118	5,262,806	5,320,118	5,262,806
Total	9,601,852	12,845,174	9,601,852	12,845,174

Furthermore, the Company and its subsidiary placed part of its investments in securities with the Registrar as described in Note 22 to the interim financial statements.

**8. Loans**

As at 30 September 2019 and 31 December 2018, 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 2019							
Outstanding period	Mortgage loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest	Total
Not yet due	6,203,826	-	1,087,663	-	7,291,489	-	7,291,489
Overdue							
Over 12 months	600,873	152,939	-	-	600,873	152,939	753,812
Total	6,804,699	152,939	1,087,663	-	7,892,362	152,939	8,045,301
Less: Allowance for doubtful accounts	(600,873)	(152,939)	-	-	(600,873)	(152,939)	(753,812)
Loans, net	6,203,826	-	1,087,663	-	7,291,489	-	7,291,489

(Unit: Baht)

Consolidated and separate financial statements							
31 December 2018							
Outstanding period	Mortgage loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest	Total
Not yet due	5,573,075	-	1,595,015	-	7,168,090	-	7,168,090
Overdue							
Over 12 months	600,873	152,939	-	-	600,873	152,939	753,812
Total	6,173,948	152,939	1,595,015	-	7,768,963	152,939	7,921,902
Less: Allowance for doubtful accounts	(600,873)	(152,939)	-	-	(600,873)	(152,939)	(753,812)
Loans, net	5,573,075	-	1,595,015	-	7,168,090	-	7,168,090

## 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 September	31 December	30 September	31 December	30 September	31 December
	2019	2018	2019	2018	2019	2018
	Baht	Baht	%	%	Baht	Baht
Laovivat Insurance Co., Ltd. (engaged in non-life insurance business)	67,200,000	67,200,000	70.0	70.0	67,200,000	67,200,000

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

(a) Summarised information about financial position

(Unit: Baht)

	As at	
	30 September 2019	31 December 2018
Assets	53,083,501	58,948,236
Liabilities	6,680,089	5,091,354
Net book value	46,403,412	53,856,882

(b) Summarised information about comprehensive income

(Unit: Baht)

	For the three-months periods ended		For the nine-months periods ended	
	30 September	30 September	30 September	30 September
	2019	2018	2019	2018
Revenue	1,646,062	1,457,622	4,545,575	4,069,018
Loss for the period	(766,162)	(1,070,065)	(2,819,716)	(4,117,709)
Other comprehensive income	-	-	-	-
Total comprehensive income (loss)	(766,162)	(1,070,065)	(2,819,716)	(4,117,709)

**10. Property, buildings and equipment**

Movement of property, buildings and equipment for the nine-month period ended 30 September 2019 is summarised below:

(Unit: Baht)

	Consolidated financial statements						
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	Total
<b>Net book value as at</b>							
<b>1 January 2019</b>	211,950,180	56,468,533	12,262,664	17,991,340	12,716,418	5,834,108	317,223,243
Acquisitions during period - at cost	-	177,530	1,829,682	6,234,447	9,899,262	15,607,126	33,748,047
Transfer in/(out)	-	16,344,731	3,016,839	1,052,499	328,923	(20,742,992)	-
Disposals during period - net book value	-	-	-	(21,915)	-	-	(21,915)
Depreciation for the period	-	(3,223,607)	(4,725,852)	(6,517,875)	(4,519,878)	-	(18,987,212)
Exchange differences on translation of financial statements in foreign currency	-	-	(142,272)	(132,953)	(67,442)	-	(342,667)
<b>Net book value as at 30 September 2019</b>	<u>211,950,180</u>	<u>69,767,187</u>	<u>12,241,061</u>	<u>18,605,543</u>	<u>18,357,283</u>	<u>698,242</u>	<u>331,619,496</u>

(Unit: Baht)

	Separate financial statements						
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	Total
<b>Net book value as at</b>							
<b>1 January 2019</b>	211,950,180	56,468,533	10,460,548	16,307,265	11,862,163	5,834,108	312,882,797
Acquisitions during period - at cost	-	177,530	1,829,682	6,209,848	9,899,262	15,607,126	33,723,448
Transfer in/(out)	-	16,344,731	3,016,839	1,052,499	328,923	(20,742,992)	-
Disposals during period - net book value	-	-	-	(13)	-	-	(13)
Depreciation for the period	-	(3,223,607)	(3,104,062)	(6,211,919)	(4,366,379)	-	(16,905,967)
<b>Net book value as at 30 September 2019</b>	<u>211,950,180</u>	<u>69,767,187</u>	<u>12,203,007</u>	<u>17,357,680</u>	<u>17,723,969</u>	<u>698,242</u>	<u>329,700,265</u>



## 11. Deferred tax assets/Income tax expenses

### 11.1 Deferred tax assets

As at 30 September 2019 and 31 December 2018, the components of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated and separate financial statements		(Unit: Baht)	
			Change in deferred tax assets or liabilities that are recognised in profit or loss for the nine-month periods ended 30 September	
	30 September 2019	31 December 2018	2019	2018
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	11,191,288	7,466,841	3,724,447	(299,099)
Allowance for impairment of investments	1,615,418	1,416,990	198,428	641,028
Unearned premium reserves	80,972,154	69,418,456	11,553,698	6,757,101
Provision for claim incurred but not yet reported and outstanding claims	24,545,945	21,023,938	3,522,007	(9,922,411)
Loss on changes in value of trading securities	1,667,262	5,290,831	(3,623,569)	505,286
Post employee benefit obligations	25,720,000	18,243,141	7,476,859	1,288,731
Total	<u>145,712,067</u>	<u>122,860,197</u>		
<b>Deferred tax liabilities</b>				
Gain on changes in value of available-for- sale securities	<u>44,142,164</u>	<u>31,158,181</u>	-	-
Total	<u>44,142,164</u>	<u>31,158,181</u>		
Deferred tax assets, net	<u>101,569,903</u>	<u>91,702,016</u>		
Changes in deferred tax assets or liabilities that recognised in profit or loss			<u>22,851,870</u>	<u>(1,029,364)</u>

As at 30 September 2019, the subsidiary has temporary differences and unused tax loss totaling Baht 8.4 million (31 December 2018: Baht 6.5 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 loss.

**11.2 Income tax expenses**

The income tax expenses for the three-month and nine-month periods ended 30 September 2019 and 2018 are as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2019	2018	2019	2018
<b>Current income tax:</b>				
Corporate income tax charge				
in accordance with Revenue Code	6,020,141	16,086,469	6,020,141	16,086,469
<b>Deferred tax:</b>				
Relating to origination and reversal of				
temporary differences	(8,972,680)	8,734,563	(8,972,680)	8,734,563
<b>Income tax expenses (revenue) reported</b>				
<b>    in the statements of comprehensive</b>				
<b>    income</b>	<u>(2,952,539)</u>	<u>24,821,032</u>	<u>(2,952,539)</u>	<u>24,821,032</u>

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2019	2018	2019	2018
<b>Current income tax:</b>				
Corporate income tax charge				
in accordance with Revenue Code	41,295,021	29,810,745	41,295,021	29,810,745
Adjustment in respect of income tax				
of previous year	(200,000)	-	(200,000)	-
<b>Deferred tax:</b>				
Relating to origination and reversal of				
temporary differences	(22,851,870)	1,029,364	(22,851,870)	1,029,364
<b>Income tax expenses reported</b>				
<b>    in the statements of comprehensive</b>				
<b>    income</b>	<u>18,243,151</u>	<u>30,840,109</u>	<u>18,243,151</u>	<u>30,840,109</u>

Reconciliation between income tax expenses and the product of accounting profit (loss) and the applicable tax rate for the three-month and the nine-month periods ended 30 September 2019 and 2018 are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2019	2018	2019	2018
Accounting profit (loss) before income tax expenses	(15,640,092)	128,064,811	(14,873,930)	129,134,876
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	(3,158,666)	25,570,160	(2,974,787)	25,826,975
Effects of:				
Temporary differences and tax loss which are not recognised as deferred tax assets	122,545	231,468	-	-
Tax-exempted revenues	16,704	(707,665)	16,704	(707,665)
Additional expenses deductions allowed	(154,057)	(392,285)	(154,057)	(392,285)
Non-deductible expenses	220,935	119,354	159,601	94,007
Income tax expenses (revenue) reported in the statements of comprehensive income	(2,952,539)	24,821,032	(2,952,539)	24,821,032

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2019	2018	2019	2018
Accounting profit before income tax expenses	106,544,211	175,294,172	109,363,927	179,411,881
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	21,196,053	34,894,126	21,872,785	35,882,376
Adjustment in respect of income tax of previous year	(200,000)	-	(200,000)	-
Effects of:				
Temporary differences and tax loss which are not recognised as deferred tax assets	540,798	952,950	-	-
Tax-exempted revenues	(3,306,235)	(5,239,644)	(3,306,235)	(5,239,644)
Additional expenses deductions allowed	(468,869)	(1,160,594)	(468,869)	(1,160,594)
Non-deductible expenses	481,404	1,393,271	345,470	1,357,971
Income tax expenses reported in the statements of comprehensive income	18,243,151	30,840,109	18,243,151	30,840,109

**12. Other assets**

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
Claim receivables from litigants, net	357,878,241	280,274,872	357,878,241	280,274,872
Advance payment of ceded premium	116,569,480	121,831,584	116,569,480	121,830,971
Deposits on micro insurance scheme	200,834,345	52,524,157	200,834,345	52,524,157
Prepaid commission expenses	48,127,328	43,750,964	48,127,328	43,750,857
Receivable from sale of investments	6,746,358	4,265,838	6,746,358	4,265,838
Cash equivalents which subject to restrictions	9,623,395	8,937,126	9,623,395	8,937,126
Others	38,523,730	42,363,310	39,182,895	42,810,018
Total other assets	<u>778,302,877</u>	<u>553,947,851</u>	<u>778,962,042</u>	<u>554,393,839</u>

As at 30 September 2019, the Company has pledged deposit at financial institutions which amount maturing within 3 months totaling Baht 9.6 million (31 December 2018: Baht 8.9 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 2019		
	Insurance contract	Liabilities	
	liabilities	on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,357,629,269	99,369,957	1,258,259,312
- Provision for claim incurred but not reported	74,676,024	9,608,880	65,067,144
Premium reserves			
- Unearned premium reserves	2,240,500,305	381,991,063	1,858,509,242
Total	<u>3,672,805,598</u>	<u>490,969,900</u>	<u>3,181,835,698</u>

(Unit: Baht)

	Consolidated financial Statements		
	31 December 2018		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,113,404,910	90,627,224	1,022,777,686
- Provision for claim incurred but not reported	57,791,280	5,470,270	52,321,010
Premium reserves			
- Unearned premium reserves	1,964,524,257	312,353,609	1,652,170,648
<b>Total</b>	<b>3,135,720,447</b>	<b>408,451,103</b>	<b>2,727,269,344</b>

(Unit: Baht)

	Separate financial Statements		
	30 September 2019		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,357,002,267	99,369,957	1,257,632,310
- Provision for claim incurred but not reported	74,143,143	9,608,880	64,534,263
Premium reserves			
- Unearned premium reserves	2,238,511,890	381,991,063	1,856,520,827
<b>Total</b>	<b>3,669,657,300</b>	<b>490,969,900</b>	<b>3,178,687,400</b>

(Unit: Baht)

	Separate financial Statements		
	31 December 2018		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,113,241,027	90,627,224	1,022,613,803
- Provision for claim incurred but not reported	57,642,252	5,470,270	52,171,982
Premium reserves			
- Unearned premium reserves	1,963,044,364	312,353,609	1,650,690,755
<b>Total</b>	<b>3,133,927,643</b>	<b>408,451,103</b>	<b>2,725,476,540</b>

**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
	2019	2018	2019	2018
Balance - beginning of the period	1,171,196,190	1,168,300,191	1,170,883,279	1,168,209,890
Claim incurred and loss adjustment expenses for the period	1,962,476,168	2,316,553,386	1,961,145,073	2,314,553,270
Changes in claim reserves and assumptions	(16,863,340)	(100,201,660)	(16,963,052)	(100,276,223)
Claim and loss adjustment expenses paid during the period	(1,684,404,423)	(2,213,449,855)	(1,683,919,890)	(2,211,603,658)
Exchange differences on translation of financial statements in foreign currency	(99,302)	(5,872)	-	-
Balance - end of the period	<u>1,432,305,293</u>	<u>1,171,196,190</u>	<u>1,431,145,410</u>	<u>1,170,883,279</u>

As at 30 September 2019, the Company and its subsidiary have claim reserves and outstanding claims under reinsurance contracts of Baht 0.1 million (Separate financial statements: Baht 0.2 million) (31 December 2018: Baht 0.1 million in consolidated and separate financial statements).

**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
	2019	2018	2019	2018
Balance - beginning of the period	1,964,524,257	1,657,141,941	1,963,044,364	1,656,112,917
Premium written for the period	3,550,239,105	4,155,144,164	3,547,402,632	4,152,256,441
Premium earned for the current period	(3,274,033,954)	(3,847,735,462)	(3,271,935,106)	(3,845,324,994)
Exchange differences on translation of financial statements in foreign currency	(229,103)	(26,386)	-	-
Balance - end of the period	<u>2,240,500,305</u>	<u>1,964,524,257</u>	<u>2,238,511,890</u>	<u>1,963,044,364</u>

**14. Due to reinsurers**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
Outward premium payable	451,205,143	451,416,068	451,205,143	451,416,068
Amounts withheld on reinsurances	115,042,095	55,146,722	115,042,095	55,146,722
Total due to reinsurers	<u>566,247,238</u>	<u>506,562,790</u>	<u>566,247,238</u>	<u>506,562,790</u>

**15. Employee benefit obligations**

Provision for long-term employee benefits, which represents compensation payable to employee after they retire, for the periods ended 30 September 2019 and 31 December 2018 was as follows:

(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
	2019	2018	2019	2018
Provision for employee benefits at beginning of the period	91,215,706	87,820,420	91,215,706	87,820,420
Current service cost	5,884,573	5,956,929	5,884,573	5,956,929
Interest cost	2,700,340	2,634,613	2,700,340	2,634,613
Past service cost	28,799,381	-	28,799,381	-
Actuarial gain arising from experience adjustments	-	(2,691,256)	-	(2,691,256)
Benefits paid during the period	-	(2,505,000)	-	(2,505,000)
Provision for employee benefits at end of the period	<u>128,600,000</u>	<u>91,215,706</u>	<u>128,600,000</u>	<u>91,215,706</u>

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, and subsequently had published in the Royal Gazette and effective since 5 May 2019. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive not less than 400 days' compensation at the latest wage rate. Before the effective date, the Company's management therefore determined to revise employee benefit plan to comply with the draft of the new law from the first quarter onward. This change is considered a post-employment benefits plan amendment and the Company has additional liabilities for long-term employee benefits of Baht 28.8 million. The Company has reflected the effect of such change by recognising past services costs as expenses in the statement of comprehensive income.

## 16. Other liabilities

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
Premium received in advance	256,945,322	231,196,335	256,945,322	231,195,568
Accrued commissions	94,761,144	100,587,016	94,658,013	100,428,354
Accrued operating expenses	100,156,815	94,386,499	99,691,551	93,887,087
Payables on purchase of investments	9,858,632	24,452	9,858,632	24,452
Commission received in advance	56,427,735	57,645,337	56,427,735	57,645,220
Other payable	87,753,843	72,147,519	87,843,280	72,169,777
Others	97,301,412	91,884,730	97,200,284	91,853,092
Total other liabilities	<u>703,204,903</u>	<u>647,871,888</u>	<u>702,624,817</u>	<u>647,203,550</u>



## 17. Operating expenses

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	2019	2018	2019	2018
Personal expenses which are not expenses				
for underwriting and claims	18,540,364	20,671,559	18,380,273	20,493,431
Property and equipment expenses which are				
not expenses for underwriting	23,386,427	24,409,942	22,527,464	23,397,633
Taxes and duties	417,598	378,817	416,081	377,530
Bad debts and doubtful accounts	369,590	389,888	369,590	389,888
Support services expenses	63,827,495	44,772,314	63,824,832	44,772,314
Advertising and promotion expenses	7,992,154	2,272,303	7,987,090	2,251,330
Other operating expenses	11,329,875	7,282,073	11,092,133	6,941,683
Total operating expenses	<u>125,863,503</u>	<u>100,176,896</u>	<u>124,597,463</u>	<u>98,623,809</u>

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	2019	2018	2019	2018
Personal expenses which are not expenses				
for underwriting and claims	65,059,945	59,824,457	64,658,360	59,560,753
Property and equipment expenses which are				
not expenses for underwriting	65,710,504	66,491,791	62,886,109	63,339,697
Taxes and duties	1,566,577	2,230,774	1,563,094	2,228,293
Bad debts and doubtful accounts (reversal)	3,612,165	(1,138,285)	3,612,165	(1,138,285)
Support services expenses	161,983,362	143,253,219	161,976,056	143,253,219
Advertising and promotion expenses	49,051,259	17,315,184	49,001,660	16,701,155
Other operating expenses	30,370,274	22,847,202	29,450,756	21,454,482
Total operating expenses	<u>377,354,086</u>	<u>310,824,342</u>	<u>373,148,200</u>	<u>305,399,314</u>

**18. Earnings per share**

Basic earnings per share is calculated by dividing profit (loss) 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.

**19. Dividend paid**

Dividend declared during the periods consists of the following:

	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Final dividends for 2018	Annual General Meeting of the shareholders on 29 April 2019	60.60	0.20
Final dividends for 2017	Annual General Meeting of the shareholders on 20 April 2018	21.21	0.07

**20. 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.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	For the three-month periods ended 30 September				
	2019	2018	2019	2018	
<b><u>Transactions with subsidiary</u></b>					
<b>Laovivat Insurance Co., Ltd.</b>					
(eliminated from the consolidated financial statements)					
Reinsurance premium written	-	-	197	315	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	-	-	70	64	As stated in the agreement
Claim expenses	-	-	151	162	As actually incurred, in proportions per agreement
Other expenses	-	-	1	-	As stated in the agreement

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 September				
	2019	2018	2019	2018	
<b><u>Transactions with related parties</u></b>					
<b>Thai Reinsurance Plc.</b>					
Premium ceded	149,086	126,193	149,086	126,193	Reinsurance rates depending on type of insurance and reinsurance contract
Commission income	4,045	8,076	4,045	8,076	As stated in the agreement
Claims refunded	15,907	9,658	15,907	9,658	As actually incurred, in proportions per agreement
Reinsurance premium written	-	17	-	17	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	-	5	-	5	As stated in the agreement
Claim expenses	346	-	346	-	As actually incurred, in proportions per agreement
<b>Road Accident Victims Protection Co., Ltd.</b>					
Contribution expenses	2,929	2,659	2,929	2,659	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	2,002	606	2,002	606	As stated in the agreement

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the nine-month periods ended 30 September				
	2019	2018	2019	2018	
<b><u>Transactions with subsidiary</u></b>					
<b>Laovivat Insurance Co., Ltd.</b>					
(eliminated from the consolidated financial statements)					
Reinsurance premium written	-	-	1,263	720	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	-	-	281	145	As stated in the agreement
Claim expenses	-	-	204	347	As actually incurred, in proportions per agreement
Other expenses	-	-	5	23	As stated in the agreement

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the nine-month periods ended 30 September				
	2019	2018	2019	2018	
<b><u>Transactions with related parties</u></b>					
<b>Thai Reinsurance Plc.</b>					
Premium ceded	184,856	167,075	184,856	167,075	Reinsurance rates depending on type of insurance and reinsurance contract
Commission income	10,748	20,725	10,748	20,725	As stated in the agreement
Claims refunded	50,652	29,294	50,652	29,294	As actually incurred, in proportions per agreement
Reinsurance premium written	12	31	12	31	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	13	10	13	10	As stated in the agreement
Claim expenses	412	-	412	-	As actually incurred, in proportions per agreement
Dividend income	-	183	-	183	As declared
<b>Road Accident Victims Protection Co., Ltd.</b>					
Contribution expenses	8,775	8,365	8,775	8,365	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	3,702	1,918	3,702	1,918	As stated in the agreement
<b>T.I.I. Co., Ltd.</b>					
Dividend income	20	20	20	20	As declared
<b>Paiboonwattana Co., Ltd.</b>					
Other income	-	14	-	14	As stated in the agreement

As at 30 September 2019 and 31 December 2018, the Company had the following significant balances of assets and liabilities with its related parties:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
<b><u>Transactions with subsidiary</u></b>				
<b>Laovivat Insurance Co., Ltd.</b>				
Receivables from reinsurance contracts	-	-	1,091,332	805,195
Insurance contract liabilities	-	-	622,455	980,591
Other assets	-	-	890,719	844,426
Other liabilities	-	-	5,152	-
<b><u>Transactions with related parties</u></b>				
<b>Thai Reinsurance Plc.</b>				
Receivables from reinsurance contracts	17,526,733	90,310,962	17,526,733	90,310,962
Investments in equity securities	2,054,932	3,155,789	2,054,932	3,155,789
Amounts due to reinsurers	143,181,178	116,886,105	143,181,178	116,886,105
<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	1,579,984	2,026,620	1,579,984	2,026,620
Other liabilities	2,928,636	3,268,907	2,928,636	3,268,907
<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	49,000	40,000	49,000	40,000

**Directors and management's remuneration**

During the three-month and nine-month periods ended 30 September 2019 and 2018, the Company and its subsidiary 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				
	2019	2018	2019	2018
Short-term employee benefits	18,325,259	21,073,237	18,325,259	21,073,237
Post employee benefits	1,802,359	3,421,529	1,802,359	3,421,529
Total	20,127,618	24,494,766	20,127,618	24,494,766

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the nine-month periods ended 30 September				
	2019	2018	2019	2018
Short-term employee benefits	60,601,534	61,862,970	60,601,534	61,862,970
Post employee benefits	15,990,107	5,947,484	15,990,107	5,947,484
Total	76,591,641	67,810,454	76,591,641	67,810,454

**21. 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.

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 and its subsidiary for the three-month and nine-month periods ended 30 September 2019 and 2018 are as follows:

(Unit: Baht)

Consolidate financial statements								
For the three-month period ended 30 September 2019								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
<b>Underwriting income</b>								
Premium written	36,416,725	2,682,658	955,770,389	423,642,166	1,418,511,938	1,721,819	(197,803)	1,420,035,954
Less: Premium ceded	(25,206,194)	(866,414)	(81,950,630)	(309,078,077)	(417,101,315)	(197,803)	197,803	(417,101,315)
Net premium written	11,210,531	1,816,244	873,819,759	114,564,089	1,001,410,623	1,524,016	-	1,002,934,639
Add (Less): Unearned premium reserves (increase) decrease								
from prior period	493,645	786,555	(78,416,512)	(24,853,602)	(101,989,914)	(577,341)	-	(102,567,255)
Earned premium	11,704,176	2,602,799	795,403,247	89,710,487	899,420,709	946,675	-	900,367,384
Fee and commission income	12,545,009	172,712	29,761,815	25,070,448	67,549,984	69,591	(69,591)	67,549,984
<b>Total underwriting income</b>	<b>24,249,185</b>	<b>2,775,511</b>	<b>825,165,062</b>	<b>114,780,935</b>	<b>966,970,693</b>	<b>1,016,266</b>	<b>(69,591)</b>	<b>967,917,368</b>
<b>Underwriting expenses</b>								
Claim and loss adjustment expenses	130,009	(186,493)	542,852,155	36,251,838	579,047,509	800,255	-	579,847,764
Commission and brokerage expenses	7,586,975	346,199	161,484,124	24,566,657	193,983,955	286,557	(69,591)	194,200,921
Other underwriting expenses	756,378	72,176	55,470,031	39,671,442	95,970,027	58,114	-	96,028,141
<b>Total underwriting expenses before operating expenses</b>	<b>8,473,362</b>	<b>231,882</b>	<b>759,806,310</b>	<b>100,489,937</b>	<b>869,001,491</b>	<b>1,144,926</b>	<b>(69,591)</b>	<b>870,076,826</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>15,775,823</b>	<b>2,543,629</b>	<b>65,358,752</b>	<b>14,290,998</b>	<b>97,969,202</b>	<b>(128,660)</b>	<b>-</b>	<b>97,840,542</b>
Operating expenses					(124,597,463)	(1,267,298)	1,258	(125,863,503)
<b>Loss from underwriting</b>					<b>(26,628,261)</b>	<b>(1,395,958)</b>	<b>1,258</b>	<b>(28,022,961)</b>
Investment income					19,410,915	637,889	-	20,048,804
Gain on investments					2,765,367	-	-	2,765,367
Loss on fair value adjustment					(12,967,376)	-	-	(12,967,376)
Other income (expenses)					2,545,425	(8,093)	(1,258)	2,536,074
<b>Loss before income tax</b>					<b>(14,873,930)</b>	<b>(766,162)</b>	<b>-</b>	<b>(15,640,092)</b>
Income tax revenue					2,952,539	-	-	2,952,539
<b>Loss for the period</b>					<b>(11,921,391)</b>	<b>(766,162)</b>	<b>-</b>	<b>(12,687,553)</b>

## Consolidate financial statements

For the three-month period ended 30 September 2018

	Total of the Company				Total	Total of subsidiary	Elimination	Total
	Fire	Marine and transportation	Motor	Miscellaneous				
<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>								
Claim 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)
Gain on fair value adjustment					26,722,183	-	-	26,722,183
Other income					2,369,323	5,251	-	2,374,574
<b>Profit (loss) before income tax</b>					<b>129,134,876</b>	<b>(1,070,065)</b>	<b>-</b>	<b>128,064,811</b>
Income tax expenses					(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>



(Unit: Baht)

## Consolidate financial statements

For the nine-month period ended 30 September 2019

	Total of the Company					Total of subsidiary	Elimination	Total
	Fire	Marine and transportation	Motor	Miscellaneous	Total			
<b>Underwriting income</b>								
Premium written	111,027,093	9,818,050	2,669,370,752	757,186,737	3,547,402,632	4,100,010	(1,263,537)	3,550,239,105
Less: Premium ceded	(77,544,782)	(2,309,063)	(232,735,496)	(495,288,711)	(807,878,052)	(1,263,537)	1,263,537	(807,878,052)
Net premium written	33,482,311	7,508,987	2,436,635,256	261,898,026	2,739,524,580	2,836,473	-	2,742,361,053
Add (Less): Unearned premium reserves (increase) decrease from prior period	1,264,867	(406,250)	(163,759,871)	(42,928,818)	(205,830,072)	(571,522)	-	(206,401,594)
Earned premium	34,747,178	7,102,737	2,272,875,385	218,969,208	2,533,694,508	2,264,951	-	2,535,959,459
Fee and commission income	38,436,271	439,139	83,435,872	58,379,616	180,690,898	280,760	(280,760)	180,690,898
<b>Total underwriting income</b>	<b>73,183,449</b>	<b>7,541,876</b>	<b>2,356,311,257</b>	<b>277,348,824</b>	<b>2,714,385,406</b>	<b>2,545,711</b>	<b>(280,760)</b>	<b>2,716,650,357</b>
<b>Underwriting expenses</b>								
Claim and loss adjustment expenses	2,490,855	150,116	1,409,630,164	117,159,779	1,529,430,914	2,342,483	-	1,531,773,397
Commission and brokerage expenses	23,927,199	1,269,531	450,746,715	71,673,262	547,616,707	658,848	(280,760)	547,994,795
Other underwriting expenses	3,749,503	407,569	185,782,856	72,151,648	262,091,576	152,922	-	262,244,498
<b>Total underwriting expenses before operating expenses</b>	<b>30,167,557</b>	<b>1,827,216</b>	<b>2,046,159,735</b>	<b>260,984,689</b>	<b>2,339,139,197</b>	<b>3,154,253</b>	<b>(280,760)</b>	<b>2,342,012,690</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>43,015,892</b>	<b>5,714,660</b>	<b>310,151,522</b>	<b>16,364,135</b>	<b>375,246,209</b>	<b>(608,542)</b>	<b>-</b>	<b>374,637,667</b>
Operating expenses					(373,148,200)	(4,211,038)	5,152	(377,354,086)
<b>Profit (loss) from underwriting</b>					<b>2,098,009</b>	<b>(4,819,580)</b>	<b>5,152</b>	<b>(2,716,419)</b>
Investment income					54,091,787	2,011,922	-	56,103,709
Gain on investments					28,733,724	-	-	28,733,724
Gain on fair value adjustment					18,117,842	-	-	18,117,842
Other income (expenses)					6,322,565	(12,058)	(5,152)	6,305,355
<b>Profit (loss) before income tax</b>					<b>109,363,927</b>	<b>(2,819,716)</b>	<b>-</b>	<b>106,544,211</b>
Income tax expenses					(18,243,151)	-	-	(18,243,151)
<b>Profit (loss) for the period</b>					<b>91,120,776</b>	<b>(2,819,716)</b>	<b>-</b>	<b>88,301,060</b>

Consolidate financial statements								
For the nine-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	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>								
Claim 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					(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</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>

For the nine-month periods ended 30 September 2019 and 2018, the Company has premium written from three major brokers in amounting of Baht 1,319.4 million and Baht 1,443.6 million, respectively.

Segment assets and liabilities of the Company and its subsidiary as at 30 September 2019 and 31 December 2018 are as follows:

(Unit: Baht)

	Consolidated financial statements								
	Total of the Company						Total of subsidiary	Eliminations	Total
	Fire	Marine and transportation	Motor	Miscellaneous	Unallocated	Total			
<b>Assets</b>									
As at 30 September 2019	169,537,622	2,952,401	955,447,461	489,692,585	4,782,984,762	6,400,614,831	53,083,501	(53,095,960)	6,400,602,372
As at 31 December 2018	181,465,391	1,775,149	880,258,749	316,637,525	4,261,947,639	5,642,084,453	58,948,236	(51,590,212)	5,649,442,477
<b>Liabilities</b>									
As at 30 September 2019	285,982,352	6,070,572	3,404,082,490	856,636,667	517,631,879	5,070,403,960	6,680,089	(2,951,705)	5,074,132,344
As at 31 December 2018	291,048,762	4,239,989	2,996,146,024	702,859,505	400,036,009	4,394,330,289	5,091,354	(2,630,212)	4,396,791,431

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

As at 30 September 2019 and 31 December 2018, the Company and its subsidiary had pledged and reserved the following assets with the Registrar in accordance with the Non-life Insurance Act.

(Unit: Million Baht)

	Consolidated financial statements			
	30 September 2019		31 December 2018	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Asset pledged</b>				
Fixed deposit	18.7	18.7	20.3	20.3
Government bonds	15.1	15.7	15.1	15.1
Total	33.8	34.4	35.4	35.4
<b>Assets reserved</b>				
Government bonds	245.5	249.9	216.6	217.7
State enterprise debt securities	80.0	81.6	80.0	80.2
Private debt securities	40.0	43.1	50.0	53.2
Total	365.5	374.6	346.6	351.1
Total	399.3	409.0	382.0	386.5

(Unit: Million Baht)

	Separate financial statements			
	30 September 2019		31 December 2018	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Asset pledged</b>				
Government bonds	15.1	15.7	15.1	15.1
Total	15.1	15.7	15.1	15.1
<b>Assets reserved</b>				
Government bonds	245.5	249.9	216.6	217.7
State enterprise debt securities	80.0	81.6	80.0	80.2
Private debt securities	40.0	43.1	50.0	53.2
Total	365.5	374.6	346.6	351.1
Total	380.6	390.3	361.7	366.2

## 23. Commitments and contingent liabilities

### 23.1 Capital commitments

As at 30 September 2019, the Company has capital commitments of approximately Baht 1.9 million, relating to the construction of buildings and equipment (31 December 2018: Baht 2.9 million).

### 23.2 Operating lease commitments

The Company and its subsidiary have 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 2019 and 31 December 2018, 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 September	31 December	30 September	31 December
	2019	2018	2019	2018
Payable:				
Within 1 year	1.4	1.3	0.9	0.9
Over 1 year and not over 5 years	1.4	2.5	0.5	1.2

### 23.3 Bank guarantees

As at 30 September 2019, there were outstanding bank guarantees of Baht 1.9 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 2018: Baht 1.9 million).

### 23.4 Litigation

As at 30 September 2019, the Company has been sued as insurer for damages totaling approximately Baht 95.1 million (amount claimed). The cases have yet to be finalised. However, the Company has set aside reserves for contingent loss in the financial statements amounting to approximately Baht 36.3 million, with the recoverable portion from reinsurers amounting to Baht 3.0 million. The Company's management believes that such reserve is adequate (31 December 2018: Baht 48.1 million, Baht 17.1 million and Baht 1.9 million, respectively).

## 24. Fair value of financial instruments

As at 30 September 2019 and 31 December 2018, 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 2019			
	Book value	Fair value		Total
	Level 1	Level 2		
Held for trading investments				
Equity securities	326.4	326.4	-	326.4
Private debt securities	21.1	-	21.1	21.1
Unit trusts	15.4	15.4	-	15.4
Available-for-sale investments				
Government and state enterprise debt securities				
Government and state enterprise debt securities	81.6	-	81.6	81.6
Private debt securities	427.5	-	427.5	427.5
Equity securities	99.1	99.1	-	99.1
Unit trusts	2,358.3	224.5	2,133.8	2,358.3

(Unit: Million Baht)

Consolidated and separate financial statements				
31 December 2018				
	Book value	Fair value		Total
		Level 1	Level 2	
Held for trading investments				
Equity securities	231.3	231.3	-	231.3
Available-for-sale investments				
Government and state enterprise debt securities				
Private debt securities	90.3	-	90.3	90.3
Equity securities	434.1	-	434.1	434.1
Unit trusts	112.0	112.0	-	112.0
	1,593.1	170.0	1,423.1	1,593.1

The Company has 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.

## 25. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 November 2019.