

Thaivivat Insurance Public Company Limited and its subsidiary
Review report and interim financial statements
31 March 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 31 March 2018, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three-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: 11 May 2018

Thaivivat Insurance Public Company Limited and its subsidiary

Statements of financial position

As at 31 March 2018

	Note	Consolidated financial statements		Separate financ
		31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	31 March 2018 (Unaudited but reviewed)
Assets				
Cash and cash equivalents	3	263,199,162	240,644,140	261,504,841
Premium receivables	4	418,961,369	483,827,953	418,926,719
Accrued investment income		12,128,328	9,005,242	9,382,845
Reinsurance assets	5	442,278,648	476,374,747	442,278,648
Reinsurance from receivables contracts	6	45,152,234	51,583,665	45,936,381
Investment assets				
Investments in securities	7	3,061,478,466	3,034,526,290	3,012,939,799
Loans	8	3,798,970	5,714,562	3,798,970
Investment in subsidiary	9	-	-	67,200,000
Property, buildings and equipment	10	286,897,876	292,108,672	280,352,002
Goodwill		18,240,000	18,720,000	-
Intangible assets - computer software		5,899,685	6,361,779	5,775,306
Deferred tax assets	11	68,835,009	79,009,259	68,835,009
Other assets	12	481,366,742	523,785,290	481,317,803
Total assets		5,108,236,489	5,221,661,599	5,098,248,323

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 31 March 2018

	Note	Consolidated financial statements		Separate financ
		31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	31 March 2018 (Unaudited but reviewed)
Liabilities and equity				
Liabilities				
Insurance contract liabilities	13	2,853,072,906	2,825,442,132	2,851,710,699
Due to reinsurers	14	392,822,937	507,547,684	392,822,937
Income tax payable		2,733,885	2,733,885	2,733,885
Employee benefit obligations		89,968,306	87,820,420	89,968,306
Other liabilities	15	536,526,663	615,364,431	535,897,533
Total liabilities		3,875,124,697	4,038,908,552	3,873,133,360
Equity				
Share capital				
Registered				
303,000,000 ordinary shares of Baht 1 each		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
Premium on share capital		163,800,007	163,800,007	163,800,007
Retained earnings				
Appropriated - statutory reserve		30,300,000	30,300,000	30,300,000
Unappropriated		577,929,971	528,219,520	580,658,353
Other components of equity				
Surplus on changes in value of available-for-sale investments				
	7.2	147,356,603	144,151,377	147,356,603
Exchange differences on translation of financial statements in foreign currency				
		(6,361,837)	(4,800,000)	-
Equity attributable to shareholders of the Company		1,216,024,744	1,164,670,904	1,225,114,963
Non-controlling interests of the subsidiary		17,087,048	18,082,143	
Total equity		1,233,111,792	1,182,753,047	1,225,114,963
Total liabilities and equity		5,108,236,489	5,221,661,599	5,098,248,323
		-	-	-

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

Directors

(Unit: Baht)

Financial statements

31 December 2017

(Audited)

237,379,687

483,761,041

6,905,382

476,374,747

52,070,930

2,984,710,290

5,714,562

67,200,000

284,832,877

-

6,172,919

79,009,259

524,067,481

5,208,199,175

(Unit: Baht)

Financial statements

31 December 2017

(Audited)

2,824,322,807

507,547,684

2,733,885

87,820,420

614,815,140

4,037,239,936

303,000,000

303,000,000

163,800,007

30,300,000

529,707,855

144,151,377

-

1,170,959,239

1,170,959,239

5,208,199,175

-

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited and its subsidiary**Statements of comprehensive income****For the three-month period ended 31 March 2018**

(Unit: Baht)

	Note	Consolidated		
		financial statements	Separate financial statements	
		2018	2018	2017
Profit or loss:				
Income				
Gross premium written		947,877,950	947,166,074	837,348,565
Less: Premium ceded to reinsurers		(160,005,315)	(160,005,315)	(181,420,572)
Net premium written		787,872,635	787,160,759	655,927,993
less: Unearned premium reserves increase				
from prior period		(76,586,598)	(76,321,913)	(58,156,198)
Net earned premium		711,286,037	710,838,846	597,771,795
Fee and commission income		53,114,501	53,114,501	49,162,905
Investment income		19,340,612	18,597,226	14,549,919
Gain (loss) on investments		(366,524)	(366,524)	7,619,230
Loss on fair value adjustment of investments		(6,270,475)	(6,270,475)	(10,288,790)
Other income		1,350,215	1,428,746	1,166,097
Total income		778,454,366	777,342,320	659,981,156
Expenses				
Claims and loss adjustment expenses		474,414,710	473,981,693	454,237,637
Less: Claim recovered from reinsurers		(81,611,712)	(81,611,712)	(89,928,052)
Commission and brokerage expenses		166,814,462	166,739,538	139,997,217
Other underwriting expenses		58,642,018	58,601,928	47,921,931
Operating expenses	16	100,131,145	97,795,633	90,090,275
Total expenses		718,390,623	715,507,080	642,319,008
Profit before income tax		60,063,743	61,835,240	17,662,148
Income tax expenses	11	(10,884,742)	(10,884,742)	(1,578,724)
Profit for the period		49,179,001	50,950,498	16,083,424

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 three-month period ended 31 March 2018**

(Unit: Baht)

	Note	Consolidated	Separate financial statements	
		financial statements	2018	2017
		2018	2018	2017
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Exchange differences on translation of financial statements in foreign currency (loss)		(2,025,482)	-	-
Gain on changes in value of available-for-sale investments		4,006,532	4,006,532	8,631,279
Income tax effect		(801,306)	(801,306)	(1,726,256)
Other comprehensive income for the period - net of income tax		<u>1,179,744</u>	<u>3,205,226</u>	<u>6,905,023</u>
Total comprehensive income for the period		<u>50,358,745</u>	<u>54,155,724</u>	<u>22,988,447</u>
Profit for the period attributable to:				
Equity holders of the Company		49,710,451	50,950,498	16,083,424
Non-controlling interests of the subsidiary (loss)		(531,450)		
		<u>49,179,001</u>		
Total comprehensive income for the period attributable to:				
Equity holders of the Company		51,353,840	54,155,724	22,988,447
Non-controlling interests of the subsidiary (loss)		(995,095)		
		<u>50,358,745</u>		
Earnings per share				
Basic earnings per share	17			
Profit attributable to equity holders of the Company		<u>0.16</u>	<u>0.17</u>	<u>0.05</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 three-month period ended 31 March 2018

(Unit: Baht)

	Consolidated		
	financial statements	Separate financial statements	
	2018	2018	2017
Cash flows from (used in) operating activities			
Direct premium written	1,008,922,182	1,007,803,578	864,287,567
Cash paid for reinsurance	(59,111,394)	(59,120,910)	(51,695,830)
Interest income	6,794,574	6,750,655	6,489,220
Dividend income	9,269,260	9,269,260	6,916,639
Other investment income	646,540	646,540	622,240
Other income	826,743	882,056	477,107
Claim incurred on direct insurance	(528,107,689)	(527,900,285)	(433,570,836)
Loss adjustment expenses on direct insurance	(9,273,817)	(9,269,219)	(7,826,927)
Commission and brokerage on direct insurance	(167,776,506)	(167,651,200)	(147,621,339)
Other underwriting expenses	(33,668,373)	(33,668,373)	(25,880,523)
Operating expenses	(178,109,521)	(176,034,059)	(192,918,273)
Income tax	(1,847,349)	(1,847,349)	(1,779,565)
Investments in securities	(26,685,513)	(26,685,513)	(26,002,423)
Loans	1,915,591	1,915,591	3,049,495
Deposits at financial institutions	(170,531)	(170,531)	29,990,427
Net cash from operating activities	23,624,197	24,920,241	24,536,979
Cash flows from (used in) investing activities			
Cash paid for purchases of property, buildings and equipment	(985,471)	(795,087)	(2,407,074)
Cash received from disposals of equipment	-	-	119,598
Net cash used in investing activities	(985,471)	(795,087)	(2,287,476)
Decrease in translation adjustments	(83,704)	-	-
Net increase in cash and cash equivalents	22,555,022	24,125,154	22,249,503
Cash and cash equivalents at beginning of period	240,644,140	237,379,687	228,894,842
Cash and cash equivalents at end of period	263,199,162	261,504,841	251,144,345
	-	-	-

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 three-month period ended 31 March 2018

(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			
Balance as at 1 January 2018	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	-	-	-	49,710,451	-	-	49,710,451	(531,450)	49,179,001
Other comprehensive income for the period (loss)	-	-	-	-	3,205,226	(1,561,837)	1,643,389	(463,645)	1,179,744
Total comprehensive income for the period (loss)	-	-	-	49,710,451	3,205,226	(1,561,837)	51,353,840	(995,095)	50,358,745
Balance as at 31 December 2018	303,000,000	163,800,007	30,300,000	577,929,971	147,356,603	(6,361,837)	1,216,024,744	17,087,048	1,233,111,792
	-	-	-	-	-	-	-	-	-

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 three-month period ended 31 March 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		
Balance as at 1 January 2017	303,000,000	163,800,007	30,300,000	514,867,659	92,609,090	1,104,576,756
Profit for the period	-	-	-	16,083,424	-	16,083,424
Other comprehensive income for the period	-	-	-	-	6,905,023	6,905,023
Total comprehensive income for the period	-	-	-	16,083,424	6,905,023	22,988,447
Balance as at 31 March 2017	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>530,951,083</u>	<u>99,514,113</u>	<u>1,127,565,203</u>
Balance as at 1 January 2018	303,000,000	163,800,007	30,300,000	529,707,855	144,151,377	1,170,959,239
Profit for the period	-	-	-	50,950,498	-	50,950,498
Other comprehensive income for the period	-	-	-	-	3,205,226	3,205,226
Total comprehensive income for the period	-	-	-	50,950,498	3,205,226	54,155,724
Balance as at 31 March 2018	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>580,658,353</u>	<u>147,356,603</u>	<u>1,225,114,963</u>
	-	-	-	-	-	-

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 period ended 31 March 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 the 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 include the financial statements of Thaivivat Insurance Public Company Limited (“the Company”) and the following subsidiary (“the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 March 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 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.

2.2 New financial reporting standards

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.

Financial reporting standard 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. Key principles of this standard 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 Group is in the process of evaluating the impact of this standard to 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 2017.

3. Cash and cash equivalents

	(Unit : Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
Cash on hand	1,578,069	889,444	1,571,852	883,465
Deposits at banks with no fixed maturity date	258,360,096	236,347,640	256,671,992	233,089,166
Deposits at banks and certificate of deposit				
with fixed maturity date	3,260,997	3,407,056	3,260,997	3,407,056
Cash and cash equivalents	<u>263,199,162</u>	<u>240,644,140</u>	<u>261,504,841</u>	<u>237,379,687</u>

As at 31 March 2018, saving deposits and fixed deposits carried interest between 0.25% and 1.25 % per annum (Separate financial statements: between 0.25% and 0.75% 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 31 March 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	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Not yet due	358,149,230	365,115,966	358,140,053	365,110,684
Not over 30 days	33,459,949	26,238,767	33,434,476	26,179,021
Over 30 days to 60 days	18,680,931	10,198,385	18,680,931	10,196,501
Over 60 days to 90 days	2,412,163	4,358,689	2,412,163	4,358,689
Over 90 days	7,995,236	81,272,927	7,995,236	81,272,927
Total premium receivables	420,697,509	487,184,734	420,662,859	487,117,822
Less: Allowance for doubtful accounts	(1,736,140)	(3,356,781)	(1,736,140)	(3,356,781)
Total premium receivables, net	418,961,369	483,827,953	418,926,719	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.

5. Reinsurance assets

	(Unit : Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Insurance reserves refundable from reinsurers				
Claim reserves and outstanding claims	113,123,507	187,269,811	113,123,507	187,269,811
Unearned premium reserves	329,155,141	289,104,936	329,155,141	289,104,936
Reinsurance assets	442,278,648	476,374,747	442,278,648	476,374,747

6. Receivables from reinsurance contracts

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Amounts due from reinsurers	45,152,234	51,583,665	45,936,381	52,070,930
Receivables from reinsurance contracts	45,152,234	51,583,665	45,936,381	52,070,930

As at 31 March 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	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Not yet due	15,363,987	23,370,044	15,664,390	23,857,309
Not over 1 year	29,442,336	27,873,657	29,926,080	27,873,657
Over 1 year to 2 years	345,911	339,964	345,911	339,964
Total amounts due from reinsurers	45,152,234	51,583,665	45,936,381	52,070,930

7. Investments in securities

7.1 Classified by type of investments

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

	(Unit : Baht)			
	Consolidated financial statements			
	31 March 2018		31 December 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Trading investments				
Equity securities	213,970,609	211,165,517	274,723,621	277,621,774
Warrants	-	-	-	567,230
Total	213,970,609	211,165,517	274,723,621	278,189,004
Add (less): Unrealised gain (loss)	(2,805,092)	-	3,465,383	-
Trading investments, net	211,165,517	211,165,517	278,189,004	278,189,004
Available-for-sale investments				
Government and state enterprise securities	90,021,713	92,013,272	90,023,019	91,757,455
Private debt securities	475,112,133	483,351,386	485,102,103	492,564,411
Equity securities	50,506,668	130,159,051	50,506,668	127,527,671
Unit trusts	1,623,457,505	1,717,770,063	1,443,836,555	1,537,808,029
Total	2,239,098,019	2,423,293,772	2,069,468,345	2,249,657,566
Add: Unrealised gain	184,195,753	-	180,189,221	-
Less: Allowance for impairment	(176,283)	(176,283)	(176,283)	(176,283)
Available-for-sale investments, net	2,423,117,489	2,423,117,489	2,249,481,283	2,249,481,283
Held-to-maturity investments				
Government and state enterprise securities	268,841,089		347,238,505	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	154,633,721		155,896,848	
Total	424,315,810		503,976,353	
Less: Allowance for impairment	(841,000)		(841,000)	
Held-to-maturity investments, net	423,474,810		503,135,353	
Other investments				
Equity securities	3,720,650		3,720,650	
Other investments, net	3,720,650		3,720,650	
Total investments in securities	3,061,478,466		3,034,526,290	

(Unaudited but reviewed)

(Unit : Baht)

	Separate financial statements			
	31 March 2018		31 December 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Trading investments				
Equity securities	213,970,609	211,165,517	274,723,621	277,621,774
Warrants	-	-	-	567,230
Total	213,970,609	211,165,517	274,723,621	278,189,004
Add (less): Unrealised gain (loss)	(2,805,092)	-	3,465,383	-
Trading investments, net	211,165,517	211,165,517	278,189,004	278,189,004
Available-for-sale investments				
Government and state enterprise securities	90,021,713	92,013,272	90,023,019	91,757,455
Private debt securities	475,112,133	483,351,386	485,102,103	492,564,411
Equity securities	50,506,668	130,159,051	50,506,668	127,527,671
Unit trusts	1,623,457,505	1,717,770,063	1,443,836,555	1,537,808,029
Total	2,239,098,019	2,423,293,772	2,069,468,345	2,249,657,566
Add: Unrealised gain	184,195,753	-	180,189,221	-
Less: Allowance for impairment	(176,283)	(176,283)	(176,283)	(176,283)
Available-for-sale investments, net	2,423,117,489	2,423,117,489	2,249,481,283	2,249,481,283
Held-to-maturity investments				
Government and state enterprise securities	268,841,089		347,238,505	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	106,095,054		106,080,848	
Total	375,777,143		454,160,353	
Less: Allowance for impairment	(841,000)		(841,000)	
Held-to-maturity investments, net	374,936,143		453,319,353	
Other investments				
Equity securities	3,720,650		3,720,650	
Other investments, net	3,720,650		3,720,650	
Total investments in securities	3,012,939,799		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
	three-month	year ended	three-month	year ended
	period ended	period ended	period ended	year ended
	31 March	31 December	31 March	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	2,318,115	76,274,071	2,318,115	76,274,071
Loss (gain) on sales recognised in profit or loss during the period	1,688,417	(11,846,212)	1,688,417	(11,846,212)
Balance - end of the period	184,195,753	180,189,221	184,195,753	180,189,221
Less: Income tax	(36,839,150)	(36,037,844)	(36,839,150)	(36,037,844)
Balance - end of the period, net of income tax	<u>147,356,603</u>	<u>144,151,377</u>	<u>147,356,603</u>	<u>144,151,377</u>

7.3 Investments subject to restriction

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

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
Government debt securities which pledged for				
Bail bond in cases where insured drivers have been charged with criminal offense	503,038	504,570	503,038	504,570
Guarantee electricity use	1,024,542	1,029,529	1,024,542	1,029,529
Deposit at bank which pledged for				
Bail bond in cases where insured drivers have been charged with criminal offense	3,318,306	3,172,932	3,318,306	3,172,932
Bank overdraft	3,000,000	3,000,000	3,000,000	3,000,000
Letter of bank guarantee	5,000,000	5,000,000	5,000,000	5,000,000
Total	<u>12,845,886</u>	<u>12,707,031</u>	<u>12,845,886</u>	<u>12,707,031</u>

Furthermore, the Company placed part of its investments in securities with the Registrar as described in Note 20 to the interim financial statements.

8. Loans

As at 31 March 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							
31 March 2018							
Outstanding period	Mortgage loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest	Total
Not yet due	2,380,035	-	1,418,935	-	3,798,970	-	3,798,970
Overdue							
Over 12 months	600,873	152,939	-	-	600,873	152,939	753,812
Total	2,980,908	152,939	1,418,935	-	4,399,843	152,939	4,552,782
Less: Allowance for doubtful accounts	(600,873)	(152,939)	-	-	(600,873)	(152,939)	(753,812)
Loans, net	2,380,035	-	1,418,935	-	3,798,970	-	3,798,970

(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

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

Company's name	Paid up capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 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.

On the acquisition date, the Company calculated fair values of the assets acquired and the liabilities assumed of that subsidiary and noted that acquisition price was higher than value of net assets acquired, the Company therefore presented the difference of the cost of business acquisition higher than net asset value as goodwill amounting to LAK 4,800 million or Baht 19.68 million.

10. Property, buildings and equipment

Movement of property, buildings and equipment for the three-month period ended 31 March 2018 is summarised below:

	(Unit: Baht)					
	Consolidated financial statements					
	Land	Buildings	Fixtures	Office equipment	Vehicles	Total
Net book value as at						
1 January 2018	194,027,280	50,162,866	17,390,479	13,915,739	16,612,308	292,108,672
Acquisitions during period						
- at cost	-	-	348,210	613,261	24,000	985,471
Depreciation for the period	-	(833,956)	(1,748,105)	(1,730,847)	(1,696,802)	(6,009,710)
Exchange differences on translation of financial statements in foreign currency	-	-	(107,025)	(51,188)	(28,344)	(186,557)
Net book value as at						
31 March 2018	<u>194,027,280</u>	<u>49,328,910</u>	<u>15,883,559</u>	<u>12,746,965</u>	<u>14,911,162</u>	<u>286,897,876</u>

(Unit: Baht)

	Separate financial statements					
	Land	Buildings	Fixtures	Office		Total
				equipment	Vehicles	
Net book value as at						
1 January 2018	194,027,280	50,162,866	13,216,503	11,919,337	15,506,891	284,832,877
Acquisitions during period						
- at cost	-	-	195,450	575,637	24,000	795,087
Depreciation for the period	-	(833,956)	(1,155,769)	(1,644,376)	(1,641,861)	(5,275,962)
Net book value as at						
31 March 2018	<u>194,027,280</u>	<u>49,328,910</u>	<u>12,256,184</u>	<u>10,850,598</u>	<u>13,889,030</u>	<u>280,352,002</u>

11. Deferred tax assets/Income tax expenses

11.1 Deferred tax assets

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

	(Unit: Baht)			
	Consolidated and separate		Change in deferred tax assets	
	financial statements		or liabilities that are recognised	
			in profit or loss for the three-month	
	31 March	31 December	periods ended 31 March	
	2018	2017	2018	2017
Deferred tax assets				
Allowance for doubtful accounts	6,770,286	7,212,358	(442,072)	(428,466)
Unearned premium reserves	62,337,428	57,571,667	4,765,761	9,421,057
Provision for claim incurred but not yet reported and outstanding claims	18,011,765	33,392,071	(15,380,306)	(5,218,732)
Loss on changes in value of trading securities	561,019	-	561,019	2,057,757
Post employee benefit obligations	17,993,661	17,564,084	429,577	374,126
Total	<u>105,674,159</u>	<u>115,740,180</u>		
Deferred tax liabilities				
Gain on changes in value of				
Trading securities	-	693,077	693,077	-
Available-for-sale securities	36,839,150	36,037,844		
Gain on exchange rate	-	-	-	640,042
Total	<u>36,839,150</u>	<u>36,730,921</u>		
Deferred tax assets, net	<u>68,835,009</u>	<u>79,009,259</u>		
Changes in deferred tax assets or liabilities that are recognised in profit or loss			<u>(9,372,944)</u>	<u>6,845,784</u>

11.2 Income tax expenses

The income tax expenses for the three-month periods ended 31 March 2018 and 2017 are as follows:

(Unit: Baht)

	Consolidated		
	financial statements	Separate financial statements	
	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2017
Current income tax:			
Corporate income tax charge			
in accordance with Revenue Code	1,511,798	1,511,798	8,424,508
Deferred tax:			
Relating to origination and reversal of temporary differences	9,372,944	9,372,944	(6,845,784)
Income tax expenses reported in the statements of comprehensive income	10,884,742	10,884,742	1,578,724

Reconciliation between income tax expenses and the product of accounting profit and the applicable tax rate for the three-month periods ended 31 March 2018 and 2017 are as follows:

(Unit: Baht)

	Consolidated		
	financial statements	Separate financial statements	
	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2017
Accounting profit before income tax expenses	60,063,743	61,835,240	17,662,148
Applicable corporate income tax rate	20%, 24%	20%	20%
Income tax at the applicable tax rate	11,941,889	12,367,048	3,532,430
Net 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	(1,057,147)	(1,482,306)	(1,953,706)
Income tax expenses reported in the statements of comprehensive income	10,884,742	10,884,742	1,578,724

12. Other assets

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Claim receivables from litigants, net	222,202,681	213,944,329	222,202,681	213,944,329
Advance payment of ceded premium	127,548,077	130,140,655	127,548,077	130,140,655
Deposits on rice field insurance scheme	32,570,700	72,835,390	32,570,700	72,835,390
Prepaid commission expenses	44,211,084	45,269,123	44,211,084	45,269,123
Receivable from sale of investments	277,947	7,198,913	277,947	7,198,913
Cash equivalents which subject to restrictions	8,426,326	8,270,000	8,426,326	8,270,000
Others	46,129,927	46,126,880	46,080,988	46,409,071
Total other assets	481,366,742	523,785,290	481,317,803	524,067,481

As at 31 March 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		
	31 March 2018		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,022,751,632	109,822,392	912,929,240
- Provision for claim incurred but not reported	56,568,916	3,301,115	53,267,801
Premium reserves			
- Unearned premium reserves	1,773,752,358	329,155,141	1,444,597,217
Total	2,853,072,906	442,278,648	2,410,794,258

(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		
	31 March 2018		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,022,810,394	109,822,392	912,988,002
- Provision for claim incurred but not reported	56,415,269	3,301,115	53,114,154
Premium reserves			
- Unearned premium reserves	1,772,485,036	329,155,141	1,443,329,895
Total	2,851,710,699	442,278,648	2,409,432,051

(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
	three-month	year ended	three-month	year ended
	period ended	31 December	period ended	31 December
	31 March 2018	2017	31 March 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	514,689,185	2,030,296,600	514,573,052	2,030,025,768
Changes in claim reserves and assumptions	(22,469,894)	38,993,496	(22,549,077)	38,955,279
Claim and loss adjustment expenses paid during the period	(581,193,062)	(1,901,048,565)	(581,008,202)	(1,900,829,817)
Exchange differences on translation of financial statements in foreign currency	(5,872)	-	-	-
Balance - end of the period	<u>1,079,320,548</u>	<u>1,168,300,191</u>	<u>1,079,225,663</u>	<u>1,168,209,890</u>

As at 31 March 2018, the Company has claim reserves and outstanding claims under reinsurance contracts of Baht 0.5 million (31 December 2017: Baht 0.3 million).

13.2 Unearned premium reserves

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the
	three-month	year ended	three-month	year ended
	period ended	31 December	period ended	31 December
	31 March 2018	2017	31 March 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	947,877,950	3,547,253,747	947,166,074	3,545,875,526
Premium earned for the current period	(831,241,146)	(3,466,193,486)	(830,793,955)	(3,465,844,289)
Exchange differences on translation of financial statements in foreign currency	(26,387)	-	-	-
Balance - end of the period	<u>1,773,752,358</u>	<u>1,657,141,941</u>	<u>1,772,485,036</u>	<u>1,656,112,917</u>

14. Due to reinsurers

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
Outward premium payable	269,345,678	383,781,937	269,345,678	383,781,937
Amounts withheld on reinsurances	123,477,259	123,765,747	123,477,259	123,765,747
Total due to reinsurers	<u>392,822,937</u>	<u>507,547,684</u>	<u>392,822,937</u>	<u>507,547,684</u>

15. Other liabilities

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
Premium received in advance	234,857,430	240,284,247	234,857,430	240,284,247
Accrued commissions	90,259,390	92,285,778	90,178,845	92,228,550
Accrued operating expenses	44,063,700	60,561,966	43,467,178	60,098,856
Payables on purchase of investments	-	3,127,233	-	3,127,233
Commission received in advance	59,332,759	60,177,350	59,332,759	60,177,350
Other payable	56,079,523	57,331,941	56,097,015	55,669,675
Others	51,933,861	101,595,916	51,964,306	103,229,229
Total other liabilities	<u>536,526,663</u>	<u>615,364,431</u>	<u>535,897,533</u>	<u>614,815,140</u>

16. Operating expenses

(Unit: Baht)

	Consolidated		
	financial statements	Separate financial statements	
	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2017
Personal expenses which are not expenses for underwriting and claims	20,874,116	20,837,523	20,384,762
Property and equipment expenses which are not expenses for underwriting	20,267,710	19,209,879	19,397,127
Taxes and duties	1,415,180	1,415,180	681,117
Reversal of bad debts and doubtful accounts	(1,620,641)	(1,620,641)	(2,463,646)
Support services expenses	46,254,497	46,254,497	34,326,975
Advertising and promotion expenses	6,209,551	5,635,819	9,305,214
Other operating expenses	6,730,732	6,063,376	8,458,726
Total operating expenses	<u>100,131,145</u>	<u>97,795,633</u>	<u>90,090,275</u>

17. Earnings per share

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

18. 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 financial		Pricing policies
	financial statements		statements		
	For the three-month		For the three-month periods		
	period ended	31 March	ended 31 March		
	2018	2018	2017		
<u>Transactions with subsidiary</u>					
Laovivat Insurance Co., Ltd.					
(eliminated from the consolidated financial statements)					
Reinsurance premium written	-	376	-	-	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission expenses	-	75	-	-	As stated in the agreement upon normal commercial terms
Claim expenses	-	77	-	-	As actually incurred
<u>Transactions with related parties</u>					
Thai Reinsurance Plc.					
Premium ceded	21,067	21,067	19,976	-	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission income	6,306	6,306	5,460	-	As stated in the agreement upon normal commercial terms
Claims refunded	14,174	14,174	7,091	-	As actually incurred, in proportions per agreement
Reinsurance premium written	14	14	9	-	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission expenses	5	5	3	-	As stated in the agreement upon normal commercial terms
Claim expenses	-	-	339	-	As actually incurred
Road Accident Victims Protection Co., Ltd.					
Contribution expenses	2,873	2,873	2,610	-	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	-	-	2,937	-	As stated in the agreement upon normal commercial terms
Paiboonwattana Co., Ltd					
Other income	14	14	14	-	As stated in the agreement upon normal commercial terms

(Unaudited but reviewed)

As at 31 March 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	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<u>Transactions with subsidiary</u>				
Laovivat Insurance Co., Ltd.				
Receivables from reinsurance contracts	-	-	784,148	487,265
Advances payment	-	-	498,326	1,678,568
<u>Transactions with related parties</u>				
Thai Reinsurance Plc.				
Receivables from reinsurance contracts	25,483,424	21,350,852	25,483,424	21,350,852
Investments in equity securities	6,421,664	6,459,054	6,421,664	6,459,054
Amount due to reinsurers	39,408,522	100,860,278	39,408,522	100,860,278
Road Accident Victims Protection Co., Ltd.				
Investments in equity securities	3,518,150	3,518,150	3,518,150	3,518,150
Other liabilities	2,873,109	2,733,161	2,873,109	2,733,161
T.I.I. Co., Ltd.				
Investments in equity securities	202,500	202,500	202,500	202,500
Vichitbhan Palmoil Plc.				
Investments in equity securities	80,000	79,000	80,000	79,000

Directors and management's remuneration

During the three-month periods ended 31 March 2018 and 2017, the Company had employee benefit expenses to their directors and management as below.

(Unit: Baht)

	Consolidated		
	financial statements	Separate financial statements	
	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2018	For the three-month period ended 31 March 2017
Short-term employee benefits	21,213,779	20,963,279	21,194,537
Post-employment benefits	1,655,933	1,655,933	1,480,005
Total	22,869,712	22,619,212	22,674,542

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.

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 periods ended 31 March 2018 and 2017 are as follows:

(Unit: Baht)

Consolidate financial statements								
For the three-month period ended 31 March 2018								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
Underwriting income								
Premium written	38,500,352	3,566,351	782,003,735	123,095,636	947,166,074	1,088,058	(376,182)	947,877,950
Less: Premium ceded	(26,584,298)	(464,381)	(75,599,270)	(57,357,366)	(160,005,315)	(376,182)	376,182	(160,005,315)
Net premium written	11,916,054	3,101,970	706,404,465	65,738,270	787,160,759	711,876	-	787,872,635
Add (Less): Unearned premium reserves (increase) decrease from prior period	641,355	(1,311,048)	(111,686,872)	36,034,652	(76,321,913)	(264,685)	-	(76,586,598)
Earned premium	12,557,409	1,790,922	594,717,593	101,772,922	710,838,846	447,191	-	711,286,037
Fee and commission income	12,627,397	118,614	26,323,873	14,044,617	53,114,501	75,167	(75,167)	53,114,501
Total underwriting income	25,184,806	1,909,536	621,041,466	115,817,539	763,953,347	522,358	(75,167)	764,400,538
Underwriting expenses								
Claims and loss adjustment expenses	(1,359,140)	(15,190)	359,978,709	33,765,602	392,369,981	433,017	-	392,802,998
Commission and brokerage expenses	8,230,692	464,930	138,498,356	19,545,560	166,739,538	150,091	(75,167)	166,814,462
Other underwriting expenses	1,354,479	151,280	44,638,564	12,457,605	58,601,928	40,090	-	58,642,018
Total underwriting expenses before operating expenses	8,226,031	601,020	543,115,629	65,768,767	617,711,447	623,198	(75,167)	618,259,478
Profit from underwriting before operating expenses	16,958,775	1,308,516	77,925,837	50,048,772	146,241,900	(100,840)	-	146,141,060
Operating expenses					(97,795,633)	(2,358,730)	23,218	(100,131,145)
Profit (loss) from underwriting					48,446,267	(2,459,570)	23,218	46,009,915
Investment income					18,597,226	743,386	-	19,340,612
Loss on investments					(366,524)	-	-	(366,524)
Loss on fair value adjustment of investments					(6,270,475)	-	-	(6,270,475)
Other income (expenses)					1,428,746	(55,313)	(23,218)	1,350,215
Profit (loss) before income tax expenses					61,835,240	(1,771,497)	-	60,063,743
Income tax expenses					(10,884,742)	-	-	(10,884,742)
Profit (loss) for the period					50,950,498	(1,771,497)	-	49,179,001

(Unaudited but reviewed)

(Unit: Baht)

Separate financial statements					
For the three-month period ended 31 March 2017					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting income					
Gross premium written	40,250,539	4,979,361	612,914,483	179,204,182	837,348,565
Less: Premium ceded	(27,687,595)	(1,088,764)	(65,366,538)	(87,277,675)	(181,420,572)
Net premium written	12,562,944	3,890,597	547,547,945	91,926,507	655,927,993
Add (less): Unearned premium reserves (increase) decrease from prior period	223,042	(1,173,584)	(46,768,397)	(10,437,259)	(58,156,198)
Net earned premium	12,785,986	2,717,013	500,779,548	81,489,248	597,771,795
Fee and commission income	13,016,515	254,977	21,236,295	14,655,118	49,162,905
Total underwriting income	25,802,501	2,971,990	522,015,843	96,144,366	646,934,700
Underwriting expenses					
Claim and loss adjustment expenses	(919,631)	515,992	328,141,358	36,571,866	364,309,585
Commission and brokerage expenses	8,844,349	573,486	108,557,185	22,022,197	139,997,217
Other underwriting expenses	1,406,872	170,203	35,078,997	11,265,859	47,921,931
Total underwriting expenses before operating expenses	9,331,590	1,259,681	471,777,540	69,859,922	552,228,733
Profit from underwriting before operating expenses	16,470,911	1,712,309	50,238,303	26,284,444	94,705,967
Operating expenses					(90,090,275)
Profit from underwriting					4,615,692
Investment income					14,549,919
Gain on investments					7,619,230
Loss on fair value adjustment of investments					(10,288,790)
Other income					1,166,097
Profit before income tax expenses					17,662,148
Income tax expenses					(1,578,724)
Profit for the period					16,083,424

For the three-month periods ended 31 March 2018 and 2017, the Company has premium written from three major brokers in amounting of Baht 492.4 million and Baht 405.0 million, respectively.

Segment assets and liabilities of the Company as at 31 March 2018 and 31 December 2017 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			
Assets									
As at 31 March 2018	181,737,733	3,734,101	726,531,862	345,453,115	3,840,791,512	5,098,248,323	60,838,164	(50,849,998)	5,108,236,489
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
Liabilities									
As at 31 March 2018	292,430,151	7,107,813	2,662,307,978	558,519,444	352,767,974	3,873,133,360	3,881,335	(1,889,998)	3,875,124,697
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

20. Assets pledged and assets reserved with the Registrar

As at 31 March 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			
	31 March 2018		31 December 2017	
	Amortised cost	Fair value	Amortised cost	Fair value
Asset pledged				
Fixed deposit	20.3	20.3	20.8	20.8
Government bonds	15.1	16.1	15.1	16.1
Total	35.4	36.4	35.9	36.9
Assets reserved				
Government bonds	127.6	130.5	128.0	130.6
Certificate of deposits	50.0	50.0	50.0	50.0
State enterprise debt securities	80.0	81.7	80.0	81.4
Private debt securities	50.0	54.5	50.0	54.5
Total	307.6	316.7	308.0	316.5
Total	343.0	353.1	343.9	353.4

(Unaudited but reviewed)

(Unit : Million Baht)

	Separate financial statements			
	31 March 2018		31 December 2017	
	Amortised cost	Fair value	Amortised cost	Fair value
Asset pledged				
Government bonds	15.1	16.1	15.1	16.1
Total	15.1	16.1	15.1	16.1
Assets reserved				
Government bonds	127.6	130.5	128.0	130.6
Certificate of deposits	50.0	50.0	50.0	50.0
State enterprise debt securities	80.0	81.7	80.0	81.4
Private debt securities	50.0	54.5	50.0	54.5
Total	307.6	316.7	308.0	316.5
Total	322.7	332.8	323.1	332.6

21. Commitments and contingent liabilities

21.1 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 31 March 2018 and 31 December 2017, future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

	(Unit : Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Payable:				
Within 1 year	1.3	1.2	0.8	0.7
Over 1 year and not over 5 years	3.5	3.1	1.8	1.3

21.2 Bank guarantees

As at 31 March 2018, there were outstanding bank guarantees of Baht 1.3 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).

21.3 Litigation

As at 31 March 2018, the Company has been sued as insurer for damages totaling approximately Baht 64.7 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 18.9 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).

22. Fair value of financial instruments

As at 31 March 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				
	31 March 2018				
	Book value	Fair value			
	Level 1	Level 2	Total		
Held for trading investments					
Equity securities	211.2	211.2	-	211.2	
Available-for-sale investments					
Government and state enterprise debt securities	92.0	-	92.0	92.0	
Private debt securities	483.4	-	483.4	483.4	
Equity securities	130.0	130.0	-	130.0	
Unit trusts	1,717.8	142.8	1,575.0	1,717.8	

(Unit: Million Baht)

	Consolidated and separate financial statements			
	31 December 2017			
	Book value	Fair value		Total
	Level 1	Level 2		
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				
	492.4	-	492.4	492.4
Equity securities				
	127.5	127.5	-	127.5
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.

23. Events after the reporting period

On 20 April 2018, the Annual General Meeting of the Company's shareholders approved the payment of dividend from the operating results of 2017 at the rate of Baht 0.07 per share to the shareholders, or a total of Baht 21.21 million. Such dividend will be paid on 18 May 2018.

24. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 May 2018.