

Thaivivat Insurance Public Company Limited  
and its subsidiary  
Review report and interim financial statements  
30 June 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 June 2019, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated statements of changes in equity and cash flows for the six-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: 13 August 2019

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

**Statements of financial position**

**As at 30 June 2019**

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
Cash and cash equivalents	3	308,125,805	229,766,928	305,438,280	227,320,041
Premium receivables	4	542,207,096	523,277,518	542,045,334	523,143,844
Accrued investment income		10,993,374	12,040,139	5,162,849	7,306,365
Reinsurance assets	5	421,535,178	408,451,103	421,535,178	408,451,103
Reinsurance from receivables contracts	6	215,547,548	215,132,383	217,205,544	215,937,578
Investment assets					
Investments in securities	7	3,573,062,743	3,262,293,511	3,529,670,743	3,216,490,844
Loans	8	7,383,952	7,168,090	7,383,952	7,168,090
Investment in subsidiary	9	-	-	67,200,000	67,200,000
Property, buildings and equipment	10	320,894,008	317,223,243	318,235,687	312,882,797
Goodwill		17,280,000	18,240,000	-	-
Intangible assets - computer software		9,398,448	10,199,695	9,379,868	10,087,936
Deferred tax assets	11	94,856,161	91,702,016	94,856,161	91,702,016
Other assets	12	578,426,022	553,947,851	579,018,052	554,393,839
<b>Total assets</b>		<b>6,099,710,335</b>	<b>5,649,442,477</b>	<b>6,097,131,648</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)**

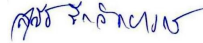
As at 30 June 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	13	3,359,973,095	3,135,720,447	3,357,571,073	3,133,927,643
Due to reinsurers	14	563,474,301	506,562,790	563,474,301	506,562,790
Income tax payable		31,073,882	15,420,600	31,073,882	15,420,600
Employee benefit obligations	15	125,738,362	91,215,706	125,738,362	91,215,706
Other liabilities	16	687,224,679	647,871,888	686,177,520	647,203,550
<b>Total liabilities</b>		<b>4,767,484,319</b>	<b>4,396,791,431</b>	<b>4,764,035,138</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		662,263,270	621,258,591	668,463,600	626,021,433
Other components of equity					
Surplus on changes in value of available-for-sale investments	7.2	167,532,903	124,632,724	167,532,903	124,632,724
Exchange differences on translation of financial statements in foreign currency		(9,385,016)	(6,497,341)	-	-
Equity attributable to shareholders of the Company		1,317,511,164	1,236,493,981	1,333,096,510	1,247,754,164
Non-controlling interests of the subsidiary		14,714,852	16,157,065	-	-
<b>Total equity</b>		<b>1,332,226,016</b>	<b>1,252,651,046</b>	<b>1,333,096,510</b>	<b>1,247,754,164</b>
<b>Total liabilities and equity</b>		<b>6,099,710,335</b>	<b>5,649,442,477</b>	<b>6,097,131,648</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****Statements of comprehensive income****For the three-month period ended 30 June 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	1,086,382,253	969,168,617	1,085,870,847	968,671,177
Less: Premium ceded to reinsurers	(200,124,463)	(187,874,795)	(200,124,463)	(187,874,795)
Net premium written	886,257,790	781,293,822	885,746,384	780,796,382
Less: Unearned premium reserves increase				
from prior period	(61,050,204)	(99,076,317)	(61,211,928)	(99,181,292)
Net earned premium	825,207,586	682,217,505	824,534,456	681,615,090
Fee and commission income	62,391,786	53,637,733	62,391,786	53,637,733
Net investment income	21,714,057	21,480,818	21,038,349	20,685,971
Gain (loss) on investments	25,194,313	(568,928)	25,194,313	(568,928)
Gain (loss) on fair value adjustment	9,129,874	(22,978,135)	9,129,874	(22,978,135)
Other income	2,276,271	2,164,129	2,285,230	2,165,833
<b>Total income</b>	<b>945,913,887</b>	<b>735,953,122</b>	<b>944,574,008</b>	<b>734,557,564</b>
<b>Expenses</b>				
Claim and loss adjustment expenses	543,096,022	461,563,155	542,340,988	460,537,245
Less: Claim recovered from reinsurers	(69,527,028)	(61,252,000)	(69,527,028)	(61,252,000)
Commission and brokerage expenses	180,920,859	172,464,464	180,844,139	172,397,587
Other underwriting expenses	101,056,893	65,495,584	101,002,030	65,453,095
Operating expenses	17 142,059,065	110,516,301	140,686,271	108,979,872
<b>Total expenses</b>	<b>897,605,811</b>	<b>748,787,504</b>	<b>895,346,400</b>	<b>746,115,799</b>
<b>Profit (loss) before income tax</b>	<b>48,308,076</b>	<b>(12,834,382)</b>	<b>49,227,608</b>	<b>(11,558,235)</b>
Income tax revenue (expense)	11 (7,290,704)	4,865,665	(7,290,704)	4,865,665
<b>Profit (loss) for the period</b>	<b>41,017,372</b>	<b>(7,968,717)</b>	<b>41,936,904</b>	<b>(6,692,570)</b>

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**  
**Statements of comprehensive income (continued)**  
**For the three-month period ended 30 June 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				
	(1,888,629)	1,975,221	-	-
Profit (loss) on changes in value of				
available-for-sale investments				
	12,300,664	(38,528,137)	12,300,664	(38,528,137)
Income tax effect				
	(2,460,133)	7,705,627	(2,460,133)	7,705,627
<b>Other comprehensive income for the period</b>				
<b>- net of income tax (loss)</b>				
	<u>7,951,902</u>	<u>(28,847,289)</u>	<u>9,840,531</u>	<u>(30,822,510)</u>
<b>Total comprehensive income for the period (loss)</b>				
	<u>48,969,274</u>	<u>(36,816,006)</u>	<u>51,777,435</u>	<u>(37,515,080)</u>
<b>Profit for the period attributable to:</b>				
Equity holders of the Company (loss)				
	41,293,231	(7,585,873)	<u>41,936,904</u>	<u>(6,692,570)</u>
Non-controlling interests of the subsidiary (loss)				
	(275,859)	(382,844)		
	<u>41,017,372</u>	<u>(7,968,717)</u>		
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the Company (loss)				
	49,667,722	(36,881,729)	<u>51,777,435</u>	<u>(37,515,080)</u>
Non-controlling interests of the subsidiary (loss)				
	(698,448)	65,723		
	<u>48,969,274</u>	<u>(36,816,006)</u>		
<b>Earnings per share</b>				
	18			
Basic earnings (loss) per share				
Profit (loss) attributable to equity holders of the Company				
	<u>0.14</u>	<u>(0.03)</u>	<u>0.14</u>	<u>(0.02)</u>

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of comprehensive income****For the six-month period ended 30 June 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	2,130,203,151	1,917,046,567	2,128,890,694	1,915,837,251
Less: Premium ceded to reinsurers	(390,776,737)	(347,880,110)	(390,776,737)	(347,880,110)
Net premium written	1,739,426,414	1,569,166,457	1,738,113,957	1,567,957,141
Less: Unearned premium reserves increase				
from prior period	(103,834,339)	(175,662,915)	(103,840,158)	(175,503,205)
Net earned premium	1,635,592,075	1,393,503,542	1,634,273,799	1,392,453,936
Fee and commission income	113,140,914	106,752,234	113,140,914	106,752,234
Net investment income	36,054,905	40,821,430	34,680,872	39,283,197
Gain (loss) on investments	25,968,357	(935,452)	25,968,357	(935,452)
Gain (loss) on fair value adjustment	31,085,218	(29,248,610)	31,085,218	(29,248,610)
Other income	3,769,281	3,514,344	3,777,140	3,594,579
<b>Total income</b>	<b>1,845,610,750</b>	<b>1,514,407,488</b>	<b>1,842,926,300</b>	<b>1,511,899,884</b>
<b>Expenses</b>				
Claim and loss adjustment expenses	1,131,948,676	935,977,865	1,130,406,448	934,518,938
Less: Claim recovered from reinsurers	(180,023,043)	(142,863,712)	(180,023,043)	(142,863,712)
Commission and brokerage expenses	353,793,874	339,278,926	353,632,752	339,137,125
Other underwriting expenses	166,216,357	124,137,602	166,121,549	124,055,023
Operating expenses	17 251,490,583	210,647,446	248,550,737	206,775,505
<b>Total expenses</b>	<b>1,723,426,447</b>	<b>1,467,178,127</b>	<b>1,718,688,443</b>	<b>1,461,622,879</b>
<b>Profit before income tax</b>	<b>122,184,303</b>	<b>47,229,361</b>	<b>124,237,857</b>	<b>50,277,005</b>
Income tax expenses	11 (21,195,690)	(6,019,077)	(21,195,690)	(6,019,077)
<b>Profit for the period</b>	<b>100,988,613</b>	<b>41,210,284</b>	<b>103,042,167</b>	<b>44,257,928</b>

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**  
**Statements of comprehensive income (continued)**  
**For the six-month period ended 30 June 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				
	(3,713,822)	(50,261)	-	-
Profit (loss) on changes in value of				
available-for-sale investments				
	53,625,224	(34,521,605)	53,625,224	(34,521,605)
Income tax effect				
	(10,725,045)	6,904,321	(10,725,045)	6,904,321
<b>Other comprehensive income for the period</b>				
<b>- net of income tax (loss)</b>				
	<u>39,186,357</u>	<u>(27,667,545)</u>	<u>42,900,179</u>	<u>(27,617,284)</u>
<b>Total comprehensive income for the period</b>				
	<u>140,174,970</u>	<u>13,542,739</u>	<u>145,942,346</u>	<u>16,640,644</u>
<b>Profit for the period attributable to:</b>				
Equity holders of the Company				
	101,604,679	42,124,578	<u>103,042,167</u>	<u>44,257,928</u>
Non-controlling interests of the subsidiary (loss)				
	(616,066)	(914,294)		
	<u>100,988,613</u>	<u>41,210,284</u>		
<b>Total comprehensive income for the period attributable to:</b>				
Equity holders of the Company				
	141,617,183	14,472,111	<u>145,942,346</u>	<u>16,640,644</u>
Non-controlling interests of the subsidiary (loss)				
	(1,442,213)	(929,372)		
	<u>140,174,970</u>	<u>13,542,739</u>		
<b>Earnings per share</b>				
	<i>18</i>			
Basic earnings per share				
Profit attributable to equity holders of the Company				
	<u>0.34</u>	<u>0.14</u>	<u>0.34</u>	<u>0.15</u>

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



(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of cash flows****For the six-month period ended 30 June 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	2,129,957,708	1,948,876,593	2,127,615,367	1,947,232,017
Cash paid for reinsurance	(48,346,443)	(146,203,281)	(48,330,307)	(146,203,281)
Interest income	17,727,337	15,578,030	17,699,202	15,526,459
Dividend income	19,505,386	24,419,551	19,505,386	24,419,551
Other investment income	857,320	1,312,350	857,320	1,312,350
Other income	2,496,415	2,137,229	2,500,381	2,194,246
Claim incurred on direct insurance	(1,044,692,443)	(923,125,266)	(1,043,972,519)	(922,602,187)
Loss adjustment expenses on direct insurance	(25,723,020)	(18,311,201)	(25,708,264)	(18,299,259)
Commission and brokerage on direct insurance	(362,694,086)	(333,447,949)	(362,247,771)	(333,221,805)
Other underwriting expenses	(131,556,560)	(71,463,204)	(131,461,753)	(71,463,204)
Operating expenses	(160,651,492)	(249,071,529)	(159,928,591)	(246,005,325)
Income tax	(19,421,597)	(6,123,026)	(19,421,597)	(6,123,026)
Investments in securities	(361,176,940)	(16,904,782)	(361,176,940)	(16,904,782)
Loans	(215,861)	(935,146)	(215,861)	(935,146)
Deposits at financial institutions	139,466,494	(90,185,664)	139,466,494	(90,185,664)
<b>Net cash from operating activities</b>	<b>155,532,218</b>	<b>136,552,705</b>	<b>155,180,547</b>	<b>138,740,944</b>
<b>Cash flows from (used in) investing activities</b>				
Purchases of property, buildings and equipment	(16,164,844)	(6,221,954)	(16,144,402)	(6,026,560)
Purchase of intangible assets	(357,158)	(6,227,023)	(357,158)	(6,069,282)
Disposals of equipment	61,780	2,804	39,252	2,804
<b>Net cash used in investing activities</b>	<b>(16,460,222)</b>	<b>(12,446,173)</b>	<b>(16,462,308)</b>	<b>(12,093,038)</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>(113,119)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>78,358,877</b>	<b>102,896,588</b>	<b>78,118,239</b>	<b>105,437,962</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>308,125,805</b>	<b>343,540,728</b>	<b>305,438,280</b>	<b>342,817,649</b>

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

(Unaudited but reviewed)

## Thaivivat Insurance Public Company Limited and its subsidiary

## Statements of changes in equity

For the six-month period ended 30 June 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)	-	-	-	42,124,578	-	-	42,124,578	(914,294)	41,210,284
Other comprehensive income for the period (loss)	-	-	-	-	(27,617,284)	(35,183)	(27,652,467)	(15,078)	(27,667,545)
Total comprehensive income for the period (loss)	-	-	-	42,124,578	(27,617,284)	(35,183)	14,472,111	(929,372)	13,542,739
Dividend paid during the period (Note 19)	-	-	-	(21,209,944)	-	-	(21,209,944)	-	(21,209,944)
<b>Balance as at 30 June 2018</b>	303,000,000	163,800,007	30,300,000	549,134,154	116,534,093	(4,835,183)	1,157,933,071	17,152,771	1,175,085,842
<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)	-	-	-	101,604,679	-	-	101,604,679	(616,066)	100,988,613
Other comprehensive income for the period (loss)	-	-	-	-	42,900,179	(2,887,675)	40,012,504	(826,147)	39,186,357
Total comprehensive income for the period (loss)	-	-	-	101,604,679	42,900,179	(2,887,675)	141,617,183	(1,442,213)	140,174,970
Dividend paid during the period (Note 19)	-	-	-	(60,600,000)	-	-	(60,600,000)	-	(60,600,000)
<b>Balance as at 30 June 2019</b>	303,000,000	163,800,007	30,300,000	662,263,270	167,532,903	(9,385,016)	1,317,511,164	14,714,852	1,332,226,016

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 six-month period ended 30 June 2019**

(Unit: Baht)

Separate financial statements

	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	Total equity
			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	-	-	-	44,257,928	-	44,257,928
Other comprehensive income for the period (loss)	-	-	-	-	(27,617,284)	(27,617,284)
Total comprehensive income for the period (loss)	-	-	-	44,257,928	(27,617,284)	16,640,644
Dividend paid during the period (Note 19)	-	-	-	(21,209,944)	-	(21,209,944)
<b>Balance as at 30 June 2018</b>	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>552,755,839</u>	<u>116,534,093</u>	<u>1,166,389,939</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	-	-	-	103,042,167	-	103,042,167
Other comprehensive income for the period	-	-	-	-	42,900,179	42,900,179
Total comprehensive income for the period	-	-	-	103,042,167	42,900,179	145,942,346
Dividend paid during the period (Note 19)	-	-	-	(60,600,000)	-	(60,600,000)
<b>Balance as at 30 June 2019</b>	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>668,463,600</u>	<u>167,532,903</u>	<u>1,333,096,510</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 and six-month periods ended 30 June 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 June 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 financial reporting standards, interpretations and accounting guidance, which are effective for fiscal years beginning on or after 1 January 2020. These new standards 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
--------	-------------------------------------

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 June	31 December	30 June	31 December
	2019	2018	2019	2018
Cash on hand	251,623	1,181,029	201,613	1,146,293
Deposits at banks with no fixed maturity date	305,469,280	225,614,923	302,831,765	223,202,772
Deposits at banks and certificate of deposit				
with fixed maturity date	2,404,902	2,970,976	2,404,902	2,970,976
Cash and cash equivalents	308,125,805	229,766,928	305,438,280	227,320,041

As at 30 June 2019, saving deposits and fixed deposits carried interest between 0.25% and 1.25% per annum (Separate financial statements: between 0.25% and 0.80% per annum) (31 December 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 June 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 June	31 December	30 June	31 December
	2019	2018	2019	2018
Not yet due	408,839,748	455,916,978	408,810,968	455,853,757
Not over 30 days	80,124,871	37,631,916	80,103,863	37,618,964
Over 30 days to 60 days	31,354,655	15,270,332	31,276,110	15,236,970
Over 60 days to 90 days	14,292,320	4,753,443	14,276,761	4,729,304
Over 90 days	10,421,042	11,548,869	10,403,172	11,548,869
Total premium receivables	545,032,636	525,121,538	544,870,874	524,987,864
Less: Allowance for doubtful accounts	(2,825,540)	(1,844,020)	(2,825,540)	(1,844,020)
Total premium receivables, net	542,207,096	523,277,518	542,045,334	523,143,844

(Unaudited but reviewed)

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 June	31 December	30 June	31 December
	2019	2018	2019	2018
Insurance reserves refundable from reinsurers				
Claim reserves and outstanding claims	103,333,137	96,097,494	103,333,137	96,097,494
Unearned premium reserves	318,202,041	312,353,609	318,202,041	312,353,609
Reinsurance assets	<u>421,535,178</u>	<u>408,451,103</u>	<u>421,535,178</u>	<u>408,451,103</u>

## 6. Receivables from reinsurance contracts

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
Amount deposited on reinsurance	-	-	69,210	14,470
Amounts due from reinsurers	<u>215,547,548</u>	<u>215,132,383</u>	<u>217,136,334</u>	<u>215,923,108</u>
Receivables from reinsurance contracts	<u>215,547,548</u>	<u>215,132,383</u>	<u>217,205,544</u>	<u>215,937,578</u>

As at 30 June 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 June	31 December	30 June	31 December
	2019	2018	2019	2018
Not yet due	23,342,835	180,351,097	23,342,835	180,386,028
Not over 1 year	191,987,275	34,563,848	193,576,061	35,319,642
Over 1 year to 2 years	<u>217,438</u>	<u>217,438</u>	<u>217,438</u>	<u>217,438</u>
Total amounts due from reinsurers	<u>215,547,548</u>	<u>215,132,383</u>	<u>217,136,334</u>	<u>215,923,108</u>

## 7. Investments in securities

### 7.1 Classified by type of investments

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

(Unit : Baht)

	Consolidated financial statements			
	30 June 2019		31 December 2018	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments</b>				
Equity securities	233,129,431	237,760,495	257,794,575	231,340,421
Total	233,129,431	237,760,495	257,794,575	231,340,421
Add (less): Unrealised gain (loss)	4,631,064		(26,454,154)	
<b>Trading investments, net</b>	237,760,495		231,340,421	
<b>Available-for-sale investments</b>				
Government and state enterprise securities	80,016,358	81,046,714	90,018,592	90,276,442
Private debt securities	390,093,940	395,037,635	430,093,940	434,087,501
Equity securities	50,505,830	113,496,273	50,506,668	112,038,147
Unit trusts	2,028,470,947	2,161,402,542	1,510,394,265	1,593,141,045
Total	2,549,087,075	2,750,983,164	2,081,013,465	2,229,543,135
Add: Unrealised gain	209,416,129		155,790,905	
Less: Allowance for impairment	(7,520,040)		(7,261,235)	
<b>Available-for-sale investments, net</b>	2,750,983,164		2,229,543,135	
<b>Held-to-maturity investments</b>				
Government and state enterprise securities	520,945,170		595,635,371	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	59,653,264		202,053,934	
Total	581,439,434		798,530,305	
Less: Allowance for impairment	(841,000)		(841,000)	
<b>Held-to-maturity investments, net</b>	580,598,434		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>	3,573,062,743		3,262,293,511	

(Unaudited but reviewed)

(Unit : Baht)

	Separate financial statements			
	30 June 2019		31 December 2018	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments</b>				
Equity securities	233,129,431	237,760,495	257,794,575	231,340,421
Total	233,129,431	237,760,495	257,794,575	231,340,421
Add (less): Unrealised gain (loss)	4,631,064		(26,454,154)	
<b>Trading investments, net</b>	<b>237,760,495</b>		<b>231,340,421</b>	
<b>Available-for-sale investments</b>				
Government and state enterprise securities	80,016,358	81,046,714	90,018,592	90,276,442
Private debt securities	390,093,940	395,037,635	430,093,940	434,087,501
Equity securities	50,505,830	113,496,273	50,506,668	112,038,147
Unit trusts	2,028,470,947	2,161,402,542	1,510,394,265	1,593,141,045
Total	2,549,087,075	2,750,983,164	2,081,013,465	2,229,543,135
Add: Unrealised gain	209,416,129		155,790,905	
Less: Allowance for impairment	(7,520,040)		(7,261,235)	
<b>Available-for-sale investments, net</b>	<b>2,750,983,164</b>		<b>2,229,543,135</b>	
<b>Held-to-maturity investments</b>				
Government and state enterprise securities	520,945,170		595,635,371	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	16,261,264		156,251,267	
Total	537,206,434		751,886,638	
Less: Allowance for impairment	(841,000)		(841,000)	
<b>Held-to-maturity investments, net</b>	<b>537,206,434</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>3,529,670,743</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
	six-month	year ended	six-month	year ended
	period ended	31 December	period ended	31 December
	30 June 2019	2018	30 June 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	75,732,134	(37,760,082)	75,732,134	(37,760,082)
Loss transferred to be recognised in profit or loss	258,805	7,084,952	258,805	7,084,952
Loss (gain) on sales recognised in profit or loss during the period	(22,365,715)	6,276,814	(22,365,715)	6,276,814
Balance - end of the period	209,416,129	155,790,905	209,416,129	155,790,905
Less: Income tax effect	(41,883,226)	(31,158,181)	(41,883,226)	(31,158,181)
Balance - end of the period, net of income tax	167,532,903	124,632,724	167,532,903	124,632,724

## 7.3 Investments subject to restriction

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

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
Government debt securities which pledged for				
Guarantee electricity use	1,024,708	1,010,155	1,024,708	1,010,155
Deposit at bank which pledged for				
Bail bond in cases where insured drivers have been charged with criminal offense	3,379,722	3,353,844	3,379,722	3,353,844
Bank overdraft	3,218,369	3,218,369	3,218,369	3,218,369
Letter of bank guarantee	5,262,806	5,262,806	5,262,806	5,262,806
Total	12,885,605	12,845,174	12,885,605	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 June 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 June 2019							
Outstanding period	Mortgage loans		Other loans		Total		
	Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest	Total
Not yet due	6,403,722	-	980,230	-	7,383,952	-	7,383,952
Overdue							
Over 12 months	600,873	152,939	-	-	600,873	152,939	753,812
Total	7,004,595	152,939	980,230	-	7,984,825	152,939	8,137,764
Less: Allowance for doubtful accounts	(600,873)	(152,939)	-	-	(600,873)	(152,939)	(753,812)
Loans, net	<u>6,403,722</u>	<u>-</u>	<u>980,230</u>	<u>-</u>	<u>7,383,952</u>	<u>-</u>	<u>7,383,952</u>

(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	<u>5,573,075</u>	<u>-</u>	<u>1,595,015</u>	<u>-</u>	<u>7,168,090</u>	<u>-</u>	<u>7,168,090</u>

## 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 June	31 December	30 June	31 December	30 June	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 June 2019	31 December 2018
Assets	56,247,134	58,948,236
Liabilities	7,197,628	5,091,354
Net book value	49,049,506	53,856,882

#### (b) Summarised information about comprehensive income

(Unit: Baht)

	For the three-months periods ended		For the six-months periods ended	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
Revenue	1,373,802	1,400,966	2,899,513	2,611,396
Loss for the period	(919,532)	(1,276,147)	(2,053,554)	(3,047,644)
Other comprehensive income	-	-	-	-
Total comprehensive income (loss)	(919,532)	(1,276,147)	(2,053,554)	(3,047,644)

**10. Property, buildings and equipment**

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

(Unit: Baht)

	Consolidated financial statements						Total
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	
<b>Net book value as at</b>							
<b>1 January 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	-	-	400,436	3,386,713	-	12,377,695	16,164,844
Transfer in/(out)	-	12,260,000	452,700	529,132	328,923	(13,570,755)	-
Disposals during period - net book value	-	-	-	(22,541)	-	-	(22,541)
Depreciation for the period	-	(2,040,924)	(3,136,795)	(4,195,420)	(2,869,955)	-	(12,243,094)
Exchange differences on translation of financial statements in foreign currency	-	-	(94,848)	(88,635)	(44,961)	-	(228,444)
<b>Net book value as at 30 June 2019</b>	<b>211,950,180</b>	<b>66,687,609</b>	<b>9,884,157</b>	<b>17,600,589</b>	<b>10,130,425</b>	<b>4,641,048</b>	<b>320,894,008</b>

(Unit: Baht)

	Separate financial statements						Total
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	
<b>Net book value as at</b>							
<b>1 January 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	-	-	400,436	3,366,271	-	12,377,695	16,144,402
Transfer in/(out)	-	12,260,000	452,700	529,132	328,923	(13,570,755)	-
Disposals during period - net book value	-	-	-	(13)	-	-	(13)
Depreciation for the period	-	(2,040,924)	(1,998,671)	(3,986,627)	(2,765,277)	-	(10,791,499)
<b>Net book value as at 30 June 2019</b>	<b>211,950,180</b>	<b>66,687,609</b>	<b>9,315,013</b>	<b>16,216,028</b>	<b>9,425,809</b>	<b>4,641,048</b>	<b>318,235,687</b>



**11. Deferred tax assets/Income tax expenses****11.1 Deferred tax assets**

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

	(Unit: Baht)			
	Consolidated and separate financial statements		Change in deferred tax assets or liabilities that are recognised in profit or loss for the six-month periods ended 30 June	
	30 June 2019	31 December 2018	2019	2018
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	9,928,652	7,466,841	2,461,811	(2,212)
Allowance for impairment of investment	1,468,751	1,416,990	51,761	-
Unearned premium reserves	76,573,943	69,418,456	7,155,487	11,707,062
Provision for claim incurred but not yet reported and outstanding claims	24,546,581	21,023,938	3,522,643	(10,708,527)
Loss on changes in value of trading securities	-	5,290,831	(5,290,831)	5,156,645
Post employee benefit obligations	25,147,673	18,243,141	6,904,532	859,154
<b>Total</b>	<b>137,665,600</b>	<b>122,860,197</b>		
<b>Deferred tax liabilities</b>				
Gain on changes in value of Trading securities	926,213	-	(926,213)	693,077
Available-for-sale securities	41,883,226	31,158,181	-	-
<b>Total</b>	<b>42,809,439</b>	<b>31,158,181</b>		
<b>Deferred tax assets, net</b>	<b>94,856,161</b>	<b>91,702,016</b>		
Changes in deferred tax assets or liabilities that recognised in profit or loss			<u>13,879,190</u>	<u>7,705,199</u>

As at 30 June 2019, the subsidiary has temporary differences and unused tax loss totaling Baht 8.0 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 six-month periods ended 30 June 2019 and 2018 are as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2019	2018	2019	2018
<b>Current income tax:</b>				
Corporate income tax charge				
in accordance with Revenue Code	10,873,437	12,212,478	10,873,437	12,212,478
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	(3,382,733)	(17,078,143)	(3,382,733)	(17,078,143)
<b>Income tax expenses (revenue) reported</b>				
<b>    in the statements of comprehensive</b>				
<b>    income</b>	<u>7,290,704</u>	<u>(4,865,665)</u>	<u>7,290,704</u>	<u>(4,865,665)</u>

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2019	2018	2019	2018
<b>Current income tax:</b>				
Corporate income tax charge				
in accordance with Revenue Code	35,274,880	13,724,276	35,274,880	13,724,276
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	(13,879,190)	(7,705,199)	(13,879,190)	(7,705,199)
<b>Income tax expenses reported</b>				
<b>    in the statements of comprehensive</b>				
<b>    income</b>	<u>21,195,690</u>	<u>6,019,077</u>	<u>21,195,690</u>	<u>6,019,077</u>

(Unaudited but reviewed)

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

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2019	2018	2019	2018
Accounting profit (loss) before income tax expenses	48,308,076	(12,834,382)	49,227,608	(11,558,235)
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	9,624,835	(2,617,923)	9,845,522	(2,311,647)
Adjustment in respect of income tax of previous year	(200,000)	-	(200,000)	-
Effects of:				
Temporary differences and tax loss which are not recorded as deferred tax assets	187,054	316,811	-	-
Tax-exempted revenues	(2,293,719)	(2,272,262)	(2,293,719)	(2,272,262)
Additional expenses deductions allowed	(155,078)	(375,660)	(155,078)	(375,660)
Non-deductible expenses	127,612	83,369	93,979	93,904
Income tax expenses (revenue) reported in the statements of comprehensive income	<u>7,290,704</u>	<u>(4,865,665)</u>	<u>7,290,704</u>	<u>(4,865,665)</u>

(Unaudited but reviewed)

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2019	2018	2019	2018
Accounting profit before income tax expenses	122,184,303	47,229,361	124,237,857	50,277,005
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	24,354,719	9,323,966	24,847,572	10,055,401
Adjustment in respect of income tax of previous year	(200,000)	-	(200,000)	-
Effects of:				
Temporary differences and tax loss which are not recorded as deferred tax assets	418,253	721,482	-	-
Tax-exempted revenues	(3,322,939)	(4,531,979)	(3,322,939)	(4,531,979)
Additional expenses deductions allowed	(314,812)	(768,309)	(314,812)	(768,309)
Non-deductible expenses	260,469	1,273,917	185,869	1,263,964
Income tax expenses reported in the statements of comprehensive income	21,195,690	6,019,077	21,195,690	6,019,077

**12. Other assets**

	(Unit : Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Claim receivables from litigants, net	333,593,249	280,274,872	333,573,449	280,274,872
Advance payment of ceded premium	119,943,034	121,831,584	119,943,034	121,830,971
Deposits on rice field insurance scheme	33,858,071	52,524,157	33,858,071	52,524,157
Prepaid commission expenses	47,106,098	43,750,964	47,106,098	43,750,857
Receivable from sale of investments	-	4,265,838	-	4,265,838
Cash equivalents which subject to restrictions	9,460,634	8,937,126	9,460,634	8,937,126
Others	34,464,936	42,363,310	35,076,766	42,810,018
Total other assets	578,426,022	553,947,851	579,018,052	554,393,839

As at 30 June 2019, the Company has pledged deposit at financial institutions which amount maturing within 3 months totaling Baht 9.5 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 June 2019		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,218,603,541	96,243,450	1,122,360,091
- Provision for claim incurred but not reported	67,343,501	7,089,687	60,253,814
Premium reserves			
- Unearned premium reserves	2,074,026,053	318,202,041	1,755,824,012
<b>Total</b>	<b>3,359,973,095</b>	<b>421,535,178</b>	<b>2,938,437,917</b>

(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>

(Unaudited but reviewed)

(Unit: Baht)

	Separate financial Statements		
	30 June 2019		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,218,304,561	96,243,450	1,122,061,111
- Provision for claim incurred but not reported	66,533,557	7,089,687	59,443,870
Premium reserves			
- Unearned premium reserves	2,072,732,955	318,202,041	1,754,530,914
Total	<u>3,357,571,073</u>	<u>421,535,178</u>	<u>2,936,035,895</u>

(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
Total	<u>3,133,927,643</u>	<u>408,451,103</u>	<u>2,725,476,540</u>

**13.1 Claim reserves and outstanding claims**

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month period ended 30 June 2019	For the year ended 31 December 2018	For the six-month period ended 30 June 2019	For the year ended 31 December 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	1,182,598,730	2,316,553,386	1,182,144,805	2,314,553,270
Changes in claim reserves and assumptions	15,173,715	(100,201,660)	14,809,314	(100,276,223)
Claim and loss adjustment expenses paid during the period	(1,082,988,492)	(2,213,449,855)	(1,082,999,280)	(2,211,603,658)
Exchange differences on translation of financial statements in foreign currency	(33,101)	(5,872)	-	-
Balance - end of the period	<u>1,285,947,042</u>	<u>1,171,196,190</u>	<u>1,284,838,118</u>	<u>1,170,883,279</u>

As at 30 June 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).

(Unaudited but reviewed)

**13.2 Unearned premium reserves**

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month period ended 30 June 2019	For the year ended 31 December 2018	For the six-month period ended 30 June 2019	For the year ended 31 December 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	2,130,203,151	4,155,144,164	2,128,890,694	4,152,256,441
Premium earned for the current period	(2,020,548,619)	(3,847,735,462)	(2,019,202,103)	(3,845,324,994)
Exchange differences on translation of financial statements in foreign currency	(152,736)	(26,386)	-	-
Balance - end of the period	<u>2,074,026,053</u>	<u>1,964,524,257</u>	<u>2,072,732,955</u>	<u>1,963,044,364</u>

**14. Due to reinsurers**

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Outward premium payable	444,893,656	451,416,068	444,893,656	451,416,068
Amounts withheld on reinsurances	118,580,645	55,146,722	118,580,645	55,146,722
Total due to reinsurers	<u>563,474,301</u>	<u>506,562,790</u>	<u>563,474,301</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 June 2019 and 31 December 2018 was as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month period ended 30 June 2019	For the year ended 31 December 2018	For the six-month period ended 30 June 2019	For the year ended 31 December 2018
<b>Provision for employee benefits at beginning of the period</b>	91,215,706	87,820,420	91,215,706	87,820,420
Current service cost	3,923,048	5,956,929	3,923,048	5,956,929
Interest cost	1,800,227	2,634,613	1,800,227	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)
<b>Provision for employee benefits at end of the period</b>	<b>125,738,362</b>	<b>91,215,706</b>	<b>125,738,362</b>	<b>91,215,706</b>

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 June 2019	31 December 2018	30 June 2019	31 December 2018
Premium received in advance	251,003,246	231,196,335	251,003,246	231,195,568
Accrued commissions	94,988,741	100,587,016	94,912,555	100,428,354
Accrued operating expenses	112,278,577	94,386,499	111,504,142	93,887,087
Payables on purchase of investments	3,299,939	24,452	3,299,939	24,452
Commission received in advance	57,635,374	57,645,337	57,635,374	57,645,220
Other payable	87,909,466	72,147,519	87,785,224	72,169,777
Others	80,109,336	91,884,730	80,037,040	91,853,092
Total other liabilities	687,224,679	647,871,888	686,177,520	647,203,550

**17. Operating expenses**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 June			
	2019	2018	2019	2018
Personal expenses which are not expenses for underwriting and claims	22,078,522	18,278,782	21,982,169	18,229,799
Property and equipment expenses which are not expenses for underwriting	21,900,559	21,814,139	20,945,652	20,732,185
Taxes and duties	454,392	436,777	453,045	435,583
Bad debts and doubtful accounts (reversal)	(3,010,128)	92,468	(3,010,128)	92,468
Support services expenses	53,380,904	52,226,408	53,378,053	52,226,408
Advertising and promotion expenses	35,614,621	8,833,330	35,581,186	8,814,006
Other operating expenses	11,640,195	8,834,397	11,356,294	8,449,423
Total operating expenses	142,059,065	110,516,301	140,686,271	108,979,872

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the six-month periods ended 30 June				
	2019	2018	2019	2018
Personal expenses which are not expenses				
for underwriting and claims	46,519,581	39,152,898	46,278,087	39,067,322
Property and equipment expenses which are				
not expenses for underwriting	42,324,077	42,081,849	40,358,645	39,942,064
Taxes and duties	1,148,979	1,851,957	1,147,013	1,850,763
Bad debts and doubtful accounts (reversal)	3,242,575	(1,528,173)	3,242,575	(1,528,173)
Support services expenses	98,155,867	98,480,905	98,151,224	98,480,905
Advertising and promotion expenses	41,059,105	15,042,881	41,014,570	14,449,825
Other operating expenses	19,040,399	15,565,129	18,358,623	14,512,799
Total operating expenses	<u>251,490,583</u>	<u>210,647,446</u>	<u>248,550,737</u>	<u>206,775,505</u>

## 18. Earnings per share

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

## 19. Dividend paid

Dividend declared during the periods consists of the following:

	Approved by	Total dividends	Dividend
		(Million Baht)	per share
			(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		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 June				
	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	-	-	163	29	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	-	-	31	6	As stated in the agreement
Claim expenses	-	-	114	108	As actually incurred, in proportions per agreement
Other expenses	-	-	3	-	As stated in the agreement
<b><u>Transactions with related parties</u></b>					
<b>Thai Reinsurance Plc.</b>					
Premium ceded	11,687	19,815	11,687	19,815	Reinsurance rates depending on type of insurance and reinsurance contract
Commission income	3,720	6,343	3,720	6,343	As stated in the agreement
Claims refunded	6,032	5,462	6,032	5,462	As actually incurred, in proportions per agreement
Reinsurance premium written	5	-	5	-	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	10	-	10	-	As stated in the agreement
Claim expenses	15	-	15	-	As actually incurred, in proportions per agreement
Dividend income	-	183	-	183	As declared
<b>Road Accident Victims Protection Co., Ltd.</b>					
Contribution expenses	2,932	2,833	2,932	2,833	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	1,700	1,312	1,700	1,312	As stated in the agreement

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 June				
	2019	2018	2019	2018	
<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

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the six-month periods ended 30 June				
	2019	2018	2019	2018	

**Transactions with subsidiary****Laovivat Insurance Co., Ltd.**

(eliminated from the consolidated financial statements)

Reinsurance premium written	-	-	1,066	405	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	-	-	211	81	As stated in the agreement
Claim expenses	-	-	53	185	As actually incurred, in proportions per agreement
Other expenses	-	-	4	-	As stated in the agreement

**Transactions with related parties****Thai Reinsurance Plc.**

Premium ceded	35,770	40,882	35,770	40,882	Reinsurance rates depending on type of insurance and reinsurance contract
Commission income	6,703	12,649	6,703	12,649	As stated in the agreement
Claims refunded	34,745	19,636	34,745	19,636	As actually incurred, in proportions per agreement
Reinsurance premium written	12	14	12	14	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	13	5	13	5	As stated in the agreement
Claim expenses	66	-	66	-	As actually incurred, in proportions per agreement
Dividend income	-	183	-	183	As declared

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the six-month periods ended 30 June				
	2019	2018	2019	2018	
<b>Road Accident Victims Protection Co., Ltd.</b>					
Contribution expenses	5,846	5,706	5,846	5,706	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	1,700	1,312	1,700	1,312	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	-	27	-	27	As stated in the agreement

As at 30 June 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 June	31 December	30 June	31 December
	2019	2018	2019	2018
<b><u>Transactions with subsidiary</u></b>				
<b>Laovivat Insurance Co., Ltd.</b>				
Receivables from reinsurance contracts	-	-	1,657,996	805,195
Insurance contract liabilities	-	-	1,210,031	980,591
Advances payment	-	-	876,526	844,426
Other liabilities	-	-	3,894	-
<b><u>Transactions with related parties</u></b>				
<b>Thai Reinsurance Plc.</b>				
Receivables from reinsurance contracts	101,102,766	90,310,962	101,102,766	90,310,962
Investments in equity securities	2,972,313	3,155,789	2,972,313	3,155,789
Amounts due to reinsurers	110,564,983	116,886,105	110,564,983	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	1,025,880	2,026,620	1,025,880	2,026,620
Other liabilities	2,931,740	3,268,907	2,931,740	3,268,907

(Unaudited but reviewed)

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<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	59,000	40,000	59,000	40,000

### Directors and management's remuneration

During the three-month and six-month periods ended 30 June 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 June			
	2019	2018	2019	2018
Short-term employee benefits	21,005,573	27,790,478	21,005,573	27,790,478
Post employee benefits	1,729,236	870,022	1,729,236	870,022
Total	22,734,809	28,660,500	22,734,809	28,660,500

(Unit : Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the six-month periods ended 30 June			
	2019	2018	2019	2018
Short-term employee benefits	42,276,275	48,753,757	42,276,275	48,753,757
Post employee benefits	14,187,748	2,525,955	14,187,748	2,525,955
Total	56,464,023	51,279,712	56,464,023	51,279,712

## **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 six-month periods ended 30 June 2019 and 2018 are as follows:



(Unaudited but reviewed)

(Unit: Baht)

Consolidate financial statements								
For the three-month period ended 30 June 2019								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
<b>Underwriting income</b>								
Premium written	37,148,773	3,067,712	897,694,610	147,959,752	1,085,870,847	674,321	(162,915)	1,086,382,253
Less: Premium ceded	(25,715,184)	(943,747)	(81,412,816)	(92,052,716)	(200,124,463)	(162,915)	162,915	(200,124,463)
Net premium written	11,433,589	2,123,965	816,281,794	55,907,036	885,746,384	511,406	-	886,257,790
Add (Less): Unearned premium reserves (increase) decrease from prior period	(59,684)	79,084	(67,888,281)	6,656,953	(61,211,928)	161,724	-	(61,050,204)
Earned premium	11,373,905	2,203,049	748,393,513	62,563,989	824,534,456	673,130	-	825,207,586
Fee and commission income	13,097,187	181,442	31,502,645	17,610,512	62,391,786	31,383	(31,383)	62,391,786
<b>Total underwriting income</b>	<b>24,471,092</b>	<b>2,384,491</b>	<b>779,896,158</b>	<b>80,174,501</b>	<b>886,926,242</b>	<b>704,513</b>	<b>(31,383)</b>	<b>887,599,372</b>
<b>Underwriting expenses</b>								
Claim and loss adjustment expenses	279,869	337,164	435,178,106	37,018,821	472,813,960	755,034	-	473,568,994
Commission and brokerage expenses	8,071,665	397,419	149,083,264	23,291,791	180,844,139	108,103	(31,383)	180,920,859
Other underwriting expenses	1,266,107	119,558	81,680,393	17,935,972	101,002,030	54,863	-	101,056,893
<b>Total underwriting expenses before operating expenses</b>	<b>9,617,641</b>	<b>854,141</b>	<b>665,941,763</b>	<b>78,246,584</b>	<b>754,660,129</b>	<b>918,000</b>	<b>(31,383)</b>	<b>755,546,746</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>14,853,451</b>	<b>1,530,350</b>	<b>113,954,395</b>	<b>1,927,917</b>	<b>132,266,113</b>	<b>(213,487)</b>	<b>-</b>	<b>132,052,626</b>
Operating expenses					(140,686,271)	(1,375,334)	2,540	(142,059,065)
<b>Loss from underwriting</b>					<b>(8,420,158)</b>	<b>(1,588,821)</b>	<b>2,540</b>	<b>(10,006,439)</b>
Investment income					21,038,349	675,708	-	21,714,057
Gain on investments					25,194,313	-	-	25,194,313
Gain on fair value adjustment					9,129,874	-	-	9,129,874
Other income (expenses)					2,285,230	(6,419)	(2,540)	2,276,271
<b>Profit (loss) before income tax expense</b>					<b>49,227,608</b>	<b>(919,532)</b>	<b>-</b>	<b>48,308,076</b>
Income tax expense					(7,290,704)	-	-	(7,290,704)
<b>Profit (loss) for the period</b>					<b>41,936,904</b>	<b>(919,532)</b>	<b>-</b>	<b>41,017,372</b>

9,129,874

(Unaudited but reviewed)

(Unit: Baht)

Consolidate financial statements								
For the three-month period ended 30 June 2018								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
<b>Underwriting income</b>								
Premium written	38,129,125	2,345,104	788,003,798	140,193,150	968,671,177	525,896	(28,456)	969,168,617
Less: Premium ceded	<u>(26,821,874)</u>	<u>(634,937)</u>	<u>(74,758,357)</u>	<u>(85,659,627)</u>	<u>(187,874,795)</u>	<u>(28,456)</u>	<u>28,456</u>	<u>(187,874,795)</u>
Net premium written	11,307,251	1,710,167	713,245,441	54,533,523	780,796,382	497,440	-	781,293,822
Add (Less): Unearned premium reserves (increase) decrease from prior period	<u>16,934</u>	<u>(35,137)</u>	<u>(73,511,110)</u>	<u>(25,651,979)</u>	<u>(99,181,292)</u>	<u>104,975</u>	<u>-</u>	<u>(99,076,317)</u>
Earned premium	11,324,185	1,675,030	639,734,331	28,881,544	681,615,090	602,415	-	682,217,505
Fee and commission income	<u>13,033,238</u>	<u>106,903</u>	<u>23,396,582</u>	<u>17,101,010</u>	<u>53,637,733</u>	<u>5,407</u>	<u>(5,407)</u>	<u>53,637,733</u>
<b>Total underwriting income</b>	<u>24,357,423</u>	<u>1,781,933</u>	<u>663,130,913</u>	<u>45,982,554</u>	<u>735,252,823</u>	<u>607,822</u>	<u>(5,407)</u>	<u>735,855,238</u>
<b>Underwriting expenses</b>								
Claim and loss adjustment expenses	4,574,543	377,196	366,640,480	27,693,026	399,285,245	1,025,910	-	400,311,155
Commission and brokerage expenses	8,579,336	301,036	139,362,894	24,154,321	172,397,587	72,284	(5,407)	172,464,464
Other underwriting expenses	<u>1,279,610</u>	<u>86,060</u>	<u>55,479,306</u>	<u>8,608,119</u>	<u>65,453,095</u>	<u>42,489</u>	<u>-</u>	<u>65,495,584</u>
<b>Total underwriting expenses before operating expenses</b>	<u>14,433,489</u>	<u>764,292</u>	<u>561,482,680</u>	<u>60,455,466</u>	<u>637,135,927</u>	<u>1,140,683</u>	<u>(5,407)</u>	<u>638,271,203</u>
<b>Profit (loss) from underwriting before operating expenses</b>	<u>9,923,934</u>	<u>1,017,641</u>	<u>101,648,233</u>	<u>(14,472,912)</u>	<u>98,116,896</u>	<u>(532,861)</u>	<u>-</u>	<u>97,584,035</u>
Operating expenses					<u>(108,979,872)</u>	<u>(1,536,429)</u>	<u>-</u>	<u>(110,516,301)</u>
<b>Loss from underwriting</b>					<u>(10,862,976)</u>	<u>(2,069,290)</u>	<u>-</u>	<u>(12,932,266)</u>
Investment income					20,685,971	794,847	-	21,480,818
Loss on investments					(568,928)	-	-	(568,928)
Loss on fair value adjustment					(22,978,135)	-	-	(22,978,135)
Other income (expenses)					<u>2,165,833</u>	<u>(1,704)</u>	<u>-</u>	<u>2,164,129</u>
<b>Loss before income tax expense</b>					<u>(11,558,235)</u>	<u>(1,276,147)</u>	<u>-</u>	<u>(12,834,382)</u>
Income tax revenue					<u>4,865,665</u>	<u>-</u>	<u>-</u>	<u>4,865,665</u>
<b>Loss for the period</b>					<u>(6,692,570)</u>	<u>(1,276,147)</u>	<u>-</u>	<u>(7,968,717)</u>

(Unaudited but reviewed)

(Unit: Baht)

Consolidate financial statements								
For the six-month period ended 30 June 2019								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
<b>Underwriting income</b>								
Premium written	74,610,368	7,135,392	1,713,600,363	333,544,571	2,128,890,694	2,378,191	(1,065,734)	2,130,203,151
Less: Premium ceded	(52,338,588)	(1,442,649)	(150,784,866)	(186,210,634)	(390,776,737)	(1,065,734)	1,065,734	(390,776,737)
Net premium written	22,271,780	5,692,743	1,562,815,497	147,333,937	1,738,113,957	1,312,457	-	1,739,426,414
Add (Less): Unearned premium reserves (increase) decrease from prior period	771,222	(1,192,805)	(85,343,359)	(18,075,216)	(103,840,158)	5,819	-	(103,834,339)
Earned premium	23,043,002	4,499,938	1,477,472,138	129,258,721	1,634,273,799	1,318,276	-	1,635,592,075
Fee and commission income	25,891,262	266,427	53,674,057	33,309,168	113,140,914	211,169	(211,169)	113,140,914
<b>Total underwriting income</b>	<b>48,934,264</b>	<b>4,766,365</b>	<b>1,531,146,195</b>	<b>162,567,889</b>	<b>1,747,414,713</b>	<b>1,529,445</b>	<b>(211,169)</b>	<b>1,748,732,989</b>
<b>Underwriting expenses</b>								
Claim and loss adjustment expenses	2,360,846	336,609	866,778,009	80,907,941	950,383,405	1,542,228	-	951,925,633
Commission and brokerage expenses	16,340,224	923,332	289,262,591	47,106,605	353,632,752	372,291	(211,169)	353,793,874
Other underwriting expenses	2,993,125	335,393	130,312,825	32,480,206	166,121,549	94,808	-	166,216,357
<b>Total underwriting expenses before operating expenses</b>	<b>21,694,195</b>	<b>1,595,334</b>	<b>1,286,353,425</b>	<b>160,494,752</b>	<b>1,470,137,706</b>	<b>2,009,327</b>	<b>(211,169)</b>	<b>1,471,935,864</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>27,240,069</b>	<b>3,171,031</b>	<b>244,792,770</b>	<b>2,073,137</b>	<b>277,277,007</b>	<b>(479,882)</b>	<b>-</b>	<b>276,797,125</b>
Operating expenses					(248,550,737)	(2,943,740)	3,894	(251,490,583)
<b>Profit (loss) from underwriting</b>					<b>28,726,270</b>	<b>(3,423,622)</b>	<b>3,894</b>	<b>25,306,542</b>
Investment income					34,680,872	1,374,033	-	36,054,905
Gain on investments					25,968,357	-	-	25,968,357
Gain on fair value adjustment					31,085,218	-	-	31,085,218
Other income (expenses)					3,777,140	(3,965)	(3,894)	3,769,281
<b>Profit (loss) before income tax expense</b>					<b>124,237,857</b>	<b>(2,053,554)</b>	<b>-</b>	<b>122,184,303</b>
Income tax expense					(21,195,690)	-	-	(21,195,690)
<b>Profit (loss) for the period</b>					<b>103,042,167</b>	<b>(2,053,554)</b>	<b>-</b>	<b>100,988,613</b>

(Unaudited but reviewed)

(Unit: Baht)

Consolidate financial statements								
For the six-month period ended 30 June 2018								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
<b>Underwriting income</b>								
Premium written	76,629,477	5,911,455	1,570,007,533	263,288,786	1,915,837,251	1,613,954	(404,638)	1,917,046,567
Less: Premium ceded	(53,406,172)	(1,099,318)	(150,357,627)	(143,016,993)	(347,880,110)	(404,638)	404,638	(347,880,110)
Net premium written	23,223,305	4,812,137	1,419,649,906	120,271,793	1,567,957,141	1,209,316	-	1,569,166,457
Add (Less): Unearned premium reserves (increase) decrease from prior period	658,289	(1,346,185)	(185,197,982)	10,382,673	(175,503,205)	(159,710)	-	(175,662,915)
Earned premium	23,881,594	3,465,952	1,234,451,924	130,654,466	1,392,453,936	1,049,606	-	1,393,503,542
Fee and commission income	25,660,635	225,517	49,720,455	31,145,627	106,752,234	80,574	(80,574)	106,752,234
<b>Total underwriting income</b>	<b>49,542,229</b>	<b>3,691,469</b>	<b>1,284,172,379</b>	<b>161,800,093</b>	<b>1,499,206,170</b>	<b>1,130,180</b>	<b>(80,574)</b>	<b>1,500,255,776</b>
<b>Underwriting expenses</b>								
Claim and loss adjustment expenses	3,215,403	362,006	726,619,189	61,458,628	791,655,226	1,458,927	-	793,114,153
Commission and brokerage expenses	16,810,028	765,966	277,861,250	43,699,881	339,137,125	222,375	(80,574)	339,278,926
Other underwriting expenses	2,634,089	237,340	100,117,870	21,065,724	124,055,023	82,579	-	124,137,602
<b>Total underwriting expenses before operating expenses</b>	<b>22,659,520</b>	<b>1,365,312</b>	<b>1,104,598,309</b>	<b>126,224,233</b>	<b>1,254,847,374</b>	<b>1,763,881</b>	<b>(80,574)</b>	<b>1,256,530,681</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>26,882,709</b>	<b>2,326,157</b>	<b>179,574,070</b>	<b>35,575,860</b>	<b>244,358,796</b>	<b>(633,701)</b>	<b>-</b>	<b>243,725,095</b>
Operating expenses					(206,775,505)	(3,895,159)	23,218	(210,647,446)
<b>Profit (loss) from underwriting</b>					<b>37,583,291</b>	<b>(4,528,860)</b>	<b>23,218</b>	<b>33,077,649</b>
Investment income					39,283,197	1,538,233	-	40,821,430
Loss on investments					(935,452)	-	-	(935,452)
Loss on fair value adjustment					(29,248,610)	-	-	(29,248,610)
Other income (expenses)					3,594,579	(57,017)	(23,218)	3,514,344
<b>Profit (loss) before income tax expense</b>					<b>50,277,005</b>	<b>(3,047,644)</b>	<b>-</b>	<b>47,229,361</b>
Income tax expense					(6,019,077)	-	-	(6,019,077)
<b>Profit (loss) for the period</b>					<b>44,257,928</b>	<b>(3,047,644)</b>	<b>-</b>	<b>41,210,284</b>

For the six-month periods ended 30 June 2019 and 2018, the Company has premium written from three major brokers in amounting of Baht 902.2 million and Baht 988.3 million, respectively.

(Unaudited but reviewed)

Segment assets and liabilities of the Company and its subsidiary as at 30 June 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 June 2019	178,220,612	3,468,304	938,758,158	346,843,212	4,629,841,362	6,097,131,648	56,247,134	(53,668,447)	6,099,710,335
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 June 2019	293,635,410	7,283,818	3,199,740,760	727,798,680	535,576,470	4,764,035,138	7,197,628	(3,748,447)	4,767,484,319
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 June 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 June 2019		31 December 2018	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Asset pledged</b>				
Fixed deposit	19.2	19.2	20.3	20.3
Government bonds	15.1	15.7	15.1	15.1
Total	34.3	34.9	35.4	35.4
<b>Assets reserved</b>				
Government bonds	275.9	278.3	216.6	217.7
State enterprise debt securities	80.0	81.0	80.0	80.2
Private debt securities	40.0	42.8	50.0	53.2
Total	395.9	402.1	346.6	351.1
Total	430.2	437.0	382.0	386.5

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
	30 June 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	275.9	278.3	216.6	217.7
State enterprise debt securities	80.0	81.0	80.0	80.2
Private debt securities	40.0	42.8	50.0	53.2
Total	395.9	402.1	346.6	351.1
Total	411.0	417.8	361.7	366.2

## 23. Commitments and contingent liabilities

### 23.1 Capital commitments

As at 30 June 2019, the Company has capital commitments of approximately Baht 5.0 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 June 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 June	31 December	30 June	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	1.8	2.5	0.7	1.2

### 23.3 Bank guarantees

As at 30 June 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 June 2019, the Company has been sued as insurer for damages totaling approximately Baht 68.8 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 29.7 million, with the recoverable portion from reinsurers amounting to Baht 2.2 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 June 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 June 2019				
	Book value	Fair value			
	Level 1	Level 2	Total		
Held for trading investments					
Equity securities	237.8	237.8	-	237.8	
Available-for-sale investments					
Government and state enterprise debt securities	81.0	-	81.0	81.0	
Private debt securities	395.0	-	395.0	395.0	
Equity securities	113.5	113.5	-	113.5	
Unit trusts	2,161.4	202.6	1,958.8	2,161.4	

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated and separate financial statements			
	31 December 2018			
	Book	Fair value		
value	Level 1	Level 2	Total	
Held for trading investments				
Equity securities	231.3	231.3	-	231.3
Available-for-sale investments				
Government and state enterprise debt securities	90.3	-	90.3	90.3
Private debt securities	434.1	-	434.1	434.1
Equity securities	112.0	112.0	-	112.0
Unit trusts	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 13 August 2019