

Bangkok Insurance Public Company Limited  
Review report and interim financial statements  
30 September 2020

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

To the Shareholders of Bangkok Insurance Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of Bangkok Insurance Public Company Limited as at 30 September 2020, the related statements of comprehensive income, in which the equity method is applied, for the three-month and nine-month periods then ended, the related statements of changes in owners' equity and cash flows, in which the equity method is applied, for the nine-month period then ended, as well as the condensed notes to the financial statements. I have also reviewed the separate financial information of Bangkok Insurance Public Company Limited for the same periods. 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.

Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok: 5 November 2020

**Bangkok Insurance Public Company Limited**

**Statements of financial position**

**As at 30 September 2020**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		30 September 2020	31 December 2019	30 September 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
Cash and cash equivalents	4	254,595,264	138,824,094	254,595,264	138,824,094
Premium receivables	5	2,545,520,759	2,781,688,227	2,545,520,759	2,781,688,227
Accrued investment income	6	55,682,597	71,681,658	55,682,597	71,681,658
Reinsurance assets	7	6,712,454,637	5,652,331,757	6,712,454,637	5,652,331,757
Reinsurance receivables	8	344,534,514	393,520,487	344,534,514	393,520,487
Investment assets					
Investments in securities	9.1	40,141,669,030	44,958,408,793	40,141,669,030	44,958,408,793
Loans		-	1,313,733,175	-	1,313,733,175
Loans and interest receivables	10	1,380,070,685	-	1,380,070,685	-
Investment properties	11	122,272,753	135,206,776	122,272,753	135,206,776
Investments in associates	12.1	260,470,260	246,370,557	129,395,722	129,395,722
Premises and equipment	13	695,355,827	740,711,978	695,355,827	740,711,978
Right-of-use assets	14	843,623,178	-	843,623,178	-
Intangible assets	15	99,846,940	116,379,604	99,846,940	116,379,604
Other assets					
Land and building leasehold rights		-	38,927,075	-	38,927,075
Others		907,638,802	739,299,170	907,638,802	739,299,170
<b>Total assets</b>		<b>54,363,735,246</b>	<b>57,327,083,351</b>	<b>54,232,660,708</b>	<b>57,210,108,516</b>

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

**Bangkok Insurance Public Company Limited**  
**Statements of financial position (continued)**  
**As at 30 September 2020**

(Unit: Baht)

Note	Financial statements				
	in which the equity method is applied		Separate financial statements		
	30 September 2020	31 December 2019	30 September 2020	31 December 2019	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Liabilities and owners' equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	17	16,880,199,922	15,609,540,384	16,880,199,922	15,609,540,384
Due to reinsurers	18	2,839,828,545	2,553,721,341	2,839,828,545	2,553,721,341
Income tax payable		115,777,814	136,230,766	115,777,814	136,230,766
Lease liabilities	19	801,479,924	40,059,231	801,479,924	40,059,231
Employee benefit obligations		738,060,992	710,874,638	738,060,992	710,874,638
Deferred tax liabilities	16.1	2,223,304,687	3,476,762,989	2,197,089,780	3,453,368,022
Other liabilities					
Premiums received in advance		1,753,161,003	1,810,511,932	1,753,161,003	1,810,511,932
Commission payables		349,008,555	416,503,130	349,008,555	416,503,130
Accrued expenses		586,187,849	683,969,720	586,187,849	683,969,720
Others		867,237,946	865,812,134	867,237,946	865,812,134
<b>Total liabilities</b>		<b>27,154,247,237</b>	<b>26,303,986,265</b>	<b>27,128,032,330</b>	<b>26,280,591,298</b>
<b>Owners' equity</b>					
Share capital					
Registered, issued and paid up					
106,470,000 ordinary shares of Baht 10 each		1,064,700,000	1,064,700,000	1,064,700,000	1,064,700,000
Share premium		1,442,500,000	1,442,500,000	1,442,500,000	1,442,500,000
Retained earnings					
Appropriated					
Statutory reserve		106,470,000	106,470,000	106,470,000	106,470,000
Other reserve		7,000,000,000	7,000,000,000	7,000,000,000	7,000,000,000
Unappropriated		5,378,146,858	4,223,458,003	5,270,893,948	4,126,084,666
Other component of owners' equity		12,217,671,151	17,185,969,083	12,220,064,430	17,189,762,552
<b>Total owners' equity</b>		<b>27,209,488,009</b>	<b>31,023,097,086</b>	<b>27,104,628,378</b>	<b>30,929,517,218</b>
<b>Total liabilities and owners' equity</b>		<b>54,363,735,246</b>	<b>57,327,083,351</b>	<b>54,232,660,708</b>	<b>57,210,108,516</b>

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

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Directors  
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(Unaudited but reviewed)

**Bangkok Insurance Public Company Limited****Statements of comprehensive income****For the three-month period ended 30 September 2020**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2020	2019	2020	2019
<b>Profit or loss:</b>					
<b>Revenues</b>					
Gross premium written		6,001,402,595	5,565,100,007	6,001,402,595	5,565,100,007
Less: Premium ceded to reinsurers		(2,598,172,555)	(1,837,403,408)	(2,598,172,555)	(1,837,403,408)
Net premium written		3,403,230,040	3,727,696,599	3,403,230,040	3,727,696,599
Add (less): Unearned premium reserves (increased) decreased					
from prior period		168,477,844	(344,983,563)	168,477,844	(344,983,563)
Earned premium		3,571,707,884	3,382,713,036	3,571,707,884	3,382,713,036
Fee and commission income		375,553,493	329,938,406	375,553,493	329,938,406
Investment revenue		261,037,569	390,875,093	261,037,569	390,875,093
Gains (losses) on investments		(7,467,585)	29,088,660	(7,467,585)	29,088,660
Share of profits in associates under the equity method	12.2	3,392,260	14,580,854	-	-
Other income		40,204,576	48,897,450	40,204,576	48,897,450
<b>Total revenues</b>		<b>4,244,428,197</b>	<b>4,196,093,499</b>	<b>4,241,035,937</b>	<b>4,181,512,645</b>
<b>Expenses</b>					
Gross claims		2,297,229,161	2,393,415,881	2,297,229,161	2,393,415,881
Less: Claim recovery from reinsurers		(368,465,401)	(421,277,470)	(368,465,401)	(421,277,470)
Commissions and brokerages		681,369,509	685,901,485	681,369,509	685,901,485
Other underwriting expenses		479,867,544	573,120,401	479,867,544	573,120,401
Operating expenses		222,983,137	250,558,821	222,983,137	250,558,821
Investment expenses		17,600,996	24,284,381	17,600,996	24,284,381
Finance costs		9,978,540	614,587	9,978,540	614,587
Expected credit losses	21	2,785,798	-	2,785,798	-
<b>Total expenses</b>		<b>3,343,349,284</b>	<b>3,506,618,086</b>	<b>3,343,349,284</b>	<b>3,506,618,086</b>
<b>Profits before income tax expenses</b>		<b>901,078,913</b>	<b>689,475,413</b>	<b>897,686,653</b>	<b>674,894,559</b>
Less: Income tax expenses	16.2	(139,506,770)	(78,040,522)	(138,828,318)	(75,124,351)
<b>Net profits</b>		<b>761,572,143</b>	<b>611,434,891</b>	<b>758,858,335</b>	<b>599,770,208</b>
<b>Other comprehensive income (loss):</b>					
Items to be recognised in profit or loss in subsequent periods:					
Share of other comprehensive loss from associates	12.2	-	(4,741,836)	-	-
Losses on revaluation of available-for-sale investments which are measured at fair value through other comprehensive income		(2,727,045,073)	(5,661,172,144)	(2,727,045,073)	(5,661,172,144)
Total items to be recognised in profit or loss in subsequent periods		(2,727,045,073)	(5,665,913,980)	(2,727,045,073)	(5,661,172,144)
Add: Income taxes		545,409,015	1,133,182,795	545,409,014	1,132,234,428
Items to be recognised in profit or loss in subsequent periods - net of income taxes		(2,181,636,058)	(4,532,731,185)	(2,181,636,059)	(4,528,937,716)
<b>Other comprehensive loss for the periods</b>		<b>(2,181,636,058)</b>	<b>(4,532,731,185)</b>	<b>(2,181,636,059)</b>	<b>(4,528,937,716)</b>
<b>Total comprehensive loss for the periods</b>		<b>(1,420,063,915)</b>	<b>(3,921,296,294)</b>	<b>(1,422,777,724)</b>	<b>(3,929,167,508)</b>
<b>Earnings per share:</b>	22				
Basic earnings per share					
Net profits		7.15	5.74	7.13	5.63

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

(Unaudited but reviewed)

**Bangkok Insurance Public Company Limited****Statements of comprehensive income****For the nine-month period ended 30 September 2020**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2020	2019	2020	2019
<b>Profit or loss:</b>					
<b>Revenues</b>					
Gross premium written		17,135,232,240	15,272,257,314	17,135,232,240	15,272,257,314
Less: Premium ceded to reinsurers		(6,057,683,959)	(4,669,729,377)	(6,057,683,959)	(4,669,729,377)
Net premium written		11,077,548,281	10,602,527,937	11,077,548,281	10,602,527,937
Add (less): Unearned premium reserves (increased) decreased from prior period		2,707,843	(1,010,554,774)	2,707,843	(1,010,554,774)
Earned premium		11,080,256,124	9,591,973,163	11,080,256,124	9,591,973,163
Fee and commission income		1,092,806,455	925,412,320	1,092,806,455	925,412,320
Investment revenue		1,042,593,310	1,108,247,437	1,042,593,310	1,108,247,437
Gains on investments		192,080,902	129,953,051	192,080,902	129,953,051
Share of profits in associates under the equity method	12.2	12,349,466	17,790,295	-	-
Other income		133,058,676	138,987,811	133,058,676	138,987,811
<b>Total revenues</b>		<b>13,553,144,933</b>	<b>11,912,364,077</b>	<b>13,540,795,467</b>	<b>11,894,573,782</b>
<b>Expenses</b>					
Gross claims		8,651,998,385	6,860,220,588	8,651,998,385	6,860,220,588
Less: Claim recovery from reinsurers		(2,594,934,134)	(1,568,244,527)	(2,594,934,134)	(1,568,244,527)
Commissions and brokerages		2,130,645,269	2,008,955,985	2,130,645,269	2,008,955,985
Other underwriting expenses		1,723,375,439	1,672,533,185	1,723,375,439	1,672,533,185
Operating expenses		714,896,963	800,857,848	714,896,963	800,857,848
Investment expenses		64,942,155	64,963,935	64,942,155	64,963,935
Finance costs		29,488,831	1,985,230	29,488,831	1,985,230
Expected credit losses	21	57,966,399	-	57,966,399	-
<b>Total expenses</b>		<b>10,778,379,307</b>	<b>9,841,272,244</b>	<b>10,778,379,307</b>	<b>9,841,272,244</b>
<b>Profits before income tax expenses</b>		<b>2,774,765,626</b>	<b>2,071,091,833</b>	<b>2,762,416,160</b>	<b>2,053,301,538</b>
Less: Income tax expenses	16.2	(412,088,701)	(201,458,897)	(409,618,808)	(197,900,838)
<b>Net profits</b>		<b>2,362,676,925</b>	<b>1,869,632,936</b>	<b>2,352,797,352</b>	<b>1,855,400,700</b>
<b>Other comprehensive income (loss):</b>					
Items to be recognised in profit or loss in subsequent periods:					
Share of other comprehensive income (loss) from associates	12.2	1,750,237	(4,741,836)	-	-
Losses on revaluation of available-for-sale investments which are measured at fair value through other comprehensive income		(8,925,658,670)	(7,046,209,556)	(8,925,658,670)	(7,046,209,556)
Total items to be recognised in profit or loss in subsequent periods		(8,923,908,433)	(7,050,951,392)	(8,925,658,670)	(7,046,209,556)
Add: Income taxes		1,784,781,687	1,410,190,278	1,785,131,734	1,409,241,911
Items to be recognised in profit or loss in subsequent periods - net of income taxes		(7,139,126,746)	(5,640,761,114)	(7,140,526,936)	(5,636,967,645)
<b>Other comprehensive loss for the periods</b>		<b>(7,139,126,746)</b>	<b>(5,640,761,114)</b>	<b>(7,140,526,936)</b>	<b>(5,636,967,645)</b>
<b>Total comprehensive loss for the periods</b>		<b>(4,776,449,821)</b>	<b>(3,771,128,178)</b>	<b>(4,787,729,584)</b>	<b>(3,781,566,945)</b>
<b>Earnings per share:</b>	22				
Basic earnings per share					
Net profits		22.19	17.56	22.10	17.43

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

(Unaudited but reviewed)

**Bangkok Insurance Public Company Limited****Statements of cash flows****For the nine-month period ended 30 September 2020**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2020	2019	2020	2019
<b>Cash flows from (used in) operating activities</b>					
Direct premium written		16,496,260,844	14,855,638,333	16,496,260,844	14,855,638,333
Cash paid for reinsurance		(1,992,868,521)	(1,241,866,069)	(1,992,868,521)	(1,241,866,069)
Interest income		235,239,785	221,589,424	235,239,785	221,589,424
Dividend income		822,799,247	874,191,364	822,799,247	874,191,364
Other investment income		117,480,254	120,125,207	117,480,254	120,125,207
Other income		14,346,539	18,690,923	14,346,539	18,690,923
Losses incurred on direct insurance		(7,641,512,804)	(6,537,335,796)	(7,641,512,804)	(6,537,335,796)
Commissions and brokerages on direct insurance		(2,034,443,252)	(1,890,751,359)	(2,034,443,252)	(1,890,751,359)
Other underwriting expenses		(1,999,774,490)	(1,907,782,707)	(1,999,774,490)	(1,907,782,707)
Operating expenses		(706,557,580)	(704,898,582)	(706,557,580)	(704,898,582)
Investment expenses		(35,088,868)	(46,512,006)	(35,088,868)	(46,512,006)
Income taxes		(437,441,923)	(382,429,029)	(437,441,923)	(382,429,029)
Cash received on financial assets		15,757,665,373	-	15,757,665,373	-
Cash paid for financial assets		(17,232,411,326)	-	(17,232,411,326)	-
Investments in securities		-	(2,318,922,210)	-	(2,318,922,210)
Loans		-	279,122,303	-	279,122,303
<b>Net cash provided by operating activities</b>		<b>1,363,693,278</b>	<b>1,338,859,796</b>	<b>1,363,693,278</b>	<b>1,338,859,796</b>
<b>Cash flows from (used in) investing activities</b>					
Cash flows from					
Premises and equipment		1,315,944	211,312	1,315,944	211,312
Cash provided by investing activities		1,315,944	211,312	1,315,944	211,312
Cash flows used in					
Premises and equipment		(44,629,204)	(89,892,877)	(44,629,204)	(89,892,877)
Intangible assets		(10,130,923)	(2,800)	(10,130,923)	(2,800)
Cash used in investing activities		(54,760,127)	(89,895,677)	(54,760,127)	(89,895,677)
<b>Net cash used in investing activities</b>		<b>(53,444,183)</b>	<b>(89,684,365)</b>	<b>(53,444,183)</b>	<b>(89,684,365)</b>
<b>Cash flows from (used in) financing activities</b>					
Repayments of lease liabilities		(27,209,545)	-	(27,209,545)	-
Dividends paid		(1,167,258,116)	(1,171,170,000)	(1,167,258,116)	(1,171,170,000)
<b>Net cash used in financing activities</b>		<b>(1,194,467,661)</b>	<b>(1,171,170,000)</b>	<b>(1,194,467,661)</b>	<b>(1,171,170,000)</b>
Increase in allowance for expected credit losses	4	(10,264)	-	(10,264)	-
<b>Net increase in cash and cash equivalents</b>		<b>115,771,170</b>	<b>78,005,431</b>	<b>115,771,170</b>	<b>78,005,431</b>
Cash and cash equivalents at beginning of the periods		138,824,094	419,566,786	138,824,094	419,566,786
<b>Cash and cash equivalents at end of the periods</b>		<b>254,595,264</b>	<b>497,572,217</b>	<b>254,595,264</b>	<b>497,572,217</b>
<b>Supplemental cash flows information</b>					
Non-cash item					
Lease liabilities		36,384,996	-	36,384,996	-

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

(Unaudited but reviewed)

**Bangkok Insurance Public Company Limited**  
**Statements of changes in owners' equity**  
**For the nine-month period ended 30 September 2020**

(Unit: Baht)

Financial statements in which the equity method is applied

Note	Retained earnings					Other components of owners' equity				
	Issued and paid-up share capital	Share premium	Appropriated		Unappropriated	Share of other comprehensive loss in associates - net of income taxes	Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income - net of income taxes		Total	Total
			Statutory reserve	Other reserve			of income taxes	of income taxes		
<b>Balance as at 1 January 2019</b>	1,064,700,000	1,442,500,000	106,470,000	3,100,000,000	7,302,708,577	-	21,858,985,624	21,858,985,624	34,875,364,201	
Retained earning appropriated to be other reserve	-	-	-	3,900,000,000	(3,900,000,000)	-	-	-	-	
Dividend paid	23	-	-	-	(1,171,170,000)	-	-	-	(1,171,170,000)	
Net profit	-	-	-	-	1,869,632,936	-	-	-	1,869,632,936	
Other comprehensive loss for the period	-	-	-	-	-	(3,793,469)	(5,636,967,645)	(5,640,761,114)	(5,640,761,114)	
<b>Balance as at 30 September 2019</b>	<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>7,000,000,000</u>	<u>4,101,171,513</u>	<u>(3,793,469)</u>	<u>16,222,017,979</u>	<u>16,218,224,510</u>	<u>29,933,066,023</u>	
<b>Balance as at 1 January 2020</b>	1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,223,458,003	(3,793,469)	17,189,762,552	17,185,969,083	31,023,097,086	
Cumulative effect of the change in accounting policies	3	-	-	-	(36,818,070)	-	2,170,828,814	2,170,828,814	2,134,010,744	
<b>Balance as at 1 January 2020 - as restated</b>	<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>7,000,000,000</u>	<u>4,186,639,933</u>	<u>(3,793,469)</u>	<u>19,360,591,366</u>	<u>19,356,797,897</u>	<u>33,157,107,830</u>	
Dividend paid	23	-	-	-	(1,171,170,000)	-	-	-	(1,171,170,000)	
Net profit	-	-	-	-	2,362,676,925	-	-	-	2,362,676,925	
Other comprehensive income (loss) for the period	-	-	-	-	-	1,400,190	(7,140,526,936)	(7,139,126,746)	(7,139,126,746)	
<b>Balance as at 30 September 2020</b>	<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>7,000,000,000</u>	<u>5,378,146,858</u>	<u>(2,393,279)</u>	<u>12,220,064,430</u>	<u>12,217,671,151</u>	<u>27,209,488,009</u>	

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



(Unaudited but reviewed)

**Bangkok Insurance Public Company Limited**  
**Statements of changes in owners' equity (continued)**  
**For the nine-month period ended 30 September 2020**

(Unit: Baht)

	Note	Separate financial statements					Other component of owners' equity Revaluation surplus on available-for-sale investments - net of income taxes	Total
		Issued and paid-up share capital	Share premium	Retained earnings		Unappropriated		
				Appropriated				
				Statutory reserve	Other reserve			
<b>Balance as at 1 January 2019</b>		1,064,700,000	1,442,500,000	106,470,000	3,100,000,000	7,224,031,693	21,858,985,624	34,796,687,317
Retained earning appropriated to be other reserve		-	-	-	3,900,000,000	(3,900,000,000)	-	-
Dividend paid	23	-	-	-	-	(1,171,170,000)	-	(1,171,170,000)
Net profit		-	-	-	-	1,855,400,700	-	1,855,400,700
Other comprehensive loss for the period		-	-	-	-	-	(5,636,967,645)	(5,636,967,645)
<b>Balance as at 30 September 2019</b>		<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>7,000,000,000</u>	<u>4,008,262,393</u>	<u>16,222,017,979</u>	<u>29,843,950,372</u>
<b>Balance as at 1 January 2020</b>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,126,084,666	17,189,762,552	30,929,517,218
Cumulative effect of the change in accounting policies	3	-	-	-	-	(36,818,070)	2,170,828,814	2,134,010,744
<b>Balance as at 1 January 2020 - as restated</b>		<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>7,000,000,000</u>	<u>4,089,266,596</u>	<u>19,360,591,366</u>	<u>33,063,527,962</u>
Dividend paid	23	-	-	-	-	(1,171,170,000)	-	(1,171,170,000)
Net profit		-	-	-	-	2,352,797,352	-	2,352,797,352
Other comprehensive loss for the period		-	-	-	-	-	(7,140,526,936)	(7,140,526,936)
<b>Balance as at 30 September 2020</b>		<u>1,064,700,000</u>	<u>1,442,500,000</u>	<u>106,470,000</u>	<u>7,000,000,000</u>	<u>5,270,893,948</u>	<u>12,220,064,430</u>	<u>27,104,628,378</u>

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

## Bangkok Insurance Public Company Limited

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For the three-month and nine-month periods ended 30 September 2020

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**Bangkok Insurance Public Company Limited**

**Notes to interim financial statements**

**For the three-month and nine-month periods ended 30 September 2020**

**1. General information**

**1.1 Corporate information**

Bangkok Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand, and listed on the Stock Exchange of Thailand. The Company’s major shareholder is Bangkok Bank Public Company Limited whereby as at 30 September 2020 and 31 December 2019, such major shareholder held 9.97% of the issued and paid-up ordinary shares of the Company. The Company is principally engaged in the provision of non-life insurance. The Company’s registered office is located at No. 25, Bangkok Insurance Building, South Sathon Road, Tung Ma Ha Mek, Sathon, Bangkok.

**1.2 Coronavirus 2019 Pandemic**

The Coronavirus 2019 (Covid-19) pandemic has caused an economic slowdown and impacted businesses and industries in various sectors either directly or indirectly. This situation may bring uncertainties and have an impact on the environment in which the business operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues (if any) as the situation has evolved.

**2. Basis for preparation of interim financial information**

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting whereby the Company choose to present condensed interim financial statements. However, the Company presented each line item in the statements of financial position, comprehensive income, changes in owners’ equity and cash flows in the same full format as that used in its 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, terms and conditions for preparation and submission of financial statements and operating performance reports of non-life insurance companies (No.2) B.E. 2562 dated 4 April 2019.

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

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

## **2.1 The financial statements in which the equity method is applied**

The Company has prepared the financial statements, in which equity method is applied, which have presented investments in associates under the equity method.

## **2.2 Separate financial statements**

The Company has prepared its separate financial statements, which have presented investments in associates under the cost method.

## **2.3 New financial reporting standards**

### **2.3.1 Financial reporting standards that became effective in the current period**

During the period, the Company has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, the new standard involves changes to key principles, which are summarised below:

#### **(a) Financial reporting standards and Accounting Guidance related to financial instruments**

##### **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



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

According to the Company's statement of financial position as of 31 December 2017, the Company had liabilities, in connection with insurance services under the scope of TFRS 4: Insurance Contracts, of 80% or more but less than 90% of the carrying value of total liabilities and the Company does not have a significant operation in non-insurance related business. For such reasons, the Company meets certain criteria stipulated in TFRS 4: Insurance Contracts, and the Company has no change in the entity's core activities in the following accounting periods. The Company's management, therefore, considered to adopt such accounting guidance instead of the adoption of TFRS 9 and TFRS 7.

There will be impact in the following key matters to the Company's interim financial information from the adoption of this accounting guidance.

#### Classification and measurement of financial assets

The Company shall classify financial assets as trading securities, available for sale securities, held to maturity securities, and receivables and loans by not taking into consideration of its business model and the characteristics of the contractual cash flows. The Company was considered as follows;

- The Company has still decided to continue to classify its available-for-sale investments both debt instruments and equity instruments, except for non-listed equity securities, as financial assets measured at fair value through other comprehensive income.
- The Company considers to change classification of its investments in non-listed equity securities to be financial assets measured at fair value through other comprehensive income. They were previously classified as general investments measured at cost net of allowance for impairment (if any) under the cancelled former accounting standard.
- The Company has still continued to classify and present loans, which the Company holds to collect contractual cash flow (both principal and interest), as loans and interest receivables measured at amortised cost.

### Classification of financial liabilities

The adoption of this accounting guidance does not have any impact to classification of financial liabilities. The Company continues to classify financial liabilities measured at amortised cost.

### Impairment of financial assets

This accounting guidance requires the Company to move from incurred loss provisioning, under former accounting policy, to expected loss provisioning by recognising an allowance for expected credit losses on its financial assets and it is no longer necessary for a credit-impaired event to have occurred. The Company considers to adopt the general approach to determine expected credit loss on financial assets.

### Transition

The Company initially adopted this accounting guidance using the modified retrospective method whereby the adjustment of the cumulative effect was made against retained earnings or other components of owners' equity as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change in accounting policy is described in Note 3 to interim financial statements.

## **(b) 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 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

There will be impact in the following matters to the Company's interim financial information from the adoption of this Thai Financial Reporting Standard.

### Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Company is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

### Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

### Transition

The Company initially adopted this financial reporting standard using the modified retrospective method whereby an adjustment of the cumulative effect was made against retained earnings as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change in accounting policy is described in Note 3 to interim financial statements.



**(c) Accounting Guidances on Temporary Relief Measures**

**Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy**

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy. Its objectives are to provide temporary relief measures solely for entities providing assistance to debtors impacted by the situations that affect the Thai economy, such as COVID-19, economic conditions, trade wars and drought, and to provide an alternative for all entities providing assistance to debtors in accordance with measures to assist debtors specified in the circular of the Bank of Thailand No. BOT.RPD.(23)C. 276/2563 “Guidelines on providing assistance to debtors impacted by situations that affect the Thai economy” and the circular of the Bank of Thailand No. BOT.RPD.(01)C. 380/2563 “Measures to provide additional assistance to debtors during the COVID-19 situation” or any other measures announced by the Bank of Thailand. Such entities include credit card businesses, businesses providing loans secured against vehicle registrations without collateral, personal loan businesses under the supervision of the Bank of Thailand and certain entities not under the supervision of the Bank of Thailand, such as leasing, hire-purchase, motorcycle hire-purchase and factoring businesses. Entities providing assistance to debtors in accordance with the Bank of Thailand’s measures and electing to apply this Accounting Guidance have to apply all temporary relief measures in this guidance.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for entities providing assistance to debtors impacted by situations that affect the Thai economy during the period from 1 January 2020 to 31 December 2021 or until the Bank of Thailand makes changes, with which the entities are to comply. The guidance applies to large debtors, small- and medium-sized debtors and retail debtors who have the ability to run a business or to pay debts in the future and who have been impacted directly or indirectly by such this.

The Company did not opt to adopt this Accounting Guidance since it was not applicable to the Company’s business.

### **Accounting Guidance on Temporary Relief Measures on Accounting Alternatives in Response to the Impact of the Coronavirus 2019 (COVID-19) Pandemic**

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures on Accounting Alternatives in Response to the Impact of the Coronavirus 2019 (COVID-19) Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Company has elected to apply the following temporary relief measure on accounting alternatives:

- The Company elected not consider any reduction in lease payments by lessors resulting from the COVID-19 situation as a lease modification, whereby it will gradually decrease the lease liabilities due in each period proportionately to the reduced portion of the lease liabilities and make a reversal of depreciation of right-of-use assets and interest on lease liabilities recognised in each period proportionately to the reduced lease liabilities and recognise the differences in profit or loss. However, such reduction does not have any significant impact on financial statements.

### **2.3.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2021**

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These revised 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 Company's management is currently evaluating the impact of these revised standards to the financial statements in the year when they are adopted.

## **2.4 Significant accounting policies**

This interim financial information is prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019, except for the changes in accounting policy as a result of the adoption of new standard as discussed in Note 2.3.1 to interim financial statements.

## **3. Cumulative effects of the changes in accounting policies**

As described in Notes 2.3.1 (a) and (b) to interim financial statements, during the current period, the Company has adopted financial reporting standards related to Accounting Guidance related to financial instruments and disclosures applicable to insurance business and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings or other components of owners' equity as at 1 January 2020. Therefore, the comparative information was not restated.

(Unaudited but reviewed)

The impacts on the beginning balance of retained earnings or other comprehensive income of 2020 from the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied				1 January 2020
	31 December 2019	The impacts of Accounting Guidance related to financial instruments (Note 3.1)	TFRS 16 (Note 3.2)	Reclassification <sup>(1)</sup>	
<b>Statement of financial position</b>					
<b>Assets</b>					
Cash and cash equivalents	138,824	-	-	-	138,824
Accrued investment income	71,682	(13)	-	(3,570)	68,099
Investments in securities	44,958,409	2,709,777	-	-	47,668,186
Loans	1,313,733	-	-	(1,313,733)	-
Loans and interest receivables	-	(42,250)	-	1,317,303	1,275,053
Land and building leasehold rights	38,927	-	-	(38,927)	-
Right-of-use assets	-	-	828,170	38,927	867,097
Other assets	739,299	-	(105,349)	-	633,950
<b>Liabilities</b>					
Lease liabilities	40,059	-	722,821	-	762,880
Deferred tax liabilities	3,476,763	533,503	-	-	4,010,266
<b>Owners' equity</b>					
Retained earnings - unappropriated	4,223,458	(36,818)	-	-	4,186,640
Other component of owners' equity - other comprehensive income	17,185,969	2,170,829	-	-	19,356,798

<sup>(1)</sup> The Company reclassified in accordance with the format of financial statements specified by OIC since 1 January 2020 onwards.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements				1 January 2020
	31 December 2019	The impacts of		Reclassification <sup>(1)</sup>	
		Accounting Guidance related to financial instruments (Note 3.1)	TFRS 16 (Note 3.2)		
<b>Statement of financial position</b>					
<b>Assets</b>					
Cash and cash equivalents	138,824	-	-	-	138,824
Accrued investment income	71,682	(13)	-	(3,570)	68,099
Investments in securities	44,958,409	2,709,777	-	-	47,668,186
Loans	1,313,733	-	-	(1,313,733)	-
Loans and interest receivables	-	(42,250)	-	1,317,303	1,275,053
Land and building leasehold rights	38,927	-	-	(38,927)	-
Right-of-use assets	-	-	828,170	38,927	867,097
Other assets	739,299	-	(105,349)	-	633,950
<b>Liabilities</b>					
Lease liabilities	40,059	-	722,821	-	762,880
Deferred tax liabilities	3,453,368	533,503	-	-	3,986,871
<b>Owners' equity</b>					
Retained earnings - unappropriated	4,126,085	(36,818)	-	-	4,089,267
Other component of owners' equity - other comprehensive income	17,189,762	2,170,829	-	-	19,360,591

<sup>(1)</sup> The Company reclassified in accordance with the format of financial statements specified by OIC since 1 January 2020 onwards.





**4. Cash and cash equivalents**

	(Unit: Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	<u>30 September 2020</u>	<u>31 December 2019</u>
Cash on hand	2,834,872	2,757,651
Deposits at banks with no fixed maturity date	251,770,656	136,066,443
Total cash and cash equivalents	254,605,528	138,824,094
Less: Allowance for expected credit losses	(10,264)	-
Cash and cash equivalents - net	<u>254,595,264</u>	<u>138,824,094</u>

**5. Premium receivables**

As at 30 September 2020 and 31 December 2019, the balances of premium receivables from direct insurance were classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	(Unit: Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	<u>30 September 2020</u>	<u>31 December 2019</u>
Not yet due	1,442,682,388	2,188,799,648
Overdue not longer than 30 days	637,649,919	195,942,961
Overdue 31 days to 60 days	275,657,451	135,525,381
Overdue 61 days to 90 days	66,778,598	49,159,936
Overdue 91 days to 1 period	122,752,403	212,260,301
Overdue longer than 1 period	45,505,192	42,248,589
Total	2,591,025,951	2,823,936,816
Less: Allowance for doubtful accounts	(45,505,192)	(42,248,589)
Premium receivables - net	<u>2,545,520,759</u>	<u>2,781,688,227</u>



(Unaudited but reviewed)

## 6. Accrued investment income

	(Unit: Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	30 September 2020	31 December 2019
Accrued interest income	56,026,836	68,949,142
Accrued dividend income	209,100	2,732,516
Total accrued investment income	56,235,936	71,681,658
Less: Allowance for expected credit losses	(553,339)	-
Accrued investment income - net	55,682,597	71,681,658

## 7. Reinsurance assets

	(Unit: Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	30 September 2020	31 December 2019
Insurance reserves refundable from reinsurers		
Loss reserves	3,463,621,506	2,765,218,837
Unearned premium reserves	3,248,886,881	2,887,905,883
Total	6,712,508,387	5,653,124,720
Less: Allowance for impairment	(53,750)	(792,963)
Reinsurance assets - net	6,712,454,637	5,652,331,757

## 8. Reinsurance receivables

	(Unit: Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	30 September 2020	31 December 2019
Amounts deposited on reinsurance	36,357,964	36,121,644
Amounts due from reinsurers	329,309,062	377,941,757
Total	365,667,026	414,063,401
Less: Allowance for doubtful accounts	(21,132,512)	(20,542,914)
Receivables on reinsurance contracts - net	344,534,514	393,520,487

## 9. Investments in securities

### 9.1 Classified by type of investment

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	30 September 2020		31 December 2019	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Available-for-sale investments measured at fair value through other comprehensive income</b>				
Government and state enterprise securities	3,990,589,929	4,030,789,204	3,660,914,548	3,690,676,052
Private sector debt securities	650,882,513	593,389,705	956,075,746	968,224,384
Common stocks	5,924,819,473	20,973,952,486	5,313,426,631	26,299,549,393
Unit trusts	1,646,967,735	1,760,775,703	1,593,088,384	2,052,258,670
Total	12,213,259,650	27,358,907,098	11,523,505,309	33,010,708,499
Add: Unrealised gains	15,275,080,538	-	21,487,203,190	-
Less: Allowance for impairment	(74,782,760)	-	-	-
Less: Allowance for expected credit losses	(54,650,330)	-	-	-
Available-for-sale investments measured at fair value through other comprehensive income - net	27,358,907,098	27,358,907,098	33,010,708,499	33,010,708,499
<b>Held-to-maturity investments measured at amortised cost</b>				
Deposits at financial institutions which matured over 3 months	12,785,200,406		11,220,681,007	
Less: Allowance for expected credit losses	(2,438,474)		-	
Held-to-maturity investments measured at amortised cost - net	12,782,761,932		11,220,681,007	
<b>General investments</b>				
Domestic equity securities	-		648,593,658	
Foreign equity securities	-		153,208,389	
Total	-		801,802,047	
Less: Allowance for impairment	-		(74,782,760)	
General investments - net	-		727,019,287	
Investment in securities - net	40,141,669,030		44,958,408,793	

**9.2 Classified by stage of credit risk**

(Unit: Baht)

Financial statements in which the equity method is applied  
and Separate financial statements

	30 September 2020		1 January 2020	
	Fair value	Allowance for expected credit losses recognised in profit or loss	Fair value	Allowance for expected credit losses recognised in profit or loss
<b>Available-for-sale investments measured at fair value through other comprehensive income</b>				
Stage 1 - Debt securities without a significant increase of credit risk	541,359,705	(720,532)	968,224,384	(1,902,771)
Stage 3 - Credit impairment debt securities	52,030,000	(53,929,798)	-	-
<b>Total</b>	<b>593,389,705</b>	<b>(54,650,330)</b>	<b>968,224,384</b>	<b>(1,902,771)</b>

(Unit: Baht)

Financial statements in which the equity method is applied  
and Separate financial statements

	30 September 2020		
	Gross carrying value	Allowance for expected credit losses recognised in profit or loss	Net carrying value
<b>Held-to-maturity investments measured at amortised cost</b>			
Stage 1 - Debt securities without a significant increase of credit risk	12,785,200,406	(2,438,474)	12,782,761,932
<b>Total</b>	<b>12,785,200,406</b>	<b>(2,438,474)</b>	<b>12,782,761,932</b>

(Unaudited but reviewed)

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	1 January 2020		
	Gross carrying value	Allowance for expected credit losses recognised in profit or loss	Net carrying value
<b>Held-to-maturity investments measured at amortised cost</b>			
Stage 1 - Debt securities without a significant increase of credit risk	11,220,681,007	(1,856,544)	11,218,824,463
Total	11,220,681,007	(1,856,544)	11,218,824,463

### 9.3 Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the nine-month period ended 30 September 2020	For the year ended 31 December 2019
Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income at beginning of the periods	21,487,203,190	27,323,732,030
Cumulative effect of change in accounting policy	2,713,536,018	-
Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income at beginning of the periods - as restated	24,200,739,208	27,323,732,030
Revaluation during the periods	(8,869,449,494)	(5,596,795,014)
Gains on sales of available-for-sale investments measured at fair value through other comprehensive income transferred to be recognised in profit or loss	(56,209,176)	(239,733,826)
Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income at end of the periods	15,275,080,538	21,487,203,190
Less: Income taxes	(3,055,016,108)	(4,297,440,638)
Revaluation surplus on available-for-sale investments measured at fair value through other comprehensive income at ending of the periods - net of income taxes	12,220,064,430	17,189,762,552

**9.4 Investments subject to restriction and commitment**

As at 30 September 2020 and 31 December 2019, the Company placed certain assets as securities and insurance reserves with the Registrar in accordance with the Non-life Insurance Act and placed with the bank to secure bank overdraft facilities and others as required in the normal course of business of the Company as described below.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	30 September 2020		31 December 2019	
	Cost	Fair value	Cost	Fair value
<b>Placed as securities</b>				
Government bonds	14.0	14.3	14.0	14.0
<b>Placed as insurance reserves</b>				
Ordinary shares	35.2	92.1	35.2	153.0
Government bonds	1,240.0	1,280.2	1,170.0	1,196.6
Debentures	210.0	210.7	180.0	184.8
	<u>1,485.2</u>	<u>1,583.0</u>	<u>1,385.2</u>	<u>1,534.4</u>
<b>Placed to secure bank overdraft facilities</b>				
Deposited at financial institutions	30.0	30.0	30.0	30.0
<b>Placed as performance bonds</b>				
Government and state enterprise bonds	-	-	25.2	25.6
<b>Placed to secure bank guarantees</b>				
Deposited at financial institutions	20.0	20.0	20.0	20.0

**10. Loans and interest receivables**

As at 30 September 2020, the balances of loans and interest receivables, classified by stage of credit risk, were as follows:

(Unit: Baht)			
Financial statements in which the equity method is applied and Separate financial statements			
30 September 2020			
Classification	Mortgaged loans	Others	Total
Stage 1 - Loans without a significant increase of credit risk	1,263,376,374	9,224,095	1,272,600,469
Stage 3 - Credit impairment loans	155,104,774	-	155,104,774
Total loans and interest receivables	1,418,481,148	9,224,095	1,427,705,243
Less: Allowance for expected credit losses	(47,634,558)	-	(47,634,558)
Loans and interest receivables - net	<u>1,370,846,590</u>	<u>9,224,095</u>	<u>1,380,070,685</u>

(Unit: Baht)			
Financial statements in which the equity method is applied and Separate financial statements			
1 January 2020			
Classification	Mortgaged loans	Others	Total
Stage 1 - Loans without a significant increase of credit risk	1,151,925,259	8,266,671	1,160,191,930
Stage 2 - Loans with significant increases of credit risk	1,606,790	-	1,606,790
Stage 3 - Credit impairment loans	156,802,447	-	156,802,447
Total loans and interest receivables	1,310,334,496	8,266,671	1,318,601,167
Less: Allowance for expected credit losses	(43,548,537)	-	(43,548,537)
Loans and interest receivables - net	<u>1,266,785,959</u>	<u>8,266,671</u>	<u>1,275,052,630</u>

(Unaudited but reviewed)

Credit limits granted to each employee under the Company's employee welfare plan are not exceeding 30 times of employee's salary and Baht 1,000,000 for personal guarantee loans with interest being charged at the rate of 3.0% per annum, and not exceeding 60 times of employee's salary and Baht 5,000,000 for mortgaged loans with interest being charged at the rate of 2.5% per annum.

As at 30 September 2020 and 31 December 2019, the balances of employee loans were Baht 143.5 million and Baht 129.8 million, respectively.

## 11. Investment properties

(Unit: Baht)

Financial statements in which  
the equity method is applied  
and Separate financial statements

Net book value as at 31 December 2019	135,206,776
Depreciation charge for the period	(12,934,023)
Net book value as at 30 September 2020	<u>122,272,753</u>

The investment properties of the Company, which are offices for rent, as at 30 September 2020 and 31 December 2019, the fair values of the investment properties amounting to Baht 234.2 million and Baht 259.2 million, respectively, which were appraised by an independent valuer using the income approach. The key assumptions used in such appraisal are yield rate, inflation rate, long-term vacancy rate and long-term growth rate in rental fee, etc.

## 12. Investments in associates

### 12.1 Details of associates

Company's name	Nature of business	Country of incorporation	Paid-up share capital as at		Shareholding	
			30 September 2020	31 December 2019	30 September 2020	31 December 2019
			(USD)	(USD)	(%)	(%)
Asia Insurance (Cambodia) Plc.	Non-life insurance	Cambodia	7,000,000	7,000,000	22.92	22.92
Asian Insurance International (Holding) Limited	Holding company	Bermuda	5,740,000	5,740,000	41.70	41.70
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Lao	2,000,000	2,000,000	38.00	38.00

(Unaudited but reviewed)

(Unit: Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
	Asia Insurance (Cambodia) Plc.	100,377,340	93,039,941	30,202,059
Asian Insurance International (Holding) Limited	133,772,880	127,065,698	72,054,063	72,054,063
Bangkok Insurance (Lao) Company Limited	26,320,040	26,264,918	27,139,600	27,139,600
<b>Total</b>	<b>260,470,260</b>	<b>246,370,557</b>	<b>129,395,722</b>	<b>129,395,722</b>

## 12.2 Shares of profit or loss, share of other comprehensive income (loss), and dividend income

(Unit: Baht)

Company's name	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profits (losses) from investments in associates		Share of other comprehensive losses from investments in associates		Dividend income	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2020	2019	2020	2019	2020	2019
Asia Insurance (Cambodia) Plc.	2,660,474	2,773,194	-	-	-	-
Asian Insurance International (Holding) Limited	(3,785)	11,794,026	-	(4,741,836)	-	-
Bangkok Insurance (Lao) Company Limited	735,571	13,634	-	-	-	-
<b>Total</b>	<b>3,392,260</b>	<b>14,580,854</b>	<b>-</b>	<b>(4,741,836)</b>	<b>-</b>	<b>-</b>

(Unit: Baht)

Company's name	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profits from investments in associates		Share of other comprehensive income (losses) from investments in associates		Dividend income	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2020	2019	2020	2019	2020	2019
Asia Insurance (Cambodia) Plc.	7,337,399	5,478,835	-	-	-	-
Asian Insurance International (Holding) Limited	4,956,945	11,911,140	1,750,237	(4,741,836)	-	-
Bangkok Insurance (Lao) Company Limited	55,122	400,320	-	-	-	-
<b>Total</b>	<b>12,349,466</b>	<b>17,790,295</b>	<b>1,750,237</b>	<b>(4,741,836)</b>	<b>-</b>	<b>-</b>



### 12.3 Summarised financial information of associates

(Unit: Million Baht)

Company's name	Total assets as at		Total liabilities as at		Total revenues		Net profits (losses)	
	30 September	31 December	30 September	31 December	for the nine-month periods		for the nine-month periods	
	2020	2019	2020	2019	ended 30 September		ended 30 September	
Asia Insurance (Cambodia) Plc.	830.9	451.8	399.1	69.5	75.4	70.8	29.9	24.3
Asian Insurance International (Holding) Limited	220.1	208.8	-	-	5.0	8.8	3.8	8.6
Bangkok Insurance (Lao) Company Limited	238.1	305.1	181.6	249.8	25.2	20.9	2.1	(2.4)

As at 30 September 2020 and 31 December 2019, the Company recorded investments in associates under the equity method (in the financial statements in which the equity method is applied) based on the financial information, as prepared by the associates' management, which have yet been reviewed by their external auditors.

### 13. Premises and equipment

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements						
	Land	Buildings	Condominium unit	Office furniture, fixtures and equipment	Motor vehicles	Construction in progress	Total
Net book value as at							
31 December 2019	222,737,403	220,126,306	29,629	182,451,803	52,215,429	63,151,408	740,711,978
Addition during the period - at cost	-	-	-	23,944,927	41,825,684	13,174,725	78,945,336
Transfer in (out) during the period - at cost	27,629	-	(27,629)	35,843,251	-	(35,843,251)	-
Disposals during the period							
- at net book value	-	-	-	-	(84,061)	-	(84,061)
Depreciation charge for the period	-	(19,466,681)	-	(85,016,995)	(19,733,750)	-	(124,217,426)
Net book value as at							
30 September 2020	<u>222,765,032</u>	<u>200,659,625</u>	<u>2,000</u>	<u>157,222,986</u>	<u>74,223,302</u>	<u>40,482,882</u>	<u>695,355,827</u>

(Unaudited but reviewed)

#### 14. Right-of-use assets

(Unit: Baht)

Financial statements in which the equity method is applied  
and Separate financial statements

	Land	Building	Total
Net book value as at 31 December 2019	-	-	-
Transferred from the land and building leasehold right account	33,906,248	5,020,827	38,927,075
Effect of the change in accounting policy (Note 3.2)	810,183,890	17,986,576	828,170,466
Net book value as at 1 January 2020	844,090,138	23,007,403	867,097,541
Addition during the period	-	1,858,863	1,858,863
Amortisation for the period	(16,733,064)	(8,600,162)	(25,333,226)
Net book value as at 30 September 2020	827,357,074	16,266,104	843,623,178

The following amounts were recognised in profit or loss.

(Unit: Baht)

Financial statements in which the equity method is applied  
and Separate financial statements

	For the three-month period ended 30 September 2020	For the nine-month period ended 30 September 2020
Amortisation of right-of-use assets	8,564,041	25,267,389
Interest expense on lease liabilities	9,237,075	27,458,622
Loss from the differences of reduction in lease payments	418	1,239
Total expenses	17,801,534	52,727,250

#### 15. Intangible assets

(Unit: Baht)

Financial statements in which the equity method is applied  
and Separate financial statements

	Computer software	Computer software under development	Total
Net book value as at 31 December 2019	110,854,604	5,525,000	116,379,604
Addition during the period - at cost	2,580,923	7,550,000	10,130,923
Amortisation for the period	(26,663,587)	-	(26,663,587)
Net book value as at 30 September 2020	86,771,940	13,075,000	99,846,940

**16. Deferred tax asset/liabilities and income tax expenses****16.1 Deferred tax assets/liabilities**

As at 30 September 2020 and 31 December 2019, the components of deferred tax assets and liabilities consisted of tax effects arising from the following transactions.

	(Unit: Baht)			
	Financial statements in which the equity method is applied		Changes in deferred tax assets or liabilities	
	30 September	31 December	For the nine-month periods ended 30 September	
	2020	2019	2020	2019
Deferred tax assets arose from:				
Allowance for expected credit losses	21,057,393	-	21,057,393	-
Allowance for impairment on investments	14,956,552	14,956,552	-	(8,444,080)
Premium reserves	223,987,344	262,530,541	(38,543,197)	48,521,846
Loss reserves of claims incurred and reported	366,367,353	353,916,560	12,450,793	15,917,209
Loss reserves of claims incurred but not yet reported	81,682,459	59,125,734	22,556,725	(1,410,935)
Lease liabilities	160,295,985	-	160,295,985	-
Provision for long-term employee benefits	147,612,198	142,174,928	5,437,270	30,186,432
Others	10,691,680	11,368,301	(676,621)	(11,435,942)
<b>Total</b>	<b>1,026,650,964</b>	<b>844,072,616</b>		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	3,055,016,108	4,297,440,638	1,242,424,530	1,409,241,911
Right-of-use assets	168,724,636	-	(168,724,636)	-
Shares of profits from investments in associates	26,214,907	23,394,967	(2,819,940)	(2,609,692)
<b>Total</b>	<b>3,249,955,651</b>	<b>4,320,835,605</b>		
Deferred tax liabilities	<b>2,223,304,687</b>	<b>3,476,762,989</b>		
<b>Total changes</b>			<b>1,253,458,302</b>	<b>1,479,966,749</b>
Changes were recognised in:				
- Retained earning at beginning of the periods			9,204,517	-
- Other comprehensive income at beginning of the periods			(542,707,204)	-
- Profit or loss			2,179,302	69,776,471
- Other comprehensive income			1,784,781,687	1,410,190,278
			<b>1,253,458,302</b>	<b>1,479,966,749</b>

## (Unaudited but reviewed)

(Unit: Baht)

	Separate financial statements		Changes in deferred tax assets or liabilities	
	30 September	31 December	For the nine-month periods ended 30 September	
	2020	2019	2020	2019
Deferred tax assets arose from:				
Allowance for expected credit losses	21,057,393	-	21,057,393	-
Allowance for impairment on investments	14,956,552	14,956,552	-	(8,444,080)
Premium reserves	223,987,344	262,530,541	(38,543,197)	48,521,846
Loss reserves of claims incurred and reported	366,367,353	353,916,560	12,450,793	15,917,209
Loss reserves of claims incurred but not yet reported	81,682,459	59,125,734	22,556,725	(1,410,935)
Lease liabilities	160,295,985	-	160,295,985	-
Provision for long-term employee benefits	147,612,198	142,174,928	5,437,270	30,186,432
Others	10,691,680	11,368,301	(676,621)	(11,435,942)
Total	<u>1,026,650,964</u>	<u>844,072,616</u>		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	3,055,016,108	4,297,440,638	1,242,424,530	1,409,241,911
Right-of-use assets	168,724,636	-	(168,724,636)	-
Total	<u>3,223,740,744</u>	<u>4,297,440,638</u>		
Deferred tax liabilities	<u>2,197,089,780</u>	<u>3,453,368,022</u>		
Total changes			<u>1,256,278,242</u>	<u>1,482,576,441</u>
Changes are recognised in:				
- Retained earning at beginning of the periods			9,204,517	-
- Other comprehensive income at beginning of the periods			(542,707,204)	-
- Profit or loss			4,649,195	73,334,530
- Other comprehensive income			<u>1,785,131,734</u>	<u>1,409,241,911</u>
			<u>1,256,278,242</u>	<u>1,482,576,441</u>

**16.2 Income tax expenses**

Income tax expenses for the three-month and nine-month periods ended 30 September 2020 and 2019 were made up as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2020	2019	2020	2019
<b>Current income taxes:</b>				
Corporate income tax charge	(137,254,568)	(81,940,976)	(137,254,568)	(81,940,976)
<b>Deferred income taxes:</b>				
Deferred income taxes relating to origination and reversal of temporary differences	(2,252,202)	3,900,454	(1,573,750)	6,816,625
Income tax expenses reported in profit or loss	<u>(139,506,770)</u>	<u>(78,040,522)</u>	<u>(138,828,318)</u>	<u>(75,124,351)</u>

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2020	2019	2020	2019
<b>Current income taxes:</b>				
Interim corporate income tax charge	(414,268,003)	(271,235,368)	(414,268,003)	(271,235,368)
<b>Deferred income taxes:</b>				
Deferred income taxes relating to origination and reversal of temporary differences	2,179,302	69,776,471	4,649,195	73,334,530
Income tax expenses reported in profit or loss	<u>(412,088,701)</u>	<u>(201,458,897)</u>	<u>(409,618,808)</u>	<u>(197,900,838)</u>

(Unaudited but reviewed)

Reconciliations between income tax expenses and the product of accounting profits for the three-month and nine-month periods ended 30 September 2020 and 2019 and the applicable tax rate were as follows:

	(Unit: Baht)			
	Financial statements in which the equity method is applied		Separate financial Statements	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2020	2019	2020	2019
Accounting profits before income tax expenses	901,078,913	689,475,413	897,686,653	674,894,559
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(180,215,783)	(137,895,083)	(179,537,331)	(134,978,912)
Net tax effect on tax-exempt revenues and non-tax deductible expenses	40,709,013	59,854,561	40,709,013	59,854,561
Income tax expenses reported in profit or loss	<u>(139,506,770)</u>	<u>(78,040,522)</u>	<u>(138,828,318)</u>	<u>(75,124,351)</u>

  

	(Unit: Baht)			
	Financial statements in which the equity method is applied		Separate financial Statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2020	2019	2020	2019
Accounting profits before income tax expenses	2,774,765,626	2,071,091,833	2,762,416,160	2,053,301,538
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(554,953,125)	(414,218,367)	(552,483,232)	(410,660,308)
Adjustment in respect of current income tax of prior period	(30,585)	(902,192)	(30,585)	(902,192)
Income tax refund	-	40,288,812	-	40,288,812
Net tax effect on tax-exempt revenues and non-tax deductible expenses	142,895,009	173,372,850	142,895,009	173,372,850
Income tax expenses reported in profit or loss	<u>(412,088,701)</u>	<u>(201,458,897)</u>	<u>(409,618,808)</u>	<u>(197,900,838)</u>

(Unaudited but reviewed)

## 17. Insurance contract liabilities

(Unit: Baht)

Financial statements in which the equity method is applied  
and Separate financial statements

	30 September 2020		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
Claims incurred and reported	6,025,476,233	(3,353,911,218)	2,671,565,015
Claims incurred but not reported	518,068,831	(109,656,538)	408,412,293
Premium reserves			
Unearned premium reserves	10,336,654,858	(3,248,886,881)	7,087,767,977
Total	<u>16,880,199,922</u>	<u>(6,712,454,637)</u>	<u>10,167,745,285</u>

(Unit: Baht)

Financial statements in which the equity method is applied  
and Separate financial statements

	31 December 2019		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
Claims incurred and reported	5,286,881,805	(2,715,777,667)	2,571,104,138
Claims incurred but not reported	344,276,876	(48,648,207)	295,628,669
Premium reserves			
Unearned premium reserves	9,978,381,703	(2,887,905,883)	7,090,475,820
Total	<u>15,609,540,384</u>	<u>(5,652,331,757)</u>	<u>9,957,208,627</u>

(Unaudited but reviewed)

## 17.1 Loss reserves

(Unit: Baht)

Financial statements in which  
the equity method is applied  
and Separate financial statements

	For the nine-month period ended 30 September 2020	For the year ended 31 December 2019
Beginning balances	5,631,158,681	6,459,828,503
Claim incurred during the periods	7,820,156,686	9,430,899,690
Change in loss reserves of claimed incurred in prior periods	887,583,165	(162,150,764)
Changes in assumptions in calculating loss reserves	-	(128,430,547)
Claims and loss adjustment expenses paid during the periods	(7,795,353,468)	(9,968,988,201)
Ending balances	<u>6,543,545,064</u>	<u>5,631,158,681</u>

## 17.2 Unearned premium reserves

(Unit: Baht)

Financial statements in which  
the equity method is applied  
and Separate financial statements

	For the nine-month period ended 30 September 2020	For the year ended 31 December 2019
Beginning balances	9,978,381,703	8,275,770,417
Premium written during the periods	17,135,232,240	21,008,919,254
Premium earned during the periods	(16,776,959,085)	(19,306,307,968)
Ending balances	<u>10,336,654,858</u>	<u>9,978,381,703</u>



**18. Due to reinsurers**

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 September 2020	31 December 2019
Amounts withheld on reinsurance	1,542,432,676	1,105,589,102
Amounts due to reinsurers	1,297,395,869	1,448,132,239
Total due to reinsurers	2,839,828,545	2,553,721,341

**19. Lease liabilities**

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements				
	Land	Building	Office equipment	Vehicles	Total
Liabilities under finance lease agreements as at 31 December 2019	-	-	35,698	40,023,533	40,059,231
Effect of the change in accounting policy (Note 3.2)	705,588,525	17,232,684	-	-	722,821,209
Lease liabilities as at 1 January 2020	705,588,525	17,232,684	35,698	40,023,533	762,880,440
Add: Additional lease agreement during the period	-	1,858,863	-	34,526,133	36,384,996
Add: Financial cost recognised during the period	26,904,877	557,758	500	2,029,709	29,492,844
Less: Lease payments during the period	-	(8,939,521)	(36,198)	(18,302,637)	(27,278,356)
Lease liabilities as at 30 September 2020	732,493,402	10,709,784	-	58,276,738	801,479,924

## 20. Segment information/major customers

The Company is organised into business units based on its insurance products. During the current periods, there was no change in the organisational structure of its reportable segments.

### 20.1 Segment information reporting

Operating segment information for the three-month and nine-month periods ended 30 September 2020 and 2019 can be classified by types of insurance products as follows:

	(Unit: Baht)				
	Financial statements in which equity method is applied				
	For the three-month period ended 30 September 2020				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting revenues</b>					
Gross premium written	371,742,293	166,303,882	2,195,854,497	3,267,501,923	6,001,402,595
Less: Premium ceded to reinsurers	(127,982,429)	(106,652,441)	(69,333,449)	(2,294,204,236)	(2,598,172,555)
Net premium written	243,759,864	59,651,441	2,126,521,048	973,297,687	3,403,230,040
Add (less): Unearned premium reserves (increased) decreased from prior period	8,672,630	(1,024,783)	143,322,249	17,507,748	168,477,844
Earned premium	252,432,494	58,626,658	2,269,843,297	990,805,435	3,571,707,884
Commission and brokerage fee income	50,921,401	13,672,545	21,844,351	289,115,196	375,553,493
<b>Total underwriting income</b>	<b>303,353,895</b>	<b>72,299,203</b>	<b>2,291,687,648</b>	<b>1,279,920,631</b>	<b>3,947,261,377</b>
<b>Underwriting expenses</b>					
Net claims	21,127,813	15,035,995	1,463,287,067	429,312,885	1,928,763,760
Commission and brokerage expenses	71,756,879	11,054,165	337,132,102	261,426,363	681,369,509
Other underwriting expenses	64,297,412	23,492,510	228,416,671	163,660,951	479,867,544
<b>Total underwriting expenses</b>	<b>157,182,104</b>	<b>49,582,670</b>	<b>2,028,835,840</b>	<b>854,400,199</b>	<b>3,090,000,813</b>
<b>Profit from underwriting</b>	<b>146,171,791</b>	<b>22,716,533</b>	<b>262,851,808</b>	<b>425,520,432</b>	<b>857,260,564</b>
Investment revenue					261,037,569
Losses on investments					(7,467,585)
Shares of profits from investments in associates					3,392,260
Other income					40,204,576
Operating expenses					(222,983,137)
Investment expenses					(17,600,996)
Finance costs					(9,978,540)
Expected credit losses					(2,785,798)
<b>Profit before income tax expenses</b>					<b>901,078,913</b>
Less: Income tax expenses					(139,506,770)
<b>Net profit</b>					<b>761,572,143</b>

(Unaudited but reviewed)

(Unit: Baht)

	Financial statements in which equity method is applied				
	For the three-month period ended 30 September 2019				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting revenues</b>					
Gross premium written	379,162,586	167,089,042	2,268,405,922	2,750,442,457	5,565,100,007
Less: Premium ceded to reinsurers	(117,528,568)	(101,442,189)	(54,572,619)	(1,563,860,032)	(1,837,403,408)
Net premium written	261,634,018	65,646,853	2,213,833,303	1,186,582,425	3,727,696,599
Less: Unearned premium reserves increased from prior period	(346,815)	(4,325,344)	(207,248,778)	(133,062,626)	(344,983,563)
Earned premium	261,287,203	61,321,509	2,006,584,525	1,053,519,799	3,382,713,036
Commission and brokerage fee income	46,568,954	15,137,079	16,373,075	251,859,298	329,938,406
<b>Total underwriting income</b>	<b>307,856,157</b>	<b>76,458,588</b>	<b>2,022,957,600</b>	<b>1,305,379,097</b>	<b>3,712,651,442</b>
<b>Underwriting expenses</b>					
Net claims	59,173,032	42,612,055	1,421,329,774	449,023,550	1,972,138,411
Commission and brokerage expenses	75,278,032	12,086,342	347,528,681	251,008,430	685,901,485
Other underwriting expenses	65,790,578	24,068,625	246,581,109	236,680,089	573,120,401
<b>Total underwriting expenses</b>	<b>200,241,642</b>	<b>78,767,022</b>	<b>2,015,439,564</b>	<b>936,712,069</b>	<b>3,231,160,297</b>
<b>Profit (loss) from underwriting</b>	<b>107,614,515</b>	<b>(2,308,434)</b>	<b>7,518,036</b>	<b>368,667,028</b>	<b>481,491,145</b>
Investment revenue					390,875,093
Gains on investments					29,088,660
Shares of profits from investments in associates					14,580,854
Other income					48,897,450
Operating expenses					(250,558,821)
Investment expenses					(24,284,381)
Finance costs					(614,587)
<b>Profit before income tax expenses</b>					<b>689,475,413</b>
Less: Income tax expenses					(78,040,522)
<b>Net profit</b>					<b>611,434,891</b>

## (Unaudited but reviewed)

(Unit: Baht)

Financial statements in which the equity method is applied

For the nine-month period ended 30 September 2020

	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting revenue</b>					
Gross premium written	1,145,929,210	471,175,087	6,861,311,271	8,656,816,672	17,135,232,240
Less: Premium ceded to reinsurers	(413,814,496)	(292,605,691)	(221,700,628)	(5,129,563,144)	(6,057,683,959)
Net premium written	732,114,714	178,569,396	6,639,610,643	3,527,253,528	11,077,548,281
Add (less): Unearned premium reserves (increased) decreased from prior period	35,436,065	5,466,258	146,240,369	(184,434,849)	2,707,843
Earned premium	767,550,779	184,035,654	6,785,851,012	3,342,818,679	11,080,256,124
Commission and brokerage fee income	156,090,827	52,188,024	66,763,785	817,763,819	1,092,806,455
<b>Total underwriting income</b>	<b>923,641,606</b>	<b>236,223,678</b>	<b>6,852,614,797</b>	<b>4,160,582,498</b>	<b>12,173,062,579</b>
<b>Underwriting expenses</b>					
Net claims	189,519,180	33,475,359	4,327,179,227	1,506,890,485	6,057,064,251
Commission and brokerage expenses	216,954,295	35,989,207	1,052,221,901	825,479,866	2,130,645,269
Other underwriting expenses	184,726,944	66,383,489	744,838,919	727,426,087	1,723,375,439
<b>Total underwriting expenses</b>	<b>591,200,419</b>	<b>135,848,055</b>	<b>6,124,240,047</b>	<b>3,059,796,438</b>	<b>9,911,084,959</b>
<b>Profit from underwriting</b>	<b>332,441,187</b>	<b>100,375,623</b>	<b>728,374,750</b>	<b>1,100,786,060</b>	<b>2,261,977,620</b>
Investment revenue					1,042,593,310
Gains on investments					192,080,902
Shares of profits from investments in associates					12,349,466
Other income					133,058,676
Operating expenses					(714,896,963)
Investment expenses					(64,942,155)
Finance cost					(29,488,831)
Expected credit losses					(57,966,399)
<b>Profit before income tax expenses</b>					<b>2,774,765,626</b>
Less: Income tax expenses					(412,088,701)
<b>Net profit</b>					<b>2,362,676,925</b>

## (Unaudited but reviewed)

(Unit: Baht)

Financial statements in which the equity method is applied					
For the nine-month period ended 30 September 2019					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting revenue</b>					
Gross premium written	1,150,167,983	470,540,533	6,522,593,592	7,128,955,206	15,272,257,314
Less: Premium ceded to reinsurers	(369,597,450)	(276,904,077)	(178,113,688)	(3,845,114,162)	(4,669,729,377)
Net premium written	780,570,533	193,636,456	6,344,479,904	3,283,841,044	10,602,527,937
Add (less): Unearned premium reserves (increased) decreased from prior period	14,482,097	(14,462,052)	(752,976,759)	(257,598,060)	(1,010,554,774)
Earned premium	795,052,630	179,174,404	5,591,503,145	3,026,242,984	9,591,973,163
Commission and brokerage fee income	149,331,374	56,453,982	51,192,182	668,434,782	925,412,320
<b>Total underwriting income</b>	<b>944,384,004</b>	<b>235,628,386</b>	<b>5,642,695,327</b>	<b>3,694,677,766</b>	<b>10,517,385,483</b>
<b>Underwriting expenses</b>					
Net claims	81,680,681	74,508,820	3,763,250,547	1,372,536,013	5,291,976,061
Commission and brokerage expenses	241,924,537	37,751,133	991,427,050	737,853,265	2,008,955,985
Other underwriting expenses	199,975,094	65,214,846	705,569,013	701,774,232	1,672,533,185
<b>Total underwriting expenses</b>	<b>523,580,312</b>	<b>177,474,799</b>	<b>5,460,246,610</b>	<b>2,812,163,510</b>	<b>8,973,465,231</b>
<b>Profit from underwriting</b>	<b>420,803,692</b>	<b>58,153,587</b>	<b>182,448,717</b>	<b>882,514,256</b>	<b>1,543,920,252</b>
Investment revenue					1,108,247,437
Gains on investments					129,953,051
Shares of profits from investments in associates					17,790,295
Other income					138,987,811
Operating expenses					(800,857,848)
Investment expenses					(64,963,935)
Finance cost					(1,985,230)
<b>Profit before income tax expenses</b>					<b>2,071,091,833</b>
Less: Income tax expenses					(201,458,897)
<b>Net profit</b>					<b>1,869,632,936</b>

The following table presented the Company's operating segment assets and liabilities as at 30 September 2020 and 31 December 2019.

(Unit: Baht)

Financial statements in which the equity method is applied							
	Fire	Marine and transportation	Motor	Miscellaneous	Total segments	Unallocated	Total
<b>Assets</b>							
As at 30 September 2020	433,268,169	174,410,326	744,822,628	8,133,117,746	9,485,618,869	44,878,116,377	54,363,735,246
As at 31 December 2019	429,558,778	225,335,908	1,042,583,012	6,926,471,876	8,623,949,574	48,703,133,777	57,327,083,351
<b>Liabilities</b>							
As at 30 September 2020	2,896,024,403	317,345,567	6,550,681,999	11,635,973,076	21,400,025,045	5,754,222,192	27,154,247,237
As at 31 December 2019	2,963,050,178	372,716,932	6,575,489,501	9,953,314,954	19,864,571,565	6,439,414,700	26,303,986,265

**20.2 Geographic information**

The Company operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

**20.3 Major customers**

For the three-month and nine-month periods ended 30 September 2020 and 2019, the Company has gross premium written from one major customer as follows:

(Unit: Million Baht)

	Financial statements in which the equity method is applied			
	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2020	2019	2020	2019
Gross premium written	591	584	1,936	2,038

**21. Expected credit losses**

(Unit: Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the three-month periods ended 30 September 2020	For the nine-month periods ended 30 September 2020
	Cash and cash equivalents	10,263
Accrued investment income	(8,021)	540,664
Investments in securities	338,025	53,329,489
Loans and interest receivables	2,445,531	4,086,020
Total	2,785,798	57,966,399

**22. Earnings per share**

Basic earnings per share is calculated by dividing net profits (excluding other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the periods.

**23. Dividends paid**

Dividends declared during the nine-month periods ended 30 September 2020 and 2019 were as follow:

	Approved by	Total dividend	Dividend per share
		(Million Baht)	(Baht)
The second interim dividend for 2020	Meeting No. 4/20 of Board of Directors on 14 August 2020	319.4	3.00
The first interim dividend for 2020	Meeting No. 3/20 of Board of Directors on 15 May 2020	319.4	3.00
The fourth interim dividend for 2019	Meeting No. 2/20 of Board of Directors on 13 April 2020	532.3	5.00
Total dividends for the period 2020		1,171.1	
	Approved by	Total dividend	Dividend per share
		(Million Baht)	(Baht)
The second interim dividend for 2019	Meeting No. 3/19 of Board of Directors on 9 August 2019	319.4	3.00
The first interim dividend for 2019	Meeting No. 2/19 of Board of Directors on 10 May 2019	319.4	3.00
Final dividend for 2018	Annual General Meeting No. 26 of the Shareholders on 26 April 2019	532.3	5.00
Total dividends for the period 2019		1,171.1	

## 24. Related party transactions

### 24.1 Nature of relationship

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

The relationship between the Company and its related parties are summarised below:

Name of related parties	Type of business	Relationship with the Company
Asia Insurance (Cambodia) Plc.	Non-life insurance	Associate
Asian Insurance International (Holding) Limited	Holding company	Associate
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Associate
Bangkok Bank Pcl.	Banking	Related by way of having common directors and shareholding
Bangkok Aviation Fuel Services Pcl.	Energy and Utilities	Related by way of having common directors and shareholding
Asia Plus Group Holdings Pcl.	Securities	Related by way of having common directors and shareholding
Fuel Pipeline Transportation Co., Ltd.	Energy and Utilities	Related by way of having common directors and shareholding
Thai Indo Kordsa Co., Ltd.	Manufacture of Textiles	Related by way of having common directors and shareholding
Bangkok Life Assurance Pcl.	Life insurance	Related by way of having common directors and shareholding
Thai Orix Leasing Co., Ltd.	Finance	Related by way of having common directors and shareholding
Asia Insurance (Investments) Limited	Holding company	Related by way of having common directors and shareholding
Thai Reinsurance Pcl.	Insurance	Related by way of having common directors and shareholding
Charoong Thai Wire and Cable Pcl.	Electrical products	Related by way of having common directors and shareholding
Furukawa Metal (Thailand) Pcl.	Electrical products	Related by way of having common directors and shareholding
Bumrungrad Hospital Pcl.	Health care services	Related by way of having common directors and shareholding
Bangkok Glass Pcl.	Packaging	Related by way of having common directors and shareholding
Sorachai Vivatn Co., Ltd.	Property development	Related by way of having common directors and shareholding
Bangpa-in golf Co., Ltd.	Entertainment and Leisure	Related by way of having common directors and shareholding
Thai Metal Processing Co., Ltd.	Electronic parts	Related by way of having common directors and shareholding
Asia Sermkij Co., Ltd.	Finance	Related by way of having common directors and shareholding
AIOI Bangkok Insurance Pcl.	Non-life insurance	Related by way of shareholding
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company



## 24.2 Significant related party transactions

During the three-month and nine-month periods ended 30 September 2020 and 2019, the Company had significant business transactions with its related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September		Pricing policy
	2020	2019	2020	2019	
	<b><u>Transactions with associates and related companies</u></b>				
<b><i>Income</i></b>					
Premium written	153,275	134,701	520,089	467,140	Normal commercial terms for underwriting
Fee and commission income	51,640	46,768	168,124	145,473	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Interest income <sup>(1)</sup>	16,606	19,711	60,294	52,463	Similar rates as financial institutions and related companies offer to their general customers
Dividend income <sup>(1)</sup>	124,150	219,153	582,539	633,637	The declared amount
Rental Income <sup>(2)</sup>	1,217	1,209	3,633	3,625	Same rates offer to general customers
<b><i>Expenses</i></b>					
Premium ceded to reinsurers	164,485	147,078	532,279	458,465	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Claims paid (recovery)	(54,613)	(40,176)	(145,923)	(189,806)	As actually incurred
Commissions and brokerages	18,376	13,836	58,292	48,284	Normal commercial terms for underwriting
Management fee for private fund <sup>(3)</sup>	-	-	-	139	Similar rates its related party offers to its general customers
Fee for trading securities <sup>(3)</sup>	300	77	921	650	Similar rates its related party offers to its general customers
<b><i>Owner's equity</i></b>					
Dividend paid	42,124	42,124	154,455	148,572	The declared amount

<sup>(1)</sup> Presented in "Net investment revenue" in statements of comprehensive income

<sup>(2)</sup> Presented in "Other income" in statements of comprehensive income

<sup>(3)</sup> Presented in "Operating expenses" in statements of comprehensive income

**24.3 Outstanding balances**

As at 30 September 2020 and 31 December 2019, the Company had the following significant balances with its related companies.

	(Unit: Thousand Baht)	
	<u>30 September 2020</u>	<u>31 December 2019</u>
<b><u>Associated companies</u></b>		
Investment in associates - cost	129,396	129,396
<b><u>Related companies</u></b>		
Deposits at financial institutions	7,623,329	5,559,220
Premium receivables	51,526	37,480
Accrued interest income of debentures <sup>(1)</sup>	41	-
Reinsurance assets		
Amounts deposited on reinsurance	6,823	7,090
Amounts due from reinsurers	10,936	14,138
Available-for-sale investments measured at fair value through other comprehensive income		
Equity	16,378,397	23,257,829
Debt	9,250	-
General investments	-	600,377
Loans and interest receivables	157,178	157,578
Other assets		
Deposits and golf club membership fees	36,024	36,293
Account receivable on sales of securities	98,914	79
Due to reinsurers		
Amounts withheld on reinsurance	104,667	104,373
Amounts due to reinsurers	46,569	45,810
Insurance contract liabilities		
Loss reserves	6	318
Other Liabilities		
Liabilities under finance lease agreements	-	36
Accounts payable on purchases of securities	-	2,923

<sup>(1)</sup> Presented in "Accrued investment income" in statements of financial position

**24.4 Directors' and key management's benefits**

During the three-month and nine-month periods ended 30 September 2020 and 2019, the Company had employee benefit expenses incurred on their directors and key management as below.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2020	2019	2020	2019
	2020	2019	2020	2019
Short-term benefits	23.4	24.8	66.9	69.7
Post-employment benefits	2.1	1.1	6.1	3.2
Total	<u>25.5</u>	<u>25.9</u>	<u>73.0</u>	<u>72.9</u>

**25. Commitments and contingent liabilities****25.1 Operating lease commitments**

As at 30 September 2020, future minimum payments required under lease and service agreements with related short-term leases and leases of low-value assets were as follows.

(Unit: Baht)

Payable	30 September 2020
Within 1 period	1,856,508
Over 1 period and not over 5 periods	531,960

**25.2 Capital Commitments**

As at 30 September 2020 and 31 December 2019, there were outstanding capital commitments contracted for decoration, construction building, and computer software development amounting to Baht 24.4 million and Baht 34.5 million, respectively.

### 25.3 Litigation

As at 30 September 2020 and 31 December 2019, the Company had litigation claims totaling approximately Baht 2,912.8 million and Baht 2,968.4 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised whereby the maximum responsibility of such claims limits at the lower of the sum insured or the sum sued totaling Baht 449.5 million and Baht 779.2 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 131.4 million and Baht 105.4 million, respectively, which were already recognised in “Insurance contract liabilities” in the statements of financial position as at those dates.

### 26. Fair value of financial assets

As of 30 September 2020 and 31 December 2019, the Company had the following financial assets, measured at fair value, disclosed by using different levels of inputs as follows:

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements						
	30 September 2020				31 December 2019		
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Total
<b>Available-for-sale investments</b>							
<b>measured at fair value</b>							
<b>through other</b>							
<b>comprehensive income</b>							
Government and state							
enterprise securities	-	4,031	-	4,031	-	3,691	3,691
Private sector debt securities	-	593	-	593	-	968	968
Common stocks	18,172	-	2,802	20,974	26,300	-	26,300
Unit trusts	1,720	41	-	1,761	1,998	54	2,052
Total	<u>19,892</u>	<u>4,665</u>	<u>2,802</u>	<u>27,359</u>	<u>28,298</u>	<u>4,713</u>	<u>33,011</u>

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- (a) The fair value of government and state enterprise securities and private sector debt securities is determined using the yield curve as announced by the Thai Bond Market Association.
- (b) The fair value of listed common stocks and unit trusts is derived from market price.

- (c) The fair value of non-marketable common stocks is determined using the valuation techniques, such as the price per book multiple approach or the discount cash flow method, discounted by the Weighted Average Cost of Capital (WACC) appropriate to each security.
- (d) The fair value of non-listed unit trusts is determined using the net asset value per unit announced by the fund managers.

During the periods, there were no transfers within the fair value hierarchy.

## **27. Approval of interim financial information**

This interim financial information was authorised for issue by the Company's Executive Directors on 5 November 2020.