

Bangkok Insurance Public Company Limited  
Review report and interim financial statements  
30 September 2021

## **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 2021, 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: 4 November 2021

**Bangkok Insurance Public Company Limited****Statements of financial position****As at 30 September 2021**

(Unit: Baht)

Note	Financial statements				
	in which the equity method is applied		Separate financial statements		
	30 September 2021	31 December 2020	30 September 2021	31 December 2020	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Assets</b>					
Cash and cash equivalents	3	654,998,752	141,557,318	654,998,752	141,557,318
Premium receivables	4	2,972,809,363	2,765,896,684	2,972,809,363	2,765,896,684
Accrued investment income		36,020,887	42,863,470	36,020,887	42,863,470
Reinsurance assets	5	7,561,246,223	7,560,169,280	7,561,246,223	7,560,169,280
Reinsurance receivables	6	479,479,118	389,321,701	479,479,118	389,321,701
Investment assets					
Investments in securities	7.1	47,772,043,980	44,424,088,267	47,772,043,980	44,424,088,267
Loans and interest receivables	8	1,402,060,620	1,476,419,024	1,402,060,620	1,476,419,024
Investment properties	9	105,043,123	117,929,942	105,043,123	117,929,942
Investments in associates	10.1	276,661,775	268,910,602	129,395,722	129,395,722
Premises and equipment	11	571,864,305	614,944,629	571,864,305	614,944,629
Right-of-use assets	12.1	904,934,851	886,560,707	904,934,851	886,560,707
Intangible assets	13	147,750,835	101,675,828	147,750,835	101,675,828
Other assets					
Corporate income tax awaiting refund		201,112,389	-	201,112,389	-
Others		959,889,518	713,452,108	959,889,518	713,452,108
<b>Total assets</b>		<b>64,045,915,739</b>	<b>59,503,789,560</b>	<b>63,898,649,686</b>	<b>59,364,274,680</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 2021**

(Unit: Baht)

Note	Financial statements				
	in which the equity method is applied		Separate financial statements		
	30 September 2021	31 December 2020	30 September 2021	31 December 2020	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Liabilities and owners' equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	14	18,937,211,472	18,022,514,489	18,937,211,472	18,022,514,489
Due to reinsurers	15	3,478,322,076	2,737,451,690	3,478,322,076	2,737,451,690
Income tax payable		-	196,693,497	-	196,693,497
Lease liabilities	12.2	840,035,586	778,848,706	840,035,586	778,848,706
Employee benefit obligations		816,385,964	777,202,619	816,385,964	777,202,619
Deferred tax liabilities	16.1	3,406,937,135	2,984,538,685	3,377,483,924	2,956,635,709
Other liabilities					
Premiums received in advance		1,617,044,185	1,717,482,667	1,617,044,185	1,717,482,667
Commission payables		396,174,608	411,902,624	396,174,608	411,902,624
Accrued expenses		1,165,601,036	607,433,941	1,165,601,036	607,433,941
Others		1,078,388,038	926,673,433	1,078,388,038	926,673,433
<b>Total liabilities</b>		<b>31,736,100,100</b>	<b>29,160,742,351</b>	<b>31,706,646,889</b>	<b>29,132,839,375</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		4,813,699,100	5,373,111,989	4,691,998,331	5,259,106,805
Other component of owners' equity		17,882,446,539	15,356,265,220	17,886,334,466	15,358,658,500
<b>Total owners' equity</b>		<b>32,309,815,639</b>	<b>30,343,047,209</b>	<b>32,192,002,797</b>	<b>30,231,435,305</b>
<b>Total liabilities and owners' equity</b>		<b>64,045,915,739</b>	<b>59,503,789,560</b>	<b>63,898,649,686</b>	<b>59,364,274,680</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 2021**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
<b>Profit or loss:</b>					
<b>Revenues</b>					
Gross premium written		6,399,902,252	6,001,402,595	6,399,902,253	6,001,402,595
Less: Premium ceded to reinsurers		(2,834,679,991)	(2,598,172,555)	(2,834,679,991)	(2,598,172,555)
Net premium written		3,565,222,261	3,403,230,040	3,565,222,262	3,403,230,040
Add: Unearned premium reserves decreased					
from prior period		282,209,176	168,477,844	282,209,176	168,477,844
Earned premium		3,847,431,437	3,571,707,884	3,847,431,438	3,571,707,884
Fee and commission income		454,120,597	375,553,493	454,120,597	375,553,493
Investment revenue		309,668,190	261,037,569	309,668,190	261,037,569
Gains (losses) on investments		74,939,951	(7,467,585)	74,939,951	(7,467,585)
Share of profits in associates under the equity method	10.2	4,097,756	3,392,260	-	-
Other income		63,278,107	40,204,576	63,278,107	40,204,576
<b>Total revenues</b>		<b>4,753,536,038</b>	<b>4,244,428,197</b>	<b>4,749,438,283</b>	<b>4,241,035,937</b>
<b>Expenses</b>					
Gross claims		4,896,530,528	2,297,229,161	4,896,530,528	2,297,229,161
Less: Claim recovery from reinsurers		(498,785,118)	(368,465,401)	(498,785,118)	(368,465,401)
Commissions and brokerages		723,549,093	681,369,509	723,549,093	681,369,509
Other underwriting expenses		526,980,048	479,867,544	526,980,048	479,867,544
Operating expenses		238,709,267	222,983,137	238,709,267	222,983,137
Investment expenses		23,428,205	17,600,996	23,428,205	17,600,996
Finance costs		10,230,682	9,978,540	10,230,682	9,978,540
Expected credit losses	18	2,411,471	2,785,798	2,411,471	2,785,798
<b>Total expenses</b>		<b>5,923,054,176</b>	<b>3,343,349,284</b>	<b>5,923,054,176</b>	<b>3,343,349,284</b>
<b>Profits (loss) before income tax expenses</b>		<b>(1,169,518,138)</b>	<b>901,078,913</b>	<b>(1,173,615,893)</b>	<b>897,686,653</b>
Add (less): Income tax benefits (expenses)	16.2	284,212,150	(139,506,770)	285,031,701	(138,828,318)
<b>Net profit (loss)</b>		<b>(885,305,988)</b>	<b>761,572,143</b>	<b>(888,584,192)</b>	<b>758,858,335</b>
<b>Other comprehensive income (loss):</b>					
Items to be recognised in profit or loss in subsequent periods:					
Gains (losses) on revaluation of available-for-sale investments which					
are measured at fair value through other comprehensive income		1,262,543,410	(2,727,045,073)	1,262,543,410	(2,727,045,073)
Add (less): Income taxes		(252,508,681)	545,409,015	(252,508,682)	545,409,014
Items to be recognised in profit or loss in					
subsequent periods - net of income taxes		1,010,034,729	(2,181,636,058)	1,010,034,728	(2,181,636,059)
<b>Other comprehensive income (loss) for the periods</b>		<b>1,010,034,729</b>	<b>(2,181,636,058)</b>	<b>1,010,034,728</b>	<b>(2,181,636,059)</b>
<b>Total comprehensive income (loss) for the periods</b>		<b>124,728,741</b>	<b>(1,420,063,915)</b>	<b>121,450,536</b>	<b>(1,422,777,724)</b>
<b>Earnings (losses) per share:</b>					
19					
Basic earnings per share					
Net profit (loss)		(8.32)	7.15	(8.35)	7.13

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 2021**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
<b>Profit or loss:</b>					
<b>Revenues</b>					
Gross premium written		18,397,259,224	17,135,232,240	18,397,259,225	17,135,232,240
Less: Premium ceded to reinsurers		(6,806,928,676)	(6,057,683,959)	(6,806,928,676)	(6,057,683,959)
Net premium written		11,590,330,548	11,077,548,281	11,590,330,549	11,077,548,281
Add (less): Unearned premium reserves (increased) decreased from prior period		(209,673,757)	2,707,843	(209,673,757)	2,707,843
Earned premium		11,380,656,791	11,080,256,124	11,380,656,792	11,080,256,124
Fee and commission income		1,221,727,394	1,092,806,455	1,221,727,394	1,092,806,455
Investment revenue		970,273,602	1,042,593,310	976,562,015	1,042,593,310
Gains on investments		206,176,145	192,080,902	206,176,145	192,080,902
Share of profits in associates under the equity method	10.2	15,907,895	12,349,466	-	-
Other income		160,004,983	133,058,676	160,004,983	133,058,676
<b>Total revenues</b>		<b>13,954,746,810</b>	<b>13,553,144,933</b>	<b>13,945,127,329</b>	<b>13,540,795,467</b>
<b>Expenses</b>					
Gross claims		10,003,420,163	8,651,998,385	10,003,420,163	8,651,998,385
Less: Claim recovery from reinsurers		(1,565,461,609)	(2,594,934,134)	(1,565,461,609)	(2,594,934,134)
Commissions and brokerages		2,241,726,951	2,130,645,269	2,241,726,951	2,130,645,269
Other underwriting expenses		1,620,837,818	1,723,375,439	1,620,837,818	1,723,375,439
Operating expenses		730,088,354	714,896,963	730,088,354	714,896,963
Investment expenses		65,843,685	64,942,155	65,843,685	64,942,155
Finance costs		30,165,760	29,488,831	30,165,760	29,488,831
Expected credit losses	18	2,567,263	57,966,399	2,567,263	57,966,399
<b>Total expenses</b>		<b>13,129,188,385</b>	<b>10,778,379,307</b>	<b>13,129,188,385</b>	<b>10,778,379,307</b>
<b>Profits before income tax expenses</b>		<b>825,558,425</b>	<b>2,774,765,626</b>	<b>815,938,944</b>	<b>2,762,416,160</b>
Add (less): Income tax benefits (expenses)	16.2	(864,354)	(412,088,701)	1,059,542	(409,618,808)
<b>Net profit</b>		<b>824,694,071</b>	<b>2,362,676,925</b>	<b>816,998,486</b>	<b>2,352,797,352</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	10.2	(1,868,310)	1,750,237	-	-
Gains (losses) on revaluation of available-for-sale investments which are measured at fair value through other comprehensive income		3,159,594,958	(8,925,658,670)	3,159,594,958	(8,925,658,670)
Total items to be recognised in profit or loss in subsequent periods		3,157,726,648	(8,923,908,433)	3,159,594,958	(8,925,658,670)
Add (less): Income taxes		(631,545,329)	1,784,781,687	(631,918,992)	1,785,131,734
Items to be recognised in profit or loss in subsequent periods - net of income taxes		2,526,181,319	(7,139,126,746)	2,527,675,966	(7,140,526,936)
<b>Other comprehensive income (loss) for the periods</b>		<b>2,526,181,319</b>	<b>(7,139,126,746)</b>	<b>2,527,675,966</b>	<b>(7,140,526,936)</b>
<b>Total comprehensive income (loss) for the periods</b>		<b>3,350,875,390</b>	<b>(4,776,449,821)</b>	<b>3,344,674,452</b>	<b>(4,787,729,584)</b>
<b>Earnings per share:</b>	19				
Basic earnings per share					
Net profit		7.75	22.19	7.67	22.10

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 2021**

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flows from (used in) operating activities</b>				
Direct premium written	17,138,334,346	16,496,260,844	17,138,334,346	16,496,260,844
Cash paid for reinsurance	(2,468,947,830)	(1,992,868,521)	(2,468,947,830)	(1,992,868,521)
Interest income	147,660,739	235,239,785	147,660,739	235,239,785
Dividend income	832,934,960	822,799,247	832,934,960	822,799,247
Other investment income	114,839,746	117,480,254	114,839,746	117,480,254
Other income	45,107,982	14,346,539	45,107,982	14,346,539
Losses incurred on direct insurance	(8,946,444,546)	(7,641,512,804)	(8,946,444,546)	(7,641,512,804)
Commissions and brokerages on direct insurance	(2,054,435,137)	(2,034,443,252)	(2,054,435,137)	(2,034,443,252)
Other underwriting expenses	(1,899,574,537)	(1,999,774,490)	(1,899,574,537)	(1,999,774,490)
Operating expenses	(680,912,343)	(706,557,580)	(680,912,343)	(706,557,580)
Investment expenses	(36,466,818)	(35,088,868)	(36,466,818)	(35,088,868)
Income taxes	(611,549,005)	(437,441,923)	(611,549,005)	(437,441,923)
Cash received on financial assets	16,860,547,083	15,757,665,373	16,860,547,083	15,757,665,373
Cash paid for financial assets	#####	#####	#####	#####
<b>Net cash provided by operating activities</b>	<b>1,666,915,175</b>	<b>1,363,693,278</b>	<b>1,666,915,175</b>	<b>1,363,693,278</b>
<b>Cash flows from (used in) investing activities</b>				
Cash flows from				
Premises and equipment	146,404	1,315,944	146,404	1,315,944
Cash provided by investing activities	146,404	1,315,944	146,404	1,315,944
Cash flows used in				
Premises and equipment	(41,796,208)	(44,629,204)	(41,796,208)	(44,629,204)
Intangible assets	(68,062,485)	(10,130,923)	(68,062,485)	(10,130,923)
Cash used in investing activities	(109,858,693)	(54,760,127)	(109,858,693)	(54,760,127)
<b>Net cash used in investing activities</b>	<b>(109,712,289)</b>	<b>(53,444,183)</b>	<b>(109,712,289)</b>	<b>(53,444,183)</b>
<b>Cash flows from (used in) financing activities</b>				
Repayments of lease liabilities	(30,302,245)	(27,209,545)	(30,302,245)	(27,209,545)
Dividends paid	(1,013,428,428)	(1,167,258,116)	(1,013,428,428)	(1,167,258,116)
<b>Net cash used in financing activities</b>	<b>(1,043,730,673)</b>	<b>(1,194,467,661)</b>	<b>(1,043,730,673)</b>	<b>(1,194,467,661)</b>
<b>Net increase in cash and cash equivalents</b>	<b>513,472,213</b>	<b>115,781,434</b>	<b>513,472,213</b>	<b>115,781,434</b>
Cash and cash equivalents at beginning of the periods	141,557,318	138,824,094	141,557,318	138,824,094
Increase in allowance for expected credit losses	(30,779)	(10,264)	(30,779)	(10,264)
<b>Cash and cash equivalents at end of the periods</b>	<b>654,998,752</b>	<b>254,595,264</b>	<b>654,998,752</b>	<b>254,595,264</b>

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 2021

(Unit: Baht)

Financial statements in which the equity method is applied										
	Note	Issued and paid-up share capital	Share premium	Retained earnings			Other components of owners' equity		Total	Total
				Statutory reserve	Other reserve	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		
<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		-	-	-	-	(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>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,186,639,933	(3,793,469)	19,360,591,366	19,356,797,897	33,157,107,830
Dividend paid	20	-	-	-	-	(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>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	5,378,146,858	(2,393,279)	12,220,064,430	12,217,671,151	27,209,488,009
<b>Balance as at 1 January 2021</b>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	5,373,111,989	(2,393,280)	15,358,658,500	15,356,265,220	30,343,047,209
Dividend paid	20	-	-	-	-	(1,384,106,960)	-	-	-	(1,384,106,960)
Net profit		-	-	-	-	824,694,071	-	-	-	824,694,071
Other comprehensive income (loss) for the period		-	-	-	-	-	(1,494,647)	2,527,675,966	2,526,181,319	2,526,181,319
<b>Balance as at 30 September 2021</b>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,813,699,100	(3,887,927)	17,886,334,466	17,882,446,539	32,309,815,639

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 2021**

(Unit: Baht)

Separate financial statements								
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other component of owners' equity Revaluation surplus on available-for-sale investments - net of income taxes	Total	
				Appropriated				
				Statutory reserve	Other reserve			
				Unappropriated				
<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		-	-	-	-	(36,818,070)	2,170,828,814	2,134,010,744
<b>Balance as at 1 January 2020 - as restated</b>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,089,266,596	19,360,591,366	33,063,527,962
Dividend paid	20	-	-	-	-	(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>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	5,270,893,948	12,220,064,430	27,104,628,378
<b>Balance as at 1 January 2021</b>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	5,259,106,805	15,358,658,500	30,231,435,305
Dividend paid	20	-	-	-	-	(1,384,106,960)	-	(1,384,106,960)
Net profit		-	-	-	-	816,998,486	-	816,998,486
Other comprehensive income for the period		-	-	-	-	-	2,527,675,966	2,527,675,966
<b>Balance as at 30 September 2021</b>		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,691,998,331	17,886,334,466	32,192,002,797

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 2021

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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 2021**

## **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 2021 and 31 December 2020, 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. Preparation of financial statements/ Financial reporting standards/ Significant accounting policies**

### **2.1 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.

## **2.2 New financial reporting standards**

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

During the period, the Company has adopted the new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. 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, adoption of such financial reporting standards did not have significant impact to the Company's financial statements.

### **2.2.2 Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users. However, the management of the Company already considered and believe that adoption of these amendments will not have any significant impact on the Company's financial statements.

## **2.3 Significant accounting policies**

The interim financial information is prepared using the same significant accounting policies and methods of computation as those were used for the financial statements for the year ended 31 December 2020.

**3. Cash and cash equivalents**

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	<u>30 September 2021</u>	<u>31 December 2020</u>
Cash on hand	2,858	2,787
Deposits at banks with no fixed maturity date	532,172	138,770
Deposits at banks with fixed maturity date	120,000	-
Total	655,030	141,557
Less: Allowance for expected credit losses	(31)	-
Cash and cash equivalents - net	<u>654,999</u>	<u>141,557</u>

**4. Premium receivables**

As at 30 September 2021 and 31 December 2020, 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: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	<u>30 September 2021</u>	<u>31 December 2020</u>
Not yet due	1,660,010	2,202,950
Overdue not longer than 30 days	785,787	191,470
Overdue 31 days to 60 days	249,244	119,564
Overdue 61 days to 90 days	123,873	61,118
Overdue 91 days to 1 year	153,895	190,795
Overdue longer than 1 year	42,473	16,245
Total	3,015,282	2,782,142
Less: Allowance for doubtful accounts	(42,473)	(16,245)
Premium receivables - net	<u>2,972,809</u>	<u>2,765,897</u>

(Unaudited but reviewed)

**5. Reinsurance assets**

(Unit: Thousand Baht)

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

	<u>30 September 2021</u>	<u>31 December 2020</u>
Insurance reserves refundable from reinsurers		
Loss reserves	3,896,277	4,304,602
Unearned premium reserves	3,665,021	3,255,621
Total	7,561,298	7,560,223
Less: Allowance for impairment	(52)	(54)
Reinsurance assets - net	<u>7,561,246</u>	<u>7,560,169</u>

**6. Reinsurance receivables**

(Unit: Thousand Baht)

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

	<u>30 September 2021</u>	<u>31 December 2020</u>
Amounts deposited on reinsurance	55,800	42,445
Amounts due from reinsurers	423,730	367,902
Total	479,530	410,347
Less: Allowance for doubtful accounts	(51)	(21,025)
Receivables on reinsurance contracts - net	<u>479,479</u>	<u>389,322</u>

## 7. Investments in securities

### 7.1 Classified by type of investment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	30 September 2021		31 December 2020	
	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	3,924,619	3,954,807	3,252,226	3,300,520
Private sector debt securities	835,000	783,759	630,817	579,039
Common stocks	6,416,405	28,605,306	6,083,661	25,112,951
Unit trusts	1,709,164	1,782,425	1,652,329	1,704,622
Total	12,885,188	35,126,297	11,619,033	30,697,132
Add: Unrealised gains	22,357,918		19,198,323	
Less: Allowance for impairment	(65,083)		(65,083)	
Less: Allowance for expected credit losses	(51,726)		(55,141)	
Available-for-sale investments measured at fair value through other comprehensive income - net	35,126,297		30,697,132	
<b>Held-to-maturity investments measured at amortised cost</b>				
Deposits at financial institutions which matured over 3 months	12,649,255		13,729,657	
Less: Allowance for expected credit losses	(3,508)		(2,701)	
Held-to-maturity investments measured at amortised cost - net	12,645,747		13,726,956	
Investment in securities - net	47,772,044		44,424,088	

(Unaudited but reviewed)

**7.2 Classified by stage of credit risk**

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements			
30 September 2021		31 December 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			
4,686,206	(1,514)	3,827,529	(734)
Stage 3 - Credit impaired debt securities			
52,360	(50,212)	52,030	(54,407)
<b>Total</b>	<b>(51,726)</b>	<b>3,879,559</b>	<b>(55,141)</b>

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements			
30 September 2021			
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			
12,649,255	(3,508)	12,645,747	
<b>Total</b>	<b>(3,508)</b>	<b>12,645,747</b>	

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements			
31 December 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			
13,729,657	(2,701)	13,726,956	
<b>Total</b>	<b>(2,701)</b>	<b>13,726,956</b>	



### 7.3 Investments subject to restriction and commitment

As at 30 September 2021 and 31 December 2020, 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 2021		31 December 2020	
	Cost	Fair value	Cost	Fair value
<b>Placed as securities</b>				
Government bonds	14.0	14.2	14.0	14.3
<b>Placed as insurance reserves</b>				
Ordinary shares	35.2	111.8	35.2	113.7
Government bonds	1,270.0	1,300.7	1,240.0	1,286.9
Debentures	240.0	245.6	210.0	212.5
	<u>1,545.2</u>	<u>1,658.1</u>	<u>1,485.2</u>	<u>1,613.1</u>
<b>Placed to secure bank overdraft facilities</b>				
Deposits at financial institutions	30.0	30.0	30.0	30.0
<b>Placed as performance bonds</b>				
Government and state enterprise bonds	0.6	0.6	-	-
<b>Placed to secure bank guarantees</b>				
Deposits at financial institutions	20.0	20.0	20.0	20.0

**8. Loans and interest receivables**

As at 30 September 2021 and 31 December 2020, the balances of loans and interest receivables, classified by stage of credit risk, were as follows:

(Unit: Thousand Baht)

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

Classification	30 September 2021		
	Mortgaged loans	Others	Total
Stage 1 - Loans without a significant increase of credit risk	1,275,629	8,117	1,283,746
Stage 2 - Loans with significant increases of credit risk	2,557	-	2,557
Stage 3 - Credit impairment loans	170,263	-	170,263
Total	1,448,449	8,117	1,456,566
Less: Allowance for expected credit losses	(54,505)	-	(54,505)
Loans and interest receivables - net	1,393,944	8,117	1,402,061

(Unit: Thousand Baht)

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

Classification	31 December 2020		
	Mortgaged loans	Others	Total
Stage 1 - Loans without a significant increase of credit risk	1,344,386	8,305	1,352,691
Stage 2 - Loans with significant increases of credit risk	17,942	-	17,942
Stage 3 - Credit impairment loans	155,043	-	155,043
Total	1,517,371	8,305	1,525,676
Less: Allowance for expected credit losses	(49,257)	-	(49,257)
Loans and interest receivables - net	1,468,114	8,305	1,476,419

(Unaudited but reviewed)

Credit limits granted to each employee under the Company's employee welfare plan shall not exceed 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 exceed 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 2021 and 31 December 2020, the balances of employee loans were Baht 157.3 million and Baht 153.9 million, respectively.

## 9. Investment properties

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the nine-month period ended 30 September 2021	For the year ended 31 December 2020
Net book value at beginning of the periods	117,930	135,207
Depreciation charged for the periods	(12,887)	(17,277)
Net book value at end of the periods	105,043	117,930

As at 30 September 2021 and 31 December 2020, the fair values of the investment properties amounting to Baht 200.8 million and Baht 225.8 million, respectively.

## 10. Investments in associates

### 10.1 Details of associates

Company's name	Nature of business	Country of incorporation	Paid-up share capital as at		Shareholding	
			30 September 2021 (USD)	31 December 2020 (USD)	30 September 2021 (%)	31 December 2020 (%)
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: Thousand Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
Asia Insurance (Cambodia) Plc.	111,261	103,875	30,202	30,202
Asian Insurance International (Holding) Limited	135,348	135,923	72,054	72,054
Bangkok Insurance (Lao) Company Limited	30,053	29,113	27,140	27,140
Total	276,662	268,911	129,396	129,396

## 10.2 Shares of profits (loss), share of other comprehensive income (loss), and dividends income

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profit (loss) from investments in associates		Share of other comprehensive income (loss) 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	
	2021	2020	2021	2020	2021	2020
Asia Insurance (Cambodia) Plc.	2,086	2,660	-	-	-	-
Asian Insurance International (Holding) Limited	68	(4)	-	-	-	-
Bangkok Insurance (Lao) Company Limited	1,944	736	-	-	-	-
Total	4,098	3,392	-	-	-	-

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profit from investments in associates		Share of other comprehensive income (loss) 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	
	2021	2020	2021	2020	2021	2020
Asia Insurance (Cambodia) Plc.	7,386	7,337	-	-	-	-
Asian Insurance International (Holding) Limited	7,582	4,957	(1,868)	1,750	6,289	-
Bangkok Insurance (Lao) Company Limited	940	55	-	-	-	-
Total	15,908	12,349	(1,868)	1,750	6,289	-

**10.3 Summarised financial information of associates**

(Unit: Million Baht)

Company's name	Total assets as at		Total liabilities as at		Total revenues for the nine-month periods ended 30 September		Profit (loss) for the nine-month periods ended 30 September	
	30	31	30	31	2021	2020	2021	2020
	September	December	September	December				
	2021	2020	2021	2020				
Asia Insurance (Cambodia) Plc.	848.6	715.7	334.6	291.2	67.6	75.4	26.5	29.9
Asian Insurance International (Holding) Limited	298.8	273.7	-	-	9.2	5.0	7.4	3.8
Bangkok Insurance (Lao) Company Limited	133.5	462.3	63.8	402.6	26.3	25.2	2.3	2.1

As at 30 September 2021 and 31 December 2020, 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 or audited by their external auditors.

**11. Premises and equipment**

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements						Total
	For the nine-month period ended 30 September 2021						
	Land	Buildings	Condominium unit	Office furniture, fixtures and equipment	Motor vehicles	Asset under installment	
Net book value as at							
1 January 2021	222,765	194,124	2	147,502	17,008	33,544	614,945
Addition during the period - at cost	-	-	-	10,678	575	30,543	41,796
Transfer in (out) during the period - at cost	-	-	-	10,500	-	(10,500)	-
Disposals during the period							
- at net book value	-	-	-	(8)	(82)	-	(90)
Depreciation charge for the period	-	(19,396)	-	(61,897)	(3,494)	-	(84,787)
Net book value as at							
30 September 2021	222,765	174,728	2	106,775	14,007	53,587	571,864

**12. Right-of-use assets/Lease liabilities**

The Company has lease contracts for various items of land, building, equipment, and motor vehicles used in its operations. Leases generally have lease terms between 3 to 33 years.

(Unaudited but reviewed)

## 12.1 Right-of-use assets

(Unit: Thousand Baht)

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

For the nine-month period ended 30 September 2021

	Land	Building	Office equipment	Vehicles	Total
Net book value as at 1 January 2021	821,779	13,247	-	51,535	886,561
Addition during the period	-	31,008	12,772	17,633	61,413
Depreciation for the period	(16,733)	(9,010)	(1,916)	(15,380)	(43,039)
Net book value as at 30 September 2021	<u>805,046</u>	<u>35,245</u>	<u>10,856</u>	<u>53,788</u>	<u>904,935</u>

## 12.2 Lease liabilities

(Unit: Thousand Baht)

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

For the nine-month period ended 30 September 2021

	Land	Building	Office equipment	Vehicles	Total
Lease liabilities as at 1 January 2021	716,634	8,335	-	53,880	778,849
Add: New lease agreements during the period	-	31,008	12,772	17,633	61,413
Add: Finance costs recognised during the period	27,326	331	370	2,141	30,168
Less: Leases paid during the period	-	(9,301)	(3,450)	(17,643)	(30,394)
Lease liabilities as at 30 September 2021	<u>743,960</u>	<u>30,373</u>	<u>9,692</u>	<u>56,011</u>	<u>840,036</u>

(Unaudited but reviewed)

### 13. Intangible assets

(Unit: Thousand 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 2020	80,562	21,114	101,676
Addition during the period - at cost	-	68,062	68,062
Amortisation for the period	(21,987)	-	(21,987)
Net book value as at 30 September 2021	<u>58,575</u>	<u>89,176</u>	<u>147,751</u>

### 14. Insurance contract liabilities

(Unit: Thousand Baht)

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

	30 September 2021		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
Claims incurred and reported	7,214,428	(3,824,995)	3,389,433
Claims incurred but not reported	792,993	(71,230)	721,763
Premium reserves			
Unearned premium reserves	<u>10,929,790</u>	<u>(3,665,021)</u>	<u>7,264,769</u>
Total	<u>18,937,211</u>	<u>(7,561,246)</u>	<u>11,375,965</u>

(Unit: Thousand Baht)

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

	31 December 2020		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
Claims incurred and reported	7,138,869	(4,204,314)	2,934,555
Claims incurred but not reported	572,929	(100,234)	472,695
Premium reserves			
Unearned premium reserves	<u>10,310,716</u>	<u>(3,255,621)</u>	<u>7,055,095</u>
Total	<u>18,022,514</u>	<u>(7,560,169)</u>	<u>10,462,345</u>

(Unaudited but reviewed)

#### 14.1 Loss reserves

(Unit: Thousand Baht)

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

	For the nine-month period ended 30 September 2021	For the years ended 31 December 2020
Beginning balances	7,711,798	5,631,159
Claim incurred during the periods	9,439,000	11,470,643
Change in loss reserves of claimed incurred in prior periods	677,125	871,648
Changes in assumptions in calculating loss reserves	136,827	50,801
Claims and loss adjustment expenses paid during the periods	(9,957,329)	(10,312,453)
Ending balances	<u>8,007,421</u>	<u>7,711,798</u>

#### 14.2 Unearned premium reserves

(Unit: Thousand Baht)

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

	For the nine-month period ended 30 September 2021	For the years ended 31 December 2020
Beginning balances	10,310,716	9,978,382
Premium written during the periods	18,397,259	22,858,220
Premium earned during the periods	(17,778,185)	(22,525,886)
Ending balances	<u>10,929,790</u>	<u>10,310,716</u>

#### 15. Due to reinsurers

(Unit: Thousand Baht)

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

	30 September 2021	31 December 2020
Amounts withheld on reinsurance	1,633,161	1,509,258
Amounts due to reinsurers	1,845,161	1,228,194
Total due to reinsurers	<u>3,478,322</u>	<u>2,737,452</u>



**16. Deferred tax liabilities and income tax expenses****16.1 Deferred tax liabilities**

As at 30 September 2021 and 31 December 2020, the components of deferred tax assets and liabilities consisted of tax effects arising from the following transactions.

	(Unit: Thousand 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	
	2021	2020	2021	2020
Deferred tax assets arose from:				
Allowance for expected credit losses	22,042	21,528	514	21,057
Allowance for impairment on investments	13,017	13,017	-	-
Premium reserves	227,183	226,271	912	(38,543)
Loss reserves of claims incurred and reported	526,754	388,778	137,976	12,451
Loss reserves of claims incurred but not yet reported	144,352	94,539	49,813	22,557
Lease liabilities	168,017	155,770	12,247	160,296
Employee benefit obligations	163,277	155,440	7,837	5,437
Others	10,445	4,998	5,447	(677)
Total	<u>1,275,087</u>	<u>1,060,341</u>		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	4,471,584	3,839,665	(631,919)	1,242,425
Right-of-use assets	180,987	177,312	(3,675)	(168,725)
Shares of profits from investments in associates	29,453	27,903	(1,550)	(2,820)
Total	<u>4,682,024</u>	<u>4,044,880</u>		
Deferred tax liabilities	<u>3,406,937</u>	<u>2,984,539</u>		
Total changes			<u>(422,398)</u>	<u>1,253,458</u>
Changes were recognised in:				
- Retained earnings at beginning of the periods			-	9,204
- Other components of equity at beginning of the periods			-	(542,707)
- Profit or loss			209,147	2,179
- Other comprehensive income			<u>(631,545)</u>	<u>1,784,782</u>
			<u>(422,398)</u>	<u>1,253,458</u>

## (Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements		Changes in deferred tax assets or liabilities	
	30 September	31 December	For the nine-month periods ended	
	2021	2020	2021	2021
Deferred tax assets arose from:				
Allowance for expected credit losses	22,042	21,528	514	21,057
Allowance for impairment on investments	13,017	13,017	-	-
Premium reserves	227,183	226,271	912	(38,543)
Loss reserves of claims incurred and reported	526,754	388,778	137,976	12,451
Loss reserves of claims incurred but not yet reported	144,352	94,539	49,813	22,557
Lease liabilities	168,017	155,770	12,247	160,296
Provision for long-term employee benefits	163,277	155,440	7,837	5,437
Others	10,445	4,998	5,447	(677)
<b>Total</b>	<b>1,275,087</b>	<b>1,060,341</b>		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	4,471,584	3,839,665	(631,919)	1,242,425
Right-of-use assets	180,987	177,312	(3,675)	(168,725)
<b>Total</b>	<b>4,652,571</b>	<b>4,016,977</b>		
Deferred tax liabilities	3,377,484	2,956,636		
<b>Total changes</b>			<b>(420,848)</b>	<b>1,256,278</b>
Changes were recognised in:				
- Retained earnings at beginning of the periods			-	9,204
- Other components of equity at beginning of the periods			-	(542,707)
- Profit or loss			211,071	4,649
- Other comprehensive income			(631,919)	1,785,132
			<b>(420,848)</b>	<b>1,256,278</b>

**16.2 Income tax expenses**

Income tax expenses for the three-month and nine-month periods ended 30 September 2021 and 2020 were made up as follows:

(Unit: Thousand 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	
	2021	2020	2021	2020
<b>Current income taxes:</b>				
Corporate income tax charge	177,780	(137,255)	177,780	(137,254)
<b>Deferred income taxes:</b>				
Deferred income taxes relating to origination and reversal of temporary differences	106,432	(2,252)	107,252	(1,574)
Income tax benefits (expenses) reported in profit or loss	<u>284,212</u>	<u>(139,507)</u>	<u>285,032</u>	<u>(138,828)</u>

(Unit: Thousand 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	
	2021	2020	2021	2020
<b>Current income taxes:</b>				
Interim corporate income tax charge	(210,011)	(414,268)	(210,011)	(414,268)
<b>Deferred income taxes:</b>				
Deferred income taxes relating to origination and reversal of temporary differences	209,147	2,179	211,071	4,649
Income tax benefits (expenses) reported in profit or loss	<u>(864)</u>	<u>(412,089)</u>	<u>1,060</u>	<u>(409,619)</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 2021 and 2020 and the applicable tax rate were as follows:

(Unit: Thousand 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	
	2021	2020	2021	2020
Accounting profits (losses) before income tax expenses	<u>(1,169,518)</u>	<u>901,079</u>	<u>(1,173,616)</u>	<u>897,687</u>
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	233,904	(180,216)	234,723	(179,537)
Net tax effect on tax-exempt revenues and non-tax deductible expenses	<u>50,308</u>	<u>40,709</u>	<u>50,309</u>	<u>40,709</u>
Income tax benefits (expenses) reported in profit or loss	<u>284,212</u>	<u>(139,507)</u>	<u>285,032</u>	<u>(138,828)</u>

(Unit: Thousand 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	
	2021	2020	2021	2020
Accounting profits before income tax expenses	<u>825,558</u>	<u>2,774,766</u>	<u>815,939</u>	<u>2,762,416</u>
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(165,112)	(554,953)	(163,188)	(552,483)
Adjustment in respect of current income tax of prior period	3	(31)	3	(31)
Net tax effect on tax-exempt revenues and non-tax deductible expenses	<u>164,245</u>	<u>142,895</u>	<u>164,245</u>	<u>142,895</u>
Income tax benefits (expenses) reported in profit or loss	<u>(864)</u>	<u>(412,089)</u>	<u>1,060</u>	<u>(409,619)</u>

## 17. Segment information/major customers

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

### 17.1 Segment information reporting

Operating segment information for the three-month and nine-month periods ended 30 September 2021 and 2020 can be classified by types of products as follows:

(Unit: Thousand Baht)

	Financial statements in which equity method is applied				
	For the three-month period ended 30 September 2021				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting revenues</b>					
Gross premium written	454,994	201,484	2,105,649	3,637,775	6,399,902
Less: Premium ceded to reinsurers	(131,576)	(135,688)	(78,011)	(2,489,405)	(2,834,680)
Net premium written	323,418	65,796	2,027,638	1,148,370	3,565,222
Add (less): Unearned premium reserves					
(increased) decreased from prior period	(57,962)	(1,960)	170,403	171,728	282,209
Earned premium	265,456	63,836	2,198,041	1,320,098	3,847,431
Commission and brokerage fee income	51,574	23,039	24,084	355,423	454,120
<b>Total underwriting income</b>	<b>317,030</b>	<b>86,875</b>	<b>2,222,125</b>	<b>1,675,521</b>	<b>4,301,551</b>
<b>Underwriting expenses</b>					
Net claims	111,107	17,921	963,753	3,304,964	4,397,745
Commission and brokerage expenses	97,607	15,948	323,916	286,078	723,549
Other underwriting expenses	65,049	17,839	200,055	244,037	526,980
<b>Total underwriting expenses</b>	<b>273,763</b>	<b>51,708</b>	<b>1,487,724</b>	<b>3,835,079</b>	<b>5,648,274</b>
<b>Profit (loss) from underwriting</b>	<b>43,267</b>	<b>35,167</b>	<b>734,401</b>	<b>(2,159,558)</b>	<b>(1,346,723)</b>
Investment revenue					309,669
Gains on investments					74,940
Shares of profits from investments in associates					4,098
Other income					63,278
Operating expenses					(238,709)
Investment expenses					(23,429)
Finance costs					(10,231)
Expected credit losses					(2,411)
<b>Loss before income tax expenses</b>					<b>(1,169,518)</b>
Add: Income tax benefits					284,212
<b>Net loss</b>					<b>(885,306)</b>

(Unaudited but reviewed)

(Unit: Thousand 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	166,304	2,195,854	3,267,503	6,001,403
Less: Premium ceded to reinsurers	(127,982)	(106,653)	(69,334)	(2,294,204)	(2,598,173)
Net premium written	243,760	59,651	2,126,520	973,299	3,403,230
Add (less): Unearned premium reserves (increased) decreased from prior period	8,673	(1,025)	143,323	17,507	168,478
Earned premium	252,433	58,626	2,269,843	990,806	3,571,708
Commission and brokerage fee income	50,921	13,673	21,845	289,115	375,554
<b>Total underwriting income</b>	<b>303,354</b>	<b>72,299</b>	<b>2,291,688</b>	<b>1,279,921</b>	<b>3,947,262</b>
<b>Underwriting expenses</b>					
Net claims	21,128	15,036	1,463,287	429,313	1,928,764
Commission and brokerage expenses	71,757	11,054	337,132	261,426	681,369
Other underwriting expenses	64,297	23,493	228,417	163,661	479,868
<b>Total underwriting expenses</b>	<b>157,182</b>	<b>49,583</b>	<b>2,028,836</b>	<b>854,400</b>	<b>3,090,001</b>
<b>Profit from underwriting</b>	<b>146,172</b>	<b>22,716</b>	<b>262,852</b>	<b>425,521</b>	<b>857,261</b>
Investment revenue					261,037
Losses on investments					(7,468)
Shares of profits from investments in associates					3,392
Other income					40,205
Operating expenses					(222,983)
Investment expenses					(17,601)
Finance costs					(9,979)
Expected credit losses					(2,785)
<b>Profit before income tax expenses</b>					<b>901,079</b>
Less: Income tax expenses					(139,507)
<b>Net profit</b>					<b>761,572</b>

(Unit: Thousand Baht)

Financial statements in which the equity method is applied					
For the nine-month period ended 30 September 2021					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting revenues</b>					
Gross premium written	1,250,118	610,940	6,626,525	9,909,676	18,397,259
Less: Premium ceded to reinsurers	(414,445)	(416,403)	(268,089)	(5,707,992)	(6,806,929)
Net premium written	835,673	194,537	6,358,436	4,201,684	11,590,330
Add (less): Unearned premium reserves (increased) decreased from prior period	(65,179)	(6,279)	301,617	(439,833)	(209,674)
Earned premium	770,494	188,258	6,660,053	3,761,851	11,380,656
Commission and brokerage fee income	165,620	66,937	78,763	910,407	1,221,727
<b>Total underwriting income</b>	<b>936,114</b>	<b>255,195</b>	<b>6,738,816</b>	<b>4,672,258</b>	<b>12,602,383</b>
<b>Underwriting expenses</b>					
Net claims	333,540	33,931	3,522,305	4,548,182	8,437,958
Commission and brokerage expenses	249,109	44,527	1,013,928	934,163	2,241,727
Other underwriting expenses	190,504	61,501	647,094	721,739	1,620,838
<b>Total underwriting expenses</b>	<b>773,153</b>	<b>139,959</b>	<b>5,183,327</b>	<b>6,204,084</b>	<b>12,300,523</b>
<b>Profit (loss) from underwriting</b>	<b>162,961</b>	<b>115,236</b>	<b>1,555,489</b>	<b>(1,531,826)</b>	<b>301,860</b>
Investment revenue					970,274
Gains on investments					206,176
Shares of profits from investments in associates					15,908
Other income					160,005
Operating expenses					(730,088)
Investment expenses					(65,844)
Finance cost					(30,166)
Expected credit losses					(2,567)
<b>Profit before income tax expenses</b>					<b>825,558</b>
Less: Income tax expenses					(864)
<b>Net profit</b>					<b>824,694</b>

(Unaudited but reviewed)

(Unit: Thousand 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 revenues</b>					
Gross premium written	1,145,929	471,175	6,861,311	8,656,817	17,135,232
Less: Premium ceded to reinsurers	(413,814)	(292,606)	(221,701)	(5,129,563)	(6,057,684)
Net premium written	732,115	178,569	6,639,610	3,527,254	11,077,548
Add (less): Unearned premium reserves					
(increased) decreased from prior period	35,436	5,466	146,241	(184,435)	2,708
Earned premium	767,551	184,035	6,785,851	3,342,819	11,080,256
Commission and brokerage fee income	156,091	52,188	66,764	817,764	1,092,807
<b>Total underwriting income</b>	<b>923,642</b>	<b>236,223</b>	<b>6,852,615</b>	<b>4,160,583</b>	<b>12,173,063</b>
<b>Underwriting expenses</b>					
Net claims	189,519	33,475	4,327,179	1,506,891	6,057,064
Commission and brokerage expenses	216,954	35,989	1,052,222	825,480	2,130,645
Other underwriting expenses	184,727	66,384	744,839	727,426	1,723,376
<b>Total underwriting expenses</b>	<b>591,200</b>	<b>135,848</b>	<b>6,124,240</b>	<b>3,059,797</b>	<b>9,911,085</b>
<b>Profit from underwriting</b>	<b>332,442</b>	<b>100,375</b>	<b>728,375</b>	<b>1,100,786</b>	<b>2,261,978</b>
Investment revenue					1,042,593
Gains on investments					192,081
Shares of profits from investments in associates					12,349
Other income					133,059
Operating expenses					(714,897)
Investment expenses					(64,942)
Finance cost					(29,489)
Expected credit losses					(57,966)
<b>Profit before income tax expenses</b>					<b>2,774,766</b>
Less: Income tax expenses					(412,089)
<b>Net profit</b>					<b>2,362,677</b>

The Company's operating segment assets and liabilities as at 30 September 2021 and 31 December 2020 as follows:

(Unit: Thousand 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 2021	538,433	224,812	770,080	9,248,217	10,781,542	53,264,374	64,045,916
As at 31 December 2020	482,420	189,891	1,083,228	8,769,581	10,525,120	48,978,669	59,503,789
<b>Liabilities</b>							
As at 30 September 2021	3,008,924	320,277	6,156,542	14,391,264	23,877,007	7,859,093	31,736,100
As at 31 December 2020	2,918,068	322,660	6,995,641	12,082,322	22,318,691	6,842,051	29,160,742



## 17.2 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.

## 17.3 Major customers

For the three-month and nine-month periods ended 30 September 2021 and 2020, 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		For the nine-month periods	
	ended 30 September		ended 30 September	
	2021	2020	2021	2020
Gross premium written	600	591	2,041	1,936

## 18. Expected credit losses

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2021	2020	2021	2020
Increase (decrease)				
in expected credit losses:				
Cash and cash equivalents	21	10	30	10
Accrued investment income	364	(8)	(105)	541
Investments in securities	246	338	(2,607)	53,329
Loans and interest				
receivables	1,780	2,445	5,249	4,086
Total	2,411	2,785	2,567	57,966

**19. Earnings per share**

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

**20. Dividends paid**

Dividend declared during the nine-month periods ended 30 September 2021 and 2020 are as follow:

	Approved by	Total dividend	Dividend per share
		(Million Baht)	(Baht)
The second interim dividend for 2021	Meeting No. 5/21 of the Company's Board of Directors on 10 September 2021	372.64	3.50
The first interim dividend for 2021	Meeting No. 3/21 of the Company's Board of Directors on 14 May 2021	372.64	3.50
Final dividend for 2020	Annual General Meeting No. 28 of the Shareholders on 23 April 2021	638.83	6.00
Total dividends for the period 2021		1,384.11	13.00
	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	319.41	3.00
The first interim dividend for 2020	Meeting No. 3/20 of the Company's Board of Directors on 15 May 2020	319.41	3.00
The fourth interim dividend for 2019	Meeting No. 2/20 of the Company's Board of Directors on 13 April 2020	532.35	5.00
Total dividends for the period 2020		1,171.17	11.00

## 21. Related party transactions

### 21.1 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. <sup>(1)</sup>	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 <sup>(2)</sup>	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
Fine Metal Technologies 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

<sup>(1)</sup> This entity had been considered a related company until 18 February 2021 as the Company had no common director with such company since that date.

<sup>(2)</sup> This entity had been considered a related company until 19 July 2021 since such company was liquidated.

## 21.2 Significant related party transactions

During the three-month and nine-month periods ended 30 September 2021 and 2020, 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 were as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September		Pricing policy
	2021	2020	2021	2020	
	<b><u>Transactions with</u></b>				
<b><u>associates and related</u></b>					
<b><u>companies</u></b>					
<b><i>Income</i></b>					
Premium written	168,177	153,275	541,230	520,089	Normal commercial terms for underwriting
Fee and commission income	58,207	51,640	195,083	168,124	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Interest income <sup>(1)</sup>	14,443	16,606	45,995	60,294	Similar rates as financial institutions and related companies offer to their general customers
Dividend income <sup>(1)</sup>	159,077	124,150	551,944	582,539	The declared amount
Rental Income <sup>(2)</sup>	2,121	1,217	6,033	3,633	Same rates offer to general customers
<b><i>Expenses</i></b>					
Premium ceded to reinsurers	176,694	164,485	603,917	532,279	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Claims paid (recovery)	(173,180)	(54,613)	(299,674)	(145,923)	As actually incurred
Commissions and brokerages	22,378	18,376	68,469	58,292	Normal commercial terms for underwriting
Fee for trading securities <sup>(3)</sup>	457	300	827	921	Similar rates its related party offers to its general customers
<b><i>Owner's equity</i></b>					
Dividend paid	54,905	42,124	182,863	154,455	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

**21.3 Significant outstanding balances**

As at 30 September 2021 and 31 December 2020, the Company had the following significant balances with its related companies.

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
<b><u>Associates</u></b>		
Investments in associates - cost	129,396	129,396
<b><u>Related companies</u></b>		
Deposits at financial institutions	8,663,615	8,388,796
Premium receivables	65,665	28,209
Accrued interest income on debentures <sup>(1)</sup>	41	111
Reinsurance assets		
Amounts deposited on reinsurance	7,857	7,117
Amounts due from reinsurers	66,844	8,730
Available-for-sale investments measured at fair value through other comprehensive income		
Equity securities	23,088,421	20,165,152
Debt securities	8,859	9,404
Loans and interest receivables	156,778	157,178
Other assets		
Deposits and golf club membership fees	35,531	35,900
Account receivable on sales of securities	7,684	3,779
Due to reinsurers		
Amounts withheld on reinsurance	107,456	99,714
Amounts due to reinsurers	22,896	61,376
Other liabilities		
Accounts payable on purchases of securities	861	-

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

## 21.4 Directors' and key management's benefits

During the three-month and nine-month periods ended 30 September 2021 and 2020, 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	
	2021	2020	2021	2020
	2021	2020	2021	2020
Short-term benefits	23.7	23.4	74.3	66.9
Post-employment benefits	2.4	2.1	7.1	6.1
Total	<u>26.1</u>	<u>25.5</u>	<u>81.4</u>	<u>73.0</u>

## 22. Commitments and contingent liabilities

### 22.1 Capital Commitments

As at 30 September 2021 and 31 December 2020, there were outstanding capital commitments contracted for decoration and renovation of building, and computer software development totaling to Baht 423.9 million and Baht 75.2 million, respectively.

### 22.2 Litigation

As at 30 September 2021 and 31 December 2020, the Company had litigation claims totaling approximately Baht 3,144.3 million and Baht 2,859.9 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 448.1 million and Baht 340.3 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 168.9 million and Baht 116.0 million, respectively, which were already recognised in "Insurance contract liabilities" in the statements of financial position as at those dates.

## 23. Financial instruments

### 23.1 Fair value of financial assets

Most of the Company's financial assets are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial assets is estimated to approximate their fair value.

### 23.2 Fair value hierarchy

As at 30 September 2021 and 31 December 2020, the Company had the financial assets measured at fair value, classified by levels of fair value hierarchy, as follows:

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements							
	30 September 2021				31 December 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Available-for-sale</b>								
<b>investments which are measured at fair value through other comprehensive income</b>								
Government and state enterprise securities	-	3,955	-	3,955	-	3,300	-	3,300
Private sector debt securities	-	784	-	784	-	579	-	579
Common stocks	25,507	-	3,098	28,605	22,366	-	2,747	25,113
Unit trusts	1,730	52	-	1,782	1,659	46	-	1,705
<b>Total</b>	<b>27,237</b>	<b>4,791</b>	<b>3,098</b>	<b>35,126</b>	<b>24,025</b>	<b>3,925</b>	<b>2,747</b>	<b>30,697</b>

During the periods, there were no change in the methods and assumption used by the Company in estimating the fair value of financial instruments and no transfers within the fair value hierarchy.

(Unaudited but reviewed)

Reconciliation of equity financial assets, measured at fair value using Level 3 of the fair value hierarchy was as below:

	(Unit: Thousand Baht)
	<u>Financial statements in which the equity method is applied and Separate financial statements</u>
Balance as of 1 January 2021	2,746,673
Addition during the period	70,171
Gains on revaluation during the period	<u>281,217</u>
Balance as of 30 September 2021	<u><u>3,098,061</u></u>

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

This interim financial information was authorised for issue by the Company's Executive Directors on 4 November 2021.