

**Thaivivat Insurance Public Company Limited
and its subsidiary**
Review report and interim financial information
For the three-month period ended 31 March 2020

Independent Auditor's Report on Review of Interim financial Information

To the Shareholders of Thaivivat Insurance Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Thaivivat Insurance Public Company Limited and its subsidiary as at 31 March 2020, the related consolidated statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Thaivivat Insurance Public Company Limited for the same period (collectively called "interim financial information"). 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

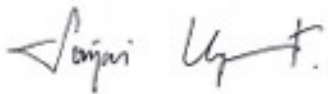
I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting 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.

Emphasis of Matter

I draw attention to Note 1.2 and Note 9.1 to the interim consolidated financial statements, due to the impact of the COVID-19 outbreak, which is continuing to evolve and affect to various business sectors whether directly or indirectly, it results in an economic slowdown and volatility of money and capital market. This situation cause uncertainty and shall affect the Company's business activities in terms of investing in both debt and equity instruments, as well as its investment in the General Fixed Income Fund managed by a fund management company that announced the termination of the fund in late March 2020 and is currently under liquidation. This situation may significantly impact the Company's financial position and operating results in the future. However, the impact cannot be reasonably estimated at this stage. My conclusion is not modified in respect of this matter.



Somjai Khunapasut

Certified Public Accountant (Thailand) No. 4499

EY Office Limited

Bangkok: 15 May 2020

Thaivivat Insurance Public Company Limited and its subsidiary

Statements of financial position

As at 31 March 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash and cash equivalents	5	608,734,335	225,295,248	607,278,553	224,224,888
Premium receivables	6	553,455,033	610,378,090	553,271,116	610,196,971
Accrued investment income		10,652,435	12,103,543	6,353,747	5,409,833
Reinsurance assets	7	414,866,043	527,108,655	414,866,043	527,108,655
Receivables from reinsurance contracts	8	101,635,072	149,908,416	104,141,802	151,801,003
Debt financial assets	9	2,833,881,374	-	2,789,504,425	-
Equity financial assets	10	630,558,302	-	630,558,302	-
Investments in securities	11	-	3,778,639,103	-	3,737,657,770
Loans and interest receivables	13	6,378,741	7,698,362	6,378,741	7,698,362
Investment in subsidiary	14	-	-	67,200,000	67,200,000
Property, buildings and equipment	15	331,313,548	327,892,411	329,396,444	325,866,086
Right-of-use assets	16	3,726,051	-	-	-
Goodwill		16,800,000	16,320,000	-	-
Intangible assets - computer software		9,601,689	10,024,009	9,595,397	10,014,112
Deferred tax assets	17.1	161,868,041	116,754,455	161,868,041	116,754,455
Other assets	18	677,501,997	748,596,970	678,311,737	749,438,168
Total assets		6,360,972,661	6,530,719,262	6,358,724,348	6,533,370,303

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

Thaivivat Insurance Public Company Limited and its subsidiary

Statements of financial position (Continued)


As at 31 March 2020

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements		
	31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	
Liabilities and equity					
Liabilities					
Insurance contract liabilities	19	3,962,812,121	3,828,683,263	3,960,243,302	3,825,739,637
Due to reinsurers	20	365,410,509	470,390,892	365,410,509	470,390,892
Income tax payable		24,888,612	12,727,431	24,888,612	12,727,431
Employee benefit obligations		125,295,789	122,473,024	125,213,656	122,473,024
Other liabilities	21	680,832,763	782,871,589	676,517,066	781,991,597
Total liabilities		5,159,239,794	5,217,146,199	5,152,273,145	5,213,322,581
Equity					
Share capital					
Registered					
303,000,000 ordinary shares of Baht 1 each		303,000,000	303,000,000	303,000,000	303,000,000
Issued and paid-up					
303,000,000 ordinary shares of Baht 1 each		303,000,000	303,000,000	303,000,000	303,000,000
Premium on share capital		163,800,007	163,800,007	163,800,007	163,800,007
Retained earnings					
Appropriated - statutory reserve		30,300,000	30,300,000	30,300,000	30,300,000
Unappropriated		483,467,361	666,821,079	491,056,226	674,335,746
Other components of equity					
Surplus on changes in value of investments	12	218,294,970	148,611,969	218,294,970	148,611,969
Exchange differences on translation of financial statements in foreign currency		(10,833,970)	(12,281,594)	-	-
Equity attributable to shareholders of the Company		1,188,028,368	1,300,251,461	1,206,451,203	1,320,047,722
Non-controlling interests of the subsidiary		13,704,499	13,321,602	-	-
Total equity		1,201,732,867	1,313,573,063	1,206,451,203	1,320,047,722
Total liabilities and equity		6,360,972,661	6,530,719,262	6,358,724,348	6,533,370,303

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





Directors

Directors

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited and its subsidiary
Statements of comprehensive income
For the three-month period ended 31 March 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit or loss:					
Income					
Gross premium written		1,248,976,127	1,043,820,898	1,248,408,502	1,043,019,847
Less: Premium ceded to reinsurers		(80,918,476)	(190,652,274)	(80,918,476)	(190,652,274)
Net premium written		1,168,057,651	853,168,624	1,167,490,026	852,367,573
Less: Unearned premium reserves increase					
from prior period		(181,052,071)	(42,784,135)	(181,371,296)	(42,628,230)
Net earned premium		987,005,580	810,384,489	986,118,730	809,739,343
Fee and commission income		26,688,862	50,749,128	26,688,862	50,749,128
Net investment income		14,275,380	14,340,848	13,574,649	13,642,523
Gain (loss) on financial instruments		(11,212,672)	774,044	(11,212,672)	774,044
Gain (loss) on fair value adjustment of financial instruments	22	(243,954,318)	21,955,344	(243,954,318)	21,955,344
Other income		623,918	1,493,010	416,639	1,491,910
Total income		773,426,750	899,696,863	771,631,890	898,352,292
Expenses					
Claim and loss adjustment expenses		810,706,832	588,852,654	809,879,271	588,065,460
Less: Claim recovered from reinsurers		(206,801,371)	(110,496,015)	(206,801,371)	(110,496,015)
Commission and brokerage expenses		214,311,698	172,873,015	214,261,204	172,788,613
Other underwriting expenses		63,744,315	65,159,464	63,547,167	65,119,519
Operating expenses	23	122,313,661	109,431,518	121,550,877	107,864,466
Financial cost		27,873	-	-	-
Expected credit loss	24	725,317	-	726,969	-
Total expenses		1,005,028,325	825,820,636	1,003,164,117	823,342,043
Profit (loss) before income tax		(231,601,575)	73,876,227	(231,532,227)	75,010,249
Income tax revenue (expenses)	17.2	47,777,894	(13,904,986)	47,777,894	(13,904,986)
Profit (loss) for the period		(183,823,681)	59,971,241	(183,754,333)	61,105,263

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited and its subsidiary
Statements of comprehensive income (continued)
For the three-month period ended 31 March 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Other comprehensive income:					
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods					
Exchange differences on translation of					
financial statements in foreign currency		1,862,320	(1,825,193)	-	-
Gains on changes in value of					
available-for-sale investments		-	41,324,560	-	41,324,560
Gains on change in value of debt instrument					
measured at fair value through other comprehensive income		4,345,741	-	4,345,741	-
Income tax effect		(869,148)	(8,264,912)	(869,148)	(8,264,912)
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax		5,338,913	31,234,455	3,476,593	33,059,648
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods					
Losses on change in value of equity instrument					
designed at fair value through other comprehensive income		(87,023,708)	-	(87,023,708)	-
Income tax effect		17,404,742	-	17,404,742	-
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(69,618,966)	-	(69,618,966)	-
Other comprehensive income for the period (loss)		(64,280,053)	31,234,455	(66,142,373)	33,059,648
Total comprehensive income for the period (loss)		(248,103,734)	91,205,696	(249,896,706)	94,164,911
Profit for the period attributable to:					
Equity holders of the Company (loss)		(183,802,877)	60,311,448	(183,754,333)	61,105,263
Non-controlling interests of the subsidiary (loss)		(20,804)	(340,207)		
		<u>(183,823,681)</u>	<u>59,971,241</u>		
Total comprehensive income for the period attributable to:					
Equity holders of the Company (loss)		(248,497,626)	91,949,461	(249,896,706)	94,164,911
Non-controlling interests of the subsidiary (loss)		393,892	(743,765)		
		<u>(248,103,734)</u>	<u>91,205,696</u>		
Earnings per share					
25					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>(0.61)</u>	<u>0.20</u>	<u>(0.61)</u>	<u>0.20</u>

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited and its subsidiary**Statements of cash flows****For the three-month period ended 31 March 2020**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from (used in) operating activities				
Direct premium written	1,321,959,499	1,094,285,431	1,320,415,150	1,092,658,538
Cash paid for reinsurance	117,284,348	(16,266,907)	117,284,348	(16,252,306)
Interest income	9,023,822	9,321,706	5,731,195	9,302,762
Dividend income	7,089,939	3,977,963	7,089,939	3,977,963
Other investment income	399,410	590,210	399,410	590,210
Other income	(172,973)	803,115	(173,171)	800,661
Claim incurred on direct insurance	(784,909,458)	(541,125,811)	(783,810,923)	(540,800,602)
Loss adjustment expenses on direct insurance	(14,025,814)	(12,758,538)	(14,018,643)	(12,752,341)
Commission and brokerage on direct insurance	(229,665,250)	(186,540,737)	(229,328,672)	(186,278,191)
Other underwriting expenses	(67,804,472)	(68,840,960)	(67,607,324)	(68,801,015)
Operating expenses	(138,923,348)	(113,580,281)	(138,432,652)	(113,109,266)
Income tax	(2,713,965)	(2,629,148)	(2,713,965)	(2,629,148)
Investments in securities	-	(156,764,657)	-	(156,764,657)
Loans	-	1,324,173	-	1,324,173
Deposits at financial institutions	-	90,007,414	-	90,007,414
Cash flow from financial assets	2,539,438,096	-	2,539,438,096	-
Cash used in financial assets	(2,367,065,523)	-	(2,364,839,523)	-
Net cash from operating activities	389,914,311	101,802,973	389,433,265	101,274,195
Cash flows from (used in) investing activities				
Cash paid for purchases of property, buildings and equipment	(5,618,467)	(7,997,000)	(5,616,240)	(7,997,000)
Cash paid for purchase of intangible assets	(321,858)	(120,000)	(321,858)	(120,000)
Cash received from disposals of equipment	-	39,252	-	39,252
Net cash used in investing activities	(5,940,325)	(8,077,748)	(5,938,098)	(8,077,748)
Cash flows from (used in) financial activities				
Repayment of lease liabilities	(124,520)	-	-	-
Net cash used in financial activities	(124,520)	-	-	-
Translation adjustments	31,481	(50,274)		
Allowance for expected credit losses	(441,860)	-	(441,502)	-
Net increase in cash and cash equivalents	383,439,087	93,674,951	383,053,665	93,196,447
Cash and cash equivalents at beginning of period	225,295,248	229,766,928	224,224,888	227,320,041
Cash and cash equivalents at end of period	608,734,335	323,441,879	607,278,553	320,516,488

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited and its subsidiary

Statements of changes in equity

For the three-month period ended 31 March 2020

(Unit: Baht)

Consolidated financial statements												
Equity attributable to equity holders of the Company												
				Other components of equity								
				Surplus (deficit) on changes in fair value of investments								
				Debt instruments	Equity instruments			Exchange				
				measured at fair	designed at fair			differences	Total equity	Equity attributable		
				value through other	value through other			on translation of	attributable to	to non-controlling		
Retained earnings				comprehensive	comprehensive	Available-for-sale	Total	financial statements	shareholders of	interests of	Total equity	
Issued and paid-up	Premium on	Appropriated -	Unappropriated	income	income	investments		in foreign currency	the Company	the subsidiary		
share capital	share capital	statutory reserve										
Balance as at 1 January 2019	303,000,000	163,800,007	30,300,000	621,258,591	-	-	124,632,724	124,632,724	(6,497,341)	1,236,493,981	16,157,065	1,252,651,046
Profit for the period (loss)	-	-	-	60,311,448	-	-	-	-	-	60,311,448	(340,207)	59,971,241
Other comprehensive income for the period (loss)	-	-	-	-	-	-	33,059,648	33,059,648	(1,421,635)	31,638,013	(403,558)	31,234,455
Total comprehensive income for the period (loss)	-	-	-	60,311,448	-	-	33,059,648	33,059,648	(1,421,635)	91,949,461	(743,765)	91,205,696
Balance as at 31 March 2019	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>681,570,039</u>	<u>-</u>	<u>-</u>	<u>157,692,372</u>	<u>157,692,372</u>	<u>(7,918,976)</u>	<u>1,328,443,442</u>	<u>15,413,300</u>	<u>1,343,856,742</u>
Balance as at 1 January 2020	303,000,000	163,800,007	30,300,000	666,821,079	-	-	148,611,969	148,611,969	(12,281,594)	1,300,251,461	13,321,602	1,313,573,063
Cumulative effect of change in accounting policy (note 3)	-	-	-	449,159	9,191,207	275,246,136	(148,611,969)	135,825,374	-	136,274,533	(10,995)	136,263,538
Balance as at 1 January 2020 - as restated	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>667,270,238</u>	<u>9,191,207</u>	<u>275,246,136</u>	<u>-</u>	<u>284,437,343</u>	<u>(12,281,594)</u>	<u>1,436,525,994</u>	<u>13,310,607</u>	<u>1,449,836,601</u>
Loss for the period	-	-	-	(183,802,877)	-	-	-	-	-	(183,802,877)	(20,804)	(183,823,681)
Other comprehensive income for the period (loss)	-	-	-	-	3,476,593	(69,618,966)	-	(66,142,373)	1,447,624	(64,694,749)	414,696	(64,280,053)
Total comprehensive income for the period (loss)	-	-	-	(183,802,877)	3,476,593	(69,618,966)	-	(66,142,373)	1,447,624	(248,497,626)	393,892	(248,103,734)
Balance as at 31 March 2020	<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>483,467,361</u>	<u>12,667,800</u>	<u>205,627,170</u>	<u>-</u>	<u>218,294,970</u>	<u>(10,833,970)</u>	<u>1,188,028,368</u>	<u>13,704,499</u>	<u>1,201,732,867</u>

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

(Unaudited but reviewed)

Thaivivat Insurance Public Company Limited and its subsidiary

Statements of changes in equity (continued)

For the three-month period ended 31 March 2020

(Unit: Baht)

	Separate financial statements								
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity - surplus on changes in value of investments			Total	Total equity
			Appropriated -		Debt instruments measured at fair value through other comprehensive income	Equity instruments designed at fair value through other comprehensive income	Available-for-sale investments		
			statutory reserve	Unappropriated					
Balance as at 1 January 2019	303,000,000	163,800,007	30,300,000	626,021,433	-	-	124,632,724	124,632,724	1,247,754,164
Profit for the period	-	-	-	61,105,263	-	-	-	-	61,105,263
Other comprehensive income for the period	-	-	-	-	-	-	33,059,648	33,059,648	33,059,648
Total comprehensive income for the period	-	-	-	61,105,263	-	-	33,059,648	33,059,648	94,164,911
Balance as at 31 March 2019	303,000,000	163,800,007	30,300,000	687,126,696	-	-	157,692,372	157,692,372	1,341,919,075
Balance as at 1 January 2020	303,000,000	163,800,007	30,300,000	674,335,746	-	-	148,611,969	148,611,969	1,320,047,722
Cumulative effect of change in accounting policy (note 3)	-	-	-	474,813	9,191,207	275,246,136	(148,611,969)	135,825,374	136,300,187
Balance as at 1 January 2020 - as restated	303,000,000	163,800,007	30,300,000	674,810,559	9,191,207	275,246,136	-	284,437,343	1,456,347,909
Loss for the period	-	-	-	(183,754,333)	-	-	-	-	(183,754,333)
Other comprehensive income for the period (loss)	-	-	-	-	3,476,593	(69,618,966)	-	(66,142,373)	(66,142,373)
Total comprehensive income for the period (loss)	-	-	-	(183,754,333)	3,476,593	(69,618,966)	-	(66,142,373)	(249,896,706)
Balance as at 31 March 2020	303,000,000	163,800,007	30,300,000	491,056,226	12,667,800	205,627,170	-	218,294,970	1,206,451,203

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

Thaivivat Insurance Public Company Limited and its subsidiary

Notes to interim financial statements

For the three-month periods ended 31 March 2020

1. General information

1.1 Company information

Thaivivat Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in non-life insurance. The registered office of the Company is at 71 Thaivivat Insurance Building, Dindaeng Road, Samsen Nai, Phayathai, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The COVID-19 outbreak is continuing to evolve and affect to various business sectors whether directly or indirectly, resulting in an economic slowdown and volatility of money and capital market. This situation cause uncertainty and shall affect the Company’s business activities in terms of investing in both debt and equity instruments, as well as its investment in the General Fixed Income Fund managed by a fund management company that announced the termination of the fund in late March 2020 and is currently under liquidation. This situation may significantly impact the Company’s financial position and operating results in the future. However, the impact cannot be reasonably estimated at this stage. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, including the investments in such Fix Income Fund, and will record the impact when it is possible to do so.

2. Basis for preparation of the interim financial information

2.1 Basis for preparation of the interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial information. However, the Company has presented the statements of financial position, comprehensive income, changes in equity, and cash flows in the same format as that used for the annual financial statements, and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, conditions and terms for preparation and submission of financial statements and operating performance reports of non-life insurance companies (No.2) B.E. 2562 dated 4 April 2019.

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

The interim financial information in Thai language is the official statutory financial statements of the Company. The interim financial information in English language has been translated from the Thai language interim financial information.

2.2 Basis for interim consolidation financial information

- (a) The consolidated financial information included the financial statements of Thaivivat Insurance Public Company Limited (“the Company”) and the following subsidiary (Collectly called “the Group”):

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 March 2020	31 December 2019
			Percent	Percent
Laovivat Insurance Co., Ltd.	Non-life insurance	Lao PDR	70.0	70.0

- (b) The interim consolidated financial information has been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019.

2.3 New financial reporting standards

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

During the period, the Company and its subsidiary have adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal year 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. The adoption of these financial reporting standards does not have any significant impact on the Company’s financial information, except for the new standard involve changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

Accounting Guidance related to financial instruments and disclosures applicable to insurance business

Accounting Guidance related to financial instruments and disclosures applicable to insurance business was issued to comply with TFRS 4 (revised 2019) Insurance contracts, which allows insurers who meet certain criteria stipulated in this TFRS to delay adoption of TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures, and to adopt the Accounting Guidance related to financial instruments and disclosures applicable to insurance business instead the adoption of TFRS 9 and TFRS 7 for the financial reporting period beginning before 1 January 2022 or before the effective date of TFRS 17 Insurance Contracts.

The Company's management has decided that, even though the Company meets the criteria stipulated in TFRS 4 enabling it to use Financial reporting standards related to financial instruments, it would be more appropriate to adopt decided to adopt the Financial reporting standards related to financial instruments. There will be impact to the Company's financial statements from the adoption of this standard as follows.

Classification and measurement of financial assets

The Company shall reclassify financial assets to comply with the Company's business model for managing assets based on the facts and circumstances that exist at the initial date of application by

- Classification and measurement of investments in non-listed equity instruments (general investment), the Company is to measured fair value of investments in non-listed equity instruments (general investment) and to classify as financial assets at fair value through other comprehensive income. Upon disposal, accumulated gain or loss arising from change in fair value will be recognised in retained earnings.
- Classification and measurement of available-for-sale investments in listed equity instrument which formerly measured at fair value through other comprehensive income. At the effective date of this standard, the Company has decided to classify these investments as financial assets at fair value through other comprehensive income. After initial recognition, gain or loss on changes in the fair value is recognised in other comprehensive income. Upon disposal investment, gain or loss arising from change in fair value will be recognised in retained earnings.
- Classification and measurement available-for-sale investments in debt instrument which measured at fair value through other comprehensive income. The Company has decided to classify these investments as financial assets at fair value through profit or loss and other comprehensive income. After initial recognition, changes in fair value of debt instrument measured at fair value through profit or loss is to be recognised in profit or loss. For debt instrument measured at fair value through other comprehensive income, change in fair value will be recognised in other comprehensive income, and when disposal, gain or loss arising from change in fair value is to be recognisese in profit or loss.
- Loans, which the Company holds to collect contractual cash flow (both principal and interest), the Company classifies and presents them as loans measured at amortised cost.

Classification of financial liabilities

The adoption of these standards does not have any significant impact on classification of the Company's financial liabilities. The Company still classify financial liabilities to be amortise cost.

Impairment of financial assets

The adoption of TFRS 9 requires the Company to move from incurred loss provisioning, under previous accounting policy, to expected loss provisioning by recognising an allowance for expected credit loss on its financial assets and it is no longer necessary for a credit - impact 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 these standards whereby the adjustment of the cumulative effect was made against retained earnings or other components of equity as at 1 January 2020, and the comparative information was not restated.

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

TFRS 16 Leases

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

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

The Company initially adopted these financial reporting standards whereby the adjustment of the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2020 (if any), and the comparative information was not restated.

The cumulative effect of the changes is described in Note 3 to the interim financial statements.

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 business, business providing loans secured against vehicle registrations, personal loan business 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 business. 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 Accounting 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 such situations during the period from 1 January 2020 to 31 December 2021 or until the Bank of Thailand makes changes.

The Company has not adopted such Accounting Guidance.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the 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 measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit loss, in cases where the Group uses a simplified approach to determine expected credit loss.
- To measure the fair value of investments in unquoted equity instruments using the fair value as at 1 January 2020.

2.4 Significant accounting policies

The interim financial information is prepared using the same accounting policies and methods of computation as those were used for the financial statements for the year ended 31 December 2019 except the changes in accounting policies as follows.

(a) Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss or other comprehensive income. Such classification depends on the Company's investment policy.

Financial liabilities are measured at amortised cost.

(b) Investment in securities

As at 1 January 2020 onward, the Company classify investment in securities to investment in securities measured at fair value through profit or loss, investment in securities measured at fair value through other comprehensive income or investment in securities measured at amortised cost

Investment in securities measured at fair value through profit or loss (FVTPL)

Investment in debt instruments and equity instruments measured at fair value through profit or loss are initially recognised at fair value. After initial recognition, gain or loss from changed in fair value is recognised in profit or loss.

Investment in securities measured at fair value through other comprehensive income (FVOCI)

Investment in debt instruments measured at fair value through other comprehensive income and equity instruments designated at fair value through other comprehensive income are initially recognised at fair value. After initial recognition, gain or loss on change in fair value are separately presented in other comprehensive income.

Investment in securities measured at amortised cost

Investment in debt instruments measured at amortised cost is initially recorded at fair value.

At the end of reporting period, investment in debt instrument measured at fair value through other comprehensive income present in statement of financial position at fair value less expected credit loss (if any) and investment in debt instruments measured at amortised cost present in statement of financial position at amortised cost less expected credit loss (if any)

Gains on sale of investments

Gain or loss on sale of investments is recognised in profit or loss at transaction date except gain or loss on sale of investment in equity instruments measured at fair value through other comprehensive income that will be recognised in retained earnings and cannot be subsequently recognised in income statement.

Change in classification of investment in debt securities

When the Company's changes its business model for managing the financial assets, the Company shall apply reclassification on its investment in debt instruments. The Company shall measure fair value at reclassification date. Any gain or loss arising from a difference between the previous carrying value and fair value is recognised in profit or loss or other comprehensive income depends on reclassification of each category of debt securities changes.

(c) Impairment of financial assets

The Company recognises expected credit loss on its financial assets measured at amortised cost and financial assets that are debt instruments measured at fair value through other comprehensive income, without requiring a credit-impaired event to have occurred prior to the recognition. The Company accounts for changes in expected credit loss in stages, with differing methods of determining allowance for credit loss at each stage. An exception from this approach is that for other recallables or contract assets that do not contain a significant financing component, the Company applies a simplified approach to determine the lifetime expected credit loss.

(d) Leases

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 loss, 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.

3. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 2.3 to the financial statements, during the current period, the Company has adopted Accounting Guidance related to financial instruments and TFRS 16. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 January 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of retained earnings of 2020 from changes in accounting policies due to the adoption of these Accounting Guidance and standard are presented as follows:

(Unit: Baht)

	Consolidated financial statements			1 January 2020
	31 December 2019	The impacts of		
		Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Cash and cash equivalents	225,295,248	(157,933)	-	225,137,315
Debt financial assets	-	3,141,537,857	-	3,141,537,857
Equity financial assets	-	807,597,764	-	807,597,764
Investments in securities	3,778,639,103	(3,778,639,103)	-	-
Right-of-use assets	-	-	3,744,406	3,744,406
Deferred tax assets	116,754,455	(34,075,047)	-	82,679,408
Liabilities				
Other liabilities - Lease liabilities	-	-	3,744,406	3,744,406
Equity				
Retained earnings - unappropriated	666,821,079	449,159	-	667,270,238
Other components of equity				
Surplus on changes in value of investments	148,611,969	135,825,374	-	284,437,343
Non-controlling interests of the subsidiary	13,321,602	(10,995)	-	13,310,607

(Unaudited but reviewed)

(Unit: Baht)

	Separate financial statements			
	The impacts of			
	31 December	Financial reporting		1 January
	2019	standards related	TFRS 16	2020
		to financial		
		instruments		
Statement of financial position				
Assets				
Cash and cash equivalents	224,224,888	(157,515)	-	224,067,373
Debt financial assets	-	3,100,592,755	-	3,100,592,755
Equity financial assets	-	807,597,764	-	807,597,764
Investments in securities	3,737,657,770	(3,737,657,770)	-	-
Deferred tax assets	116,754,455	(34,075,047)	-	82,679,408
Equity				
Retained earnings - unappropriated	674,335,746	474,813	-	674,810,559
Other components of equity				
Surplus on changes in value of				
investments	148,611,969	135,825,374	-	284,437,343

3.1 Financial instruments

Details of the impact on equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
	<hr/>	<hr/>
<u>Retained earnings - Unappropriated</u>		
Reclassification of available-for-sale securities as financial assets measured at fair value through profit or loss	2,427,671	2,427,671
Recognition of an allowance for expected credit loss on financial assets	(1,859,809)	(1,834,155)
Income tax effect	(118,703)	(118,703)
Total	<hr/> <u>449,159</u>	<hr/> <u>474,813</u>
<u>Other components of equity</u>		
Fair value measurement of investments in equity instruments of non-listed companies	171,017,148	171,017,148
Reclassification of available-for-sale securities as financial assets measured at fair value through profit or loss	(2,427,671)	(2,427,671)
Recognition of an allowance for expected credit loss on financial assets	1,192,241	1,192,241
Income tax effect	(33,956,344)	(33,956,344)
Total	<hr/> <u>135,825,374</u>	<hr/> <u>135,825,374</u>

(Unaudited but reviewed)

The Classification and measurement of financial assets in accordance with financial reporting standards related to financial instruments as at 1 January 2020, and with the classification and measurement under the former basis, are as follows.

(Unit: Baht)

Consolidated financial statements						
Classification and measurement under the former basis as at 31 December 2019		Classification and measurement in accordance with financial reporting standards related to financial instruments as at 1 January 2020				
		Financial instrument measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated FVOCI	Financial instruments measured at amortised cost	Total
Financial assets						
Cash and cash equivalents	225,295,248	-	-	-	225,137,315	225,137,315
Accrued investment income	12,103,543	-	-	-	12,103,543	12,103,543
Investments in securities	3,778,639,103	2,585,739,109	490,310,828	488,265,731	384,819,953	3,949,135,621
Loans and interest receivables	7,698,362	-	-	-	7,698,362	7,698,362
Claims receivable from litigants - net	371,939,948	-	-	-	371,939,948	371,939,948

(Unit: Baht)

Separate financial statements						
Classification and measurement under the former basis as at 31 December 2019		Classification and measurement in accordance with financial reporting standards related to financial instruments as at 1 January 2020				
		Financial instrument measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated FVOCI	Financial instruments measured at amortised cost	Total
Financial assets						
Cash and cash equivalents	224,224,888	-	-	-	224,067,373	224,067,373
Accrued investment income	5,409,833	-	-	-	5,409,833	5,409,833
Investments in securities	3,737,657,770	2,585,739,109	490,310,828	488,265,731	343,874,851	3,908,190,519
Loans and interest receivables	7,698,362	-	-	-	7,698,362	7,698,362
Claims receivable from litigants - net	371,939,948	-	-	-	371,939,948	371,939,948

3.2 Leases

Upon initial application of TFRS 16 the Company recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate at 1 January 2020

	(Unit: Baht)	
	Consolidated	Separate
	financial statements	financial statements
Operating lease commitments as at 31 December 2019	2,498,844	1,202,844
Add: Option to extend lease term	2,909,280	-
Less: Contracts reassessed as service agreements	(1,202,844)	(1,202,844)
Less: Deferred interest expenses	(460,874)	-
Increase in lease liabilities due to initially TFRS 16 adoption	<u>3,744,406</u>	<u>-</u>

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Baht)	
	Consolidated	Separate
	financial statements	financial statements
Buildings	<u>3,744,406</u>	<u>-</u>
Total right-of-use assets	<u><u>3,744,406</u></u>	<u><u>-</u></u>

4. Classification of financial assets and financial liabilities

As at 31 March 2020, carrying amount of financial assets and financial liabilities are classified as follow.

(Unit: Baht)

	Consolidated financial statements				Total
	Financial instrument measured at	Debt instruments measured at	Equity instruments designated	Financial instruments measured at	
	FVTPL	FVOCI	FVOCI	amortised cost	
Financial assets					
Cash and cash equivalents	-	-	-	608,734,335	608,734,335
Accrued investment income	-	-	-	10,652,435	10,652,435
Debt financial assets	1,552,128,032	629,708,372	-	652,044,970	2,833,881,374
Equity financial assets	229,768,571	-	400,789,731	-	630,558,302
Loan and interest receivables	-	-	-	6,378,741	6,378,741
Claims receivable from litigants - net	-	-	-	404,040,250	404,040,250
Financial liabilities					
Other liabilities - Lease liabilities	-	-	-	3,550,808	3,550,808

(Unit: Baht)

	Separate financial statements				Total
	Financial instrument measured at	Debt instruments measured at	Equity instruments designated	Financial instruments measured at	
	FVTPL	FVOCI	FVOCI	amortised cost	
Financial assets					
Cash and cash equivalents	-	-	-	607,278,553	607,278,553
Accrued investment income	-	-	-	6,353,747	6,353,747
Debt financial assets	1,552,128,032	629,708,372	-	607,668,021	2,789,504,425
Equity financial assets	229,768,571	-	400,789,731	-	630,558,302
Loan and interest receivables	-	-	-	6,378,741	6,378,741
Claims receivable from litigants - net	-	-	-	404,040,250	404,040,250

5. Cash and cash equivalents

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Cash on hand	1,241,259	4,382,228	1,142,532	4,204,884
Deposits at banks with no fixed maturity date	605,123,736	218,128,284	603,784,593	217,235,268
Deposits at banks and certificate of deposit with fixed maturity date	2,811,200	2,784,736	2,792,930	2,784,736
Total cash and cash equivalents	609,176,195	225,295,248	607,720,055	224,224,888
Less: Allowance for expected credit loss	(441,860)	-	(441,502)	-
Cash and cash equivalents	<u>608,734,335</u>	<u>225,295,248</u>	<u>607,278,553</u>	<u>224,224,888</u>

6. Premium receivables

The balances as at 31 March 2020 and 31 December 2019 of premium receivables from direct insurance are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Not yet due	437,469,645	512,579,872	437,457,746	512,484,788
Not over 30 days	61,347,907	60,443,090	61,213,377	60,359,220
Over 30 days to 60 days	34,002,875	15,046,872	33,980,517	15,045,230
Over 60 days to 90 days	5,306,603	10,286,366	5,291,801	10,285,843
Over 90 days	18,430,439	14,887,323	18,430,111	14,887,323
Total premium receivables	556,557,469	613,243,523	556,373,552	613,062,404
Less: Allowance for doubtful accounts	(3,102,436)	(2,865,433)	(3,102,436)	(2,865,433)
Total premium receivables, net	<u>553,455,033</u>	<u>610,378,090</u>	<u>553,271,116</u>	<u>610,196,971</u>

(Unaudited but reviewed)

7. Reinsurance assets

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Insurance reserves refundable from reinsurers				
Claim reserves and outstanding claims	179,862,219	201,362,443	179,862,219	201,362,443
Unearned premium reserves	235,003,824	325,746,212	235,003,824	325,746,212
Reinsurance assets	<u>414,866,043</u>	<u>527,108,655</u>	<u>414,866,043</u>	<u>527,108,655</u>

8. Receivables from reinsurance contracts

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Amounts deposited on reinsurance	-	-	9,026	95,269
Amounts due from reinsurers	101,635,072	149,908,416	104,132,776	151,705,734
Receivables from reinsurance contracts	<u>101,635,072</u>	<u>149,908,416</u>	<u>104,141,802</u>	<u>151,801,003</u>

As at 31 March 2020 and 31 December 2019, the balances of amounts due from reinsurers are classified by aging as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Not yet due	9,458,276	31,966,025	10,158,662	32,714,866
Not over 1 year	91,959,283	117,724,878	93,756,601	118,773,355
Over 1 year to 2 years	217,513	217,513	217,513	217,513
Total amounts due from reinsurers	<u>101,635,072</u>	<u>149,908,416</u>	<u>104,132,776</u>	<u>151,705,734</u>

9. Debt financial assets

9.1 Classified by type of financial assets

(Unit: Baht)

	31 March 2020	
	Consolidated financial statements	Separate financial statements
	Fair value/ Amortised cost	Fair value/ Amortised cost
Debt instruments measured at FVTPL		
Government and state enterprise securities	9,988,004	9,988,004
Unit trusts	1,542,140,028	1,542,140,028
Total debt instruments measured at FVTPL	1,552,128,032	1,552,128,032
Debt instruments measured at FVOCI		
Government and state enterprise securities	81,964,293	81,964,293
Private debt instruments	547,744,079	547,744,079
Total debt instruments measured at FVOCI	629,708,372	629,708,372
Debt instruments measured at amortised cost		
Government and state enterprise securities	495,191,378	495,191,378
Private debt instruments	841,000	841,000
Foreign debt instruments	40,000,000	40,000,000
Deposits at financial institutions which amounts maturing in over 3 months	117,562,791	73,150,124
Total	653,595,169	609,182,502
Less: Allowance for expected credit loss	(1,550,199)	(1,514,481)
Total debt instruments measured at amortised cost	652,044,970	607,668,021
Total debt financial assets - net	2,833,881,374	2,789,504,425

As at 31 March 2020 and 31 December 2019, the Company and its subsidiary placed some investment to pledge for guarantee electricity consumption, bank overdraft, bail bond in cases where insured drivers have been charged with criminal offense and as a security with the Registrar as described in Notes 28 to the interim financial statements.

As at 31 March 2020, the Company has investments in the General Fixed Income Fund managed by a fund management company totaling Baht 503.0 million classified as debt instrument measured at fair value through profit or loss. The fund management company announced the termination of the such fund as at 27 March 2020 and has already proceeded with the fund termination procedure on 10 April 2020. The investment value in investment unit of the funds is presented at the latest net asset value announced by the asset management company on 25 March 2020, after adjustment by capital redemption received on 30 March 2020. The fund is currently in liquidation process. Final value of redemption depends on amount will be received from liquidation of the fund.

9.2 Classified by stage of credit risk

(Unit: Baht)

	31 March 2020			
	Consolidated financial statements		Separate financial statements	
	Allowance for expected credit loss recognised in Fair value	OCI	Allowance for expected credit loss recognised in Fair value	OCI
Debt instrument measured at FVOCI				
Stage 1 - Debt securities without a significant increase in credit risk	629,614,432	1,352,200	629,614,432	1,352,200
Stage 3 - Debt securities with credit impaired	93,940	93,940	93,940	93,940
Total	<u>629,708,372</u>	<u>1,446,140</u>	<u>629,708,372</u>	<u>1,446,140</u>

(Unit: Baht)

	Consolidated financial statements		
	31 March 2020		
	Carrying value - gross	Allowance for expected credit loss which is recognised in profit or loss	Carrying value
Debt instrument measured at amortised cost			
Stage 1 - Debt securities without a significant increase in credit risk	652,754,169	(709,199)	652,044,970
Stage 3 - Debt securities with credit impaired	841,000	(841,000)	-
Total	<u>653,595,169</u>	<u>(1,550,199)</u>	<u>652,044,970</u>

(Unaudited but reviewed)

(Unit: Baht)

	Separate financial statements		
	31 March 2020		
	Carrying value - gross	Allowance for expected credit loss which is recognised in profit or loss	Carrying value
Debt instrument measured at amortised cost			
Stage 1 - Debt securities without a significant increase in credit risk	608,341,502	(673,481)	607,668,021
Stage 3 - Debt securities with credit impaired	841,000	(841,000)	-
Total	609,182,502	(1,514,481)	607,668,021

10. Equity financial assets

(Unit: Baht)

	31 March 2020	
	Consolidated financial statements	Separate financial statements
	Fair value	Fair value
Equity instruments measured at FVTPL		
Listed equity instruments	229,768,571	229,768,571
Total equity instrument measured at FVTPL	229,768,571	229,768,571
Equity instruments designated at FVOCI		
Listed equity instruments	226,051,932	226,051,932
Non-listed equity instruments	174,737,799	174,737,799
Total equity instruments designated at FVOCI	400,789,731	400,789,731
Total equity financial assets - net	630,558,302	630,558,302

11. Investment in securities

As at 31 December 2019, carrying amount of investments in securities are classified as follows:

(Unit: Baht)

	31 December 2019			
	Consolidated financial statement		Separate financial statement	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Trading investments				
Private debt securities	30,669,090	30,712,702	30,669,090	30,712,702
Equity securities	319,856,323	310,979,223	319,856,323	310,979,223
Unit trusts	8,557,645	8,352,810	8,557,645	8,352,810
Total	359,083,058	350,044,735	359,083,058	350,044,735
Less: Unrealised loss	(9,038,323)		(9,038,323)	
Trading investments, net	350,044,735		350,044,735	
Available-for-sale investments				
Government and state enterprise securities	80,014,061	81,777,229	80,014,061	81,777,229
Private debt securities	400,093,940	408,533,599	400,093,940	408,533,599
Equity securities	50,505,830	96,707,987	50,505,830	96,707,987
Unit trusts	2,331,143,716	2,452,514,320	2,331,143,716	2,452,514,320
Total	2,861,757,547	3,039,533,135	2,861,757,547	3,039,533,135
Add: Unrealised gain	185,764,961		185,764,961	
Less: Allowance for impairment	(7,989,373)		(7,989,373)	
Available-for-sale investments, net	3,039,533,135		3,039,533,135	
Held-to-maturity investments				
Government and state enterprise securities	331,216,667		331,216,667	
Private debt securities	841,000		841,000	
Deposits at financial institutions which amounts maturing in over 3 months	54,123,916		13,142,583	
Total	386,181,583		345,200,250	
Less: Allowance for impairment	(841,000)		(841,000)	
Held-to-maturity investments, net	385,340,583		344,359,250	
Other investments				
Equity securities	3,720,650		3,720,650	
Other investments, net	3,720,650		3,720,650	
Total investments in securities	3,778,639,103		3,737,657,770	

12. Other components of equity - surplus on changes in value of investments

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month period ended 31 March 2020	For the year ended 31 December 2019	For the three-month period ended 31 March 2020	For the year ended 31 December 2019
Debt instruments measured at FVTPL				
Balance - beginning of the period	-	-	-	-
Cumulative effect of the change in accounting policies	11,489,009	-	11,489,009	-
Balance - beginning of the period as restate	11,489,009		11,489,009	
Changes during the period		-		-
Gain on revaluation during the period	4,345,741	-	4,345,741	-
Balance - end of the period	15,834,750	-	15,834,750	-
Less: Income tax effect	(3,166,950)	-	(3,166,950)	-
Balance - end of the period, net of income tax	12,667,800	-	12,667,800	-
Equity instruments designated at FVOCI				
Balance - beginning of the period	-	-	-	-
Cumulative effect of the change in accounting policies	344,057,670	-	344,057,670	-
Balance - beginning of the period as restate	344,057,670		344,057,670	
Changes during the period		-		-
Loss on revaluation during the period	(87,023,708)	-	(87,023,708)	-
Balance - end of the period	257,033,962	-	257,033,962	-
Less: Income tax effect	(51,406,792)	-	(51,406,792)	-
Balance - end of the period, net of income tax	205,627,170	-	205,627,170	-
Available-for-sale investments				
Balance - beginning of the period	185,764,961	155,790,905	185,764,961	155,790,905
Cumulative effect of the change in accounting policies	(185,764,961)	-	(185,764,961)	-
Balance - beginning of the period as restate	-	155,790,905	-	155,790,905
Changes during the period				
Gain (loss) on revaluation during the period	-	56,793,001	-	56,793,001
Loss transferred to be recognised in profit or loss	-	728,138	-	728,138
Loss (gain) on sales recognised in profit or loss during the period	-	(27,547,083)	-	(27,547,083)
Balance - end of the period	-	185,764,961	-	185,764,961
Less: Income tax effect	-	(37,152,992)	-	(37,152,992)
Balance - end of the period, net of income tax	-	148,611,969	-	148,611,969
Total	218,294,970	148,611,969	218,294,970	148,611,969

13. Loans and interest receivables

As at 31 March 2020, loans and interest receivables classified by stage of credit risk as follows:

(Unit: Baht)

Staging	Consolidated and separate financial statements		
	31 March 2020		
	Mortgage loans	Other loans	Total
Stage 1 - Loans without a significant increase in credit risk	5,869,501	509,240	6,378,741
Stage 3 - Loans with credit impaired	753,812	-	753,812
Total loans and interest receivables	6,623,313	509,240	7,132,553
Less: Allowance for expected credit loss	(753,812)	-	(753,812)
Loans and interest receivables - net	5,869,501	509,240	6,378,741

As at 31 December 2019, loans and interest receivables are aged by principal and interest receivables as follows:

(Unit: Baht)

Outstanding period	Consolidated and separate financial statements						
	31 December 2019						
	Mortgage loans		Other loans		Total		Total
Principal	Accrued interest	Principal	Accrued interest	Principal	Accrued interest		
Not yet due	6,489,815	-	1,208,547	-	7,698,362	-	7,698,362
Overdue							
Over 12 months	600,873	152,939	-	-	600,873	152,939	753,812
Total	7,090,688	152,939	1,208,547	-	8,299,235	152,939	8,452,174
Less: Allowance for doubtful accounts	(600,873)	(152,939)	-	-	(600,873)	(152,939)	(753,812)
Loans, net	6,489,815	-	1,208,547	-	7,698,362	-	7,698,362

Loans and interest receivables are provided to employees in accordance with employee's benefits plan.

14. Investment in subsidiary

14.1 Details of investment in subsidiary as presented in separate financial statements are as follow:

Company's name	Paid up capital		Shareholding percentage		Cost	
	31 March	31 December	31 March	31 December	31 March	31 December
	2020	2019	2020	2019	2020	2019
	Baht	Baht	%	%	Baht	Baht
Laovivat Insurance Co., Ltd. (engaged in non-life insurance business)	67,200,000	67,200,000	70.0	70.0	67,200,000	67,200,000

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

(a) Summarised information about financial position

	(Unit: Baht)	
	As at	
	31 March 2020	31 December 2019
Assets	57,643,738	52,371,466
Liabilities	11,962,075	7,966,126
Net book value	45,681,663	44,405,340

(b) Summarised information about comprehensive income

	(Unit: Baht)	
	For the three-months periods ended	
	31 March 2020	31 March 2019
Revenue	1,985,331	1,525,711
Loss for the period	(69,348)	(1,134,022)
Other comprehensive income	-	-
Total comprehensive income (loss)	(69,348)	(1,134,022)

15. Property, buildings and equipment

Movement of property, buildings and equipment for the three-month period ended 31 March 2020 is summarised below:

(Unit: Baht)

	Consolidated financial statements						
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	Total
Net book value as at							
1 January 2020	211,950,180	69,521,712	11,293,561	17,779,996	16,565,927	781,035	327,892,411
Acquisitions during period - at cost	-	-	1,026,100	6,648,365	-	1,897,500	9,571,965
Transfer in/(out)	-	-	233,826	33,522	-	(267,348)	-
Depreciation for the period	-	(1,207,871)	(1,051,192)	(2,225,380)	(1,725,983)	-	(6,210,426)
Adjustment	-	-	67,716	(67,716)	-	-	-
Exchange differences on translation of financial statements in foreign currency	-	-	1,770	33,573	16,617	7,638	59,598
Net book value as at							
31 March 2020	<u>211,950,180</u>	<u>68,313,841</u>	<u>11,571,781</u>	<u>22,202,360</u>	<u>14,856,561</u>	<u>2,418,825</u>	<u>331,313,548</u>

(Unit: Baht)

	Separate financial statements						
	Land	Buildings	Fixtures	Office equipment	Vehicles	Work in process	Total
Net book value as at							
1 January 2020	211,950,180	69,521,712	11,301,106	16,570,805	16,000,958	521,325	325,866,086
Acquisitions during period - at cost	-	-	1,026,100	6,646,138	-	1,897,500	9,569,738
Depreciation for the period	-	(1,207,871)	(1,037,193)	(2,119,500)	(1,674,816)	-	(6,039,380)
Net book value as at							
31 March 2020	<u>211,950,180</u>	<u>68,313,841</u>	<u>11,290,013</u>	<u>21,097,443</u>	<u>14,326,142</u>	<u>2,418,825</u>	<u>329,396,444</u>

16. Right-of-use assets

Movements of right-of-use assets during the three-month period ended 31 March 2020 are summarised below.

	(Unit: Baht)
	Consolidated financial statements
	<u>Buildings</u>
Net book value as at 1 January 2020 from initial adoption of financial reporting standard	3,744,406
Amortisation for the period	(128,485)
Exchange differences on translation of financial statements in foreign currency	110,130
Net book value as at 31 March 2020	<u>3,726,051</u>

The following amounts were recognised in statements of comprehensive income.

	(Unit: Baht)
	Consolidated financial statements
	For the three-month period ended 31 March 2020
Amortisation of right-of-use assets	128,485
Financial cost on lease liabilities	27,873
Total expenses	<u>156,358</u>

17. Deferred tax assets/Income tax expenses**17.1 Deferred tax assets**

As at 31 March 2020 and 31 December 2019, the components of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated and separate financial statements		(Unit: Baht)	
			Change in deferred tax assets or liabilities that are recognised in profit or loss for the three-month periods ended 31 March	
	31 March 2020	31 December 2019	2020	2019
Deferred tax assets				
Allowance for expected credit loss	512,225	-	512,225	-
Allowance for doubtful accounts	13,827,622	11,550,590	2,277,032	2,170,958
Allowance for impairment of investments	1,562,618	1,562,618	-	86,961
Unearned premium reserves	106,977,437	95,912,975	11,064,462	3,309,101
Provision for claim incurred but not yet reported and outstanding claims	18,406,156	18,578,994	(172,838)	2,988,302
Loss on changes in value of investment				
Trading securities	-	1,807,665	(1,807,665)	(4,391,069)
Investment measured at FVTPL	50,112,994	-	50,112,994	-
Post employee benefit obligations	25,042,731	24,494,605	548,126	6,332,204
Total	216,441,783	153,907,447		
Deferred tax liabilities				
Gain on changes in value of investment				
Available-for-sale securities	-	37,152,992	(37,152,992)	(8,264,912)
Investment measured at FVOCI	54,573,742	-	54,573,742	-
Total	54,573,742	37,152,992		
Deferred tax assets, net	161,868,041	116,754,455		
Total changes			45,113,586	2,231,545
Recognition of changes in:				
- Statements of income			62,653,039	10,496,457
- Statements of comprehensive income			16,535,594	(8,264,912)
- Cumulative effect of the changes in accounting policies			(34,075,047)	-
Total changes			45,113,586	2,231,545

(Unaudited but reviewed)

As at 31 March 2020, the subsidiary has temporary differences and unused tax loss totaling Baht 6.4 million (31 December 2019: Baht 8.7 million), on which deferred tax assets have not been recognised as the subsidiary believes that there is an uncertainty to allow utilisation of temporary differences and unused tax loss.

17.2 Income tax expenses

The income tax expenses for the three-month periods ended 31 March 2020 and 2019 are as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March			
	2020	2019	2020	2019
Current income tax:				
Corporate income tax charge				
in accordance with Revenue Code	14,875,145	24,401,443	14,875,145	24,401,443
Deferred tax:				
Relating to origination and reversal of				
temporary differences	(62,653,039)	(10,496,457)	(62,653,039)	(10,496,457)
Income tax expenses (revenue) reported				
 in the statements of comprehensive				
 income	<u>(47,777,894)</u>	<u>13,904,986</u>	<u>(47,777,894)</u>	<u>13,904,986</u>

(Unaudited but reviewed)

Reconciliation between income tax expenses and the product of accounting profit (loss) and the applicable tax rate for the three-month and periods ended 31 March 2020 and 2019 are as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March			
	2020	2019	2020	2019
Accounting profit (loss) before income tax expenses	(231,601,575)	73,876,227	(231,532,227)	75,010,249
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	(46,323,089)	14,729,884	(46,306,445)	15,002,050
Effects of:				
Temporary differences and tax loss which are not recognised as deferred tax assets	(33,209)	31,327	-	-
Tax-exempted revenues	(1,396,190)	(1,029,220)	(1,396,190)	(1,029,220)
Additional expenses deductions allowed	(233,600)	(159,734)	(233,600)	(159,734)
Non-deductible expenses	208,194	332,729	158,341	91,890
Income tax expenses (revenue) reported in the statements of comprehensive income	<u>(47,777,894)</u>	<u>13,904,986</u>	<u>(47,777,894)</u>	<u>13,904,986</u>

18. Other assets

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Claim receivables from litigants, net	404,040,250	371,939,948	404,040,250	371,939,948
Advance payment of ceded premium	117,854,386	115,057,610	117,854,386	115,057,610
Deposits on micro insurance scheme	45,440,721	157,333,653	45,440,721	157,333,653
Prepaid commission expenses	51,387,182	48,893,000	51,274,268	48,893,000
Receivable from sale of investments	11,530,085	12,279,242	11,530,085	12,279,242
Cash equivalents which subject to restrictions	9,103,097	9,100,237	9,103,097	9,100,237
Others	38,146,276	33,993,280	39,068,930	34,834,478
Total other assets	<u>677,501,997</u>	<u>748,596,970</u>	<u>678,311,737</u>	<u>749,438,168</u>

As at 31 March 2020 and 31 December 2019, the Company has pledged deposit at financial institutions mature within 3 months as security against bank overdraft facilities, and as bail bond in cases where insured drivers have been charged with criminal offence as described in Notes 28 to the interim financial statements.

19. Insurance contract liabilities

(Unit: Baht)

	Consolidated financial Statements		
	31 March 2020		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,453,791,218	152,171,060	1,301,620,158
- Provision for claim incurred but not reported	82,513,896	27,691,159	54,822,737
Premium reserves			
- Unearned premium reserves	2,426,507,007	235,003,824	2,191,503,183
Total	3,962,812,121	414,866,043	3,547,946,078

(Unit: Baht)

	Consolidated financial Statements		
	31 December 2019		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,398,433,364	159,966,748	1,238,466,616
- Provision for claim incurred but not reported	94,081,586	41,395,695	52,685,891
Premium reserves			
- Unearned premium reserves	2,336,168,313	325,746,212	2,010,422,101
Total	3,828,683,263	527,108,655	3,301,574,608

(Unaudited but reviewed)

(Unit: Baht)

	Separate financial Statements		
	31 March 2020		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,453,529,220	152,171,060	1,301,358,160
- Provision for claim incurred but not reported	82,189,265	27,691,159	54,498,106
Premium reserves			
- Unearned premium reserves	2,424,524,817	235,003,824	2,189,520,993
Total	<u>3,960,243,302</u>	<u>414,866,043</u>	<u>3,545,377,259</u>

(Unit: Baht)

	Separate financial Statements		
	31 December 2019		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,398,030,321	159,966,748	1,238,063,573
- Provision for claim incurred but not reported	93,813,407	41,395,695	52,417,712
Premium reserves			
- Unearned premium reserves	2,333,895,909	325,746,212	2,008,149,697
Total	<u>3,825,739,637</u>	<u>527,108,655</u>	<u>3,298,630,982</u>

19.1 Claim reserves and outstanding claims

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the
	three-month	year ended	three-month	year ended
	period ended	year ended	period ended	year ended
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Balance - beginning of the period	1,492,514,950	1,171,196,190	1,491,843,728	1,170,883,279
Claim incurred and loss adjustment expenses for the period	853,102,894	3,054,273,124	852,568,397	3,052,123,284
Changes in claim reserves and outstanding claims of prior year	31,410,813	(95,138,780)	31,410,813	(95,134,066)
Changes in claim reserves and assumptions	(11,543,886)	36,023,258	(11,624,142)	36,171,156
Claim and loss adjustment expenses paid during the period	(829,215,527)	(2,673,772,640)	(828,480,311)	(2,672,199,925)
Exchange differences on translation of financial statements in foreign currency	35,870	(66,202)	-	-
Balance - end of the period	<u>1,536,305,114</u>	<u>1,492,514,950</u>	<u>1,535,718,485</u>	<u>1,491,843,728</u>

As at 31 March 2020, the Company and its subsidiary have claim reserves and outstanding claims under reinsurance contracts of Baht 0.1 million (Separate financial statements: Baht 0.4 million) (31 December 2019: Baht 0.1 million in consolidated and Baht 0.4 in separate financial statements).

(Unaudited but reviewed)

19.2 Unearned premium reserves

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the	For the	For the	For the
	three-month	year ended	three-month	year ended
	period ended	year ended	period ended	year ended
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Balance - beginning of the period	2,336,168,313	1,964,524,257	2,333,895,909	1,963,044,364
Premium written for the period	1,248,976,127	4,809,543,733	1,248,408,502	4,806,271,867
Premium earned for the current period	(1,158,722,592)	(4,437,673,942)	(1,157,779,594)	(4,435,420,322)
Exchange differences on translation of financial statements in foreign currency	85,159	(225,735)	-	-
Balance - end of the period	<u>2,426,507,007</u>	<u>2,336,168,313</u>	<u>2,424,524,817</u>	<u>2,333,895,909</u>

20. Due to reinsurers

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Outward premium payable	280,962,612	376,267,346	280,962,612	376,267,346
Amounts withheld on reinsurances	84,447,897	94,123,546	84,447,897	94,123,546
Total due to reinsurers	<u>365,410,509</u>	<u>470,390,892</u>	<u>365,410,509</u>	<u>470,390,892</u>

21. Other liabilities

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
Premium received in advance	276,776,524	260,430,319	276,764,624	260,430,319
Accrued commissions	98,573,567	111,445,409	98,389,391	111,283,301
Accrued operating expenses	77,573,226	118,365,307	76,955,008	117,726,011
Payables on purchase of investments	18,626,157	7,146,029	18,626,157	7,146,029
Commission received in advance	56,028,890	56,174,675	56,028,890	56,174,675
Other payable	95,454,072	84,038,288	95,566,707	84,054,338
Lease liabilities	3,550,808	-	-	-
Others	54,249,519	145,271,562	54,186,289	145,176,924
Total other liabilities	680,832,763	782,871,589	676,517,066	781,991,597

22. Gain (loss) on fair value adjustment of financial instruments

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March			
	2020	2019	2020	2019
Debt instruments measured at FVTPL	(168,282,439)	-	(168,282,439)	-
Equity instruments measured at FVTPL	(75,671,879)	-	(75,671,879)	-
Trading securities	-	21,955,344	-	21,955,344
Total Gain (loss) on fair value adjustment of financial instruments	(243,954,318)	21,955,344	(243,954,318)	21,955,344

23. Operating expenses

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the three-month periods ended 31 March				
	2020	2019	2020	2019
Personal expenses which are not expenses for underwriting and claims	22,779,451	24,441,059	22,618,331	24,295,918
Property and equipment expenses which are not expenses for underwriting	21,308,770	20,423,518	20,933,240	19,412,993
Taxes and duties	958,281	694,587	957,758	693,968
Bad debts and doubtful accounts	237,003	6,252,703	237,003	6,252,703
Support services expenses	50,827,579	44,774,963	50,827,124	44,773,171
Advertising and promotion expenses	15,095,799	5,444,484	15,089,579	5,433,384
Other operating expenses	11,106,778	7,400,204	10,887,842	7,002,329
Total operating expenses	122,313,661	109,431,518	121,550,877	107,864,466

24. Expected credit loss

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the three-month periods ended 31 March 2020				
Cash and cash equivalents			283,914	283,987
Debt instruments measured at FVOCI			253,900	253,900
Debt instruments measured at amortised cost			187,503	189,082
Total expected credit loss			725,317	726,969

25. Earnings per share

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

26. Related party transactions

During the periods, the Company had significant business transactions (related by way of common directors and shareholding) with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month periods ended 30 September				
	2020	2019	2020	2019	
<u>Transactions with subsidiary</u>					
Laovivat Insurance Co., Ltd.					
(eliminated from the consolidated financial statements)					
Reinsurance premium written	-	-	962	903	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	-	-	190	180	As stated in the agreement
Claim expenses	-	-	168	(61)	As actually incurred, in proportions per agreement
Other expenses	-	-	-	1	As stated in the agreement
<u>Transactions with related parties</u>					
Thai Reinsurance Plc.					
Premium ceded	11,205	24,083	11,205	24,083	Reinsurance rates depending on type of insurance and reinsurance contract
Commission income	2,770	2,983	2,770	2,983	As stated in the agreement
Claims refunded	74,315	28,713	74,315	28,713	As actually incurred, in proportions per agreement
Reinsurance premium written	1	7	1	7	Reinsurance rates depending on type of insurance and reinsurance contract
Commission expenses	-	3	-	3	As stated in the agreement
Claim expenses	63	51	63	51	As actually incurred, in proportions per agreement
Road Accident Victims Protection Co., Ltd.					
Contribution expenses	3,168	2,914	3,168	2,914	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535

As at 31 March 2020 and 31 December 2019, the Company had the following significant balances of assets and liabilities with its related parties:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
<u>Transactions with subsidiary</u>				
Laovivat Insurance Co., Ltd.				
Receivables from reinsurance contracts	-	-	2,506,730	1,892,587
Insurance contract liabilities	-	-	1,325,497	1,178,843
Other assets	-	-	1,119,447	1,065,926
Other liabilities	-	-	43,752	5,152
<u>Transactions with related parties</u>				
Thai Reinsurance Plc.				
Receivables from reinsurance contracts	24,527,906	25,073,516	24,527,906	25,073,516
Investments in equity securities	1,834,761	2,385,189	1,834,761	2,385,189
Amounts due to reinsurers	43,430,188	77,299,172	43,430,188	77,299,172
Road Accident Victims Protection Co., Ltd.				
Investments in equity securities	173,937,336	3,518,150	173,937,336	3,518,150
Other assets	1,068,015	2,103,585	1,068,015	2,103,585
Other liabilities	3,168,272	3,089,782	3,168,272	3,089,782
T.I.I. Co., Ltd.				
Investments in equity securities	800,463	202,500	800,463	202,500
Vichitbhan Palmoil Plc.				
Investments in equity securities	28,000	61,000	28,000	61,000

Directors and management's remuneration

During the three-month periods ended 31 March 2020 and 2019, the Company and its subsidiary had employee benefit expenses to their directors and management as below

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 31 March			
	2020	2019	2020	2019
Short-term employee benefits	20,061,699	21,270,702	20,061,699	21,270,702
Post employee benefits	1,681,392	12,458,512	1,681,392	12,458,512
Total	21,743,091	33,729,214	21,743,091	33,729,214

27. Segment information

The Company is principally engaged in the provision of all types of non-life insurance products and for the purpose of underwriting and operation management, the Company has divided into business units that correspond to the types of insurance product offered i.e. Fire, Marine and transportation, Motor and Miscellaneous. The operating segment information presented below is consistent with the internal reports that the Company's Chief Operating Decision Maker (who is granted authority by the Board of Directors) regularly receives and reviews for use in making decisions about the allocation of the resources to the segment and assess its performance. The Chairman of the Executive Board has been identified as Chief Operating Decision Maker, with decisions passing through the Board of Directors.

Segment performance is measured based on operating profit or loss on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

(Unaudited but reviewed)

Segment revenue and profit information of the Company and its subsidiary for the three-month periods ended 31 March 2020 and 2019 are as follows:

(Unit: Baht)

Consolidate financial statements								
For the three-month period ended 31 March 2020								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiary	Elimination	Total
Underwriting income								
Premium written	38,242,785	4,183,878	1,041,127,324	164,854,515	1,248,408,502	1,529,919	(962,294)	1,248,976,127
Less: Premium ceded	(22,045,759)	(157,955)	(3,872,247)	(54,842,515)	(80,918,476)	(962,294)	962,294	(80,918,476)
Net premium written	16,197,026	4,025,923	1,037,255,077	110,012,000	1,167,490,026	567,625	-	1,168,057,651
Add (Less): Unearned premium reserves (increase) decrease from prior period	(3,408,672)	(1,393,054)	(144,151,964)	(32,417,606)	(181,371,296)	319,225	-	(181,052,071)
Earned premium	12,788,354	2,632,869	893,103,113	77,594,394	986,118,730	886,850	-	987,005,580
Fee and commission income	11,031,023	417	488,358	15,169,064	26,688,862	190,471	(190,471)	26,688,862
Total underwriting income	23,819,377	2,633,286	893,591,471	92,763,458	1,012,807,592	1,077,321	(190,471)	1,013,694,442
Underwriting expenses								
Claim and loss adjustment expenses	4,752,222	18,331	549,052,319	49,255,028	603,077,900	827,561	-	603,905,461
Commission and brokerage expenses	8,626,460	540,503	179,301,719	25,792,522	214,261,204	240,965	(190,471)	214,311,698
Other underwriting expenses	1,095,840	171,791	49,939,798	12,339,738	63,547,167	197,148	-	63,744,315
Total underwriting expenses before operating expenses	14,474,522	730,625	778,293,836	87,387,288	880,886,271	1,265,674	(190,471)	881,961,474
Profit (loss) from underwriting before operating expenses	9,344,855	1,902,661	115,297,635	5,376,170	131,921,321	(188,353)	-	131,732,968
Operating expenses					(121,550,877)	(762,784)	-	(122,313,661)
Profit (loss) from underwriting					10,370,444	(951,137)	-	9,419,307
Investment income					13,574,649	700,731	-	14,275,380
Loss on financial instruments					(11,212,672)	-	-	(11,212,672)
Loss on fair value adjustment of financial instruments					(243,954,318)	-	-	(243,954,318)
Other income					416,639	207,279	-	623,918
Financial cost					-	(27,873)	-	(27,873)
Expected credit loss					(726,969)	1,652	-	(725,317)
Loss before income tax					(231,532,227)	(69,348)	-	(231,601,575)
Income tax revenue					47,777,894	-	-	47,777,894
Loss for the period					(183,754,333)	(69,348)	-	(183,823,681)

(Unit: Baht)

Consolidate financial statements

For the three-month period ended 31 March 2019

	Total of the Company					Total of subsidiary	Elimination	Total
	Fire	Marine and transportation	Motor	Miscellaneous	Total			
Underwriting income								
Premium written	37,461,595	4,067,680	815,905,753	185,584,819	1,043,019,847	1,703,870	(902,819)	1,043,820,898
Less: Premium ceded	(26,623,404)	(498,902)	(69,372,050)	(94,157,918)	(190,652,274)	(902,819)	902,819	(190,652,274)
Net premium written	10,838,191	3,568,778	746,533,703	91,426,901	852,367,573	801,051	-	853,168,624
Add (Less): Unearned premium reserves (increase) decrease								
from prior period	830,906	(1,271,889)	(17,455,078)	(24,732,169)	(42,628,230)	(155,905)	-	(42,784,135)
Earned premium	11,669,097	2,296,889	729,078,625	66,694,732	809,739,343	645,146	-	810,384,489
Fee and commission income	12,794,075	84,985	22,171,412	15,698,656	50,749,128	179,786	(179,786)	50,749,128
Total underwriting income	24,463,172	2,381,874	751,250,037	82,393,388	860,488,471	824,932	(179,786)	861,133,617
Underwriting expenses								
Claim and loss adjustment expenses	2,080,977	(555)	431,599,903	43,889,120	477,569,445	787,194	-	478,356,639
Commission and brokerage expenses	8,268,559	525,913	140,179,327	23,814,814	172,788,613	264,188	(179,786)	172,873,015
Other underwriting expenses	1,727,018	215,835	48,632,432	14,544,234	65,119,519	39,945	-	65,159,464
Total underwriting expenses before operating expenses	12,076,554	741,193	620,411,662	82,248,168	715,477,577	1,091,327	(179,786)	716,389,118
Profit (loss) from underwriting before operating expenses	12,386,618	1,640,681	130,838,375	145,220	145,010,894	(266,395)	-	144,744,499
Operating expenses					(107,864,466)	(1,568,406)	1,354	(109,431,518)
Profit (loss) from underwriting					37,146,428	(1,834,801)	1,354	35,312,981
Investment income					13,642,523	698,325	-	14,340,848
Gain on investments					774,044	-	-	774,044
Gain on fair value adjustment					21,955,344	-	-	21,955,344
Other income					1,491,910	2,454	(1,354)	1,493,010
Profit (loss) before income tax					75,010,249	(1,134,022)	-	73,876,227
Income tax expense					(13,904,986)	-	-	(13,904,986)
Profit (loss) for the period					61,105,263	(1,134,022)	-	59,971,241

For the three-month periods ended 31 March 2020 and 2019, the Company has premium written from three major brokers in amounting of Baht 510.3 million and Baht 486.3 million, respectively.

Segment assets and liabilities of the Company and its subsidiary as at 31 March 2020 and 31 December 2019 are as follows:

(Unit: Baht)

Consolidated financial statements

	Total of the Company					Total of subsidiary	Eliminations	Total	
	Fire	Marine and transportation	Motor	Miscellaneous	Unallocated				
Assets									
As at 31 March 2020	181,382,987	1,001,736	938,963,801	423,974,378	4,813,441,446	6,358,724,348	57,643,738	(55,395,425)	6,360,972,661
As at 31 December 2019	177,404,881	2,143,956	1,047,405,038	449,558,133	4,856,858,295	6,533,370,303	52,371,466	(55,022,507)	6,530,719,262
Liabilities									
As at 31 March 2020	293,297,394	4,981,770	3,694,086,304	703,929,431	455,978,246	5,152,273,145	11,962,075	(4,995,426)	5,159,239,794
As at 31 December 2019	288,908,790	4,239,407	3,573,348,265	821,885,855	524,940,264	5,213,322,581	7,966,126	(4,142,508)	5,217,146,199

28. Assets subject to restriction**28.1 Assets pledged and assets reserved with the Registrar**

As at 31 March 2020 and 31 December 2019, the Company and its subsidiary had pledged and reserved the following assets with the Registrar in accordance with the Non-life Insurance Act.

(Unit: Million Baht)

	Consolidated financial statements			
	31 March 2020		31 December 2019	
	Amortised cost	Fair value	Amortised cost	Fair value
Asset pledged				
Fixed deposit	18.7	18.7	18.1	18.1
Government bonds	15.0	15.7	15.1	15.7
Total	33.7	34.4	33.2	33.8
Assets reserved				
Government bonds	174.8	180.4	245.1	250.0
State enterprise debt securities	80.0	82.0	80.0	81.8
Private debt securities	100.0	105.5	40.0	43.0
Total	354.8	367.9	365.1	374.8
Total	388.5	402.3	398.3	408.6

(Unit: Million Baht)

	Separate financial statements			
	31 March 2020		31 December 2019	
	Amortised cost	Fair value	Amortised cost	Fair value
Asset pledged				
Government bonds	15.0	15.7	15.1	15.7
Total	15.0	15.7	15.1	15.7
Assets reserved				
Government bonds	174.8	180.4	245.1	250.0
State enterprise debt securities	80.0	82.0	80.0	81.8
Private debt securities	100.0	105.5	40.0	43.0
Total	354.8	367.9	365.1	374.8
Total	369.8	383.6	380.2	390.5

28.2 Assets pledged as other collateral

As at 31 March 2020 and 31 December 2019, the Company had pledged the following assets as collateral.

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
Government debt securities which pledged for				
Guarantee electricity use	1,020,678	1,022,018	1,020,678	1,022,018
Deposit at bank which pledged for				
Letter of bank guarantee	1,925,652	1,869,168	1,925,652	1,869,168
Bail bond in cases where insured drivers				
have been charged with criminal offense	602,739	218,235	602,739	218,235
Bank overdraft	10,253,416	10,253,416	10,253,416	10,253,416
Other	5,320,118	5,372,953	5,320,118	5,372,953
Total	<u>19,122,603</u>	<u>18,735,790</u>	<u>19,122,603</u>	<u>18,735,790</u>

29. Commitments and contingent liabilities

29.1 Capital commitments

As at 31 March 2020 the Company has capital commitments of Baht 6.7 million, relating to the construction of buildings and equipment (31 December 2019: Baht 2.2 million).

29.2 Operating lease commitments

As at 31 March 2020, the Company has entered into several lease agreements, future minimum lease payments required under these lease contracts were as follows.

	(Unit: Million Baht)
Payable:	
Within 1 year	0.9
Over 1 year and not over 2 years	0.1

29.3 Bank guarantees

As at 31 March 2020, there were outstanding bank guarantees of Baht 1.9 million issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business (31 December 2019: Baht 1.9 million).

29.4 Litigation

As at 31 March 2020, the Company has been sued as insurer for damages totaling approximately Baht 110.2 million (amount claimed). The cases have yet to be finalised. However, the Company has set aside reserves for contingent loss in the financial statements amounting to approximately Baht 53.6 million, with the recoverable portion from reinsurers amounting to Baht 1.5 million. The Company's management believes that such reserve is adequate (31 December 2019: Baht 100.2 million, Baht 45.3 million and Baht 1.4 million, respectively).

30. Fair value of financial instruments

As at 31 March 2020 and 31 December 2019, the Company had the following financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements				
	31 March 2020				
	Book value	Fair value			Total
	Level 1	Level 2	Level 3		
Debt financial assets	2,181.8	-	2,181.8	-	2,181.8
Equity financial assets	630.6	455.9	-	174.7	630.6

(Unit: Million Baht)

	Consolidated and separate financial statements				
	31 December 2019				
	Book value	Fair value			Total
	Level 1	Level 2	Level 3		
Held for trading investments					
Government and state enterprise debt securities	30.7	-	30.7	-	30.7
Equity securities	311.0	311.0	-	-	311.0
Unit trusts	8.4	8.4	-	-	8.4
Available-for-sale investments					
Government and state enterprise debt securities	81.8	-	81.8	-	81.8
Private debt securities	408.5	-	408.5	-	408.5
Equity securities	96.7	96.7	-	-	96.7
Unit trusts	2,452.5	216.8	2,235.7	-	2,452.5

The Company has valuation techniques for financial instruments as follows:

- a) Fair value of investments in debt securities has been calculated by using the yield rate as announced by the Thai Bond Market Association.
- b) Fair value of investments in unit trusts have been presented at fair value or by using the net asset value as announced by asset management company.
- c) Equity securities listed in Stock Exchange of Thailand have been presented at fair value.
- d) Non-listed equity securities, fair value is determined using discounted future cash flow model and adjusted net book value.

31. Events after the reporting period

On 24 April 2020, the Annual General Meeting of the Company's shareholders approved the payment of dividend from the operating results of 2019 at the rate of Baht 0.20 per share to the shareholders, or a total of Baht 60.60 million. Such dividend will be paid on 22 May 2020.

32. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 15 May 2020.