

Thaire Life Assurance Public Company Limited
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thaire Life Assurance Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of Thaire Life Assurance Public Company Limited as at 30 September 2023, the related statements of income and comprehensive income, in which the equity method is applied, for the three-month and nine-month periods then ended, and 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 interim financial statements. I have also reviewed the separate financial information of Thaire Life Assurance 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.

Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok: 6 November 2023

Thaire Life Assurance Public Company Limited

Statements of financial position

As at 30 September 2023 and 31 December 2022

(Unit: Baht)

Note	Financial statements				30 September 2023 (Unaudited but reviewed)	31 December 2022 (Audited)	Separate financial statements			
	in which the equity method is applied		30 September 2023 (Unaudited but reviewed)				30 September 2023 (Unaudited but reviewed)			
	30 September 2023	31 December 2022	30 September 2023	31 December 2022			30 September 2023	31 December 2022		
Assets										
Cash and cash equivalents	5	21,716,470	81,723,706	21,716,470	81,723,706	21,716,470	81,723,706	21,716,470		
Accrued investment income		11,543,624	20,456,457	11,543,624	20,456,457	11,543,624	20,456,457	11,543,624		
Reinsurance assets	6	7,371,860	5,885,496	7,371,860	5,885,496	7,371,860	5,885,496	7,371,860		
Reinsurance receivables	7	331,931,722	273,321,432	331,931,722	273,321,432	331,931,722	273,321,432	331,931,722		
Debt financial assets	8.1	1,487,214,418	-	1,487,214,418	-	1,487,214,418	-	1,487,214,418		
Equity financial assets	8.2	573,213,203	-	573,213,203	-	573,213,203	-	573,213,203		
Investments in securities - net	8.3	-	2,201,034,213	-	-	-	2,201,034,213	2,201,034,213		
Investments in an associate	9	9,180,814	10,007,070	18,910,900	18,910,900	18,910,900	18,910,900	18,910,900		
Premises and equipment	10	45,818,095	47,217,809	45,818,095	47,217,809	45,818,095	47,217,809	45,818,095		
Intangible assets	11	36,919,302	35,133,647	36,919,302	35,133,647	36,919,302	35,133,647	36,919,302		
Deferred tax assets	12.1	103,835,857	73,577,247	101,889,840	71,796,481	101,889,840	71,796,481	101,889,840		
Other assets										
Deferred commission expenses		166,107,050	121,931,185	166,107,050	121,931,185	166,107,050	121,931,185	166,107,050		
Others		7,636,007	5,127,532	7,636,007	5,127,532	7,636,007	5,127,532	7,636,007		
Total assets		2,802,488,422	2,875,415,794	2,810,272,491	2,882,538,858	2,810,272,491	2,882,538,858	2,810,272,491		

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

Thaire Life Assurance Public Company Limited

Statements of financial position (continued)

As at 30 September 2023 and 31 December 2022

(Unit: Baht)

Note	Financial statements			
	in which the equity method is applied		Separate financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and owners' equity				
Liabilities				
Insurance contract liabilities	13	1,296,972,166	1,084,327,552	1,296,972,166
Due to reinsurers	14	110,857,307	304,190,501	110,857,307
Income tax payable		-	15,586,126	-
Lease liabilities		2,992,207	-	2,992,207
Employee benefit obligations		19,167,906	17,383,010	19,167,906
Other liabilities				
Accrued expenses		4,318,131	4,340,035	4,318,131
Deferred commission income		110,578	88,282	110,578
Others		6,626,257	2,737,021	6,626,257
Total liabilities		1,441,044,552	1,428,652,527	1,441,044,552
Owners' equity				
Share capital	15			
Registered				
610,000,000 ordinary shares of Baht 1 each				
(31 December 2022: 600,000,000 ordinary shares of Baht 1 each)		610,000,000	600,000,000	610,000,000
Issued and paid up				
609,998,247 ordinary shares of Baht 1 each				
(31 December 2022: 600,000,000 ordinary shares of Baht 1 each)		609,998,247	600,000,000	609,998,247
Share premium		79,162,825	79,162,825	79,162,825
Retained earnings				
Appropriated - statutory reserve		60,000,000	60,000,000	60,000,000
Unappropriated		732,725,165	832,781,170	732,186,446
Other component of owners' equity		(120,442,367)	(125,180,728)	(112,119,579)
Total owners' equity		1,361,443,870	1,446,763,267	1,369,227,939
Total liabilities and owners' equity		2,802,488,422	2,875,415,794	2,810,272,491
		-	-	-

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

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Directors

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(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of income

For the three-month periods ended 30 September 2023 and 2022

(Unit: Baht)

Note	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
Revenues				
Reinsurance premium written	981,027,012	784,433,603	981,027,012	784,433,603
Less: Reinsurance premium ceded	(8,029,133)	(6,458,410)	(8,029,133)	(6,458,410)
Net reinsurance premium written	972,997,879	777,975,193	972,997,879	777,975,193
Less: Unearned premium reserves increased from prior period	(101,607,259)	(17,289,224)	(101,607,259)	(17,289,224)
Net earned premium	871,390,620	760,685,969	871,390,620	760,685,969
Commission income	616,319	962,734	616,319	962,734
Net investment revenue	20,774,951	19,257,414	20,774,951	19,257,414
Gains (losses) on investments	31,277	(270,000)	31,277	(270,000)
Fair value gains	33,130	47,693	33,130	47,693
Share of profit from investments in an associate				
under the equity method	9.3	236,250	963,269	-
Other income	330,924	544,598	330,924	544,598
Total revenues	893,413,471	782,191,677	893,177,221	781,228,408
Expenses				
Long-term insurance policy reserves increased (decreased)	(22,635,488)	11,074,808	(22,635,488)	11,074,808
Unexpired risk reserves increased	-	1,410,713	-	1,410,713
Gross benefits and claims	631,114,093	517,920,778	631,114,093	517,920,778
Less: claims recovered from reinsurers	(2,686,327)	(3,675,248)	(2,686,327)	(3,675,248)
Commission expenses	208,163,131	183,387,735	208,163,131	183,387,735
Other underwriting expenses	15,015,961	9,657,527	15,015,961	9,657,527
Operating expenses	28,275,855	26,858,941	28,275,855	26,858,941
Finance costs	57,912	5,039	57,912	5,039
Expected credit losses (reversal)	1,566	(223,950)	1,566	(223,950)
Total expenses	857,306,703	746,416,343	857,306,703	746,416,343
Profits before income tax expenses	36,106,768	35,775,334	35,870,518	34,812,065
Income tax expenses	12.2	(5,826,237)	(5,365,560)	(5,778,987)
Net profits	30,280,531	30,409,774	30,091,531	29,639,159
Earnings per share		17		
Basic earnings per share				
Net profits		0.050	0.050	0.049
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The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of comprehensive income

For the three-month periods ended 30 September 2023 and 2022

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
Net profits	30,280,531	30,409,774	30,091,531	29,639,159
Other comprehensive income (loss)				
Items to be reclassified to statements of income in subsequent periods:				
Translation adjustments of the financial statements				
in foreign currency of an associate	(483,396)	(306,637)	-	-
Add: Income taxes	96,679	61,327	-	-
Translation adjustments of the financial statements in foreign currency of an associate - net of income taxes	(386,717)	(245,310)	-	-
Losses on revaluation of available-for-sale investments				
measured at fair value through other comprehensive income	-	(15,268,928)	-	(15,268,928)
Add: Income taxes	-	3,053,785	-	3,053,785
Losses on revaluation of available-for-sale investments measured at fair value through other comprehensive income - net of income taxes	-	(12,215,143)	-	(12,215,143)
Items to be reclassified to statements of income				
in subsequent periods - net of income taxes	(386,717)	(12,460,453)	-	(12,215,143)
Items not to be reclassified to statements of income in subsequent periods:				
Actuarial gains	790,496	968,684	790,496	968,684
Less : Income taxes	(158,099)	(193,737)	(158,099)	(193,737)
Actuarial gains - net of income taxes	632,397	774,947	632,397	774,947
Losses on investments in equity securities measured at fair value through other comprehensive income	(43,600,392)	-	(43,600,392)	-
Add: Income taxes	8,720,079	-	8,720,079	-
Losses on investments in equity securities measured at fair value through other comprehensive income - net of income tax	(34,880,313)	-	(34,880,313)	-
Items not to be reclassified to statements of income				
in subsequent periods - net of income taxes	(34,247,916)	774,947	(34,247,916)	774,947
Other comprehensive loss for the periods	(34,634,633)	(11,685,506)	(34,247,916)	(11,440,196)
Total comprehensive income (loss) for the periods	(4,354,102)	18,724,268	(4,156,385)	18,198,963

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

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of income

For the nine-month periods ended 30 September 2023 and 2022

(Unit: Baht)

Note	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
Revenues				
Reinsurance premium written	2,646,610,932	2,267,015,775	2,646,610,932	2,267,015,775
Less: Reinsurance premium ceded	(23,238,311)	(18,813,851)	(23,238,311)	(18,813,851)
Net reinsurance premium written	2,623,372,621	2,248,201,924	2,623,372,621	2,248,201,924
Less: Unearned premium reserves increased from prior period	(253,124,887)	(94,375,689)	(253,124,887)	(94,375,689)
Net earned premium	2,370,247,734	2,153,826,235	2,370,247,734	2,153,826,235
Commission income	1,992,964	2,485,577	1,992,964	2,485,577
Net investment revenue	58,587,208	54,702,998	58,587,208	54,702,998
Losses on investments	(536,138)	(346,219)	(536,138)	(346,219)
Fair value gains	1,458,605	36,049	1,458,605	36,049
Share of profit from investments in an associate under the equity method	9.3	160,093	2,701,354	-
Other income	768,411	1,152,289	768,411	1,152,289
Total revenues	2,432,678,877	2,214,558,283	2,432,518,784	2,211,856,929
Expenses				
Long-term insurance policy reserves decreased	(10,791,735)	(3,434,351)	(10,791,735)	(3,434,351)
Unexpired risk reserves increased	-	1,410,713	-	1,410,713
Gross benefits and claims	1,721,545,648	1,446,435,992	1,721,545,648	1,446,435,992
Less: claims recovered from reinsurers	(7,861,661)	(4,082,350)	(7,861,661)	(4,082,350)
Commission expenses	563,983,235	488,308,924	563,983,235	488,308,924
Other underwriting expenses	38,257,359	34,477,992	38,257,359	34,477,992
Operating expenses	87,033,738	82,485,916	87,033,738	82,485,916
Finance costs	57,912	23,960	57,912	23,960
Expected credit losses (reversal)	38,637	(203,840)	38,637	(203,840)
Total expenses	2,392,263,133	2,045,422,956	2,392,263,133	2,045,422,956
Profits before income tax expenses	40,415,744	169,135,327	40,255,651	166,433,973
Income tax benefit (expenses)	12.2	7,460,202	(28,405,958)	7,492,221
Net profits	47,875,946	140,729,369	47,747,872	138,568,286
Earnings per share		17		
Basic earnings per share				
Net profits		0.078	0.231	0.078
				0.227

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

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of comprehensive income

For the nine-month periods ended 30 September 2023 and 2022

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
Net profits	47,875,946	140,729,369	47,747,872	138,568,286
Other comprehensive income (loss)				
Items to be reclassified to statements of income in subsequent periods:				
Translation adjustments of the financial statements				
in foreign currency of an associate	(986,349)	(3,124,294)	-	-
Add: Income taxes	197,270	624,859	-	-
Translation adjustments of the financial statements in foreign currency of an associate - net of income taxes	(789,079)	(2,499,435)	-	-
Losses on revaluation of available-for-sale investments				
measured at fair value through other comprehensive income	-	(82,557,081)	-	(82,557,081)
Add : Income taxes	-	16,511,416	-	16,511,416
Losses on revaluation of available-for-sale investments measured at fair value through other comprehensive income - net of income taxes	-	(66,045,665)	-	(66,045,665)
Items to be reclassified to statements of income				
in subsequent periods - net of income taxes	(789,079)	(68,545,100)	-	(66,045,665)
Items not to be reclassified to statements of income in subsequent periods:				
Actuarial gains	127,691	2,916,838	127,691	2,916,838
Less: Income taxes	(25,538)	(583,368)	(25,538)	(583,368)
Actuarial gains - net of income taxes	102,153	2,333,470	102,153	2,333,470
Losses on investments in equity securities measured at fair value through other comprehensive income	(113,133,383)	-	(113,133,383)	-
Add: Income taxes	22,626,677	-	22,626,677	-
Losses on investments in equity securities measured at fair value through other comprehensive income - net of income tax	(90,506,706)	-	(90,506,706)	-
Items not to be reclassified to statements of income				
in subsequent periods - net of income taxes	(90,404,553)	2,333,470	(90,404,553)	2,333,470
Other comprehensive loss for the periods	(91,193,632)	(66,211,630)	(90,404,553)	(63,712,195)
Total comprehensive income (loss) for the periods	(43,317,686)	74,517,739	(42,656,681)	74,856,091

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

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of cash flows

For the nine-month period ended 30 September 2023 and 2022

(Unit: Baht)

Note	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
Cash flows from (used in) operating activities				
Cash received from reinsurance	19,149,657	88,705,505	19,149,657	88,705,505
Interest income	32,086,269	13,134,350	32,086,269	13,134,350
Dividend income	36,346,234	36,062,378	36,346,234	36,062,378
Other investment income (expenses)	496,976	(2,044,559)	496,976	(2,044,559)
Other income	773,975	1,152,289	773,975	1,152,289
Other underwriting expenses	(37,580,077)	(34,155,131)	(37,580,077)	(34,155,131)
Operating expenses	(74,672,205)	(66,460,085)	(74,672,205)	(66,460,085)
Income tax expenses	(16,341,071)	(8,652,706)	(16,341,071)	(8,652,706)
Cash received on financial assets	1,742,939,441	1,499,460,915	1,742,939,441	1,499,460,915
Cash paid for financial assets	(1,716,055,462)	(1,534,957,537)	(1,716,055,462)	(1,534,957,537)
Net cash used in operating activities	(12,856,263)	(7,754,581)	(12,856,263)	(7,754,581)
Cash flows used in investing activities				
Purchases of equipment	(1,009,248)	(868,642)	(1,009,248)	(868,642)
Purchases of intangible assets	(3,995,809)	(238,423)	(3,995,809)	(238,423)
Net cash used in investing activities	(5,005,057)	(1,107,065)	(5,005,057)	(1,107,065)
Cash flows used in financing activities				
Repayment of lease liabilities	(187,785)	(594,171)	(187,785)	(594,171)
Cash dividend paid	18 (42,001,753)	(120,000,000)	(42,001,753)	(120,000,000)
Net cash used in financing activities	(42,189,538)	(120,594,171)	(42,189,538)	(120,594,171)
Net decrease in cash and cash equivalents	(60,050,858)	(129,455,817)	(60,050,858)	(129,455,817)
Cash and cash equivalents at beginning of the periods	81,723,706	155,794,785	81,723,706	155,794,785
Decrease in expected credit losses	43,622	87,563	43,622	87,563
Cash and cash equivalents at end of the periods	21,716,470	26,426,531	21,716,470	26,426,531

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

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of changes in owners' equity

For the nine-month periods ended 30 September 2023 and 2022

(Unit: Baht)

Financial statements in which the equity method is applied									
Other components of owners' equity									
		Issued and	Retained earnings			at fair value through other	in foreign currency		
		paid-up	Share	Appropriated -		comprehensive income	of an associate	Total other components	Total
	Note	share capital	premium	statutory reserve	Unappropriated	- net of income taxes	- net of income taxes	of owners' equity	owners' equity
Balance as at 1 January 2022		600,000,000	79,162,825	60,000,000	797,944,982	(64,120,231)	(3,915,641)	(68,035,872)	1,469,071,935
Dividend payments	18	-	-	-	(120,000,000)	-	-	-	(120,000,000)
Reversal of dividend payable due to ineligibility of shareholders		-	-	-	640	-	-	-	640
Net profit		-	-	-	140,729,369	-	-	-	140,729,369
Other comprehensive income (loss) for the period		-	-	-	2,333,470	(66,045,665)	(2,499,435)	(68,545,100)	(66,211,630)
Total comprehensive income (loss) for the period		-	-	-	143,062,839	(66,045,665)	(2,499,435)	(68,545,100)	74,517,739
Balance as at 30 September 2022		600,000,000	79,162,825	60,000,000	821,008,461	(130,165,896)	(6,415,076)	(136,580,972)	1,423,590,314
Balance as at 1 January 2023 - as previously reported		600,000,000	79,162,825	60,000,000	832,781,170	(117,647,019)	(7,533,709)	(125,180,728)	1,446,763,267
Cumulative effect of the change in accounting policy	3	-	-	-	(43,574,559)	43,574,559	-	43,574,559	-
Balance as at 1 January 2023 - as restated		600,000,000	79,162,825	60,000,000	789,206,611	(74,072,460)	(7,533,709)	(81,606,169)	1,446,763,267
Stock dividends issued	15	9,998,247	-	-	-	-	-	-	9,998,247
Transfer loss on disposals of equity securities measured									
at fair value other comprehensive income to retained earnings	8.2.2	-	-	-	(52,459,587)	52,459,587	-	52,459,587	-
Dividend payments	18	-	-	-	(52,000,000)	-	-	-	(52,000,000)
Reversal of dividend payable due to ineligibility of shareholders		-	-	-	42	-	-	-	42
Net profit		-	-	-	47,875,946	-	-	-	47,875,946
Other comprehensive income (loss) for the period		-	-	-	102,153	(90,506,706)	(789,079)	(91,295,785)	(91,193,632)
Total comprehensive income (loss) for the period		-	-	-	47,978,099	(90,506,706)	(789,079)	(91,295,785)	(43,317,686)
Balance as at 30 September 2023		609,998,247	79,162,825	60,000,000	732,725,165	(112,119,579)	(8,322,788)	(120,442,367)	1,361,443,870

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

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited**Statements of changes in owners' equity (continued)****For the nine-month periods ended 30 September 2023 and 2022**

(Unit: Baht)

	Note	Separate financial statements						Other component of owners' equity
		Issued and		Retained earnings		at fair value through other		
		paid-up	Share	Appropriated -	comprehensive income	Total		
		share capital	premium	statutory reserve	- net of income taxes	owners' equity		
Balance as at 1 January 2022		600,000,000	79,162,825	60,000,000	799,645,587	(64,120,231)	1,474,688,181	
Dividend payments	18	-	-	-	(120,000,000)	-	(120,000,000)	
Reversal of dividend payable due to ineligibility of shareholders		-	-	-	640	-	640	
Net profit		-	-	-	138,568,286	-	138,568,286	
Other comprehensive income (loss) for the period		-	-	-	2,333,470	(66,045,665)	(63,712,195)	
Total comprehensive income (loss) for the period		-	-	-	140,901,756	(66,045,665)	74,856,091	
Balance as at 30 September 2022		<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>820,547,983</u>	<u>(130,165,896)</u>	<u>1,429,544,912</u>	
Balance as at 1 January 2023 - as previously reported		600,000,000	79,162,825	60,000,000	832,370,525	(117,647,019)	1,453,886,331	
Cumulative effect of the change in accounting policy	3	-	-	-	(43,574,559)	43,574,559	-	
Balance as at 1 January 2023 - as restated		<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>788,795,966</u>	<u>(74,072,460)</u>	<u>1,453,886,331</u>	
Stock dividends issued	15	9,998,247	-	-	-	-	9,998,247	
Transfer loss on disposals of equity securities measured at fair value other comprehensive income to retained earnings	8.2.2	-	-	-	(52,459,587)	52,459,587	-	
Dividend payments	18	-	-	-	(52,000,000)	-	(52,000,000)	
Reversal of dividend payable due to ineligibility of shareholders		-	-	-	42	-	42	
Net profit		-	-	-	47,747,872	-	47,747,872	
Other comprehensive income (loss) for the period		-	-	-	102,153	(90,506,706)	(90,404,553)	
Total comprehensive income (loss) for the period		-	-	-	47,850,025	(90,506,706)	(42,656,681)	
Balance as at 30 September 2023		<u>609,998,247</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>732,186,446</u>	<u>(112,119,579)</u>	<u>1,369,227,939</u>	

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

Thaire Life Assurance Public Company Limited

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For the three-month and nine-month periods ended 30 September 2023 and 2022

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Thaire Life Assurance Public Company Limited

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2023 and 2022

1. Corporate information

Thaire Life Assurance Public Company Limited ("the Company") is a public company incorporated under Thai laws and domiciled in Thailand. The Company has been listed on the Stock Exchange of Thailand since 9 October 2013. The major shareholders are Thai Reinsurance Public Company Limited which holds 10.10% of the issued and paid-up capital, and an individual shareholder who holds 11.30% of the issued and paid-up capital.

The Company is principally engaged in the provision of life reinsurance services. The registered office of the Company is located at No. 48/15 Soi Ratchadapisek 20, Ratchadapisek Road, Samsennok Sub-district, Huaykwang District, Bangkok.

2. Basis for preparation of interim financial information/New 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, income, 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 Notification of the Office of Insurance Commission ("OIC") regarding criteria, procedures, terms and conditions for preparation and submission of financial statements of life insurance companies B.E. 2566 dated 8 February 2023.

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

The revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Company's financial statements.

2.3 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

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 2024. 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.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

2.4 Significant accounting policies

This interim financial information is prepared using the same significant accounting policies and methods of computation as those were used in the preparation of financial statements for the year ended 31 December 2022, except for changes in accounting policies due to the adoption of Thai Financial Reporting Standard: TFRS 9 Financial Instruments since 1 January 2023, which can be summarised as below.

Classification and measurement of financial assets

The Company reclassifies financial assets to comply with the Company's business model for managing assets and liabilities on the basis of the facts and circumstances that exist at the initial date of application as follows:

Financial assets - equity instruments

- Investments in both listed and non-listed equity securities

The Company considers and continues to classify its investments in both listed and non-listed equity securities as financial assets measured at fair value through other comprehensive income whereby change in fair value will be recognised in other comprehensive income and when disposal, the cumulative gain or loss arising from change in fair value will be recognised directly in retained earnings.

- Investments in unit trusts, which are treated as equity securities

The Company considers and continues to classify its investments in unit trusts, which are treated as equity securities, as financial assets at fair value through other comprehensive income whereby the change in fair value will be recognised in other comprehensive income and when disposal, the cumulative gain or loss arising from change in fair value will be recognised directly in retained earnings.

Financial assets - Debt instruments

- Investments in unit trust, which are treated as debt securities

The Company considers to classify investments in unit trusts, which are treated as debt securities, (previously classified as available-for-sale investments measured at fair value through other comprehensive income under the former accounting policies) as financial assets measured at fair value through profit or loss because such unit trusts do not have contractual terms of the financial assets that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Changes in fair value and gain or loss on disposal will be recognised in profit or loss.

- Investment in government and state enterprise securities, private enterprise debt securities and deposits at financial institutions

The Company considered and continue to classify its investments in government and state enterprise securities, private enterprise debt securities and deposits at financial institutions as financial assets measured at amortised cost less expected credit loss.

Classification of financial liabilities

The adoption of these standards does not have impact on classification of the Company's financial liabilities since the Company continues to classify them as financial liabilities measured at amortised cost.

Impairment of financial assets

The adoption of TFRS9 requires the Company to move from incurred loss provisioning, under previous accounting policy, to expected loss provisioning by recognising an allowance for expected credit losses on its financial assets calculated using the General approach, and it is no longer necessary for a credit-impaired event to have occurred. However, such approach is the same approach currently adopted by the Company.

Transition

The Company initially adopted this standard and opted to adjust the cumulative effect, using the retrospective method, against retained earnings or other components of owners' equity as at 1 January 2023, and the comparative information was not restated.

The cumulative effects of changes in accounting policies were described in Note 3 to interim financial statements.

3. Cumulative effects of changes in accounting policies

As described in Note 2.4 to the interim financial statements, since 1 January 2023 the Company has adopted TFRS 9 Financial Instruments whereby it opted to adjust the cumulative effects of changes in accounting policies against retained earnings as at 1 January 2023 and the comparative information was not restated.

Adjustments to retained earnings and owners' equity as at 1 January 2023 due to the first time adoption of TFRS 9 were presented as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and separate financial statements	
	Retained earnings	Other components of owners' equity
Effect from change in classification from available-for-sale investments measured at fair value through other comprehensive income to financial assets measured at fair value through profit or loss	(54,469)	54,469
Add (less): Income taxes	10,894	(10,894)
Effects on beginning balances	<u>(43,575)</u>	<u>43,575</u>

(Unaudited but reviewed)

The adjustments and reclassifications to the beginning balances as at 1 January 2023 as a result of changes in accounting policies from the first time adoption of TFRS 9 were presented as follows:

(Unit: Thousand Baht)

Financial statements in which the equity method is applied			
	31 December 2022	Adjustments and reclassifications	1 January 2023
Statement of financial position			
Assets			
Debt financial assets	-	1,635,184	1,635,184
Equity financial assets	-	565,850	565,850
Investments in securities	2,201,034	(2,201,034)	-
Owners' equity			
Retained earnings - unappropriated	832,781	(43,575)	789,206
Other components of equity	(125,181)	43,575	(81,606)

(Unit: Thousand Baht)

Separate financial statements			
	31 December 2022	Adjustments and reclassifications	1 January 2023
Statement of financial position			
Assets			
Debt financial assets	-	1,635,184	1,635,184
Equity financial assets	-	565,850	565,850
Investments in securities	2,201,034	(2,201,034)	-
Owners' equity			
Retained earnings - unappropriated	832,371	(43,575)	788,796
Other components of equity	(117,647)	43,575	(74,072)

4. Classification of financial assets

As at 30 September 2023, carrying amounts of financial assets were classified as follows.

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and separate financial statements				
	Equity			
Debt instruments	instruments measured at	fair value	Financial instruments	
instruments measured at	fair value	through other comprehensive	measured at	
through profit or loss	income	amortised cost		Total
Financial assets				
Cash and cash equivalents	-	-	21,716	21,716
Accrued investment income	-	-	11,544	11,544
Debt financial assets	68,033	-	1,419,181	1,487,214
Equity financial assets	-	573,213	-	573,213

5. Cash and cash equivalents

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and separate financial statements		
	30 September 2023	31 December 2022
Cash	4	7
Deposits at banks with no fixed maturity date	21,724	81,772
Total	21,728	81,779
Less: Allowance for expected credit losses	(12)	(55)
Cash and cash equivalents - net	21,716	81,724

(Unaudited but reviewed)

6. Reinsurance assets

(Unit: Thousand Baht)

Financial statements

in which the equity method is applied and
separate financial statements

	30 September 2023	31 December 2022
Insurance reserves refundable from reinsurers		
Long-term insurance policy reserves	3,050	3,139
Unearned premium reserves	4,322	2,747
Total reinsurance assets	7,372	5,886

7. Reinsurance receivables

(Unit: Thousand Baht)

Financial statements

in which the equity method is applied and
separate financial statements

	30 September 2023	31 December 2022
Amounts deposited on reinsurance	68,971	104,416
Amounts due from reinsurers	262,961	168,905
Total reinsurance receivables	331,932	273,321

8. Financial assets/investments in securities

(Unit: Thousand Baht)

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

	30 September 2023	31 December 2022
Debt financial assets	1,487,214	-
Equity financial assets	573,213	-
Available-for-sale investments measured at fair value through other comprehensive income	-	824,865
Held-to-maturity investments measured at amortised cost	-	1,376,169
Total	2,060,427	2,201,034

8.1 Debt financial assets

8.1.1 Classified by type of debt financial assets as at 30 September 2023 and 1 January 2023

(Unit: Thousand Baht)		
Financial statements in which the equity method is applied and separate financial statements		
	30 September 2023	1 January 2023
	Fair value/ amortised cost	Fair value/ amortised cost
Debt instruments measured at fair value through profit or loss		
Unit trusts	68,033	259,015
Total debt instruments measured at fair value through profit or loss	68,033	259,015
Debt instruments measured at amortised cost		
Government and state enterprise securities	716,748	818,342
Private debt securities	703,087	508,398
Deposits at financial institutions which amounts maturing in over 3 months	-	50,000
Total	1,419,835	1,376,740
Less: Allowance for expected credit losses	(654)	(571)
Debt instruments measured at amortised cost - net	1,419,181	1,376,169
Debt financial assets - net	1,487,214	1,635,184

8.1.2 Classified by stage of credit risk

(Unit: Thousand Baht)		
Financial statements in which the equity method is applied and separate financial statements		
	30 September 2023	
	Allowance for Gross expected credit carrying value losses	Net carrying value
Debt instruments measured at amortised cost		
Debt instruments without a significant increase in credit risk (Stage 1)	1,419,835	(654)
Debt instruments with a significant increase in credit risk (Stage 2)	-	-
Credit-impaired debt instruments (Stage 3)	-	-
Total	1,419,835	(654)
		1,419,181

(Unaudited but reviewed)

(Unit: Thousand Baht)

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

	1 January 2023		
	Gross carrying value	Allowance for expected credit losses	Net carrying value
Debt instruments measured at fair value through profit or loss			
Debt instruments without a significant increase in credit risk (Stage 1)			
in credit risk (Stage 1)	1,376,740	(571)	1,376,169
Debt instruments with a significant increase in credit risk (Stage 2)			
in credit risk (Stage 2)	-	-	-
Credit-impaired debt instruments (Stage 3)			
Credit-impaired debt instruments (Stage 3)	-	-	-
Total	<u>1,376,740</u>	<u>(571)</u>	<u>1,376,169</u>

8.2 Equity financial assets

8.2.1 Classified by type of equity financial assets as at 30 September 2023 and 1 January 2023

(Unit: Thousand Baht)

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

	30 September 2023		1 January 2023	
	Cost	Fair Value	Cost	Fair Value
Equity instruments measured at fair value through other comprehensive income				
Domestic equity securities				
Domestic equity securities	713,363	<u>573,213</u>	658,440	<u>565,850</u>
Less: Expected credit losses	(140,150)		(92,590)	
Equity instruments measured at fair value through other comprehensive income - net				
Equity instruments measured at fair value through other comprehensive income - net	<u>573,213</u>		<u>565,850</u>	

8.2.2 Derecognition of investments in equity securities

During the three-month and nine-month periods ended 30 September 2023, the Company derecognised its investments in equity securities designated as at fair value through other comprehensive income. The Company therefore transferred their changes in fair value previously recognised in other comprehensive income, to be recognised in retained earnings as follows:

(Unit: Thousand Baht)				
Financial statements in which the equity method is applied and separate financial statements				
For the three-month period ended 30 September 2023				
			Fair value loss	
			previously recognised in other	
	Fair value on the derecognition date	Dividend received	comprehensive income (net of income taxes)	Reason for derecognition
Derecognition of investments in equity securities				
Common stocks	39,828	-	(13,045)	Disposals
Unit trusts	50,549	-	(23,102)	Disposals
Total	90,377	-	(36,147)	

(Unit: Thousand Baht)				
Financial statements in which the equity method is applied and separate financial statements				
For the nine-month period ended 30 September 2023				
			Fair value loss	
			previously recognised in other	
	Fair value on the derecognition date	Dividend received	comprehensive income (net of income taxes)	Reason for derecognition
Derecognition of investments in equity securities				
Common stocks	59,097	-	(13,351)	Disposals
Unit trusts	68,955	-	(39,108)	Disposals
Total	128,052	-	(52,459)	

8.3 Classified by type of investments as at 31 December 2022 under the former accounting policy

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and separate financial statements	
	31 December 2022	
	Cost/ Amortised cost	Fair value
Available-for-sale investments measured at fair value through other comprehensive income		
Debt securities:		
Unit trusts	339,633	259,015
Equity securities:		
Common stocks	305,110	288,973
Unit trusts	372,816	276,877
Total	1,017,559	824,865
Less: Unrealised loss	(147,059)	-
Less: Allowance for impairments	(45,635)	-
Available-for-sale investments measured at fair value through other comprehensive income - net	824,865	824,865
Held-to-maturity investments measured at amortised cost		
Debt securities:		
Government and state enterprise securities	818,342	821,878
Private enterprise debt securities	508,398	505,396
Deposits at financial institutions which mature over 3 months	50,000	50,000
Total	1,376,740	1,377,274
Less: Allowance for expected credit losses	(571)	-
Held-to-maturity investments measured at amortised cost - net	1,376,169	1,377,274
Investments in securities - net	2,201,034	2,202,139

8.4 Investments subject to restriction

As at 30 September 2023 and 31 December 2022, the Company placed some investments as securities with the Registrar as described in Note 20 to the interim financial statements.

9. Investment in an associate

9.1 Details of an associate

Company's name	Nature of business	Country of incorporation	Issued and paid-up share capital		Shareholding percentage held by the Company	
			30 September 2023	31 December 2022	30 September 2023	31 December 2022
			(Thousand Baht)	(Thousand Baht)	(%)	(%)
TKI Life Insurance Company Limited	Life insurance	Laos	66,118	66,118	32.50	32.50

(Unit: Thousand Baht)

Company's name	Financial statements		Separate financial statements					
	in which the equity method is applied		Investment value under cost method					
	Investment value under equity method	Cost	Allowance for impairment		Investment value under cost method		30 September	31 December
	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022
TKI Life Insurance Company Limited	9,181	10,007	21,684	21,684	(2,773)	(2,773)	18,911	18,911

9.2 Financial information of an associate

Summarised information of financial position

(Unit: Thousand Baht)

	TKI Life Insurance Company Limited	
	30 September 2023	31 December 2022
Total assets	35,704	37,122
Total liabilities	(7,455)	(6,331)
Net assets	28,249	30,791
Shareholding percentage (%)	32.50	32.50
Carrying amount of an associate under equity method	9,181	10,007

Summarised information of statements of comprehensive income

(Unit: Thousand Baht)

	TKI Life Insurance Company Limited			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2023	2022	2023	2022
Total revenues	3,006	5,894	8,453	15,683
Profit for the periods	727	2,964	1,334	7,761
Total comprehensive income for the periods	727	2,964	1,334	7,761

9.3 Share of profit and other comprehensive income or loss, and dividend income

During the periods, the Company recognised shares of profit and other comprehensive income from an associate in the financial statements, in which the equity method is applied, and recognised dividends received from an associate in the separate financial statements as below.

	Financial statements in which the equity method is applied				Separate financial statements	
Associate	Share of profit from investment in an associate for the three-month periods ended 30 September	Share of other comprehensive income from investment in an associate for the three-month periods ended 30 September	2023	2022	2023	2022
TKI Life Insurance Company Limited	236	963	-	-	-	-
Total	236	963	-	-	-	-

	Financial statements in which the equity method is applied				Separate financial statements	
Associate	Share of profit from investment in an associate for the nine-month periods ended 30 September	Share of other comprehensive income from investment in an associate for the nine-month periods ended 30 September	2023	2022	2023	2022
TKI Life Insurance Company Limited	160	2,701	-	-	-	-
Total	160	2,701	-	-	-	-

As at 30 September 2023 and 31 December 2022, the Company presented investment in an associate under the equity method in the financial statements, in which the equity method is applied, based on the financial information for the periods then ended, as prepared by the associate's management. However, the Company obtained the 2022 financial statements of TKI Life Insurance Company Limited, which were audited by the associate's auditor and the auditor expressed an unqualified opinion under report dated 16 March 2023. Such audited financial statements presented financial information that were not significantly different from the financial information prepared by the associate's management used for equity-accounting in that year.

10. Premises and equipment

(Unit: Thousand Baht)

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

	For the nine-month period ended 30 September 2023				
	Land	Building	Furniture, fixtures and equipment	Computers	Right-of- use assets
					Total
Net book value as at 1 January 2023	17,640	22,783	1,609	5,186	-
Acquisition during the period - at cost	-	-	-	1,009	3,122
Depreciation charged for the period	-	(1,653)	(785)	(2,937)	(156)
Net book value as at 30 September 2023	<u>17,640</u>	<u>21,130</u>	<u>824</u>	<u>3,258</u>	<u>2,966</u>
					<u>45,818</u>

11. Intangible 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 2023		
	Computer softwares		
	Computer softwares	under development	Total
Net book value as at 1 January 2023	23,140	11,994	35,134
Acquisition during the period - at cost	668	4,987	5,655
Transfer in (out)	2,887	(2,887)	-
Amortisation charged for the period	(3,869)	-	(3,869)
Net book value as at			
30 September 2023	<u>22,826</u>	<u>14,094</u>	<u>36,920</u>

12. Deferred tax assets and income tax benefits (expenses)

12.1 Deferred tax assets

As at 30 September 2023 and 31 December 2022, the components of deferred tax assets were as follows:

										(Unit: Thousand Baht)	
										Financial statements	
										in which the equity	Separate financial
										method is applied	
										Changes in deferred tax	
										assets for	
										the nine-month periods	
										ended 30 September	
										2023	
										2022	
Deferred tax assets											
(liabilities) arose from:											
Loss reserves	8,223	14,458	8,223	14,458	(6,235)	(22,087)	(6,235)	(22,087)			
Commission payable on											
reinsurance	36,465	37,691	36,465	37,691	(1,226)	2,022	(1,226)	2,022			
Employee benefit obligations	3,834	3,477	3,834	3,477	357	(392)	357	(392)			
Unrealised losses on											
investments	38,924	29,412	38,924	29,412	9,512	16,511	9,512	16,511			
Deferred commission - net	(33,199)	(24,369)	(33,199)	(24,369)	(8,830)	(4,802)	(8,830)	(4,802)			
Allowance for impairment											
on investment	924	9,252	1,479	9,807	(8,328)	(456)	(8,328)	(456)			
Not yet utilised tax losses	44,643	-	44,643	-	44,643	-	44,643	-			
Others	4,022	3,656	1,521	1,321	366	634	200	549			
Deferred tax assets	<u>103,836</u>	<u>73,577</u>	<u>101,890</u>	<u>71,797</u>							
Total changes					<u>30,259</u>	<u>(8,570)</u>	<u>30,093</u>	<u>(8,655)</u>			
Recognition of changes:											
- in statements of income					20,575	(25,123)	20,607	(24,583)			
- in statements of comprehensive income					22,799	16,553	22,601	15,928			
- against retained earnings directly					<u>(13,115)</u>	<u>-</u>	<u>(13,115)</u>	<u>-</u>			
Total changes					<u>30,259</u>	<u>(8,570)</u>	<u>30,093</u>	<u>(8,655)</u>			

12.2 Income tax benefit (expenses)

Income tax benefit (expenses) for the three-month and nine-month periods ended 30 September 2023 and 2022 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	
	2023	2022	2023	2022
Current income taxes:				
Interim corporate income tax charge	-	1,118	-	1,118
Deferred income taxes:				
Relating to origination and reversal of temporary differences	3,212	(6,484)	3,259	(6,291)
Relating to sale of financial assets measured through other comprehensive income	(9,038)	-	(9,038)	-
Income tax expenses reported in the statements of income	<u>(5,826)</u>	<u>(5,366)</u>	<u>(5,779)</u>	<u>(5,173)</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	
	2023	2022	2023	2022
Current income taxes:				
Interim corporate income tax charge	-	(3,283)	-	(3,283)
Deferred income taxes:				
Relating to origination and reversal of temporary differences	20,575	(25,123)	20,607	(24,583)
Relating to sale of financial assets measured through other comprehensive income	(13,115)	-	(13,115)	-
Income tax benefit (expenses) reported in the statements of income	<u>7,460</u>	<u>(28,406)</u>	<u>7,492</u>	<u>(27,866)</u>

Reconciliations between income tax benefit (expenses) and the product of accounting profits for the three-month and nine-month periods ended 30 September 2023 and 2022 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		For the three-month periods					
	ended 30 September	2023	ended 30 September	2023	2023	2023	2023	2023
Accounting profits before income tax expenses		36,107		35,775		35,871		34,812
Applicable tax rate		20%		20%		20%		20%
Income taxes at the applicable tax rate		(7,221)		(7,155)		(7,174)		(6,962)
Tax effects of:								
Tax-exempted revenues		1,417		1,763		1,417		1,763
Additional tax deductible expenses allowed		14		41		14		41
Others		(36)		(15)		(36)		(15)
Total		1,395		1,789		1,395		1,789
Income tax expenses reported in statements of income		(5,826)		(5,366)		(5,779)		(5,173)
(Unit: Thousand Baht)								
	Financial statements in which the equity method is applied				Separate financial statements			
	For the nine-month periods		For the nine-month periods					
	ended 30 September	2023	ended 30 September	2023	2023	2023	2023	2023
Accounting profits before income tax expenses		40,416		169,135		40,256		166,434
Applicable tax rate		20%		20%		20%		20%
Income taxes at the applicable tax rate		(8,083)		(33,827)		(8,051)		(33,287)
Tax effects of:								
Tax-exempted revenues		4,621		5,254		4,621		5,254
Non-tax deductible expenses		(1)		(1)		(1)		(1)
Additional tax deductible expenses allowed		97		216		97		216
Others		10,826		(48)		10,826		(48)
Total		15,543		5,421		15,543		5,421
Income tax benefit (expenses) reported in statements of income		7,460		(28,406)		7,492		(27,866)

13. Insurance contract liabilities

(Unit: Thousand Baht)

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

	30 September 2023		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Long-term insurance policy reserves	482,935	(3,050)	479,885
Loss reserves			
Claims incurred and reported	249	-	249
Claims incurred but not yet reported	19,125	-	19,125
Premium reserves			
Unearned premium reserves	772,920	(4,322)	768,598
Unpaid policy benefits	21,743	-	21,743
Total	<u>1,296,972</u>	<u>(7,372)</u>	<u>1,289,600</u>

(Unit: Thousand Baht)

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

	31 December 2022		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Long-term insurance policy reserves	493,816	(3,139)	490,677
Loss reserves			
Claims incurred and reported	251	-	251
Claims incurred but not yet reported	24,537	-	24,537
Premium reserves			
Unearned premium reserves	518,220	(2,747)	515,473
Unpaid policy benefits	47,503	-	47,503
Total	<u>1,084,327</u>	<u>(5,886)</u>	<u>1,078,441</u>

13.1 Long-term insurance policy reserves

(Unit: Thousand Baht)

	For the nine-month period ended 30 September 2023	For the year ended 31 December 2022
Beginning balances	493,816	502,690
Reserves increased from new policies and enforced policies	59,068	74,444
Insurance policy reserves decreased from benefit paid for lapse, surrender and others	(69,216)	(94,232)
Assumptions changes	(733)	10,914
Ending balances	482,935	493,816

13.2 Loss reserves

(Unit: Thousand Baht)

	For the nine-month period ended 30 September 2023	For the year ended 31 December 2022
Beginning balances	24,788	141,978
Claims incurred for the periods	1,367,045	1,599,645
Changes in loss reserves	37,890	(139,943)
Changes in assumptions for calculating loss reserves	(43,302)	22,833
Claims paid during the periods	(1,367,047)	(1,599,725)
Ending balances	19,374	24,788

13.3 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	For the year ended
	<u>30 September 2023</u>	<u>31 December 2022</u>
Beginning balances	518,220	493,327
Premium written for the periods	2,031,567	2,070,762
Premium earned during the periods	(1,776,867)	(2,045,869)
Ending balances	<u>772,920</u>	<u>518,220</u>

14. Due to reinsurers

	(Unit: Thousand Baht)	
	Financial statements	
	in which the equity method is applied and separate financial statements	
	<u>30 September 2023</u>	<u>31 December 2022</u>
Amounts due to reinsurers	<u>110,857</u>	<u>304,191</u>
Total due to reinsurers	<u>110,857</u>	<u>304,191</u>

15. Share capital

On 26 April 2023, the 2022 Annual General Meeting of shareholders approved an increase of the Company's registered share capital from Baht 600 million (600 million shares with a par of Baht 1 per share) to be Baht 610 million (610 million shares with a par of Baht 1 per share) by newly issues the ordinary shares in amount of 10 million shares with a par value at Baht 1 per share to support the stock dividend payment and also approved to pay a cash dividend of Baht 0.07 per share, and issue stock dividends of 10 million shares with a par value of Baht 1 per share to the shareholders, totaling Baht 10 million or a stock dividend of Baht 0.016666 per share. If any shareholder is allotted a fraction of a share, such shareholder will be paid for such fraction of a share in cash instead of stock at the rate of Baht 0.016666 per share. The Company already paid dividends in cash to shareholders and issued 9,998,247 ordinary shares for stock dividends to shareholders, including settlement a fraction of stock dividend in cash of Baht 1,753 to shareholders on 24 May 2023.

The Company registered the increase in its registered share capital with the Ministry of Commerce on 12 May 2023 and registered its issued and paid-up share capital on 24 May 2023.

16. Segment information

16.1 Operating segment information reporting

Operating segment information for the three-month and nine-month periods ended 30 September 2023 and 2022 can be classified by type of products as follows:

	(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied		
	For the three-month period ended 30 September 2023		
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	634,394	346,633	981,027
Less: Reinsurance premium ceded	(7,898)	(131)	(8,029)
Net reinsurance premium written	626,496	346,502	972,998
Add (less): Unearned premium reserves (increased) decreased from prior period	(106,062)	4,455	(101,607)
Net earned premium	520,434	350,957	871,391
Underwriting expenses			
Long-term insurance policy reserves decreased	(6,032)	(16,604)	(22,636)
Net benefits and claims	378,941	249,487	628,428
Commissions and brokerages expenses - net	113,689	93,858	207,547
Other underwriting expenses	9,637	5,379	15,016
Total underwriting expenses	496,235	332,120	828,355
Profit from underwriting	24,199	18,837	43,036
Operating expenses			(28,333)
Expected credit losses			(2)
Profit from operation			14,701
Share of profit from investment in an associate			236
Net investment revenue			20,840
Other income			330
Profit before income tax expenses			36,107
Income tax expenses			(5,826)
Net profit			30,281

(Unaudited but reviewed)

(Unit: Thousand Baht)

Financial statements in which the equity method is applied			
For the three-month period ended 30 September 2022			
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	479,501	304,933	784,434
Less: Reinsurance premium ceded	(6,264)	(195)	(6,459)
Net reinsurance premium written	473,237	304,738	777,975
Add (less): Unearned premium reserves (increased) decreased from prior period	(37,916)	20,627	(17,289)
Net earned premium	435,321	325,365	760,686
Underwriting expenses			
Long-term insurance policy reserves increased	4,285	6,789	11,074
Unexpired risk reserves increased	849	562	1,411
Net benefits and claims	288,966	225,280	514,246
Commissions and brokerages expenses - net	102,775	79,650	182,425
Other underwriting expenses	6,083	3,574	9,657
Total underwriting expenses	402,958	315,855	718,813
Profit from underwriting	32,363	9,510	41,873
Operating expenses			(26,864)
Reversal of expected credit losses			224
Profit from operation			15,233
Share of profit from investment in an associate			963
Net investment revenue			19,035
Other income			544
Profit before income tax expenses			35,775
Income tax expenses			(5,365)
Net profit			30,410

(Unaudited but reviewed)

(Unit: Thousand Baht)

Financial statements in which the equity method is applied

For the nine-month period ended 30 September 2023

	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	1,563,350	1,083,261	2,646,611
Less: Reinsurance premium ceded	(22,845)	(393)	(23,238)
Net reinsurance premium written	1,540,505	1,082,868	2,623,373
Less: Unearned premium reserves increased from prior period	(156,043)	(97,082)	(253,125)
Net earned premium	1,384,462	985,786	2,370,248
Underwriting expenses			
Long-term insurance policy reserves increased (decreased)	(30,281)	19,489	(10,792)
Net benefits and claims	1,025,901	687,783	1,713,684
Commissions and brokerages expenses - net	294,671	267,320	561,991
Other underwriting expenses	22,599	15,658	38,257
Total underwriting expenses	1,312,890	990,250	2,303,140
Profit (loss) from underwriting	71,572	(4,464)	67,108
Operating expenses			(87,091)
Expected credit losses			(39)
Loss from operation			(20,022)
Share of profit from investment in an associate			160
Net investment revenue			59,510
Other income			768
Profit before income tax expenses			40,416
Income tax benefit			7,460
Net Profit			47,876

Financial statements in which the equity method is applied			
For the nine-month period ended 30 September 2022			
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	1,268,564	998,452	2,267,016
Less: Reinsurance premium ceded	(18,231)	(583)	(18,814)
Net reinsurance premium written	1,250,333	997,869	2,248,202
Less: Unearned premium reserves increased from prior period	(78,913)	(15,463)	(94,376)
Net earned premium	1,171,420	982,406	2,153,826
Underwriting expenses			
Long-term insurance policy reserves increased (decreased)	(7,320)	3,885	(3,435)
Unexpired risk reserves increased	849	562	1,411
Net benefits and claims	791,470	650,884	1,442,354
Commissions and brokerages expenses - net	270,960	214,863	485,823
Other underwriting expenses	19,293	15,185	34,478
Total underwriting expenses	1,075,252	885,379	1,960,631
Profit from underwriting	96,168	97,027	193,195
Operating expenses			(82,510)
Reversal of expected credit losses			204
Profit from operation			110,889
Share of profit from investment in an associate			2,701
Net investment revenue			54,393
Other income			1,152
Profit before income tax expenses			169,135
Income tax expenses			(28,406)
Net profit			140,729

16.2 Geographic information

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

16.3 Major customers

During the three-month and nine-month periods ended 30 September 2023 and 2022, the Company had reinsurance premium written from each life insurance company (major customers) for the amount equal to or higher than 10% of total reinsurance premium written as follows:

	(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	
	2023	2022	2023	2022
Reinsurance premium written	719	467	1,972	1,665

17. Earnings per share

Basic earnings per share is calculated by dividing net profit (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the periods, adjusted by the number of ordinary shares issued in respect of stock dividends as described in Note 15 to interim financial statements. Hence, earnings per share of prior periods were restated whereby calculation of earnings per share would be determined using the number of ordinary shares after adjusting by number of stock dividends as if the stock dividends were issued at the beginning of prior periods presented.

	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	
	2023	2022	2023	2022
			(Restated)	(Restated)
Weighted average number of ordinary shares before stock dividends (Shares)	609,998,247	600,000,000	609,998,247	600,000,000
Number of stock dividend issued in 2023 (Shares)	-	9,998,247	-	9,998,247
Total weighted average number of shares (Shares)	609,998,247	609,998,247	609,998,247	609,998,247
Net profit (Baht)	30,280,531	30,409,774	30,091,531	29,639,159
Earnings per share (Baht per share)	0.050	0.050	0.049	0.049

	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
	2023	2022	2023	2022
		(Restated)		(Restated)
Weighted average number of ordinary shares before stock dividends (Shares)	609,998,247	600,000,000	609,998,247	600,000,000
Number of stock dividend issued in 2023 (Shares)	-	9,998,247	-	9,998,247
Total weighted average number of shares (Shares)	609,998,247	609,998,247	609,998,247	609,998,247
Net profit (Baht)	47,875,946	140,729,369	47,747,872	138,568,286
Earnings per share (Baht per share)	0.078	0.231	0.078	0.227

18. Dividends payment

Dividends declared during the nine-month periods ended 30 September 2023 and 2022 consisted of the following:

	Approved by	Total	Dividend
		(Million Baht)	(Baht)
Dividend from 2022 net profit	Annual General Meeting of the Company's shareholders held on 26 April 2023	42.0	0.070000
- Cash dividends		10.0	0.016666
- Stock dividends			
Total dividend paid during 2023		52.0	0.086666
Dividend from 2021 net profit	Annual General Meeting of the Company's shareholders held on 22 April 2022	72.0	0.120000
Interim dividend from 2022	Meeting of the Company's Board of Directors held on 5 August 2022	48.0	0.080000
Total dividend paid during 2022		120.0	0.200000

19. Related party transactions

19.1 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	Relationship with the Company
TKI Life Insurance Co., Ltd.	An associate whereby the Company holds 32.50% of its shares
Bangkok Life Assurance Plc.	Related by way of having a common director and being the Company's shareholder
Muang Thai Life Assurance Plc.	Related by way of having a common director
South East Life Insurance Plc.	Related by way of having a common director ⁽¹⁾ and being the Company's shareholder
T Life Assurance Plc.	Related by way of having a common director ⁽²⁾
Thai Reinsurance Plc.	Related by way of having a common director and being the Company's shareholder
BlueVenture Group Plc.	Related by way of having common director and shareholder
BlueVenture TPA Co., Ltd.	The Company's major shareholder is the ultimate parent company of this entity
BlueVenture Actuarial Co., Ltd.	The Company's major shareholder is the ultimate parent company of this entity
BlueVenture Tech Co., Ltd.	The Company's major shareholder is the ultimate parent company of this entity
The Navakij Insurance Plc.	Related by way of having a common director and being the Company's shareholder
The Falcon Insurance Plc.	Related by way of having a common director and being the Company's shareholder
Wang Lee Co., Ltd.	Related by way of having a common director and being the Company's shareholder

(1) The Company had been considered a related party until 1 July 2022, the date on which a common director resigned from the Company's Board of Directors.

(2) The Company has been considered a related party since 1 June 2023, the date on which both parties have a common director.

19.2 Significant related party transactions

During the three-month and nine-month periods ended 30 September 2023 and 2022, 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 of business between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements				Pricing policy	
	For the three-month periods ended		For the nine-month periods ended			
	30 September		30 September			
	2023	2022	2023	2022		
<u>Transactions with associate</u>						
Revenues						
Service revenues ⁽¹⁾	69	69	207	207	Mutually agreed rates	
Reinsurance premium written	162	213	215	256	According to terms of reinsurance contracts	
Expenses						
Claim expenses	15	9	44	40	According to the ratios as specified in the reinsurance contracts	
Commission expenses	32	49	46	56	According to terms of reinsurance contracts	
<u>Transactions with related parties</u>						
Revenues						
Reinsurance premium written	638,736	466,595	1,681,061	1,451,897	According to terms of reinsurance contracts	
Commissions and brokerages income	-	-	-	85	According to terms of reinsurance contracts	
Claims refundable	-	-	-	150	According to the ratios as specified in the reinsurance contracts	
Expenses						
Reinsurance premium ceded	-	-	-	343	According to terms of reinsurance contracts	
Claim expenses	424,112	332,436	1,129,493	1,090,391	According to the ratios as specified in the reinsurance contracts	
Commissions expenses	146,980	119,103	393,774	334,398	According to terms of reinsurance contracts	
Service fee expenses ⁽²⁾	2,040	2,037	6,087	6,084	Mutually agreed rates	
Owner's equity						
Dividend paid	-	5,511	4,822	14,247	As declared	

⁽¹⁾ Including in "Other income" in statements of income

⁽²⁾ Including in "Operating expenses" in statements of income

19.3 Outstanding balances

As at 30 September 2023 and 31 December 2022, the Company had the outstanding balances with its related parties as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and separate financial statements	
	30 September 2023	31 December 2022
Associate		
Other receivables ⁽¹⁾	-	6
Amounts due from reinsurers ⁽²⁾	115	-
Deferred commissions expenses	24	25
Amounts due to reinsurers ⁽⁴⁾	-	3
Loss reserves ⁽³⁾	12	-
Related parties		
Amounts due from reinsurers ⁽²⁾	114,198	7,277
Amounts deposited on reinsurance ⁽²⁾	31,815	62,054
Deferred commissions expenses	103,254	80,712
Loss reserves ⁽³⁾	14,145	2,939
Amounts due to reinsurers ⁽⁴⁾	60,700	204,891
Other payables ⁽⁵⁾	-	180

⁽¹⁾ Included in "Other assets" in statements of financial position

⁽²⁾ Included in "Reinsurance receivables" in statements of financial position

⁽³⁾ Included in "Insurance contract liabilities" in statements of financial position

⁽⁴⁾ Included in "Due to reinsurers" in statements of financial position

⁽⁵⁾ Included in "Other liabilities" in statements of financial position

19.4 Directors' and key management's remuneration

During the three-month and nine-month periods ended 30 September 2023 and 2022, the Company had salaries, bonuses, meeting allowances and post-employment benefits of its directors and key management personnel recognised as expenses, are as follows:

(Unit: Thousand 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	
	2023	2022	2023	2022
Short-term benefits	10,299	10,649	29,004	36,683
Post employment benefits	725	705	1,767	1,525
Total	11,024	11,354	30,771	38,208

20. Assets subject to restrictions

As at 30 September 2023 and 31 December 2022, the Company had the following assets placed and reserved with the Registrar of the Office of Insurance Commission in accordance with the Life Insurance Act.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and separate financial statements			
	30 September 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
Assets placed				
Government bonds	21.0	22.4	21.0	23.0
Assets reserved as insurance reserves				
Government and state enterprise bonds	280.0	276.9	285.0	287.9
Private enterprise debt securities	44.0	44.0	44.0	44.6

21. Commitments

21.1 Capital commitments

As at 30 September 2023 and 31 December 2022, the Company had capital commitments in relation to installation of computer software amounting to Baht 8.8 million and Baht 8.6 million, respectively.

21.2 Service commitments

As at 30 September 2023 and 31 December 2022, the Company had outstanding service commitments and future minimum service fees amounting to Baht 18.7 million and 22.3 million, respectively.

22. Financial Instrument

22.1 Fair value of financial instrument

Since most of the Company's financial instruments, which consist of cash and cash equivalents, deposits at financial institutions, accrued investment income, and other assets are classified as short-term and/or carry interest rates that are close to market rates, their fair values are therefore estimated to approximate their carrying values as presented in statements of financial position, except for those held-to-maturity investments measured at amortised cost whose fair value was different from their carrying values and they were compared as follows.

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and separate financial statements			
	30 September 2023	31 December 2022	
	Carrying value	Fair value	Carrying value
Investments/debt securities measured at amortised cost			
Government and state enterprise securities	716,723	709,846	818,311
Private enterprise debt securities	702,458	689,772	507,924
Deposits at financial institutions with a maturity period of longer than 3 months			
	-	-	49,934
Total	1,419,181	1,399,618	1,376,169
			1,377,274

22.2 Fair value hierarchy

As of 30 September 2023 and 31 December 2022, the Company had the following financial assets that were measured at fair value, using different levels of inputs as follows:

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and separate financial statements					
30 September 2023					
Carrying value	Fair value				Total
	Level 1	Level 2	Level 3		
Financial assets measured at fair value					
Debt financial assets	68,033	-	68,033	-	68,033
Equity financial assets	573,213	571,480	-	1,733	573,213
(Unit: Thousand Baht)					
Financial statements in which the equity method is applied and Separate financial statements					
31 December 2022					
Carrying value	Fair value				Total
	Level 1	Level 2	Level 3		
Financial assets measured at fair value					
Available-for-sale investments measured at fair value through other comprehensive income	824,865	562,727	259,015	3,123	824,865

During the periods, the Company did not change the valuation technique and assumptions used in the valuation of financial assets, and there were no transfers within the fair value hierarchy.

23. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 6 November 2023.