

The Navakij Insurance Public Company Limited  
Review report and interim financial information  
For the three-month and six-month periods ended  
30 June 2022

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

To the Shareholders of The Navakij Insurance Public Company Limited

I have reviewed the accompanying statements of financial position, in which the equity method is applied, of The Navakij Insurance Public Company Limited as at 30 June 2022, the related statements of income and comprehensive income, in which the equity method is applied, for the three-month and six-month periods then ended, the related statements of changes in equity and cash flows, in which the equity method is applied, for the six-month period then ended, as well as the condensed notes to the interim financial statements. I have also reviewed the separate financial information of The Navakij Insurance Public Company Limited for the same periods (collectively "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.

Narissara Chaisuwan  
Certified Public Accountant (Thailand) No. 4812

EY Office Limited  
Bangkok: 9 August 2022

**The Navakij Insurance Public Company Limited**

**Statements of financial position**

**As at 30 June 2022**

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		30 June	31 December	30 June	31 December
		2022	2021	2022	2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
Cash and cash equivalents	3	405,153,835	301,851,326	405,153,835	301,851,326
Premium receivables	4	494,668,761	511,712,858	494,668,761	511,712,858
Accrued investment income		7,068,576	7,716,990	7,068,576	7,716,990
Reinsurance assets	5	556,846,526	722,571,121	556,846,526	722,571,121
Reinsurance receivables	6	428,417,041	504,266,249	428,417,041	504,266,249
Investment assets					
Investments in securities	7.1	3,293,170,238	3,406,995,306	3,293,170,238	3,406,995,306
Loans and interest receivables		489,438	386,007	489,438	386,007
Investments in associates	8.1	22,746,551	23,869,382	33,337,976	33,337,976
Property, building and equipment		199,854,197	204,852,781	199,854,197	204,852,781
Right-of-use assets		33,198,606	38,484,111	33,198,606	38,484,111
Intangible assets		16,721,155	18,665,853	16,721,155	18,665,853
Deferred tax assets	9.1	233,682,705	215,646,375	231,564,420	202,707,738
Other assets					
Claims receivable from litigants	10	100,170,356	102,169,497	100,170,356	102,169,497
Deposits on rice field insurance scheme		48,017,123	103,104,181	48,017,123	103,104,181
Others		107,035,840	116,618,748	107,035,840	116,618,748
<b>Total assets</b>		<b>5,947,240,948</b>	<b>6,278,910,785</b>	<b>5,955,714,088</b>	<b>6,275,440,742</b>

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

**The Navakij Insurance Public Company Limited**  
**Statements of financial position (continued)**  
**As at 30 June 2022**

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		30 June	31 December	30 June	31 December
		2022	2021	2022	2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	11	2,805,165,000	2,838,286,174	2,805,165,000	2,838,286,174
Due to reinsurers	12	655,530,563	839,315,814	655,530,563	839,315,814
Income tax payable		13,516,842	7,479,782	13,516,842	7,479,782
Lease liabilities		38,970,018	41,597,346	38,970,018	41,597,346
Employee benefit obligations		72,832,208	67,415,580	72,832,208	67,415,580
Other liabilities					
Fee and commission payables		98,655,481	94,734,854	98,655,481	94,734,854
Accrued expenses		70,093,296	84,587,930	70,093,296	84,587,930
Others		59,774,200	57,208,475	59,774,200	57,208,475
<b>Total liabilities</b>		<b>3,814,537,608</b>	<b>4,030,625,955</b>	<b>3,814,537,608</b>	<b>4,030,625,955</b>
<b>Equity</b>					
Share capital	13				
Registered, Issued and paid up					
36,000,000 ordinary shares of Baht 10 each					
(31 December 2021: 35,000,000 ordinary shares					
of Baht 10 each)		360,000,000	350,000,000	360,000,000	350,000,000
Share premium		647,285,572	647,275,073	647,285,572	647,275,073
Retained earnings					
Appropriated					
Statutory reserve		35,000,000	35,000,000	35,000,000	35,000,000
General reserve		20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated		1,027,047,833	1,112,150,293	978,540,398	1,056,303,731
Other components of equity		43,369,935	83,859,464	100,350,510	136,235,983
<b>Total equity</b>		<b>2,132,703,340</b>	<b>2,248,284,830</b>	<b>2,141,176,480</b>	<b>2,244,814,787</b>
<b>Total liabilities and equity</b>		<b>5,947,240,948</b>	<b>6,278,910,785</b>	<b>5,955,714,088</b>	<b>6,275,440,742</b>
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The accompanying notes are an integral part of the financial statements.

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Directors  
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(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited****Statements of income****For the three-month period ended 30 June 2022**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2022	2021	2022	2021
<b>Income</b>					
Gross premium written		883,208,083	821,864,999	883,208,083	821,864,999
Less: Premiums ceded to reinsurers		(168,793,862)	(150,356,931)	(168,793,862)	(150,356,931)
Net premium written		714,414,221	671,508,068	714,414,221	671,508,068
Less: Unearned premium reserves increase					
from prior period		(81,857,718)	(59,613,092)	(81,857,718)	(59,613,092)
Net earned premium		632,556,503	611,894,976	632,556,503	611,894,976
Fee and commission income		49,465,312	43,975,471	49,465,312	43,975,471
Investments income		37,290,145	45,040,258	37,290,145	45,040,258
Profit on investments		1,646,929	2,600,935	1,646,929	2,600,935
Fair value loss		(15,680,770)	(24,816,834)	(15,680,770)	(24,816,834)
Share of profit (loss) from investments in associate	8.2	4,448,652	(869,177)	-	-
Other income		317,582	1,441,103	317,582	1,441,103
<b>Total income</b>		<b>710,044,353</b>	<b>679,266,732</b>	<b>705,595,701</b>	<b>680,135,909</b>
<b>Expenses</b>					
Gross claim and loss adjustment expenses		504,165,287	379,524,529	504,165,287	379,524,529
Less: Claim recovery from reinsurers		(93,519,384)	(30,301,425)	(93,519,384)	(30,301,425)
Commission and brokerage expenses		148,650,419	141,384,199	148,650,419	141,384,199
Other underwriting expenses		65,846,777	52,836,355	65,846,777	52,836,355
Operating expenses		82,159,288	86,992,126	82,159,288	86,992,126
Financial costs		497,382	586,145	497,382	586,145
Expected credit loss (reversal)		5,964,321	(2,352,451)	5,964,321	(2,352,451)
<b>Total expenses</b>		<b>713,764,090</b>	<b>628,669,478</b>	<b>713,764,090</b>	<b>628,669,478</b>
<b>Profit (loss) before income tax expenses</b>		<b>(3,719,737)</b>	<b>50,597,254</b>	<b>(8,168,389)</b>	<b>51,466,431</b>
Income tax revenue (expense)	9.2	(341,008)	(8,934,026)	548,721	(9,107,862)
<b>Profit (loss) for the period</b>		<b>(4,060,745)</b>	<b>41,663,228</b>	<b>(7,619,668)</b>	<b>42,358,569</b>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share	15	(0.11)	1.16	(0.21)	1.18

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited**  
**Statements of comprehensive income**  
**For the three-month period ended 30 June 2022**

(Unit: Baht)

	Note	Financial statements		Separate financial statements	
		in which the equity method is applied			
		2022	2021	2022	2021
<b>Profit (loss) for the period</b>		<u>(4,060,745)</u>	<u>41,663,228</u>	<u>(7,619,668)</u>	<u>42,358,569</u>
<b>Other comprehensive income</b>					
Other comprehensive income to be reclassified to profit and loss in subsequent periods					
Exchange differences on translation of financial statements in foreign currency (loss)	8.2	(4,593,999)	245,533	-	-
Gain (loss) on changes in value of available-for-sale investments which are measured at fair value through other comprehensive income		(56,230,059)	60,439,489	(56,230,059)	60,439,489
Income tax effect		<u>12,164,811</u>	<u>(12,137,005)</u>	<u>11,246,012</u>	<u>(12,087,898)</u>
Other comprehensive income to be reclassified to profit and loss in subsequent periods - net of tax		<u>(48,659,247)</u>	<u>48,548,017</u>	<u>(44,984,047)</u>	<u>48,351,591</u>
<b>Total comprehensive income (loss) for the period</b>		<u><u>(52,719,992)</u></u>	<u><u>90,211,245</u></u>	<u><u>(52,603,715)</u></u>	<u><u>90,710,160</u></u>

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited****Statements of income****For the six-month period ended 30 June 2022**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2022	2021	2022	2021
<b>Income</b>					
Gross premium written		1,670,449,964	1,550,322,209	1,670,449,964	1,550,322,209
Less: Premiums ceded to reinsurers		(342,209,944)	(308,508,983)	(342,209,944)	(308,508,983)
Net premium written		1,328,240,020	1,241,813,226	1,328,240,020	1,241,813,226
Less: Unearned premium reserves increase					
from prior period		(62,691,024)	(3,204,438)	(62,691,024)	(3,204,438)
Net earned premium		1,265,548,996	1,238,608,788	1,265,548,996	1,238,608,788
Fee and commission income		87,126,737	79,847,597	87,126,737	79,847,597
Investments income		46,801,729	56,810,278	46,801,729	56,810,278
Profit on investments		8,322,876	3,573,860	8,322,876	3,573,860
Fair value loss		(17,012,549)	(991,205)	(17,012,549)	(991,205)
Share of profit (loss) from investments in associate	8.2	4,632,238	(1,222,537)	-	-
Other income		2,969,911	1,589,232	2,969,911	1,589,232
<b>Total income</b>		<b>1,398,389,938</b>	<b>1,378,216,013</b>	<b>1,393,757,700</b>	<b>1,379,438,550</b>
<b>Expenses</b>					
Gross claim and loss adjustment expenses		893,067,080	795,159,560	893,067,080	795,159,560
Less: Claim recovery from reinsurers		(70,442,381)	(76,986,990)	(70,442,381)	(76,986,990)
Commission and brokerage expenses		278,124,475	262,514,805	278,124,475	262,514,805
Other underwriting expenses		124,615,126	104,406,184	124,615,126	104,406,184
Operating expenses		167,582,642	171,666,920	167,582,642	171,666,920
Financial costs		985,259	1,237,918	985,259	1,237,918
Expected credit losses		13,391,440	4,741,776	13,391,440	4,741,776
<b>Total expenses</b>		<b>1,407,323,641</b>	<b>1,262,740,173</b>	<b>1,407,323,641</b>	<b>1,262,740,173</b>
<b>Profit (loss) before income tax expenses</b>		<b>(8,933,703)</b>	<b>115,475,840</b>	<b>(13,565,941)</b>	<b>116,698,377</b>
Income tax expenses	9.2	(13,669,257)	(23,130,095)	(1,697,892)	(23,374,603)
<b>Profit (loss) for the period</b>		<b>(22,602,960)</b>	<b>92,345,745</b>	<b>(15,263,833)</b>	<b>93,323,774</b>
<b>Earnings (loss) per share</b>	15				
Basic earnings (loss) per share		(0.63)	2.57	(0.42)	2.59

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

(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited**  
**Statements of comprehensive income**  
**For the six-month period ended 30 June 2022**

(Unit: Baht)

	Note	Financial statements		Separate financial statements	
		in which the equity method is applied			
		2022	2021	2022	2021
<b>Profit (loss) for the period</b>		<u>(22,602,960)</u>	<u>92,345,745</u>	<u>(15,263,833)</u>	<u>93,323,774</u>
<b>Other comprehensive income</b>					
Other comprehensive income to be reclassified to profit and loss in subsequent periods					
Exchange differences on translation of financial statements in foreign currency (loss)	8.2	(5,755,069)	730,940	-	-
Gain (loss) on changes in value of available-for-sale investments which are measured at fair value through other comprehensive income		(44,856,842)	86,866,112	(44,856,842)	86,866,112
Income tax effect		<u>10,122,382</u>	<u>(17,519,411)</u>	<u>8,971,369</u>	<u>(17,373,223)</u>
Other comprehensive income to be reclassified to profit and loss in subsequent periods - net of tax		<u>(40,489,529)</u>	<u>70,077,641</u>	<u>(35,885,473)</u>	<u>69,492,889</u>
<b>Total comprehensive income (loss) for the period</b>		<u><u>(63,092,489)</u></u>	<u><u>162,423,386</u></u>	<u><u>(51,149,306)</u></u>	<u><u>162,816,663</u></u>

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



(Unaudited but reviewed)

**The Navakij Insurance Public Company Limited****Statements of cash flows****For the six-month period ended 30 June 2022**

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from (used in) operating activities</b>				
Direct premium written	1,667,767,735	1,522,379,617	1,667,767,735	1,522,379,617
Cash paid for reinsurance	(152,793,216)	(213,278,278)	(152,793,216)	(213,278,278)
Interest income	13,761,278	7,071,600	13,761,278	7,071,600
Dividend income	37,720,444	42,792,101	37,720,444	42,792,101
Other income	3,856,922	4,470,329	3,856,922	4,470,329
Loss incurred and loss adjustment expenses on direct insurance	(910,165,865)	(760,785,434)	(910,165,865)	(760,785,434)
Commission and brokerage on direct insurance	(267,778,858)	(249,511,757)	(267,778,858)	(249,511,757)
Other underwriting expenses	(108,233,019)	(105,230,537)	(108,233,019)	(105,230,537)
Operating expenses	(168,857,983)	(145,492,710)	(168,857,983)	(145,492,710)
Income tax expenses	(5,724,185)	(30,069,750)	(5,724,185)	(30,069,750)
Cash received - financial assets	1,523,910,766	1,225,243,080	1,523,910,766	1,225,243,080
Cash paid - financial assets	(1,467,838,487)	(1,330,058,692)	(1,467,838,487)	(1,330,058,692)
<b>Net cash from (used in) operating activities</b>	<b>165,625,532</b>	<b>(32,470,431)</b>	<b>165,625,532</b>	<b>(32,470,431)</b>
<b>Cash flows from (used in) investing activities</b>				
Purchases of property, building and equipment	(2,317,527)	(5,159,737)	(2,317,527)	(5,159,737)
Purchases of intangible assets	(176,498)	(3,290,822)	(176,498)	(3,290,822)
Disposals of property, building and equipment	21,589	299,147	21,589	299,147
<b>Net cash used in investing activities</b>	<b>(2,472,436)</b>	<b>(8,151,412)</b>	<b>(2,472,436)</b>	<b>(8,151,412)</b>
<b>Cash flows from (used in) financing activities</b>				
Cash received from share capital issuance	10,499	-	10,499	-
Repayment of lease liabilities	(7,442,945)	(7,631,901)	(7,442,945)	(7,631,901)
Dividend paid	(52,499,500)	(52,500,000)	(52,499,500)	(52,500,000)
<b>Net cash used in financing activities</b>	<b>(59,931,946)</b>	<b>(60,131,901)</b>	<b>(59,931,946)</b>	<b>(60,131,901)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>103,221,150</b>	<b>(100,753,744)</b>	<b>103,221,150</b>	<b>(100,753,744)</b>
Cash and cash equivalents at beginning of period	301,851,326	263,536,309	301,851,326	263,536,309
Add: Decrease in allowance for expected credit loss	81,359	9,128	81,359	9,128
<b>Cash and cash equivalents at end of period</b>	<b>405,153,835</b>	<b>162,791,693</b>	<b>405,153,835</b>	<b>162,791,693</b>

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

(Unaudited but reviewed)

## The Navakij Insurance Public Company Limited

## Statements of changes in equity

For the six-month period ended 30 June 2022

(Unit: Baht)

Financial statements in which the equity method is applied										
	Note	Issued and paid-up share capital	Share premium	Retained earnings			Other components of equity			Total
				Statutory reserve	General reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on changes in value of investments in securities	Total other components of equity	
<b>Balance as at 1 January 2021</b>		350,000,000	647,275,073	35,000,000	20,000,000	1,053,031,005	(6,336,078)	(4,413,483)	(10,749,561)	2,094,556,517
Dividend paid	16	-	-	-	-	(52,500,000)	-	-	-	(52,500,000)
Profit for the period		-	-	-	-	92,345,745	-	-	-	92,345,745
Other comprehensive income for the period		-	-	-	-	-	584,752	69,492,889	70,077,641	70,077,641
<b>Balance as at 30 June 2021</b>		<u>350,000,000</u>	<u>647,275,073</u>	<u>35,000,000</u>	<u>20,000,000</u>	<u>1,092,876,750</u>	<u>(5,751,326)</u>	<u>65,079,406</u>	<u>59,328,080</u>	<u>2,204,479,903</u>
<b>Balance as at 1 January 2022</b>		350,000,000	647,275,073	35,000,000	20,000,000	1,112,150,293	(8,196,843)	92,056,307	83,859,464	2,248,284,830
Increase in share capital	13	10,000,000	10,499	-	-	-	-	-	-	10,010,499
Dividend paid	13, 16	-	-	-	-	(62,499,500)	-	-	-	(62,499,500)
Loss for the period		-	-	-	-	(22,602,960)	-	-	-	(22,602,960)
Other comprehensive loss for the period		-	-	-	-	-	(4,604,056)	(35,885,473)	(40,489,529)	(40,489,529)
<b>Balance as at 30 June 2022</b>		<u>360,000,000</u>	<u>647,285,572</u>	<u>35,000,000</u>	<u>20,000,000</u>	<u>1,027,047,833</u>	<u>(12,800,899)</u>	<u>56,170,834</u>	<u>43,369,935</u>	<u>2,132,703,340</u>
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The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## The Navakij Insurance Public Company Limited

## Statements of changes in equity (Continued)

For the six-month period ended 30 June 2022

(Unit: Baht)

	Separate financial statements							
	Note	Issued and paid-up share capital	Share premium	Retained earnings			Other components of equity - surplus (deficit) on changes in value of investments in securities	Total
				Appropriated		Unappropriated		
				Statutory reserve	General reserve			
<b>Balance as at 1 January 2021</b>		350,000,000	647,275,073	35,000,000	20,000,000	998,292,067	39,766,193	2,090,333,333
Dividend paid	16	-	-	-	-	(52,500,000)	-	(52,500,000)
Profit for the period		-	-	-	-	93,323,774	-	93,323,774
Other comprehensive income for the period		-	-	-	-	-	69,492,889	69,492,889
<b>Balance as at 30 June 2021</b>		<u>350,000,000</u>	<u>647,275,073</u>	<u>35,000,000</u>	<u>20,000,000</u>	<u>1,039,115,841</u>	<u>109,259,082</u>	<u>2,200,649,996</u>
<b>Balance as at 1 January 2022</b>		350,000,000	647,275,073	35,000,000	20,000,000	1,056,303,731	136,235,983	2,244,814,787
Increase in share capital	13	10,000,000	10,499	-	-	-	-	10,010,499
Dividend paid	13, 16	-	-	-	-	(62,499,500)	-	(62,499,500)
Loss for the period		-	-	-	-	(15,263,833)	-	(15,263,833)
Other comprehensive loss for the period		-	-	-	-	-	(35,885,473)	(35,885,473)
<b>Balance as at 30 June 2022</b>		<u>360,000,000</u>	<u>647,285,572</u>	<u>35,000,000</u>	<u>20,000,000</u>	<u>978,540,398</u>	<u>100,350,510</u>	<u>2,141,176,480</u>
		-	-	-	-	-	-	-

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

**The Navakij Insurance Public Company Limited**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2022**

**1. General information**

**1.1 Corporate information**

The Navakij Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the non-life insurance and has 24 branches located in provinces. The registered office of the Company, which is the head office, is at 100/47-55, and 90/3-6, North Sathorn Road, Silom, Bangrak, Bangkok.

**1.2 The COVID-19 pandemic**

The COVID-19 pandemic is continuing to evolve, and is directly and indirectly affecting businesses in many sectors, resulting in an economic slowdown and instability in money markets and capital markets. This situation may bring uncertainties and may have an impact on the environment in which the Company operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

**2. Basis for preparation of the financial statements**

**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 statements. However, the Company has presented line items in the statements of financial position, income, comprehensive income, changes in equity and cash flows in the same format as that used for 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.

This 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. This 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 information of the Company. The interim financial information in English language has been translated from the Thai language financial information.

## 2.2 Financial information in which the equity method is applied

The Company prepares the financial information, in which equity method is applied, by presented investment in associates under the equity method.

## 2.3 Separate financial information

The separate financial information has been prepared, which presented investments in associates under the cost method.

## 2.4 New financial reporting standards

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Company's financial statements.

However, the Company applied the temporary exemption for the adoption of Thai Financial Reporting Standard 9 (TFRS 9): Financial Instruments and Thai Financial Reporting Standard 7 (TFRS 7): Disclosure of Information relating to Financial Instruments, which were revised in Thai Financial Reporting Standard 4: Insurance Contracts allowing the extension of the exemption period for the adoption of such TFRS 9 and TFRS 7 whereby the exemption period will end for the financial statements having the fiscal period starts on or after 1 January 2024 or when Thai Financial Reporting Standard 17: Insurances Contracts becomes effective.

## 2.5 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 2021.

## 3. Cash and cash equivalents

	(Unit: Baht)	
	30 June 2022	31 December 2021
Cash on hand	257,000	257,000
Deposits at banks with no fixed maturity date	359,963,596	301,742,446
Deposits at banks and certificate of deposit with fixed maturity date	45,000,000	-
Total cash and cash equivalents	405,220,596	301,999,446
Less: Allowance for expected credit loss	(66,761)	(148,120)
Total cash and cash equivalents, net	<u>405,153,835</u>	<u>301,851,326</u>

**4. Premium receivables**

As at 30 June 2022 and 31 December 2021, the balances 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)	
	30 June 2022	31 December 2021
Not yet due	268,530,696	434,957,500
Not over 30 days	187,637,236	48,500,570
Over 31 days to 60 days	16,140,825	14,645,048
Over 61 days to 90 days	7,759,329	6,453,625
Over 91 days to 1 year	14,476,569	9,044,433
Over 1 year	929,561	82,189
Total premium receivables	495,474,216	513,683,365
Less: Allowance for doubtful accounts	(805,455)	(1,970,507)
Total premium receivables, net	494,668,761	511,712,858

**5. Reinsurance assets**

	(Unit: Baht)	
	30 June 2022	31 December 2021
Insurance reserve refundable from reinsurers		
Claims reserve	201,988,791	335,932,257
Unearned premium reserve	354,857,735	386,638,864
Reinsurance assets	556,846,526	722,571,121

**6. Reinsurance receivables**

	(Unit: Baht)	
	30 June 2022	31 December 2021
Amounts deposit on reinsurance	174,758	171,999
Amounts due from reinsurers	428,242,283	504,094,250
Total	428,417,041	504,266,249

## 7. Investments in securities

### 7.1 Classified by type of investments

(Unit: Baht)

	Financial statements in which the equity method is applied			
	30 June 2022		31 December 2021	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments which measured at FVPL</b>				
Equity instruments	436,997,808	439,061,818	441,235,308	456,546,387
Unit trusts	156,267,420	87,233,620	156,267,420	90,999,100
Total	593,265,228	526,295,438	597,502,728	547,545,487
Less: Unrealised loss	(66,969,790)		(49,957,241)	
<b>Total trading investments</b>	<b>526,295,438</b>		<b>547,545,487</b>	
<b>Available-for-sale investments which measured at FVOCI</b>				
Government and state enterprise securities	827,202,338	826,365,598	735,110,189	735,237,025
Private debt securities	668,817,714	659,267,749	681,307,532	680,378,435
Equity instruments	318,664,906	272,421,259	278,078,313	246,060,084
Non-listed equity instruments	104,905,795	277,731,271	104,905,795	285,928,438
Foreign equity instruments	37,200,000	46,768,282	37,200,000	41,721,824
Unit trusts	265,754,278	194,360,681	263,390,308	209,586,282
Total	2,222,545,031	2,276,914,840	2,099,992,137	2,198,912,088
Add: Unrealised gain	70,213,541		115,070,383	
Less: Allowance for expected credit loss	(490,509)		(797,209)	
Less: Allowance for impairment	(15,353,223)		(15,353,223)	
<b>Total available-for-sale investments</b>	<b>2,276,914,840</b>		<b>2,198,912,088</b>	
<b>Held-to-maturity investments which measured at amortised cost</b>				
Government and state enterprise securities	30,000,000		30,000,000	
Deposits and certificate of deposits at financial institutions which matured over 3 months	460,001,000		630,696,993	
Total	490,001,000		660,696,993	
Less: Allowance for expected credit loss	(41,040)		(159,262)	
<b>Total held-to-maturity investments</b>	<b>489,959,960</b>		<b>660,537,731</b>	
<b>Total investments in securities</b>	<b>3,293,170,238</b>		<b>3,406,995,306</b>	

(Unaudited but reviewed)

(Unit: Baht)

	Separate financial statements			
	30 June 2022		31 December 2021	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Trading investments which measured at FVPL</b>				
Equity instruments	436,997,808	439,061,818	441,235,308	456,546,387
Unit trusts	156,267,420	87,233,620	156,267,420	90,999,100
<b>Total</b>	<b>593,265,228</b>	<b>526,295,438</b>	<b>597,502,728</b>	<b>547,545,487</b>
Less: Unrealised loss	(66,969,790)		(49,957,241)	
<b>Total trading investments</b>	<b>526,295,438</b>		<b>547,545,487</b>	
<b>Available-for-sale investments measured at FVOCI</b>				
Government and state enterprise securities	827,202,338	826,365,598	735,110,189	735,237,025
Private debt securities	668,817,714	659,267,749	681,307,532	680,378,435
Equity instruments	318,664,906	272,421,259	278,078,313	246,060,084
Non-listed equity instruments	49,681,200	277,731,271	49,681,200	285,928,438
Foreign equity instruments	37,200,000	46,768,282	37,200,000	41,721,824
Unit trusts	265,754,278	194,360,681	263,390,308	209,586,282
<b>Total</b>	<b>2,167,320,436</b>	<b>2,276,914,840</b>	<b>2,044,767,542</b>	<b>2,198,912,088</b>
Add: Unrealised gain	125,438,136		170,294,978	
Less: Allowance for expected credit loss	(490,509)		(797,209)	
Less: Allowance for impairment	(15,353,223)		(15,353,223)	
<b>Total available-for-sale investments</b>	<b>2,276,914,840</b>		<b>2,198,912,088</b>	
<b>Held-to-maturity investments measured at amortised cost</b>				
Government and state enterprise securities	30,000,000		30,000,000	
Deposits and certificate of deposits at financial institutions which matured over 3 months	460,001,000		630,696,993	
<b>Total</b>	<b>490,001,000</b>		<b>660,696,993</b>	
Less: Allowance for expected credit loss	(41,040)		(159,262)	
<b>Total held-to-maturity investments</b>	<b>489,959,960</b>		<b>660,537,731</b>	
<b>Total investments in securities</b>	<b>3,293,170,238</b>		<b>3,406,995,306</b>	



## 7.2 Classified by stage of credit risk

(Unit: Baht)

	30 June 2022		31 December 2021	
	Fair value	Allowance for expected credit losses	Fair value	Allowance for expected credit losses
<b>Available-for-sale investments measured at FVOCI</b>				
Stage 1 - Debt instruments without a significant increase in credit risk				
Government and state enterprise securities	826,365,598	-	735,237,025	-
Private debt securities	659,267,749	(490,509)	680,378,435	(797,209)
	<u>1,485,633,347</u>	<u>(490,509)</u>	<u>1,415,615,460</u>	<u>(797,209)</u>

(Unit: Baht)

	30 June 2022			31 December 2021		
	Gross carrying value	Allowance for expected credit losses	Net carrying value	Gross carrying value	Allowance for expected credit losses	Net carrying value
<b>Held-to-maturity investments measured at amortised cost</b>						
Stage 1 - Debt instruments without a significant increase of credit risk						
Government and state enterprise securities	30,000,000	(2,300)	29,997,700	30,000,000	(7,047)	29,992,953
Deposits and certificate of deposits at financial institutions which matured over 3 months	460,001,000	(38,740)	459,962,260	630,696,993	(152,215)	630,544,778
	<u>490,001,000</u>	<u>(41,040)</u>	<u>489,959,960</u>	<u>660,696,993</u>	<u>(159,262)</u>	<u>660,537,731</u>

### 7.3 Investments subject to restriction

As at 30 June 2022 and 31 December 2021, the Company had pledged certain assets as securities and insurance reserves with the Registrar of the Office of Insurance Commission in accordance with the Non-life Insurance Act and pledged for non-life insurance project as required in the normal course of business of the Company as described below.

(Unit: Baht)

	30 June 2022		31 December 2021	
	Cost	Fair value	Cost	Fair value
<b>Assets pledged</b>				
Government bonds	15,000,000	15,352,729	15,000,000	15,665,911
<b>Assets reserve as non-life insurance reserve</b>				
Government and state enterprise securities	305,000,000	304,238,631	300,000,000	299,849,719
<b>Non-life insurance project</b>				
Government and state enterprise securities	10,000,000	10,000,000	10,000,000	10,000,000

## 8. Investments in associates

### 8.1 Details of associates

(Unit: Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Financial statements in which the				
					equity method is applied		Separate financial statements		
					Book value		Cost/Book value		
					30 June 2022	31 December 2021	30 June 2022	31 December 2021	30 June 2022
			(%)	(%)					
TKI General Insurance Company Limited	Non-life insurance	Laos	32.50	32.50	11,935,530	11,978,789	21,628,040	21,628,040	
TKI Life Insurance Company Limited	Life insurance	Laos	32.50	32.50	10,811,021	11,890,593	21,628,039	21,628,039	
Total					22,746,551	23,869,382	43,256,079	43,256,079	
Less: Allowance for impairment					-	-	(9,918,103)	(9,918,103)	
Investments in associates - net					22,746,551	23,869,382	33,337,976	33,337,976	

**8.2 Shares of gain (loss), other comprehensive income and dividend received**

(Unit: Baht)

Associates	Financial statements in which the equity method is applied				Separate financial statements	
	Share of gain (loss) from statement of income		Exchange differences on translation from statement of other comprehensive income		Dividend received	
	For the three-month periods ended 30 June				For the three-month periods ended 30 June	
	2022	2021	2022	2021	2022	2021
TKI General Insurance Company Limited	2,856,779	(467,841)	(2,390,588)	78,127	-	-
TKI Life Insurance Company Limited	1,591,873	(401,336)	(2,203,411)	167,406	-	-
	<u>4,448,652</u>	<u>(869,177)</u>	<u>(4,593,999)</u>	<u>245,533</u>	<u>-</u>	<u>-</u>

(Unit: Baht)

Associates	Financial statements in which the equity method is applied				Separate financial statements	
	Share of gain (loss) from statement of income		Exchange differences on translation from statement of comprehensive income		Dividend received	
	For the six-month periods ended 30 June				For the six-month periods ended 30 June	
	2022	2021	2022	2021	2022	2021
TKI General Insurance Company Limited	3,074,109	(430,292)	(3,117,368)	236,933	-	-
TKI Life Insurance Company Limited	1,558,129	(792,245)	(2,637,701)	494,007	-	-
	<u>4,632,238</u>	<u>(1,222,537)</u>	<u>(5,755,069)</u>	<u>730,940</u>	<u>-</u>	<u>-</u>

**8.3 Summarised financial information of associates**

(Unit: Baht)

Company's name	Total assets as at		Total liabilities as at		Total revenues		Profit (loss)		Other comprehensive income	
	30 June	31 December	30 June	31 December	for the six-month periods ended 30 June		for the six-month periods ended 30 June		for the six-month periods ended 30 June	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
TKI General Insurance Company Limited	54,931,789	55,072,367	(18,207,082)	(18,214,556)	16,133,003	5,015,359	9,458,797	(1,323,974)	(9,591,901)	729,025
TKI Life Insurance Company Limited	40,051,527	42,066,727	(6,786,847)	(5,480,286)	9,783,219	3,074,112	4,794,242	(2,437,678)	(8,116,003)	1,520,020

The financial information of associated companies as the above tables were determined from financial statements which prepared by the management of such company.

## 9. Deferred tax assets and income tax expenses

### 9.1 Deferred tax assets

The components of deferred tax assets and liabilities as at 30 June 2022 and 31 December 2021 are as follows:

	(Unit: Baht)			
	Financial statements in which the equity method is applied			
	Balance as at		Changes in deferred tax assets and liabilities for the six-month periods ended	
	30 June	31 December	30 June	
	2022	2021	2022	2021
<b>Deferred tax assets</b>				
Unearned premium reserve	87,757,233	82,133,171	5,624,062	2,003,487
Allowance for loss on impairment of investments				
in securities	3,070,645	3,070,645	-	-
Allowance for expected credit loss	43,352,951	40,674,663	2,678,288	948,355
Allowance for doubtful accounts	-	117,270	(117,270)	(99,458)
Loss reserves	73,574,330	57,557,629	16,016,701	(2,702,288)
Provision for loss incurred but not reported	8,080,986	14,665,386	(6,584,400)	(772,876)
Employee benefit obligations	18,795,001	22,684,966	(3,889,965)	(247,570)
Share of loss from investments in associates	4,101,906	3,877,339	224,567	98,321
Unrealised loss on changes in value of				
available-for-sale investments	-	-	-	(1,103,373)
Fair value loss of trading investments	13,393,958	9,991,448	3,402,510	198,241
Others	15,446,156	12,071,179	3,374,977	1,159,061
<b>Total</b>	<b>267,573,166</b>	<b>246,843,696</b>		
<b>Deferred tax liabilities</b>				
Unrealised gain on changes in value of				
available-for-sale investments	14,042,708	23,014,077	8,971,369	(16,269,852)
Difference of investment cost arising from				
reclassification	8,802,834	7,444,130	(1,358,704)	(621,637)
Others	11,044,919	739,114	(10,305,805)	425,767
<b>Total</b>	<b>33,890,461</b>	<b>31,197,321</b>		
Deferred tax assets - net	<b>233,682,705</b>	<b>215,646,375</b>		
Total changes			<b>18,036,330</b>	<b>(16,983,822)</b>
Changes were recognised in:				
- Statements of income			7,913,948	535,589
- Statements of comprehensive income			10,122,382	(17,519,411)
			<b>18,036,330</b>	<b>(16,983,822)</b>

(Unaudited but reviewed)

(Unit: Baht)

	Separate financial statements			
	Balance as at		Changes in deferred tax assets and liabilities for the six-month periods ended	
	30 June	31 December	30 June	
	2022	2021	2022	2021
<b>Deferred tax assets</b>				
Unearned premium reserve	87,757,233	82,133,171	5,624,062	2,003,487
Allowance for loss on impairment of investments in securities	3,070,645	3,070,645	-	-
Allowance for loss on impairment of investments in associates	1,983,621	1,983,621	-	-
Allowance for expected credit loss	43,352,951	40,674,663	2,678,288	948,355
Allowance for doubtful accounts	-	117,270	(117,270)	(99,458)
Loss reserves	73,574,330	57,557,629	16,016,701	(2,702,288)
Provision for loss incurred but not reported	8,080,986	14,665,386	(6,584,400)	(772,876)
Employee benefit obligations	18,795,001	22,684,966	(3,889,965)	(247,570)
Fair value loss of trading investments	13,393,958	9,991,448	3,402,510	198,241
Others	15,446,156	12,071,179	3,374,977	1,159,061
Total	<u>265,454,881</u>	<u>244,949,978</u>		
<b>Deferred tax liabilities</b>				
Unrealised gain on changes in value of available-for-sale investments	25,087,627	34,058,996	8,971,369	(17,373,223)
Difference of investment cost arising from reclassification	8,802,834	7,444,130	(1,358,704)	(621,637)
Others	-	739,114	739,114	425,767
Total	<u>33,890,461</u>	<u>42,242,240</u>		
Deferred tax assets - net	<u>231,564,420</u>	<u>202,707,738</u>		
Total changes			<u>28,856,682</u>	<u>(17,082,141)</u>
Changes were recognised in:				
- Statements of income			19,885,313	291,082
- Statements of comprehensive income			8,971,369	(17,373,223)
			<u>28,856,682</u>	<u>(17,082,141)</u>

**9.2 Income tax revenue (expense)**

Income tax revenue (expense) for the three-month and six-month periods ended 30 June 2022 and 2021 are made up as follows:

(Unit: Baht)

	Financial statements in which the		Separate financial statements	
	equity method is applied			
	For the three-month periods ended 30		For the three-month periods ended 30	
	June		June	
	2022	2021	2022	2021
<b>Current income tax:</b>				
Current income tax charge for the period	(15,360,021)	(24,404,804)	(15,360,021)	(24,404,804)
Adjustment in respect of income tax of previous period	(636,949)	739,120	(636,949)	739,120
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	15,655,962	14,731,658	16,545,691	14,557,822
Income tax revenue (expense) reported in statements of income	(341,008)	(8,934,026)	548,721	(9,107,862)

(Unit: Baht)

	Financial statements in which the		Separate financial statements	
	equity method is applied			
	For the six-month periods ended	ended	For the six-month periods	ended
	30 June	30 June	ended 30 June	ended 30 June
	2022	2021	2022	2021
<b>Current income tax:</b>				
Current income tax charge for the period	(18,940,156)	(24,404,804)	(18,940,156)	(24,404,804)
Adjustment in respect of income tax of previous period	(2,643,049)	739,120	(2,643,049)	739,120
<b>Deferred tax:</b>				
Deferred tax adjustments	(11,044,919)	-	-	-
Relating to origination and reversal of temporary differences	18,958,867	535,589	19,885,313	291,081
Income tax expense reported in statements of income	(13,669,257)	(23,130,095)	(1,697,892)	(23,374,603)

(Unaudited but reviewed)

Reconciliation between income tax expense (revenue) and the product of accounting profit (loss) multiplied by the applicable tax rate for the three-month and six-month periods ended 30 June 2022 and 2021 are as follows:

(Unit: Baht)

	Financial statements in which the		Separate financial statements	
	equity method is applied			
	For the three-month periods	ended	For the three-month periods	ended
	30 June		30 June	
	2022	2021	2022	2021
Accounting profit before tax	(3,719,737)	50,597,254	(8,168,389)	51,466,431
Applicable tax rate	20%	20%	20%	20%
Tax expenses at the applicable tax rate	743,947	(10,119,450)	1,633,676	(10,293,286)
Adjustment in respect of income tax of previous period	(636,949)	739,120	(636,949)	739,120
Net tax effect on tax-exempted revenues and non tax-deductible expenses	(448,006)	446,304	(448,006)	446,304
Income tax revenue (expense) reported in statement of income	(341,008)	(8,934,026)	548,721	(9,107,862)

(Unit: Baht)

	Financial statements in which the		Separate financial statements	
	equity method is applied			
	For the six-month periods	ended	For the six-month periods	ended
	30 June		30 June	
	2022	2021	2022	2021
Accounting profit (loss) before tax	(8,933,703)	115,475,840	(13,565,941)	116,698,377
Applicable tax rate	20%	20%	20%	20%
Tax expenses at the applicable tax rate	1,786,740	(23,095,167)	2,713,186	(23,339,675)
Adjustment in respect of income tax of previous period	(2,643,049)	739,120	(2,643,049)	739,120
Deferred tax adjustments	(11,044,919)	-	-	-
Net tax effect on tax-exempted revenues and non tax-deductible expenses	(1,768,029)	(774,048)	(1,768,029)	(774,048)
Income tax expense reported in statements of income	(13,669,257)	(23,130,095)	(1,697,892)	(23,374,603)

**10. Claims receivable from litigants**

Claims receivable from litigants classified by the period of the claims incurred are as follows:

	(Unit: Baht)	
	30 June 2022	31 December 2021
<b>Claim years</b>		
Year 2022	51,631,731	-
Year 2021	60,017,751	80,399,884
Year 2020	49,677,129	57,195,826
Year 2019	31,365,187	32,449,469
Year 2018	28,549,935	29,393,698
Prior to 2017	95,092,476	104,985,068
Total claims receivable from litigants	316,334,209	304,423,945
Less: Allowance for expected credit loss	(216,163,853)	(202,254,448)
Claims receivable from litigants, net	100,170,356	102,169,497

**11. Insurance contract liabilities**

	(Unit: Baht)		
	30 June 2022		
	Insurance contract liabilities	Reinsurance assets	Net
Claim reserves and outstanding claims			
Claim incurred and reported	880,430,430	(166,895,981)	713,534,449
Claim incurred but not reported	75,497,740	(35,092,810)	40,404,930
Premium reserves			
Unearned premium reserves	1,849,236,830	(354,857,735)	1,494,379,095
Total	2,805,165,000	(556,846,526)	2,248,318,474
			(Unit: Baht)
	31 December 2021		
	Insurance contract liabilities	Reinsurance assets	Net
Claim reserves and outstanding claims			
Claim incurred and reported	805,021,846	(194,321,796)	610,700,050
Claim incurred but not reported	214,937,393	(141,610,461)	73,326,932
Premium reserves			
Unearned premium reserves	1,818,326,935	(386,638,864)	1,431,688,071
Total	2,838,286,174	(722,571,121)	2,115,715,053



**11.1 Claim reserves and outstanding claims**

	(Unit: Baht)	
	For the six-month period ended 30 June 2022	For the year ended 31 December 2021
Beginning balance	1,019,959,239	860,718,119
Claim expenses for the periods	1,129,025,791	2,149,880,458
Change in claim reserves and outstanding claims from the prior periods	(45,700,133)	(101,005,141)
Change in assumption for calculating claim reserves	(139,439,653)	116,052,771
Claim paid during the periods	(1,007,917,074)	(2,005,686,968)
Ending balance	<u>955,928,170</u>	<u>1,019,959,239</u>

**11.2 Unearned premium reserves**

	(Unit: Baht)	
	For the six-month period ended 30 June 2022	For the year ended 31 December 2021
Beginning balance	1,818,326,935	1,778,705,006
Premium written for the periods	1,670,449,964	3,372,953,128
Premium earned for the current periods	(1,639,540,069)	(3,333,331,199)
Ending balance	<u>1,849,236,830</u>	<u>1,818,326,935</u>

**12. Due to reinsurers**

	(Unit: Baht)	
	30 June 2022	31 December 2021
Amounts withheld on reinsurance	236,231,962	254,291,517
Amounts due to reinsurers	419,298,601	585,024,297
Total due to reinsurers	<u>655,530,563</u>	<u>839,315,814</u>

**13. Share capital**

On 26 April 2022, the 2022 Annual General Meeting of shareholders approved an increase of the Company's registered share capital from Baht 350 million to be Baht 360 million (36 million shares of Baht 10 each) by newly issues the ordinary shares in amount of 1 million shares with the par value at Baht 10 per share to support the stock dividend payment, and approved to allocate indivisible share remaining after such allocated the stock dividend to the Navakij Insurance Provident Fund. The Company registered the increase of share capital with the Ministry of Commerce on 7 June 2022.

## 14. Segment information

The Company summarised its business units based on its insurance products including fire, marine and transportation, motor and miscellaneous. During the current period, there were no changes in the organisation structure of its reportable segments.

Operating segment information for the three-month and six-month periods ended 30 June 2022 and 2021 can be classified by type of insurance products as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied				
	For the three-month period ended 30 June 2022				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross premium written	218,362,185	29,373,436	517,219,481	118,252,981	883,208,083
Less: Premium ceded to reinsurers	(61,501,127)	(18,169,933)	(2,791,069)	(86,331,733)	(168,793,862)
Net premium written	156,861,058	11,203,503	514,428,412	31,921,248	714,414,221
Add (less): Unearned premium reserves (increase) decrease from prior period	(78,888,056)	(1,648,331)	(13,292,271)	11,970,940	(81,857,718)
Net earned premium	77,973,002	9,555,172	501,136,141	43,892,188	632,556,503
Fee and commission income	23,867,687	4,434,232	823,518	20,339,875	49,465,312
<b>Total underwriting income</b>	<b>101,840,689</b>	<b>13,989,404</b>	<b>501,959,659</b>	<b>64,232,063</b>	<b>682,021,815</b>
<b>Underwriting expenses</b>					
Net claim and loss adjustment expenses	19,870,085	2,324,177	315,745,884	72,705,757	410,645,903
Commission and brokerage expenses	51,574,360	2,200,673	81,532,994	13,342,392	148,650,419
Other underwriting expenses	19,116,115	1,040,682	38,160,321	7,529,659	65,846,777
<b>Total underwriting expenses</b>					
<b>before operating expenses</b>	<b>90,560,560</b>	<b>5,565,532</b>	<b>435,439,199</b>	<b>93,577,808</b>	<b>625,143,099</b>
<b>Profit (loss) from underwriting before</b>					
<b>operating expenses</b>	<b>11,280,129</b>	<b>8,423,872</b>	<b>66,520,460</b>	<b>(29,345,745)</b>	<b>56,878,716</b>
Operating expenses					(82,159,288)
<b>Profit from underwriting</b>					(25,280,572)
Investments income					37,290,145
Profit on investments					1,646,929
Fair value loss					(15,680,770)
Share of profit from investments in associates					4,448,652
Other income					317,582
Finance costs					(497,382)
Expected credit loss					(5,964,321)
<b>Loss before income tax</b>					(3,719,737)
Income tax expenses					(341,008)
<b>Loss for the period</b>					<b>(4,060,745)</b>

(Unaudited but reviewed)

(Unit: Baht)

Financial statements in which the equity method is applied					
For the three-month period ended 30 June 2021					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross premium written	202,415,865	26,093,459	468,407,362	124,948,313	821,864,999
Less: Premium ceded to reinsurers	(58,070,979)	(15,837,855)	(1,992,971)	(74,455,126)	(150,356,931)
Net premium written	144,344,886	10,255,604	466,414,391	50,493,187	671,508,068
Add (less): Unearned premium reserves (increase) decrease from prior period	(65,485,245)	(765,580)	22,494,004	(15,856,271)	(59,613,092)
Net earned premium	78,859,641	9,490,024	488,908,395	34,636,916	611,894,976
Fee and commission income	18,319,945	5,119,185	520,608	20,015,733	43,975,471
<b>Total underwriting income</b>	<b>97,179,586</b>	<b>14,609,209</b>	<b>489,429,003</b>	<b>54,652,649</b>	<b>655,870,447</b>
<b>Underwriting expenses</b>					
Net claim and loss adjustment expenses	36,568,434	2,464,057	286,724,481	23,466,132	349,223,104
Commission and brokerage expenses	50,191,436	3,665,513	71,219,086	16,308,164	141,384,199
Other underwriting expenses	15,097,056	807,959	28,922,937	8,008,403	52,836,355
<b>Total underwriting expenses before operating expenses</b>	<b>101,856,926</b>	<b>6,937,529</b>	<b>386,866,504</b>	<b>47,782,699</b>	<b>543,443,658</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>(4,677,340)</b>	<b>7,671,680</b>	<b>102,562,499</b>	<b>6,869,950</b>	<b>112,426,789</b>
Operating expenses					(86,992,126)
<b>Profit from underwriting</b>					<b>25,434,663</b>
Investments income					45,040,258
Profit on investments					2,600,935
Fair value loss					(24,816,834)
Share of loss from investments in associates					(869,177)
Other income					1,441,103
Finance costs					(586,145)
Reversal of expected credit loss					2,352,451
<b>Profit before income tax</b>					<b>50,597,254</b>
Income tax expenses					(8,934,026)
<b>Profit for the period</b>					<b>41,663,228</b>

(Unaudited but reviewed)

(Unit: Baht)

Financial statements in which the equity method is applied					
For the six-month period ended 30 June 2022					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross premium written	360,715,351	48,381,078	1,054,711,235	206,642,300	1,670,449,964
Less: Premium ceded to reinsurers	(167,493,815)	(28,647,684)	(8,535,544)	(137,532,901)	(342,209,944)
Net premium written	193,221,536	19,733,394	1,046,175,691	69,109,399	1,328,240,020
Add (less): Unearned premium reserves (increase) decrease from prior period	(39,976,054)	311,240	(59,623,175)	36,596,965	(62,691,024)
Net earned premium	153,245,482	20,044,634	986,552,516	105,706,364	1,265,548,996
Fee and commission income	42,138,072	7,256,099	1,683,687	36,048,879	87,126,737
<b>Total underwriting income</b>	<b>195,383,554</b>	<b>27,300,733</b>	<b>988,236,203</b>	<b>141,755,243</b>	<b>1,352,675,733</b>
<b>Underwriting expenses</b>					
Net claim and loss adjustment expenses	29,624,181	4,674,429	631,204,667	157,121,422	822,624,699
Commission and brokerage expenses	83,082,735	3,692,559	165,100,461	26,248,720	278,124,475
Other underwriting expenses	29,280,568	1,862,822	75,228,128	18,243,608	124,615,126
<b>Total underwriting expenses</b>	<b>141,987,484</b>	<b>10,229,810</b>	<b>871,533,256</b>	<b>201,613,750</b>	<b>1,225,364,300</b>
<b>Profit (loss) from underwriting before operating expenses</b>	<b>53,396,070</b>	<b>17,070,923</b>	<b>116,702,947</b>	<b>(59,858,507)</b>	<b>127,311,433</b>
Operating expenses					(167,582,642)
<b>Loss from underwriting</b>					<b>(40,271,209)</b>
Investments income					46,801,729
Profit on investments					8,322,876
Fair value loss					(17,012,549)
Share of profit from investments in associates					4,632,238
Other income					2,969,911
Finance costs					(985,259)
Expected credit loss					(13,391,440)
<b>Loss before income tax</b>					<b>(8,933,703)</b>
Income tax expenses					(13,669,257)
<b>Loss for the period</b>					<b>(22,602,960)</b>

(Unaudited but reviewed)

(Unit: Baht)

Financial statements in which the equity method is applied					
For the six-month period ended 30 June 2021					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross premium written	344,882,234	42,219,951	953,533,378	209,686,646	1,550,322,209
Less: Premium ceded to reinsurers	(154,080,333)	(23,339,574)	(6,859,619)	(124,229,457)	(308,508,983)
Net premium written	190,801,901	18,880,377	946,673,759	85,457,189	1,241,813,226
Add (less): Unearned premium reserves (increase) decrease from prior period	(25,846,375)	615,298	31,221,393	(9,194,754)	(3,204,438)
Net earned premium	164,955,526	19,495,675	977,895,152	76,262,435	1,238,608,788
Fee and commission income	34,922,942	7,554,214	1,172,489	36,197,952	79,847,597
<b>Total underwriting income</b>	<b>199,878,468</b>	<b>27,049,889</b>	<b>979,067,641</b>	<b>112,460,387</b>	<b>1,318,456,385</b>
<b>Underwriting expenses</b>					
Net claim and loss adjustment expenses	46,945,350	4,602,151	628,673,621	37,951,448	718,172,570
Commission and brokerage expenses	82,258,184	5,950,591	144,164,961	30,141,069	262,514,805
Other underwriting expenses	26,077,383	1,546,137	63,067,447	13,715,217	104,406,184
<b>Total underwriting expenses</b>	<b>155,280,917</b>	<b>12,098,879</b>	<b>835,906,029</b>	<b>81,807,734</b>	<b>1,085,093,559</b>
<b>Profit from underwriting before operating expenses</b>	<b>44,597,551</b>	<b>14,951,010</b>	<b>143,161,612</b>	<b>30,652,653</b>	<b>233,362,826</b>
Operating expenses					(171,666,920)
<b>Profit from underwriting</b>					<b>61,695,906</b>
Investments income					56,810,278
Profit on investments					3,573,860
Fair value loss					(991,205)
Share of loss from investments in associates					(1,222,537)
Other income					1,589,232
Finance costs					(1,237,918)
Expected credit loss					(4,741,776)
<b>Profit before income tax</b>					<b>115,475,840</b>
Income tax expenses					(23,130,095)
<b>Profit for the period</b>					<b>92,345,745</b>

Segment assets and liabilities of the Company's operating segments as at 30 June 2022 and 31 December 2021 are as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied						
	Fire	Marine and transportation	Motor	Miscellaneous	Total segments	Unallocated	Total
<b>Assets</b>							
As at 30 June 2022	462,938,689	45,075,001	192,900,856	350,600,740	1,051,515,286	4,895,725,662	5,947,240,948
As at 31 December 2021	457,082,654	31,449,225	249,001,375	496,750,724	1,234,283,978	5,044,626,807	6,278,910,785
<b>Liabilities</b>							
As at 30 June 2022	658,058,844	47,208,986	1,691,847,231	403,705,051	2,800,820,112	1,013,717,496	3,814,537,608
As at 31 December 2021	657,333,950	34,325,068	1,570,537,614	576,089,542	2,838,286,174	1,192,339,781	4,030,625,955

### Geographic information

The Company is operated its business in Thailand only, as a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

### Major customers' information

During the three-month and six-month periods ended 30 June 2022 and 2021, the Company had gross premium written from major customers as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied		Financial statements in which the equity method is applied	
	For the three-month periods ended 30		For the six-month periods ended 30	
	June		June	
	2022	2021	2022	2021
Gross premium written	94,941,534	64,521,554	176,210,823	139,072,621

**15. Earnings (loss) per share**

Basic earnings (loss) per share is calculated by dividing profit (loss) for the periods (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the periods, after adjusting the number of ordinary shares as a result of the increase in share capital arising from the issue of stock dividend.

On 26 April 2022, the 2022 Annual General Meeting of shareholders approved to pay a cash dividend of Baht 1.5 per share, and stock dividend of 1 million shares to the existing shareholders. For the purpose of calculating earnings per share, the Company adjusted the number of ordinary shares used to calculate the earnings (loss) per share, as though it had issued the stock dividend at the beginning of the reporting periods.

	Financial statements in which the equity			
	method is applied		Separate financial statements	
	For the three-month periods ended		For the three-month periods ended	
	30 June		30 June	
	2022	2021	2022	2021
		(Restated)		(Restated)
Number of ordinary shares issued during the period (shares)	36,000,000	35,000,000	36,000,000	35,000,000
Number of stock dividend additional issue (shares) in 2022	-	1,000,000	-	1,000,000
Total (shares)	36,000,000	36,000,000	36,000,000	36,000,000
Profit (loss) for the period (Baht)	(4,060,745)	41,663,228	(7,619,668)	42,358,569
Earnings (loss) per share (Baht per share)	(0.11)	1.16	(0.21)	1.18

  

	Financial statements in which the equity			
	method is applied		Separate financial statements	
	For the six-month periods ended		For the six-month periods ended	
	30 June		30 June	
	2022	2021	2022	2021
		(Restated)		(Restated)
Number of ordinary shares issued during the period (shares)	36,000,000	35,000,000	36,000,000	35,000,000
Number of stock dividend additional issue (shares) in 2022	-	1,000,000	-	1,000,000
Total (shares)	36,000,000	36,000,000	36,000,000	36,000,000
Profit (loss) for the period (Baht)	(22,602,960)	92,345,745	(15,263,833)	93,323,774
Earnings (loss) per share (Baht per share)	(0.63)	2.57	(0.42)	2.59

**16. Dividends**

Dividends declared during the six-month periods ended 30 June 2022 and 2021 consisted of the following:

	Approved by	Total dividends	Dividends per share
		(Million Baht)	(Baht)
Annual dividends for 2021 (Cash dividends with the par value at 1.50 Baht per share and stock dividend at the rate of Baht 0.29 per share)	2022 Annual General Meeting No.90 on 26 April 2022	62.5	1.79
Annual dividends for 2020 (Cash dividends with the par value at 1.50 Baht per share)	2021 Annual General Meeting No.89 on 27 April 2021	52.5	1.50

**17. Contingent liabilities and commitments****17.1 Capital commitments**

As at 30 June 2022, the Company had capital commitments of approximately Baht 0.3 million relating to building improvement, furniture, fixtures and equipment (31 December 2021: Baht 0.02 million).

**17.2 Letter of Guarantees**

As at 30 June 2022, there were bank guarantees amounting to Baht 2.6 million, and a certificate issued in the Company's name amounting to Baht 5.0 million, as required in the normal course of the Company's business (31 December 2021: Baht 2.6 million and Baht 7.0 million, respectively).

**17.3 Litigation**

As at 30 June 2022, the Company has been sued for damages totaling approximately Baht 59.9 million as insurer. The cases have not yet been finalised. However, the Company's obligations in respect of these lawsuits do not exceed the maximum sum insured per the relevant policies, which is Baht 36.1 million, and the Company has set aside reserves for contingent losses amounting to Baht 35.8 million in the financial statements (31 December 2021: Baht 66.1 million, Baht 34.1 million and Baht 33.6 million, respectively).



## 18. Related party transactions

### 18.1 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 relationships between the Company and its related parties are summarised below.

Name of related parties	Nature of relationship
TKI General Insurance Company Limited	Associated company
TKI Life Insurance Company Limited	Associated company
The United Indemnity Co., Ltd.	7.13% of shares held in the Company
Thanasarn Sombat (Thai) Company Limited	5.08% of shares held in the Company and common directors
The Falcon Insurance Plc.	12.00% of shares held by the Company
Thai Metal Drum Manufacturing Plc.	Common directors and through shareholding
Rangsit Plaza Co., Ltd.	Common directors and through shareholding
Sathorn Thani Co., Ltd.	Common directors and through shareholding
Siam Motors Co., Ltd.	Common directors and through shareholding
Wanglee Co., Ltd.	Common directors and through shareholding
Thaire Life Assurance Plc.	Common directors and through shareholding
Rangsit Ruam Patana Co., Ltd.	Common directors and through shareholding
Poon Phol Co., Ltd.	Common directors and through shareholding
Pipatanasin Co., Ltd.	Common directors and through shareholding
Dusit Thani Plc. <sup>(1)</sup>	Common directors
Varopakorn Plc.	Common directors
Serm Suk Plc.	Common directors
Chaitip Co., Ltd.	Common directors
Alinkij Siam Co., Ltd	Common directors
Siam Calsonic Co., Ltd. <sup>(2)</sup>	Common directors
Siam Riken Industrial Co., Ltd. <sup>(2)</sup>	Common directors
Siam International Corp., Ltd.	Common directors
The Pet Co., Ltd.	Common directors
Toyota Petchaboon Toyota's Dealer Co., Ltd.	Common directors
Thai Petchaboon Co., Ltd.	Common directors
BTS Group Holdings Plc.	Common directors
C.E.S. Co., Ltd.	Common directors
Sittinan Co., Ltd.	A related person of the Company's director is a major shareholder
PIA Interior Co., Ltd.	A related person of the Company's director is a major shareholder

<sup>(1)</sup> Since October 2021, it is not a related party.

<sup>(2)</sup> Since January 2022, it is not a related party.

## 18.2 Significant related party transactions

During the three-month and six-month periods ended 30 June 2022 and 2021, the Company had significant business transactions 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: Baht)

	For the three-month periods		For the six-month		Pricing policy
	ended 30 June		periods ended 30 June		
	2022	2021	2022	2021	
<b>Transactions with associated companies</b>					
Reinsurance premium written	816,887	1,124,952	1,310,294	1,484,656	Ceded rates as specified based on the type of reinsurance and the reinsurance contracts
Commission paid to reinsurance	172,176	257,840	265,297	313,516	Ceded rates as specified based on the type of reinsurance and the reinsurance contracts
<b>Transactions with related companies</b>					
Direct premium written	8,143,292	7,062,899	20,576,767	19,145,956	Rates as specified in insurance contracts
Reinsurance premium written	3,998,729	3,503,198	6,726,071	6,866,501	Ceded rates as specified based on the type of reinsurance and the reinsurance contracts
Premium ceded	11,002,689	10,851,536	15,682,828	14,750,731	Ceded rates as specified based on the type of reinsurance and the reinsurance contracts
Claim expenses	2,055,618	3,267,778	4,763,959	10,038,357	Actual incurred
Commission paid to reinsurance	1,357,482	1,444,145	2,271,753	2,583,741	Ceded rates as specified based on the type of reinsurance and the reinsurance contracts
Commission received	6,711,475	6,331,429	7,548,264	7,013,872	Ceded rates as specified based on the type of reinsurance and the reinsurance contracts
Dividend income	20,715,840	20,248,560	21,315,840	20,848,560	As declared
Dividend paid	11,325,735	12,065,649	11,325,735	12,065,649	As declared
Rental and service fee for branch office expenses	59,864	38,106	119,100	148,705	Contract price
Rental income	43,243	43,243	86,486	86,486	Contract price

**18.3 Outstanding balances**

The balances of the accounts between the Company and those related companies as at 30 June 2022 and 31 December 2021 are as follows:

(Unit: Baht)

	30 June	
	2022	31 December 2021
<b>Reinsurance receivables - Amounts due from reinsurers</b>		
The Falcon Insurance Plc.	11,566,345	6,959,142
TKI General Insurance Co., Ltd.	2,186,496	2,210,481
Total	<u>13,752,841</u>	<u>9,169,623</u>
<b>Investments in securities - Equity securities</b>		
Varopakorn Plc.	-	1,046,952
Thai Metal Drum Manufacturing Plc.	286,933,520	300,817,400
BTS Group Holdings Plc.	34,293,400	38,107,600
Thaire Life Assurance Plc.	34,440,000	24,287,000
The Falcon Insurance Plc.	73,075,200	74,659,200
Sathorn Thani Co., Ltd.	20,655,000	20,945,000
Rangsit Plaza Co., Ltd.	16,168,000	16,044,000
Total	<u>465,565,120</u>	<u>475,907,152</u>
<b>Due to reinsurers - Amounts due to reinsurance</b>		
The Falcon Insurance Plc.	14,138,927	12,671,175
TKI General Insurance Co., Ltd.	533,007	585,998
Total	<u>14,671,934</u>	<u>13,257,173</u>

**18.4 Directors and management's benefits**

During the three-month and six-month periods ended 30 June 2022 and 2021, the Company had employment benefits expenses payable to their directors and management as below.

(Unit: Baht)

	For the three-month periods		For the six-month periods	
	ended 30		ended 30	
	June		June	
	2022	2021	2022	2021
Short-term benefits	12,585,574	11,960,019	27,897,327	26,817,810
Post-employment benefits	179,643	177,909	359,284	355,816
Total	<u>12,765,217</u>	<u>12,137,928</u>	<u>28,256,611</u>	<u>27,173,626</u>

**19. Financial instrument****19.1 Fair value of financial instrument**

Most of the Company's financial instruments are classified as short-term or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

**19.2 Fair value hierarchy**

As at 30 June 2022 and 31 December 2021, the Company had the financial assets that measured at fair value using different levels of inputs as follows:

	(Unit: Baht)			
	30 June 2022			
	Fair value			
	Level 1	Level 2	Level 3	Total
Trading investments measured at FVPL				
Equity instruments	439,061,818	-	-	439,061,818
Unit trusts	87,233,620	-	-	87,233,620
Available-for-sale investments measured at FVOCI				
Government and state enterprise securities	-	826,365,598	-	826,365,598
Private debt securities	-	659,267,749	-	659,267,749
Equity instruments	272,421,259	-	324,499,553	596,920,812
Unit trusts	149,180,482	45,180,199	-	194,360,681
				(Unit: Baht)
	31 December 2021			
	Fair value			
	Level 1	Level 2	Level 3	Total
Trading investments measured at FVPL				
Equity instruments	456,546,387	-	-	456,546,387
Unit trusts	90,999,100	-	-	90,999,100
Available-for-sale investments measured at FVOCI				
Government and state enterprise securities	-	735,237,025	-	735,237,025
Private debt securities	-	680,378,435	-	680,378,435
Equity instruments	246,060,084	-	327,650,261	573,710,345
Unit trusts	160,912,587	48,673,696	-	209,586,282

(Unaudited but reviewed)

During the current period, there were no changes in the methods used to estimate the fair value of financial instruments and there were no transfers within the fair value hierarchy.

Reconciliation of recurring fair value measurements of financial assets, categorised within Level 3 of the fair value hierarchy, are as follows.

	(Unit: Baht)
	<u>Equity instruments</u>
Balance as of 1 January 2022	327,650,261
Net loss recognised in other comprehensive income	<u>(3,150,708)</u>
Balance as of 30 June 2022	<u>324,499,553</u>

## 20. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 9 August 2022.