

Bangkok Insurance Public Company Limited
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Insurance Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of Bangkok Insurance Public Company Limited as at 30 June 2021, the related statements of 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 owners' 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 Bangkok Insurance Public Company Limited for the same period (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.

Rachada Yongsawadvanich
Certified Public Accountant (Thailand) No. 4951

EY Office Limited
Bangkok: 5 August 2021

Bangkok Insurance Public Company Limited
Statement of financial position
As at 30 June 2021

(Unit: Baht)

	Note	Financial statements		Separate financial statements	
		in which the equity method is applied			
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash and cash equivalents	3	359,840,909	141,557,318	359,840,909	141,557,318
Premium receivables	4	2,437,401,686	2,765,896,684	2,437,401,686	2,765,896,684
Accrued investment income		45,139,724	42,863,470	45,139,724	42,863,470
Reinsurance assets	5	7,211,006,363	7,560,169,280	7,211,006,363	7,560,169,280
Reinsurance receivables	6	329,436,233	389,321,701	329,436,233	389,321,701
Investment assets					
Investments in securities	7.1	47,601,081,508	44,424,088,267	47,601,081,508	44,424,088,267
Loans and interest receivables	8	1,554,036,684	1,476,419,024	1,554,036,684	1,476,419,024
Investment properties	9	109,385,934	117,929,942	109,385,934	117,929,942
Investments in associates	10.1	272,564,019	268,910,602	129,395,722	129,395,722
Premises and equipment	11	587,565,042	614,944,629	587,565,042	614,944,629
Right-of-use assets	12.1	885,564,911	886,560,707	885,564,911	886,560,707
Intangible assets		99,581,366	101,675,828	99,581,366	101,675,828
Other assets		747,585,583	713,452,108	747,585,583	713,452,108
Total assets		62,240,189,962	59,503,789,560	62,097,021,665	59,364,274,680

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

Bangkok Insurance Public Company Limited
Statement of financial position (continued)
As at 30 June 2021

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and owners' equity					
Liabilities					
Insurance contract liabilities	13	18,091,630,329	18,022,514,489	18,091,630,329	18,022,514,489
Due to reinsurers	14	2,652,590,595	2,737,451,690	2,652,590,595	2,737,451,690
Income tax payable		332,674,893	196,693,497	332,674,893	196,693,497
Lease liabilities	12,2	805,093,511	778,848,706	805,093,511	778,848,706
Employee benefit obligations		803,324,867	777,202,619	803,324,867	777,202,619
Deferred tax liabilities	15.1	3,260,860,641	2,984,538,685	3,232,226,981	2,956,635,709
Other liabilities					
Premiums received in advance		1,613,970,819	1,717,482,667	1,613,970,819	1,717,482,667
Commission payables		403,329,839	411,902,624	403,329,839	411,902,624
Accrued expenses		585,117,271	607,433,941	585,117,271	607,433,941
Others		1,133,865,301	926,673,433	1,133,865,301	926,673,433
Total liabilities		29,682,458,066	29,160,742,351	29,653,824,406	29,132,839,375
Owners' equity					
Share capital					
Registered, issued and paid up					
106,470,000 ordinary shares of Baht 10 each		1,064,700,000	1,064,700,000	1,064,700,000	1,064,700,000
Share premium		1,442,500,000	1,442,500,000	1,442,500,000	1,442,500,000
Retained earnings					
Appropriated					
Statutory reserve		106,470,000	106,470,000	106,470,000	106,470,000
Other reserve		7,000,000,000	7,000,000,000	7,000,000,000	7,000,000,000
Unappropriated		6,071,650,086	5,373,111,989	5,953,227,521	5,259,106,805
Other component of owners' equity		16,872,411,810	15,356,265,220	16,876,299,738	15,358,658,500
Total owners' equity		32,557,731,896	30,343,047,209	32,443,197,259	30,231,435,305
Total liabilities and owners' equity		62,240,189,962	59,503,789,560	62,097,021,665	59,364,274,680

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

Directors

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited**Statement of comprehensive income****For the three-month period ended 30 June 2021**

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Gross premium written		5,840,204,302	4,997,694,405	5,840,204,302	4,997,694,405
Less: Premium ceded to reinsurers		(1,855,653,288)	(1,559,683,605)	(1,855,653,288)	(1,559,683,605)
Net premium written		3,984,551,014	3,438,010,800	3,984,551,014	3,438,010,800
Add (less): Unearned premium reserves (increased) decreased from prior period		(185,253,112)	349,826,290	(185,253,112)	349,826,290
Earned premium		3,799,297,902	3,787,837,090	3,799,297,902	3,787,837,090
Fee and commission income		350,710,344	292,037,035	350,710,344	292,037,035
Investment revenue		229,679,307	380,955,756	229,679,307	380,955,756
Gains on investments		103,255,479	169,396,111	103,255,479	169,396,111
Share of profits in associates under the equity method	10.2	8,056,782	7,500,019	-	-
Other income		45,147,564	41,547,587	45,147,564	41,547,587
Total revenues		4,536,147,378	4,679,273,598	4,528,090,596	4,671,773,579
Expenses					
Gross claims		2,379,944,131	3,276,125,428	2,379,944,131	3,276,125,428
Less: Claim recovery from reinsurers		(337,194,178)	(1,297,941,925)	(337,194,178)	(1,297,941,925)
Commissions and brokerages		730,171,878	663,091,527	730,171,878	663,091,527
Other underwriting expenses		460,624,546	649,745,375	460,624,546	649,745,375
Operating expenses		211,763,993	214,243,124	211,763,993	214,243,124
Investment expenses		17,125,182	24,048,472	17,125,182	24,048,472
Finance costs		10,018,320	9,853,423	10,018,320	9,853,423
Expected credit losses	17	(2,343,928)	54,624,948	(2,343,928)	54,624,948
Total expenses		3,470,109,944	3,593,790,372	3,470,109,944	3,593,790,372
Profits before income tax expenses		1,066,037,434	1,085,483,226	1,057,980,652	1,077,983,207
Less: Income tax expenses	15.2	(172,152,975)	(153,165,547)	(170,541,619)	(151,665,543)
Net profits		893,884,459	932,317,679	887,439,033	926,317,664
Other comprehensive income:					
Items to be recognised in profit or loss in subsequent periods:					
Share of other comprehensive income (loss) from associates	10.2	(1,868,310)	1,750,237	-	-
Gains (losses) on revaluation of available-for-sale investments which are measured at fair value through other comprehensive income		(1,045,840,802)	1,222,039,334	(1,045,840,802)	1,222,039,334
Total items to be recognised in profit or loss in subsequent periods		(1,047,709,112)	1,223,789,571	(1,045,840,802)	1,222,039,334
Add (less): Income taxes		209,541,822	(244,757,914)	209,168,160	(244,407,866)
Items to be recognised in profit or loss in subsequent periods - net of income taxes		(838,167,290)	979,031,657	(836,672,642)	977,631,468
Other comprehensive income (loss) for the periods		(838,167,290)	979,031,657	(836,672,642)	977,631,468
Total comprehensive income for the periods		55,717,169	1,911,349,336	50,766,391	1,903,949,132
Earnings per share:	18				
Basic earnings per share					
Net profits		8.40	8.76	8.34	8.70

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

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited**Statement of comprehensive income****For the six-month period ended 30 June 2021**

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Gross premium written		11,997,356,972	11,133,829,645	11,997,356,972	11,133,829,645
Less: Premium ceded to reinsurers		(3,972,248,685)	(3,459,511,404)	(3,972,248,685)	(3,459,511,404)
Net premium written		8,025,108,287	7,674,318,241	8,025,108,287	7,674,318,241
Less: Unearned premium reserves increased from prior period		(491,882,933)	(165,770,001)	(491,882,933)	(165,770,001)
Earned premium		7,533,225,354	7,508,548,240	7,533,225,354	7,508,548,240
Fee and commission income		767,606,797	717,252,962	767,606,797	717,252,962
Investment revenue		660,605,412	781,555,741	666,893,825	781,555,741
Gains on investments		131,236,194	199,548,487	131,236,194	199,548,487
Share of profits in associates under the equity method	10.2	11,810,139	8,957,206	-	-
Other income		96,726,876	92,854,100	96,726,876	92,854,100
Total revenues		9,201,210,772	9,308,716,736	9,195,689,046	9,299,759,530
Expenses					
Gross claims		5,106,889,635	6,354,769,224	5,106,889,635	6,354,769,224
Less: Claim recovery from reinsurers		(1,066,676,491)	(2,226,468,733)	(1,066,676,491)	(2,226,468,733)
Commissions and brokerages		1,518,177,858	1,449,275,760	1,518,177,858	1,449,275,760
Other underwriting expenses		1,093,857,770	1,243,507,895	1,093,857,770	1,243,507,895
Operating expenses		491,379,087	491,913,826	491,379,087	491,913,826
Investment expenses		42,415,480	47,341,159	42,415,480	47,341,159
Finance costs		19,935,078	19,510,291	19,935,078	19,510,291
Expected credit losses	17	155,792	55,180,601	155,792	55,180,601
Total expenses		7,206,134,209	7,435,030,023	7,206,134,209	7,435,030,023
Profits before income tax expenses		1,995,076,563	1,873,686,713	1,989,554,837	1,864,729,507
Less: Income tax expenses	15.2	(285,076,504)	(272,581,931)	(283,972,159)	(270,790,490)
Net profits		1,710,000,059	1,601,104,782	1,705,582,678	1,593,939,017
Other comprehensive income:					
Items to be recognised in profit or loss in subsequent periods:					
Share of other comprehensive income (loss) from associates	10.2	(1,868,310)	1,750,237	-	-
Gains (losses) on revaluation of available-for-sale investments which are measured at fair value through other comprehensive income		1,897,051,548	(6,198,613,597)	1,897,051,548	(6,198,613,597)
Total items to be recognised in profit or loss in subsequent periods		1,895,183,238	(6,196,863,360)	1,897,051,548	(6,198,613,597)
Add (less): Income taxes		(379,036,648)	1,239,372,672	(379,410,310)	1,239,722,720
Items to be recognised in profit or loss in subsequent periods - net of income taxes		1,516,146,590	(4,957,490,688)	1,517,641,238	(4,958,890,877)
Other comprehensive income (loss) for the periods		1,516,146,590	(4,957,490,688)	1,517,641,238	(4,958,890,877)
Total comprehensive income (loss) for the periods		3,226,146,649	(3,356,385,906)	3,223,223,916	(3,364,951,860)
Earnings per share:	18				
Basic earnings per share					
Net profits		16.06	15.04	16.02	14.97

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

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited**Statement of cash flows****For the six-month period ended 30 June 2021**

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Cash flows from (used in) operating activities				
Direct premium written	11,636,579,748	11,010,911,218	11,636,579,748	11,010,911,218
Cash paid for reinsurance	(1,842,744,795)	(1,517,300,381)	(1,842,744,795)	(1,517,300,381)
Interest income	91,845,201	145,943,166	91,845,201	145,943,166
Dividend income	569,875,992	597,869,663	569,875,992	597,869,663
Other investment income	76,767,047	80,035,151	76,767,047	80,035,151
Other income	19,908,072	11,660,429	19,908,072	11,660,429
Losses incurred on direct insurance	(4,690,734,516)	(4,740,396,476)	(4,690,734,516)	(4,740,396,476)
Commissions and brokerages on direct insurance	(1,413,881,299)	(1,370,836,986)	(1,413,881,299)	(1,370,836,986)
Other underwriting expenses	(1,283,127,701)	(1,426,297,819)	(1,283,127,701)	(1,426,297,819)
Operating expenses	(366,153,679)	(500,817,363)	(366,153,679)	(500,817,363)
Investment expenses	(23,432,023)	(27,023,813)	(23,432,023)	(27,023,813)
Income taxes	(255,894,326)	(193,745,418)	(255,894,326)	(193,745,418)
Cash received on financial assets	9,779,788,491	9,916,890,332	9,779,788,491	9,916,890,332
Cash paid for financial assets	#####	#####	#####	#####
Net cash provided by operating activities	1,296,178,889	964,744,617	1,296,178,889	964,744,617
Cash flows from (used in) investing activities				
Cash flows from				
Premises and equipment	132,876	1,164,206	132,876	1,164,206
Cash provided by investing activities	132,876	1,164,206	132,876	1,164,206
Cash flows used in				
Premises and equipment	(30,345,601)	(22,750,795)	(30,345,601)	(22,750,795)
Intangible assets	(12,840,013)	(3,726,500)	(12,840,013)	(3,726,500)
Cash used in investing activities	(43,185,614)	(26,477,295)	(43,185,614)	(26,477,295)
Net cash used in investing activities	(43,052,738)	(25,313,089)	(43,052,738)	(25,313,089)
Cash flows from (used in) financing activities				
Repayment of lease liabilities	(21,404,661)	(18,031,638)	(21,404,661)	(18,031,638)
Dividend paid	(1,013,428,428)	(851,760,000)	(1,013,428,428)	(851,760,000)
Net cash used in financing activities	(1,034,833,089)	(869,791,638)	(1,034,833,089)	(869,791,638)
Net increase in cash and cash equivalents	218,293,062	69,639,890	218,293,062	69,639,890
Cash and cash equivalents at beginning of the periods	141,557,318	138,824,094	141,557,318	138,824,094
Less: Increase in allowance for expected credit losses	(9,471)	(1)	(9,471)	(1)
Cash and cash equivalents at end of the periods	359,840,909	208,463,983	359,840,909	208,463,983

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

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited
Statement of changes in owners' equity
For the six-month period ended 30 June 2021

(Unit: Baht)

Financial statements in which the equity method is applied

	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other component of owners' equity				Total owners' equity
				Statutory reserve	Other reserve	Unappropriated	Share of other comprehensive loss from associates - net of income taxes	Revaluation surplus on available-for-sale investments measured at fair value through income - net of income taxes	Total other component of owners' equity	

Balance as at 1 January 2020		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,223,458,003	(3,793,469)	17,189,762,552	17,185,969,083	31,023,097,086
Cumulative effects of the changes in accounting policies		-	-	-	-	(36,818,070)	-	2,170,828,814	2,170,828,814	2,134,010,744
Balance as at 1 January 2020 - as restated		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,186,639,933	(3,793,469)	19,360,591,366	19,356,797,897	33,157,107,830
Dividend paid	19	-	-	-	-	(851,760,000)	-	-	-	(851,760,000)
Net profit		-	-	-	-	1,601,104,782	-	-	-	1,601,104,782
Other comprehensive income (loss) for the period		-	-	-	-	-	1,400,189	(4,958,890,877)	(4,957,490,688)	(4,957,490,688)
Balance as at 30 June 2020		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,935,984,715	(2,393,280)	14,401,700,489	14,399,307,209	28,948,961,924
Balance as at 1 January 2021		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	5,373,111,989	(2,393,280)	15,358,658,500	15,356,265,220	30,343,047,209
Dividend paid	19	-	-	-	-	(1,011,461,962)	-	-	-	(1,011,461,962)
Net profit		-	-	-	-	1,710,000,059	-	-	-	1,710,000,059
Other comprehensive income (loss) for the period		-	-	-	-	-	(1,494,648)	1,517,641,238	1,516,146,590	1,516,146,590
Balance as at 30 June 2021		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	6,071,650,086	(3,887,928)	16,876,299,738	16,872,411,810	32,557,731,896

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

(Unaudited but reviewed)

Bangkok Insurance Public Company Limited

Statement of changes in owners' equity (continued)

For the six-month period ended 30 June 2021

(Unit: Baht)

Separate financial statements

				Other component of owners' equity				
				Retained earnings			Revaluation surplus	
				Appropriated			on available-for-sale	
				Statutory reserve			investments measured	
				Other reserve			at fair value through	
				Unappropriated			other comprehensive	
							income - net of	
	Note	Issued and paid-up share capital	Share premium	Statutory reserve	Other reserve	Unappropriated	income taxes	Total owners' equity
Balance as at 1 January 2020		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,126,084,666	17,189,762,552	30,929,517,218
Cumulative effects of the changes in accounting policies		-	-	-	-	(36,818,070)	2,170,828,814	2,134,010,744
Balance as at 1 January 2020 - as restated		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,089,266,596	19,360,591,366	33,063,527,962
Dividend paid	19	-	-	-	-	(851,760,000)	-	(851,760,000)
Net profit		-	-	-	-	1,593,939,017	-	1,593,939,017
Other comprehensive loss for the period		-	-	-	-	-	(4,958,890,877)	(4,958,890,877)
Balance as at 30 June 2020		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	4,831,445,613	14,401,700,489	28,846,816,102
Balance as at 1 January 2021		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	5,259,106,805	15,358,658,500	30,231,435,305
Dividend paid	19	-	-	-	-	(1,011,461,962)	-	(1,011,461,962)
Net profit		-	-	-	-	1,705,582,678	-	1,705,582,678
Other comprehensive income for the period		-	-	-	-	-	1,517,641,238	1,517,641,238
Balance as at 30 June 2021		1,064,700,000	1,442,500,000	106,470,000	7,000,000,000	5,953,227,521	16,876,299,738	32,443,197,259

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

Bangkok Insurance Public Company Limited

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Bangkok Insurance Public Company Limited

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2021

1. Corporate information

Bangkok Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand, and listed on the Stock Exchange of Thailand. The Company’s major shareholder is Bangkok Bank Public Company Limited whereby as at 30 June 2021 and 31 December 2020, such major shareholder held 9.97% of the issued and paid-up ordinary shares of the Company. The Company is principally engaged in the provision of non-life insurance. The Company’s registered office is located at No. 25, Bangkok Insurance Building, South Sathon Road, Tung Ma Ha Mek, Sathon, Bangkok.

2. Preparation of financial statements/ Financial reporting standards/ Significant accounting policies

2.1 Basis for preparation of interim financial information

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

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

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

2.2 New financial reporting standards

2.2.1 Financial reporting standards that became effective in the current period

During the period, the Company has adopted the new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, adoption of such financial reporting standards did not have significant impact to the Company's financial statements.

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users. However, the management of the Company already considered and believe that adoption of these amendments will not have any significant impact on the Company's financial statements.

2.3 Significant accounting policies

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

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Cash on hand	2,784	2,787
Deposits at banks with no fixed maturity date	357,066	138,770
Total	359,850	141,557
Less: Allowance for expected credit losses	(9)	-
Cash and cash equivalents - net	359,841	141,557

4. Premium receivables

As at 30 June 2021 and 31 December 2020, the balances of premium receivables from direct insurance were classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Not yet due	1,724,181	2,202,950
Overdue not longer than 30 days	265,011	191,470
Overdue 31 days to 60 days	111,057	119,564
Overdue 61 days to 90 days	93,667	61,118
Overdue 91 days to 1 year	243,486	190,795
Overdue longer than 1 year	39,422	16,245
Total	2,476,824	2,782,142
Less: Allowance for doubtful accounts	(39,422)	(16,245)
Premium receivables - net	2,437,402	2,765,897

5. Reinsurance assets

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Insurance reserves refundable from reinsurers		
Loss reserves	4,157,697	4,304,602
Unearned premium reserves	3,053,361	3,255,621
Total	7,211,058	7,560,223
Less: Allowance for impairment	(52)	(54)
Reinsurance assets - net	7,211,006	7,560,169

6. Reinsurance receivables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Amounts deposited on reinsurance	47,510	42,445
Amounts due from reinsurers	282,864	367,902
Total	330,374	410,347
Less: Allowance for doubtful accounts	(938)	(21,025)
Receivables on reinsurance contracts - net	329,436	389,322

7. Investments in securities

7.1 Classified by type of investment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	30 June 2021		31 December 2020	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Available-for-sale investments measured at fair value through other comprehensive income				
Government and state enterprise securities	2,900,704	2,937,776	3,252,226	3,300,520
Private sector debt securities	710,000	660,561	630,817	579,039
Common stocks	6,354,173	27,225,815	6,083,661	25,112,951
Unit trusts	1,690,326	1,810,202	1,652,329	1,704,622
Total	11,655,203	32,634,354	11,619,033	30,697,132
Add: Unrealised gains	21,095,375		19,198,323	
Less: Allowance for impairment	(65,083)		(65,083)	
Less: Allowance for expected credit losses	(51,141)		(55,141)	
Available-for-sale investments measured at fair value through other comprehensive income - net	32,634,354		30,697,132	
Held-to-maturity investments measured at amortised cost				
Deposits at financial institutions which matured over 3 months	14,970,575		13,729,657	
Less: Allowance for expected credit losses	(3,847)		(2,701)	
Held-to-maturity investments measured at amortised cost - net	14,966,728		13,726,956	
Investment in securities - net	47,601,082		44,424,088	

7.2 Classified by stage of credit risk

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	30 June 2021		31 December 2020	
		Allowance for expected credit losses recognised in profit or loss		Allowance for expected credit losses recognised in profit or loss
	Fair value		Fair value	
Available-for-sale investments measured at fair value through other comprehensive income				
Stage 1 - Debt securities without a significant increase of credit risk	3,545,976	(1,117)	3,827,529	(734)
Stage 3 - Credit impaired debt securities	52,360	(50,024)	52,030	(54,407)
Total	3,598,336	(51,141)	3,879,559	(55,141)

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	30 June 2021		
	Gross carrying value	Allowance for expected credit losses recognised in profit or loss	Net carrying value
Held-to-maturity investments measured at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	14,970,575	(3,847)	14,966,728
Total	14,970,575	(3,847)	14,966,728

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2020		
	Gross carrying value	Allowance for expected credit losses recognised in profit or loss	Net carrying value
Held-to-maturity investments measured at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	13,729,657	(2,701)	13,726,956
Total	13,729,657	(2,701)	13,726,956

7.3 Investments subject to restriction and commitment

As at 30 June 2021 and 31 December 2020, the Company placed certain assets as securities and insurance reserves with the Registrar in accordance with the Non-life Insurance Act and placed with the bank to secure bank overdraft facilities and others as required in the normal course of business of the Company as described below.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	30 June 2021		31 December 2020	
	Cost	Fair value	Cost	Fair value
Placed as securities				
Government bonds	14.0	14.2	14.0	14.3
Placed as insurance reserves				
Ordinary shares	35.2	108.5	35.2	113.7
Government bonds	1,170.0	1,207.0	1,240.0	1,286.9
Debentures	275.0	282.1	210.0	212.5
	1,480.2	1,597.6	1,485.2	1,613.1
Placed to secure bank overdraft facilities				
Deposits at financial institutions	30.0	30.0	30.0	30.0
Placed as performance bonds				
Government and state enterprise bonds	0.6	0.6	-	-
Placed to secure bank guarantees				
Deposits at financial institutions	20.0	20.0	20.0	20.0

8. Loans and interest receivables

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

(Unit: Thousand Baht)			
Financial statements in which the equity method is applied and Separate financial statements			
30 June 2021			
Classification	Mortgaged loans	Others	Total
Stage 1 - Loans without a significant increase of credit risk	1,425,905	8,137	1,434,042
Stage 2 - Loans with significant increases of credit risk	2,674	-	2,674
Stage 3 - Credit impairment loans	170,047	-	170,047
Total	1,598,626	8,137	1,606,763
Less: Allowance for expected credit losses	(52,726)	-	(52,726)
Loans and interest receivables - net	1,545,900	8,137	1,554,037

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

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

As at 30 June 2021 and 31 December 2020, the balances of employee loans were Baht 157.9 million and Baht 153.9 million, respectively.

9. Investment properties

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the six-month period ended 30 June 2021	For the year ended 31 December 2020
Net book value at beginning of the periods	117,930	135,207
Depreciation charged for the periods	(8,544)	(17,277)
Net book value at end of the periods	109,386	117,930

As at 30 June 2021 and 31 December 2020, the fair values of the investment properties amounting to Baht 209.2 million and Baht 225.8 million, respectively.

10. Investments in associates

10.1 Details of associates

Company's name	Nature of business	Country of incorporation	Paid-up share capital as at		Shareholding	
			30 June 2021 (USD)	31 December 2020 (USD)	30 June 2021 (%)	31 December 2020 (%)
Asia Insurance (Cambodia) Plc.	Non-life insurance	Cambodia	7,000,000	7,000,000	22.92	22.92
Asian Insurance International (Holding) Limited	Holding company	Bermuda	5,740,000	5,740,000	41.70	41.70
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Lao	2,000,000	2,000,000	38.00	38.00

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
Asia Insurance (Cambodia) Plc.	109,175	103,875	30,202	30,202
Asian Insurance International (Holding) Limited	135,280	135,923	72,054	72,054
Bangkok Insurance (Lao) Company Limited	28,109	29,113	27,140	27,140
Total	272,564	268,911	129,396	129,396

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

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profit (loss) from investments in associates		Share of other comprehensive income (loss) from investments in associates		Dividend income	
	For the three-month periods ended 30 June		For the three-month periods ended 30 June		For the three-month periods ended 30 June	
	2021	2020	2021	2020	2021	2020
Asia Insurance (Cambodia) Plc.	2,534	3,265	-	-	-	-
Asian Insurance International (Holding) Limited	7,720	4,867	(1,868)	1,750	-	-
Bangkok Insurance (Lao) Company Limited	(2,197)	(632)	-	-	-	-
Total	8,057	7,500	(1,868)	1,750	-	-

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied				Separate financial statements	
	Share of profit (loss) from investments in associates		Share of other comprehensive income (loss) from investments in associates		Dividend income	
	For the six-month periods ended 30 June		For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	2021	2020	2021	2020	2021	2020
Asia Insurance (Cambodia) Plc.	5,300	4,677	-	-	-	-
Asian Insurance International (Holding) Limited	7,514	4,961	(1,868)	1,750	6,288	-
Bangkok Insurance (Lao) Company Limited	(1,004)	(681)	-	-	-	-
Total	11,810	8,957	(1,868)	1,750	6,288	-

10.3 Summarised financial information of associates

(Unit: Million Baht)

Company's name	Total assets as at		Total liabilities as at		Total revenues for the six-month periods ended 30 June		Profit (loss) for the six-month periods ended 30 June	
	30 June	31 December	30 June	31 December				
	2021	2020	2021	2020	2021	2020	2021	2020
Asia Insurance (Cambodia)								
Plc.	816.0	715.7	339.1	291.2	44.2	51.2	17.4	18.3
Asian Insurance International								
(Holding) Limited	375.7	273.7	-	-	9.0	4.9	7.2	3.8
Bangkok Insurance (Lao)								
Company Limited	190.6	462.3	129.9	402.6	15.9	16.2	(2.8)	0.1

As at 30 June 2021 and 31 December 2020, the Company recorded investments in associates under the equity method (in the financial statements in which the equity method is applied) based on the financial information, as prepared by the associates' management, which have yet been reviewed or audited by their external auditors.

11. Premises and equipment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements						
	For the six-month period ended 30 June 2021						
	Land	Buildings	Condominium unit	Office furniture, fixtures and equipment	Motor vehicles	Asset under installment	Total
Net book value as at							
1 January 2021	222,765	194,124	2	147,502	17,008	33,544	614,945
Addition during the period - at cost	-	-	-	3,954	393	25,998	30,345
Transfer in (out) during the period - at cost	-	-	-	10,500	-	(10,500)	-
Disposals during the period							
- at net book value	-	-	-	-	(81)	-	(81)
Depreciation charge for the period	-	(12,860)	-	(42,452)	(2,332)	-	(57,644)
Net book value as at							
30 June 2021	222,765	181,264	2	119,504	14,988	49,042	587,565

12. Right-of-use assets/Lease liabilities

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

12.1 Right-of-use assets

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements					
For the six-month period ended 30 June 2021					
	Land	Building	Office equipment	Vehicles	Total
Net book value as at					
1 January 2021	821,779	13,247	-	51,535	886,561
Addition during the period	-	2,345	12,772	12,612	27,729
Depreciation for the period	(11,155)	(6,035)	(1,277)	(10,258)	(28,725)
Net book value as at					
30 June 2021	810,624	9,557	11,495	53,889	885,565

12.2 Lease liabilities

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements					
For the six-month period ended 30 June 2021					
	Land	Building	Office equipment	Vehicles	Total
Lease liabilities as at					
1 January 2021	716,634	8,335	-	53,880	778,849
Add: New lease agreements					
during the period	-	2,344	12,772	12,665	27,781
Add: Finance costs					
recognised during the					
period	18,104	171	250	1,412	19,937
Less: Leases paid during					
the period	-	(6,193)	(3,450)	(11,830)	(21,473)
Lease liabilities as at					
30 June 2021	734,738	4,657	9,572	56,127	805,094

13. Insurance contract liabilities

(Unit: Thousand Baht)

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

	30 June 2021		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
Claims incurred and reported	6,887,374	(4,106,418)	2,780,956
Claims incurred but not reported	603,917	(51,227)	552,690
Premium reserves			
Unearned premium reserves	10,600,339	(3,053,361)	7,546,978
Total	18,091,630	(7,211,006)	10,880,624

(Unit: Thousand Baht)

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

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

13.1 Loss reserves

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the six-month period ended 30 June 2021	For the years ended 31 December 2020
Beginning balances	7,711,798	5,631,159
Claim incurred during the periods	4,732,040	11,470,643
Change in loss reserves of claimed incurred in prior periods	348,299	871,648
Changes in assumptions in calculating loss reserves	114,584	50,801
Claims and loss adjustment expenses paid during the periods	(5,415,430)	(10,312,453)
Ending balances	7,491,291	7,711,798

13.2 Unearned premium reserves

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the six-month period ended 30 June 2021	For the years ended 31 December 2020
Beginning balances	10,310,716	9,978,382
Premium written during the periods	11,997,357	22,858,220
Premium earned during the periods	(11,707,734)	(22,525,886)
Ending balances	10,600,339	10,310,716

14. Due to reinsurers

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Amounts withheld on reinsurance	1,284,682	1,509,258
Amounts due to reinsurers	1,367,909	1,228,194
Total due to reinsurers	<u>2,652,591</u>	<u>2,737,452</u>

15. Deferred tax liabilities and income tax expenses

15.1 Deferred tax liabilities

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

	Financial statements in which the equity method is applied		(Unit: Thousand Baht)	
			Changes in deferred tax assets or liabilities	
	30 June 2021	31 December 2020	For the six-month periods ended 30 June	
			2021	2020
Deferred tax assets arose from:				
Allowance for expected credit losses	21,559	21,528	31	20,500
Allowance for impairment on investments	13,017	13,017	-	-
Premium reserves	296,584	226,271	70,313	(30,805)
Loss reserves of claims incurred and reported	390,837	388,778	2,059	20,160
Loss reserves of claims incurred but not yet reported	110,538	94,539	15,999	15,745
Lease liabilities	161,019	155,770	5,249	157,214
Employee benefit obligations	160,665	155,440	5,225	3,625
Others	9,742	4,998	4,744	(760)
Total	1,163,961	1,060,341		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	4,219,075	3,839,665	(379,410)	697,015
Right-of-use assets	177,113	177,312	199	(170,251)
Shares of profits from investments in associates	28,634	27,903	(731)	(2,142)
Total	4,424,822	4,044,880		
Deferred tax liabilities	3,260,861	2,984,539		
Total changes			(276,322)	710,301
Changes were recognised in:				
- Retained earnings at beginning of the periods			-	9,204
- Other components of equity at beginning of the periods			-	(542,707)
- Profit or loss			102,715	4,431
- Other comprehensive income			(379,037)	1,239,373
			(276,322)	710,301

(Unit: Thousand Baht)

	Separate financial statements		Changes in deferred tax assets or liabilities	
			For the six-month periods ended	
	30 June	31 December	30 June	
	2021	2020	2021	2021
Deferred tax assets arose from:				
Allowance for expected credit losses	21,559	21,528	31	20,500
Allowance for impairment on investments	13,017	13,017	-	-
Premium reserves	296,584	226,271	70,313	(30,805)
Loss reserves of claims incurred and reported	390,837	388,778	2,059	20,160
Loss reserves of claims incurred but not yet reported	110,538	94,539	15,999	15,745
Lease liabilities	161,019	155,770	5,249	157,214
Provision for long-term employee benefits	160,665	155,440	5,225	3,625
Others	9,742	4,998	4,744	(760)
Total	1,163,961	1,060,341		
Deferred tax liabilities arose from:				
Gains on revaluation of available-for-sale investments	4,219,075	3,839,665	(379,410)	697,015
Right-of-use assets	177,113	177,312	199	(170,251)
Total	4,396,188	4,016,977		
Deferred tax liabilities	3,232,227	2,956,636		
Total changes			(275,591)	712,443
Changes were recognised in:				
- Retained earnings at beginning of the periods			-	9,204
- Other components of equity at beginning of the periods			-	(542,707)
- Profit or loss			103,819	6,223
- Other comprehensive income			(379,410)	1,239,723
			(275,591)	712,443

15.2 Income tax expenses

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

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the three-month periods ended 30 June		For the three-month periods ended 30 June	
	2021	2020	2021	2020
Current income taxes:				
Corporate income tax charge	(201,592)	(119,898)	(201,592)	(119,898)
Deferred income taxes:				
Deferred income taxes relating to origination and reversal of temporary differences	29,439	(33,268)	31,050	(31,767)
Income tax expenses reported in profit or loss	<u>(172,153)</u>	<u>(153,166)</u>	<u>(170,542)</u>	<u>(151,665)</u>

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	2021	2020	2021	2020
Current income taxes:				
Interim corporate income tax charge	(387,791)	(277,013)	(387,791)	(277,013)
Deferred income taxes:				
Deferred income taxes relating to origination and reversal of temporary differences	102,715	4,431	103,819	6,223
Income tax expenses reported in profit or loss	<u>(285,076)</u>	<u>(272,582)</u>	<u>(283,972)</u>	<u>(270,790)</u>

Reconciliations between income tax expenses and the product of accounting profits for the three-month and six-month periods ended 30 June 2021 and 2020 and the applicable tax rate were as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial Statements	
	For the three-month periods ended 30 June		For the three-month periods ended 30 June	
	2021	2020	2021	2020
Accounting profits before income tax expenses	1,066,038	1,085,483	1,057,981	1,077,983
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(213,207)	(217,097)	(211,596)	(215,596)
Adjustment in respect of current income tax of prior period	3	(31)	3	(31)
Net tax effect on tax-exempt revenues and non-tax deductible expenses	41,051	63,962	41,051	63,962
Income tax expenses reported in profit or loss	(172,153)	(153,166)	(170,542)	(151,665)

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial Statements	
	For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	2021	2020	2021	2020
Accounting profits before income tax expenses	1,995,077	1,873,687	1,989,555	1,864,729
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(399,015)	(374,737)	(397,911)	(372,945)
Adjustment in respect of current income tax of prior period	3	(31)	3	(31)
Net tax effect on tax-exempt revenues and non-tax deductible expenses	113,936	102,186	113,936	102,186
Income tax expenses reported in profit or loss	(285,076)	(272,582)	(283,972)	(270,790)

16. Segment information/major customers

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

16.1 Segment information reporting

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

(Unit: Thousand Baht)

	Financial statements in which equity method is applied				
	For the three-month period ended 30 June 2021				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	399,437	157,388	2,154,596	3,128,783	5,840,204
Less: Premium ceded to reinsurers	(127,918)	(92,768)	(84,311)	(1,550,657)	(1,855,654)
Net premium written	271,519	64,620	2,070,285	1,578,126	3,984,550
Add (less): Unearned premium reserves (increased) decreased from prior period	(17,053)	(1,859)	153,599	(319,940)	(185,253)
Earned premium	254,466	62,761	2,223,884	1,258,186	3,799,297
Commission and brokerage fee income	51,173	17,411	24,009	258,118	350,711
Total underwriting income	305,639	80,172	2,247,893	1,516,304	4,150,008
Underwriting expenses					
Net claims	141,072	6,082	1,223,540	672,056	2,042,750
Commission and brokerage expenses	75,825	14,041	330,799	309,507	730,172
Other underwriting expenses	57,937	18,833	158,590	225,265	460,625
Total underwriting expenses	274,834	38,956	1,712,929	1,206,828	3,233,547
Profit from underwriting	30,805	41,216	534,964	309,476	916,461
Investment revenue					229,679
Gains on investments					103,255
Shares of profits from investments in associates					8,057
Other income					45,148
Operating expenses					(211,764)
Investment expenses					(17,125)
Finance costs					(10,018)
Expected credit losses					2,344
Profit before income tax expenses					1,066,037
Less: Income tax expenses					(172,153)
Net profit					893,884

(Unit: Thousand Baht)

Financial statements in which equity method is applied					
For the three-month period ended 30 June 2020					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting revenues					
Gross premium written	382,837	140,801	2,220,391	2,253,665	4,997,694
Less: Premium ceded to reinsurers	(128,103)	(84,097)	(84,738)	(1,262,745)	(1,559,683)
Net premium written	254,734	56,704	2,135,653	990,920	3,438,011
Add: Unearned premium reserves					
decreased from prior period	1,379	4,349	141,290	202,808	349,826
Earned premium	256,113	61,053	2,276,943	1,193,728	3,787,837
Commission and brokerage fee income	41,943	14,932	26,253	208,909	292,037
Total underwriting income	298,056	75,985	2,303,196	1,402,637	4,079,874
Underwriting expenses					
Net claims	73,583	23,778	1,367,641	513,181	1,978,183
Commission and brokerage expenses	69,446	10,594	341,409	241,643	663,092
Other underwriting expenses	61,055	19,661	273,835	295,194	649,745
Total underwriting expenses	204,084	54,033	1,982,885	1,050,018	3,291,020
Profit from underwriting	93,972	21,952	320,311	352,619	788,854
Investment revenue					380,956
Gains on investments					169,397
Shares of profits from investments in associates					7,500
Other income					41,547
Operating expenses					(214,243)
Investment expenses					(24,048)
Finance costs					(9,853)
Expected credit losses					(54,626)
Profit before income tax expenses					1,085,484
Less: Income tax expenses					(153,166)
Net profit					932,318

(Unit: Thousand 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
Underwriting revenue					
Gross premium written	795,124	409,456	4,520,876	6,271,901	11,997,357
Less: Premium ceded to reinsurers	(282,869)	(280,715)	(190,078)	(3,218,587)	(3,972,249)
Net premium written	512,255	128,741	4,330,798	3,053,314	8,025,108
Add (less): Unearned premium reserves (increased) decreased from prior period	(7,217)	(4,319)	131,214	(611,561)	(491,883)
Earned premium	505,038	124,422	4,462,012	2,441,753	7,533,225
Commission and brokerage fee income	114,046	43,898	54,679	554,984	767,607
Total underwriting income	619,084	168,320	4,516,691	2,996,737	8,300,832
Underwriting expenses					
Net claims	222,433	16,010	2,558,552	1,243,218	4,040,213
Commission and brokerage expenses	151,502	28,579	690,012	648,085	1,518,178
Other underwriting expenses	125,455	43,662	447,039	477,702	1,093,858
Total underwriting expenses	499,390	88,251	3,695,603	2,369,005	6,652,249
Profit from underwriting	119,694	80,069	821,088	627,732	1,648,583
Investment revenue					660,605
Gains on investments					131,236
Shares of profits from investments in associates					11,810
Other income					96,727
Operating expenses					(491,379)
Investment expenses					(42,415)
Finance cost					(19,935)
Expected credit losses					(156)
Profit before income tax expenses					1,995,076
Less: Income tax expenses					(285,076)
Net profit					1,710,000

(Unit: Thousand Baht)

Financial statements in which the equity method is applied					
For the six-month period ended 30 June 2020					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting revenue					
Gross premium written	774,187	304,871	4,665,457	5,389,314	11,133,829
Less: Premium ceded to reinsurers	(285,832)	(185,953)	(152,367)	(2,835,359)	(3,459,511)
Net premium written	488,355	118,918	4,513,090	2,553,955	7,674,318
Add (less): Unearned premium reserves (increased) decreased from prior period	26,763	6,491	2,918	(201,942)	(165,770)
Earned premium	515,118	125,409	4,516,008	2,352,013	7,508,548
Commission and brokerage fee income	105,170	38,515	44,919	528,649	717,253
Total underwriting income	620,288	163,924	4,560,927	2,880,662	8,225,801
Underwriting expenses					
Net claims	168,391	18,439	2,863,892	1,077,578	4,128,300
Commission and brokerage expenses	145,197	24,935	715,090	564,054	1,449,276
Other underwriting expenses	120,430	42,891	516,422	563,765	1,243,508
Total underwriting expenses	434,018	86,265	4,095,404	2,205,397	6,821,084
Profit from underwriting	186,270	77,659	465,523	675,265	1,404,717
Investment revenue					781,556
Gains on investments					199,549
Shares of profits from investments in associates					8,957
Other income					92,854
Operating expenses					(491,914)
Investment expenses					(47,341)
Finance cost					(19,510)
Expected credit losses					(55,181)
Profit before income tax expenses					1,873,687
Less: Income tax expenses					(272,582)
Net profit					1,601,105

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

(Unit: Thousand Baht)

Financial statements in which the equity method is applied						
	Fire	Marine and transportation	Motor	Miscellaneous	Total segments	Unallocated Total
Assets						
As at 30 June 2021	801,594	209,942	868,666	7,976,396	9,856,598	52,383,592
As at 31 December 2020	482,420	189,891	1,083,228	8,769,581	10,525,120	48,978,669
Liabilities						
As at 30 June 2021	3,295,250	296,986	6,601,514	11,800,304	21,994,054	7,688,404
As at 31 December 2020	2,918,068	322,660	6,995,641	12,082,322	22,318,691	6,842,051

16.2 Geographic information

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

16.3 Major customers

For the three-month and six-month periods ended 30 June 2021 and 2020, the Company has gross premium written from one major customer as follows:

	(Unit: Million Baht)			
	Financial statements in which the equity method is applied			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2021	2020	2021	2020
Gross premium written	727	624	1,441	1,345

17. Expected credit losses

	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2021	2020	2021	2020
Increase (decrease)				
in expected credit losses:				
Cash and cash equivalents	9	(88)	9	-
Accrued investment income	(466)	531	(468)	549
Investments in securities	(3,632)	52,722	(2,854)	52,991
Loans and interest				
receivables	1,745	1,460	3,469	1,641
Total	(2,344)	54,625	156	55,181

18. Earnings per share

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

19. Dividends paid

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

	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
The first interim dividend for 2021	Meeting No. 3/21 of the Company's Board of Directors on 14 May 2021	372.7	3.50
Final dividend for 2020	Annual General Meeting No. 28 of the Shareholders on 23 April 2021	638.8	6.00
Total dividends for the period 2021		<u>1,011.5</u>	<u>9.50</u>

	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
The first interim dividend for 2020	Meeting No. 3/20 of the Company's Board of Directors on 15 May 2020	319.4	3.00
The fourth interim dividend for 2019	Meeting No. 2/20 of the Company's Board of Directors on 13 April 2020	532.3	5.00
Total dividends for the period 2020		<u>851.7</u>	<u>8.00</u>

20. Related party transactions

20.1 Nature of relationship

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

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

Name of related parties	Type of business	Relationship with the Company
Asia Insurance (Cambodia) Plc.	Non-life insurance	Associate
Asian Insurance International (Holding) Limited	Holding company	Associate
Bangkok Insurance (Lao) Company Limited	Non-life insurance	Associate
Bangkok Bank Pcl.	Banking	Related by way of having common directors and shareholding
Bangkok Aviation Fuel Services Pcl.	Energy and Utilities	Related by way of having common directors and shareholding
Asia Plus Group Holdings Pcl.	Securities	Related by way of having common directors and shareholding
Fuel Pipeline Transportation Co., Ltd.	Energy and Utilities	Related by way of having common directors and shareholding
Thai Indo Kordsa Co., Ltd. ⁽¹⁾	Manufacture of Textiles	Related by way of having common directors and shareholding
Bangkok Life Assurance Pcl.	Life insurance	Related by way of having common directors and shareholding
Thai Orix Leasing Co., Ltd.	Finance	Related by way of having common directors and shareholding
Asia Insurance (Investments) Limited	Holding company	Related by way of having common directors and shareholding
Thai Reinsurance Pcl.	Insurance	Related by way of having common directors and shareholding
Charoong Thai Wire and Cable Pcl.	Electrical products	Related by way of having common directors and shareholding
Fine Metal Technologies Pcl.	Electrical products	Related by way of having common directors and shareholding
Bumrungrad Hospital Pcl.	Health care services	Related by way of having common directors and shareholding
Bangkok Glass Pcl.	Packaging	Related by way of having common directors and shareholding
Sorachai Vivatn Co., Ltd.	Property development	Related by way of having common directors and shareholding
Bangpa-in golf Co., Ltd.	Entertainment and Leisure	Related by way of having common directors and shareholding
Thai Metal Processing Co., Ltd.	Electronic parts	Related by way of having common directors and shareholding
Asia Sermkij Co., Ltd.	Finance	Related by way of having common directors and shareholding
AIOI Bangkok Insurance Pcl.	Non-life insurance	Related by way of shareholding
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company

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

20.2 Significant related party transactions

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company had significant business transactions with its related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties were as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June		For the six-month periods ended 30 June		
	2021	2020	2021	2020	Pricing policy
<u>Transactions with</u>					
<u>associates and related</u>					
<u>companies</u>					
<i>Revenues</i>					
Premium written	156,027	173,588	373,053	366,814	Normal commercial terms for underwriting
Fee and commission income	66,153	57,040	136,876	116,484	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Interest income ⁽¹⁾	16,642	21,361	31,552	43,688	Similar rates as financial institutions and related companies offer to their general customers
Dividend income ⁽¹⁾	121,327	224,390	392,867	458,389	As declared
Rental Income ⁽²⁾	1,956	1,208	3,912	2,416	Same rates offer to general customers
<i>Expenses</i>					
Premium ceded to reinsurers	205,491	179,697	427,223	367,794	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Net claims	(84,746)	(40,097)	(126,494)	(91,310)	As actually incurred
Commissions and brokerages	21,900	21,955	46,091	39,916	Normal commercial terms for underwriting
Fee for trading securities ⁽³⁾	240	446	370	621	Similar rates its related party offers to its general customers
<i>Owners' equity</i>					
Dividend paid	127,958	112,331	127,958	112,331	As declared

⁽¹⁾ Presented in "Net investment revenue" in statements of comprehensive income

⁽²⁾ Presented in "Other income" in statements of comprehensive income

⁽³⁾ Presented in "Operating expenses" in statements of comprehensive income

20.3 Significant outstanding balances

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

	(Unit: Thousand Baht)	
	30 June 2021	31 December 2020
<u>Associates</u>		
Investments in associates - cost	129,396	129,396
<u>Related companies</u>		
Deposits at financial institutions	9,817,577	8,388,796
Premium receivables	31,992	28,209
Accrued interest income on debentures ⁽¹⁾	108	111
Reinsurance assets		
Amounts deposited on reinsurance	7,794	7,117
Amounts due from reinsurers	16,837	8,730
Available-for-sale investments measured at fair value through other comprehensive income		
Equity securities	21,680,245	20,165,152
Debt securities	8,940	9,404
Loans and interest receivables	156,978	157,178
Other assets		
Deposits and golf club membership fees	35,655	35,900
Account receivable on sales of securities	-	3,779
Due to reinsurers		
Amounts withheld on reinsurance	103,086	99,714
Amounts due to reinsurers	87,330	61,376
Insurance contract liabilities		
Loss reserves	6	-

⁽¹⁾ Presented in "Accrued investment income" in statements of financial position

20.4 Directors' and key management's benefits

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company had employee benefit expenses incurred on their directors and key management as below.

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2021	2020	2021	2020
Short-term benefits	26.3	21.5	50.6	43.5
Post-employment benefits	2.3	2.1	4.7	4.0
Total	28.6	23.6	55.3	47.5

21. Commitments and contingent liabilities**21.1 Capital Commitments**

As at 30 June 2021 and 31 December 2020, there were outstanding capital commitments contracted for decoration and renovation of building, and computer software development totaling to Baht 47.4 million and Baht 75.2 million, respectively.

21.2 Litigation

As at 30 June 2021 and 31 December 2020, the Company had litigation claims totaling approximately Baht 3,096.0 million and Baht 2,859.9 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised whereby the maximum responsibility of such claims limits at the lower of the sum insured or the sum sued totaling Baht 407.3 million and Baht 340.3 million, respectively. However, the Company has considered and estimated for losses that may arise from those cases amounting to approximately Baht 148.0 million and Baht 116.0 million, respectively, which were already recognised in "Insurance contract liabilities" in the statements of financial position as at those dates.

22. Financial instruments

22.1 Fair value of financial assets

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

22.2 Fair value hierarchy

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

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements							
	30 June 2021				31 December 2020			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Available-for-sale								
investments which are								
measured at fair value								
through other								
comprehensive income								
Government and state								
enterprise securities	-	2,938	-	2,938	-	3,300	-	3,300
Private sector debt								
securities	-	660	-	660	-	579	-	579
Common stocks	24,158	-	3,068	27,226	22,366	-	2,747	25,113
Unit trusts	1,760	50	-	1,810	1,659	46	-	1,705
Total	25,918	3,648	3,068	32,634	24,025	3,925	2,747	30,697

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

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

	(Unit: Thousand Baht)
	Financial statements in which the equity method is applied and Separate financial statements
Balance as of 1 January 2021	2,746,673
Gains on revaluation during the period	321,238
Balance as of 30 June 2021	3,067,911

23. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Executive Directors on 5 August 2021.