

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

	Note	<i>(Unit : Baht)</i>	
		March 31, 2021 <i>(Unaudited but reviewed only)</i>	December 31, 2020 <i>(Audited)</i>
ASSETS			
Cash and cash equivalents	4	42,097,141.70	31,416,733.73
Premium due and uncollected	5	17,930,981.56	13,242,928.80
Accrued investment income		2,540,906.29	2,764,061.01
Reinsurance assets	6	28,927,856.62	20,254,791.93
Reinsurance receivables	7	7,475,713.31	15,793,665.78
Invested assets			
Investments in securities	8	616,543,425.13	620,284,862.62
Loans and interest receivables	9	4,334,258.49	4,700,940.91
Property, plant and equipment	10	42,520,488.99	42,526,684.75
Other Intangible assets	11	5.00	5.00
Deferred tax assets	12	21,358,105.20	22,598,099.39
Other assets	13	9,846,988.41	13,657,397.20
TOTAL ASSETS		793,575,870.70	787,240,171.12

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2021

		<i>(Unit : Baht)</i>	
	<i>Note</i>	March 31, 2021	December 31, 2020
		<i>(Unaudited but reviewed only)</i>	<i>(Audited)</i>
LIABILITIES AND OWNERS' EQUITY			
Insurance contract liabilities	<i>14</i>	156,554,814.69	160,718,208.28
Due to reinsurers	<i>15</i>	23,303,783.26	20,674,268.10
Income tax payables		4,998,905.75	2,632,196.23
Employee benefit obligations	<i>16</i>	10,812,885.25	12,286,101.00
Deferred tax liabilities	<i>12</i>	7,972,326.84	9,119,563.33
Others liabilities			
Unearned revenue		6,751,892.48	6,580,942.00
Others	<i>17</i>	14,910,708.39	17,968,122.95
TOTAL LIABILITIES		225,305,316.66	229,979,401.89

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT MARCH 31, 2021

	<i>(Unit : Baht)</i>	
	March 31, 2021	December 31, 2020
	<i>(Unaudited but reviewed only)</i>	<i>(Audited)</i>
LIABILITIES AND OWNERS' EQUITY		
Owners' equity		
Share capital		
Registered capital		
12,000,000 ordinary shares of Baht 10.00 each	120,000,000.00	120,000,000.00
Issued and paid-up share capital		
12,000,000 ordinary shares of Baht 10.00 each	120,000,000.00	120,000,000.00
Premium on share capital	258,000,000.00	258,000,000.00
Retained earnings		
Appropriated		
Statutory reserve	12,000,000.00	12,000,000.00
Unappropriated	150,766,765.75	147,263,618.86
Other components of equity	27,503,788.29	19,997,150.37
TOTAL OWNERS' EQUITY	568,270,554.04	557,260,769.23
TOTAL LIABILITIES AND OWNERS' EQUITY	793,575,870.70	787,240,171.12

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021
(UNAUDITED / REVIEWED ONLY)

		<i>(Unit : Baht)</i>	
	<i>Note</i>	<i>2021</i>	<i>2020</i>
Revenues			
Premium written		32,727,734.58	93,643,206.02
Less: Premium ceded		(11,843,288.30)	(10,936,297.46)
Net Premium written		20,884,446.28	82,706,908.56
Add/Less: Unearned premium reserves from prior period		9,609,505.08	4,845,814.28
Net Premiums earned	<i>30</i>	30,493,951.36	87,552,722.84
Fee and commission income	<i>30</i>	4,096,054.57	2,990,273.70
Income on investments - net	<i>22, 30</i>	2,569,442.56	3,378,222.73
Other income		626,525.14	430,946.36
Total revenues		37,785,973.63	94,352,165.63
Expenses			
Gross benefits and claims		23,152,605.75	30,816,857.97
Less: claims recovered from reinsurers		(6,664,822.36)	(3,769,336.89)
Insurance claims and loss adjustment expenses	<i>30</i>	16,487,783.39	27,047,521.08
Commissions and brokerages	<i>30</i>	6,062,364.52	12,932,422.95
Other underwriting expenses	<i>30</i>	2,193,544.92	35,799,339.32
Operating expenses	<i>18, 30</i>	8,545,264.76	9,581,405.26
Net impairment losses on financial assets	<i>19</i>	149,282.68	2,910,018.61
Total expenses		33,438,240.27	88,270,707.22
Profit (Loss) before corporate income tax		4,347,733.36	6,081,458.41
Tax income	<i>12.2</i>	(844,586.47)	(1,214,291.68)
Profit (Loss) for the period		3,503,146.89	4,867,166.73

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME (CONT.)
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021
(UNAUDITED / REVIEWED ONLY)

	<i>Note</i>	<i>(Unit : Baht)</i>	
		<i>2021</i>	<i>2020</i>
Other comprehensive income (expenses)			
<u>Items that will be reclassified subsequently to profit or loss</u>			
Change in value of investments measured at			
fair value through other comprehensive income		9,383,297.40	(59,711,367.23)
Income tax relating to component of other comprehensive income	12.3	(1,876,659.48)	11,942,273.44
Change in value of investments measured at			
fair value through other comprehensive income, net of tax		7,506,637.92	(47,769,093.79)
Other comprehensive income (expenses) for the period, net of tax		7,506,637.92	(47,769,093.79)
Total comprehensive income (expenses) for the period		11,009,784.81	(42,901,927.06)
Earnings per share			
Basic earning (loss) per share		0.29	0.41
Number of ordinary shares		12,000,000	12,000,000

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021
(UNAUDITED / REVIEWED ONLY)

	<i>(Unit : Baht)</i>	
	<i>2021</i>	<i>2020</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net direct premium written	27,679,920.92	100,613,813.76
Cash paid for reinsurance	(5,686,488.75)	(7,734,688.55)
Interest income	2,933,118.66	3,241,001.82
Other income	626,525.14	430,946.36
Losses incurred of direct insurance	(13,076,647.31)	(11,545,909.00)
Commissions and brokerages	(1,184,489.43)	(10,540,993.33)
Other underwriting expenses	(2,193,544.92)	(35,799,339.32)
Operating expenses	(11,650,499.18)	(25,095,467.65)
Corporate income tax	(261,778.72)	(207,550.41)
Cash received from financial assets	26,604,445.68	5,307,908.18
Cash used in financial assets	(13,014,239.43)	(28,614,750.00)
NET CASH PROVIDED BY (USE IN) OPERATING ACTIVITIES	10,776,322.66	(9,945,028.14)
CASH FLOWS FROM (USE IN) INVESTING ACTIVITIES		
Equipment	(95,914.69)	(6,439.25)
NET CASH PROVIDED BY (USE IN) INVESTING ACTIVITIES	(95,914.69)	(6,439.25)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	10,680,407.97	(9,951,467.39)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	31,416,733.73	53,022,357.90
CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD	42,097,141.70	43,070,890.51

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021
(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Share capital		Retained earnings		Other component of	Total		
				Issued and fully paid	Premium on share capital	Statutory reserve		Unappropriated	owner's equities
									Fair value changes on investments
Balance as at December 31, 2019		120,000,000.00	258,000,000.00	12,000,000.00	101,383,836.22	49,670,861.79	541,054,698.01		
Profit for the period		-	-	-	4,867,166.73	-	4,867,166.73		
Dividend paid	27	-	-	-	(6,000,000.00)	-	(6,000,000.00)		
Other comprehensive expenses for the period, net of tax		-	-	-	-	(47,769,093.79)	(47,769,093.79)		
Balance as at March 31, 2020		120,000,000.00	258,000,000.00	12,000,000.00	100,251,002.95	1,901,768.00	492,152,770.95		
Balance as at December 31, 2020		120,000,000.00	258,000,000.00	12,000,000.00	147,263,618.86	19,997,150.37	557,260,769.23		
Profit for the period		-	-	-	3,503,146.89	-	3,503,146.89		
Other comprehensive income for the period, net of tax		-	-	-	-	7,506,637.92	7,506,637.92		
Balance as at March 31, 2021		120,000,000.00	258,000,000.00	12,000,000.00	150,766,765.75	27,503,788.29	568,270,554.04		

Notes to the financial statements are an integral part of these financial statements.

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

CHARAN INSURANCE PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2021
(UNAUDITED / REVIEWED ONLY)

1. GENERAL INFORMATION

1.1. Corporate Information

CHARAN INSURANCE PUBLIC COMPANY LIMITED (“the Company”) was incorporated as a public limited company on March 15, 1994, Registration No. BorMorJor. 0107537000807. The Company has its registered head office at 408/1 Ratchadapisak Road, Samsenok, Huaykwang, Bangkok. The Company’s principal activity is the provision of non - life insurance.

1.2. Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities. The degree of the impact severity is dependent upon the pandemic controlling measures imposed by government and the duration of the pandemic.

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2019) “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 2016 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 April 4, 2019. Which become effective on January 1, 2020 onwards.

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS (Cont.)

2.1 Basis of preparation (Cont.)

The interim financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2020.

An English version of the interim financial statements has been prepared from the interim financial statements that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial statement shall prevail.

2.2 Financial reporting standards that became effective in the current year.

During the period, the Company has adopted the revised 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, the adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

2.3 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022.

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met. However, the management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

This financial reporting standard has no material impact to financial statements.

2.4 Significant accounting policies

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

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case when there is no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categories of inputs to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

As at March 31, 2021, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

	Level 1	Level 2	Level 3	Total
(Unit : Baht)				
Assets				
Financial assets at fair value through other comprehensive income				
Government and state enterprise securities				
Equity securities	23,683,875.00	-	-	23,683,875.00
Private enterprise debt securities Equity securities	168,581,418.07	-	8,279,839.29	176,861,257.36
Total assets	192,265,293.07	-	8,279,839.29	200,545,132.36

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

3. FAIR VALUE MEASUREMENT (Cont.)

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

	(Unit : Baht)			
	Level 1	Level 2	Level 3	Total
Assets				
Investment in securities - Available-for-sale				
Government and state enterprise securities				
Equity securities	23,307,000.00	-	-	23,307,000.00
Private enterprise debt securities Equity securities	159,574,995.68	-	8,279,839.29	167,854,834.97
Total assets	182,881,995.68	-	8,279,839.29	191,161,834.97

During the current period, there were no transfers within the fair value hierarchy.

4. CASH AND CASH EQUIVALENTS

	(Unit : Baht)	
	March 31, 2021	December 31, 2020
Cash	878,562.06	783,415.89
Deposits at banks with no fixed maturity date	41,218,579.64	20,633,317.84
Deposits at banks with fixed maturity date	-	10,000,000.00
Cash and cash equivalents	<u>42,097,141.70</u>	<u>31,416,733.73</u>

5. PREMIUM DUE AND UNCOLLECTED

As at March 31, 2021 and December 31, 2020, the Company has balances of premium due and uncollected which classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	(Unit : Baht)					
	March 31, 2021			December 31, 2020		
	Due from insured	Due from agents and brokers	Total	Due from insured	Due from agents and brokers	Total
Not yet due	33,547.11	13,948,069.43	13,981,616.54	757,306.39	10,770,835.28	11,528,141.67
Not over 30 days	1,129,519.56	2,191,202.13	3,320,721.69	26,887.75	350,464.34	377,352.09
Over 31 days to 60 days	-	305,458.71	305,458.71	5,670.40	665,322.05	670,992.45
Over 61 days to 90 days	-	265,941.27	265,941.27	-	616,637.30	616,637.30
Over 90 days	1,512.40	695,539.09	697,051.49	-	858,096.97	858,096.97
Total premium receivables	1,164,579.07	17,406,210.63	18,570,789.70	789,864.54	13,261,355.94	14,051,220.48
Less: Allowance for doubtful accounts	-	(639,808.14)	(639,808.14)	-	(808,291.68)	(808,291.68)
Total premium due and uncollected, net	<u>1,164,579.07</u>	<u>16,766,402.49</u>	<u>17,930,981.56</u>	<u>789,864.54</u>	<u>12,453,064.26</u>	<u>13,242,928.80</u>

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

6. REINSURANCE ASSETS

As at March 31, 2021 and December 31, 2020, the Company has reinsurance assets as below:

	(Unit : Baht)	
	March 31, 2021	December 31, 2020
<u>Insurance recovered from reinsurers</u>		
Loss reserves	9,498,691.17	4,278,822.47
Unearned premium reserves (UPR)	19,429,165.45	15,975,969.46
Total	<u>28,927,856.62</u>	<u>20,254,791.93</u>

7. REINSURANCE RECEIVABLES

As at March 31, 2021 and December 31, 2020, the Company has reinsurance receivables as below:

	(Unit : Baht)	
	March 31, 2021	December 31, 2020
Amounts due from reinsurers	7,475,713.31	15,793,665.78
Total	<u>7,475,713.31</u>	<u>15,793,665.78</u>

As at March 31, 2021 and December 31, 2020, balances of amounts due from reinsurers are classified by aging as follows:

	(Unit : Baht)	
	March 31, 2021	December 31, 2020
Within credit terms	7,475,713.31	15,793,665.78
Not over 12 months	-	-
Total	<u>7,475,713.31</u>	<u>15,793,665.78</u>

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

8. INVESTMENT IN SECURITIES

8.1. Classified by type of investments As at March 31, 2021 and December 31, 2020, the Company has investments in securities as follows:

	(Unit: Baht)			
	March 31, 2021		December 31, 2020	
	Cost / Amortized cost	Fair value	Cost / Amortized cost	Fair value
Investments measured at fair value through other comprehensive income / Available-for-sale investments				
Government and state enterprise securities				
Equity securities	8,704,990.00	23,683,875.00	8,704,990.00	23,307,000.00
Private enterprise debt securities				
Equity securities	157,119,347.00	168,581,418.07	157,119,347.00	159,574,995.68
Non-listed equity instruments	341,060.00	8,279,839.29	341,060.00	8,279,839.29
Total	166,165,397.00	200,545,132.36	166,165,397.00	191,161,834.97
Add (Less) Unrealized gain (loss)	34,379,735.36	-	24,996,437.97	-
Total investments measured at fair value through other comprehensive income / Available-for-sale investments	200,545,132.36	200,545,132.36	191,161,834.97	191,161,834.97
Investment measured at amortized cost / Held-to-maturity investments				
Government and state enterprise securities	5,400,000.00		6,600,000.00	
Private sector debt securities	295,000,000.00		307,000,000.00	
Deposits at banks	134,930,000.00		134,930,000.00	
Total	435,330,000.00		448,530,000.00	
(Less) Allowance for expected credit losses	(19,331,707.23)		(19,406,972.35)	
Total investment measured at amortized cost / Held-to-maturity investments	415,998,292.77		429,123,027.65	
Investments in securities - net	616,543,425.13		620,284,862.62	

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

8. INVESTMENT IN SECURITIES (Cont.)

8.2 Debt securities that are measured at amortized cost.

(Unit: Baht)

	March 31, 2021		
	Gross	Expected	
	carrying value	credit loss	Carrying
Investments in debt securities which credit risk has not significantly increased (Stage 1)	400,330,000.00	(886,707.23)	399,443,292.77
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	35,000,000.00	(18,445,000.00)	16,555,000.00
Total	435,330,000.00	(19,331,707.23)	415,998,292.77

(Unit: Baht)

	December 31, 2020		
	Gross	Expected	
	carrying value	credit loss	Carrying
Investments in debt securities which credit risk has not significantly increased (Stage 1)	413,530,000.00	(961,972.35)	412,568,027.65
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	35,000,000.00	(18,445,000.00)	16,555,000.00
Total	448,530,000.00	(19,406,972.35)	429,123,027.65

As at March 31, 2021 and December 31, 2020, the Company pledged bank deposit Baht 64.93 million as collateral as stated in note 29.

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

9. LOANS AND INTEREST RECEIVABLES

As at March 31, 2021 and December 31, 2020, loans and accrued interest aged by principal and accrued interest are as follows:

(Unit : Baht)

Classification	LOANS		March 31, 2021
	Mortgage loans	Other	Total
	Loans which credit risk has not significantly increased (Stage 1)	4,050,163.19	284,095.30
Loans which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired loans (Stage 3)	2,035,988.91	-	2,035,988.91
Total	6,086,152.10	284,095.30	6,370,247.40
Less: Allowance for expected credit losses	(2,035,988.91)	-	(2,035,988.91)
Total - Loans and interest receivables	4,050,163.19	284,095.30	4,334,258.49

(Unit : Baht)

Classification	LOANS		December 31, 2020
	Mortgage loans	Other	Total
	Loans which credit risk has not significantly increased (Stage 1)	4,384,310.97	316,629.94
Loans which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired loans (Stage 3)	2,055,988.91	-	2,055,988.91
Total	6,440,299.88	316,629.94	6,756,929.82
Less: Allowance for expected credit losses	(2,055,988.91)	-	(2,055,988.91)
Total - Loans and interest receivables	4,384,310.97	316,629.94	4,700,940.91

9.1 The collateralized loans are loan facilities provided to employees as part of the credit welfare project for house with interest rate MLR – 1.5% to MOR - 2.0% per annum.

9.2 The collateralized loans are personal loans provided to employees as part of the benefit program with interest rate at MLR - 1.5% per annum to MOR per annum.

9.3 The collateralized loans are loan facilities provided to other person at interest rate MOR-1.5% per annum.

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

10. PROPERTY, PLANT AND EQUIPMENT

Changing of property, plant and equipment for the three-month period ended March 31, 2021 are presented as follows:

	(Unit : Baht)				
	Land	Building	Vehicle	Fixture and office equipment	Total
Net book value					
As at January 1, 2021	41,549,000.00	324,448.66	20.00	653,216.09	42,526,684.75
Cost increasing during the period	-	-	-	95,918.69	95,918.69
Net book value disposal during the period	-	-	(4.00)	-	(4.00)
Depreciation	-	(19,401.94)	-	(82,708.51)	(102,110.45)
Net book value					
As at March 31, 2021	<u>41,549,000.00</u>	<u>305,046.72</u>	<u>16.00</u>	<u>666,426.27</u>	<u>42,520,488.99</u>

11. INTANGIBLE ASSETS

Changing of intangible assets for the three-month period ended March 31, 2021 are presented as follows:

	(Unit : Baht)
	Computer program
Net book value as at March 31, 2021	5.00
Amortized for the period	-
Net book value as at March 31, 2021	<u>5.00</u>

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

12. DEFERED TAX AND INCOME TAX EXPENSES

12.1 As at March 31, 2021 and December 31, 2020, the component of deferred tax assets and liabilities consist of following items.

	(Unit: Baht)	
	March 31, 2021	December 31, 2020
Deferred tax assets		
Loss reserves and outstanding claims	12,080,009.66	11,945,736.87
Loss reserves incurred but not reported (IBNR)	2,339,604.34	3,415,387.99
Allowance for expected credit losses / Allowance for doubtful accounts	4,775,914.15	4,779,754.33
Employee benefit obligation	2,162,577.05	2,457,220.20
Total	21,358,105.20	22,598,099.39
Deferred tax liabilities		
Premium reserve	1,096,379.77	4,120,275.73
Unrealized gain from investment valuation – Available for sale	6,875,947.07	4,999,287.60
Total	7,972,326.84	9,119,563.33
Deferred tax assets (liabilities) - net	13,385,778.36	13,478,536.06

12.2 The income tax expenses for the three-month period ended March 31, 2021 and 2020, comprise as follows:-

	(Unit : Baht)	
	For the three-month period ended	
	March 31, 2021	March 31, 2020
Current income tax:		
Current income tax charge for the period	2,628,488.26	3,921,417.61
Deferred tax:		
Relating to origination and reversal of temporary differences	(1,783,901.79)	(2,707,125.93)
Income tax expenses reported in statements of income	844,586.47	1,214,291.68

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

12. DEFERED TAX AND INCOME TAX EXPENSES (Cont.)

12.3 As for the three-month period ended March 31, 2021 and 2020, the amount of income tax relating to the each component of comprehensive income are presented as follows:

	(Unit : Baht)	
	For the three-month period ended	
	March 31, 2021	March 31, 2020
Deferred tax relating to:		
Difference from investment measurement-for-sale securities	(1,876,659.48)	11,942,273.44

13. OTHER ASSTES

	(Unit: Baht)	
	For the three-month period ended	
	March 31, 2021	December 31, 2020
Prepaid long-term commission	1,463,714.70	1,477,825.83
Loss recovery from counter parties	3,217,236.00	4,376,924.10
Other Receivables	222,289.73	4,845,290.21
Others	6,815,814.47	4,584,875.75
Total	11,719,054.90	15,284,915.89
Less: Allowance for expected credit losses	(1,872,066.49)	(1,627,518.69)
Other assets - net	9,846,988.41	13,657,397.20

14. INSURANCE CONTRACT LIABILITIES

	March 31, 2021		
	Insurance contract liabilities	Liabilities on reinsurance	Net
	Loss reserves and outstanding claims		
- Incurred and agreed claim reserves	80,300,330.90	(7,399,150.91)	72,901,179.99
- Incurred but not reported claim reserves	13,797,561.96	(2,099,540.26)	11,698,021.70
Premium liabilities - Unearned premium reserves	62,456,921.83	(19,429,165.45)	43,027,756.38
Total	156,554,814.69	(28,927,856.62)	127,626,958.07

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

14. INSURANCE CONTRACT LIABILITIES (Cont.)

	December 31, 2020		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Loss reserves and outstanding claims			
- Incurred and agreed claim reserves	71,616,427.81	(867,212.84)	70,749,214.97
- Incurred but not reported claim reserves	20,488,549.56	(3,411,609.63)	17,076,939.93
Premium liabilities - Unearned premium reserves	68,613,230.91	(15,975,969.46)	52,637,261.45
Total	<u>160,718,208.28</u>	<u>(20,254,791.93)</u>	<u>140,463,416.35</u>

Loss reserves and outstanding claims

	(Unit: Baht)	
	March 31, 2021	December 31, 2020
Beginning balances	92,104,977.37	85,105,272.39
Claims incurred for the periods	36,715,294.19	136,796,733.48
Changes in claim reserves in previous period/year	(1,124,566.75)	(5,488,650.96)
Changes in assumption and loss reserve and outstanding claims	(11,988,533.11)	(3,745,340.18)
Claims paid during the periods	<u>(21,609,278.84)</u>	<u>(120,563,037.36)</u>
Ending balances	<u>94,097,892.86</u>	<u>92,104,977.37</u>

As at 31 March 2021, the Company had loss reserves and outstanding claims under reinsurance contracts of Baht 3.53 million (31 December 2020: Baht 3.18 million).

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

14. INSURANCE CONTRACT LIABILITIES (Cont.)

Unearned premium reserve

	(Unit: Baht)	
	March 31, 2021	December 31, 2020
Beginning balances	68,613,230.91	190,252,535.03
Premium written for the period	32,727,734.58	198,555,938.09
Premium earned for the current period	(38,884,043.66)	(320,195,242.21)
Ending balance	<u>62,456,921.83</u>	<u>68,613,230.91</u>

Unexpired risk reserve

	(Unit: Baht)	
	March 31, 2021	December 31, 2020
Balance as at January 1	28,909,034.49	91,890,236.68
Estimated claims for the period	15,028,278.84	91,670,175.19
Expired risk during the period	(16,383,139.86)	(154,651,377.38)
Ending balance	<u>27,554,173.47</u>	<u>28,909,034.49</u>

As at March 31, 2021, the Company has not provided for unexpired risk reserve for the amount of Baht 27.55 million (December 31, 2020, Baht 28.91 million) since unexpired risk reserve is lower than unearned premium reserve.

15. DUE TO REINSURERS

	(Unit: Baht)	
	March 31, 2021	December 31, 2020
Premium ceded payables	11,918,575.28	11,473,389.78
Amount withheld on reinsurance	11,385,207.98	9,200,878.32
Total reinsurance payables	<u>23,303,783.26</u>	<u>20,674,268.10</u>

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

16. EMPLOYEE BENEFIT OBLIGATIONS

For the three-month periods ended March 31, 2021 and 2020

Employee benefits expenses project as determined

(Unit: Baht)

	<u>March 31, 2021</u>	<u>March 31, 2020</u>
Current service cost	239,663.25	251,070.25
Interest cost	32,495.00	41,324.25
Total Expenses	<u>272,158.25</u>	<u>292,394.50</u>

As at March 31, 2021

Defined benefit obligations at January 1, 2021	12,286,101.00
Current service cost	239,663.25
Interest cost	32,495.00
Less Benefits paid	<u>(1,745,374.00)</u>
Defined benefit obligations at March 31, 2021	<u>10,812,885.25</u>

Actuarial assumptions to use for calculation:-

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
	<u>(Percentage)</u>	<u>(Percentage)</u>
Discount rate	1.09	1.09
Salary rate increase	2.00	2.00

17. OTHER LIABILITIES

	(Unit: Baht)	
	<u>March 31, 2021</u>	<u>December 31, 2020</u>
Accrued expense	3,447,470.52	3,574,589.85
Accrued commission	3,143,140.33	2,407,693.36
Others	8,320,097.54	11,985,839.74
Total	<u>14,910,708.39</u>	<u>17,968,122.95</u>

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

18. OPERATING EXPENSES

	(Unit: Baht)	
	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Personal expenses which are not expenses for underwriting and claims	5,644,560.07	5,730,878.75
Premises and equipment expenses which is not expenses for underwriting	1,523,334.89	1,918,149.24
Taxes and duties	208,167.72	486,172.94
Other operating expenses	1,169,202.08	1,446,204.33
Total operating expenses	<u>8,545,264.76</u>	<u>9,581,405.26</u>

19. NET IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	(หน่วย:บาท)	
	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Loans and interest receivables	(20,000.00)	155,988.91
Other assets	169,282.68	2,754,029.70
Total net impairment losses on financial assets	<u>149,282.68</u>	<u>2,910,018.61</u>

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

20. EMPLOYEE BENEFIT EXPENSE

	(Unit: Baht)	
	For the three-month period ended March 31, 2021	For the three-month period ended March 31, 2020
Management		
Wages and salaries	2,795,706.00	2,795,706.00
Pension costs - defined contribution plans	44,952.00	44,952.00
Others	125,722.75	192,814.50
	<u>2,966,380.75</u>	<u>3,033,472.50</u>
Other employees		
Wages and salaries	4,151,524.00	4,308,070.00
Pension costs - defined contribution plans	59,412.32	69,375.00
Others	214,098.00	233,086.25
	<u>4,425,034.32</u>	<u>4,610,531.25</u>
Total	<u>7,391,415.07</u>	<u>7,644,003.75</u>
Employee benefit expenses has been allocated to:		
Other underwriting expenses	1,067,985.00	1,262,395.00
Insurance claim and loss adjustments	678,870.00	650,730.00
Operating expenses	5,644,560.07	5,730,878.75
Total	<u>7,391,415.07</u>	<u>7,644,003.75</u>

21. BENEFITS PAID TO DIRECTORS AND KEY MANAGEMENT

Directors' remuneration is benefit paid to the Company's directors in accordance with the Section 90 of the Public Company Limited Act B.E. 1992 excluded salaries and related benefits to be paid to executive directors.

Benefit expenses paid to chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels consist of salaries, bonus, retirement benefit and meeting allowance.

Directors' remuneration and management benefit expenses for the three-month period ended March 31, 2021 and 2020 are presented as follows.

	(Unit: Baht)	
	March 31, 2021	March 31, 2020
Short-term benefits	2,816,350.00	2,883,445.00
Long-term benefits	150,030.75	150,027.50
Total	<u>2,966,380.75</u>	<u>3,033,472.50</u>

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

22. Net investment revenues

For the three-month period ended March 31, 2021 and 2020, the Company had revenues relating to investment as follows.

	(Unit: Baht)	
	March 31, 2021	March 31, 2020
Interest income	2,569,442.56	3,378,222.73
Total	2,569,442.56	3,378,222.73

23. CAPITAL FUND MANAGEMENT

The primary objectives of the Company's capital fund management are to ensure that it has an appropriate financial structure, presences the ability to continue its business as a going concern and to maintain capital reserve in accordance with Notifications of the Office of Insurance Commission (OIC).

24. ASSETS PLEDGED WITH REGISTRAR

As at March 31, 2021 and December 31, 2020, the Company pledged bank deposit in the amount of Baht 14.00 million as collateral with the registrar in accordance with the Section 19 of Insurance Act B.E.2535.

25. ASSETS RESERVE PLEDGED WITH REGISTRAR

As at March 31, 2021 and December 31, 2020, bank deposit amount of Baht 30.00 million are used as collateral against premium reserve with the registrar

26. PROVIDENT FUND

The Company and its employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. (1987). The fund is contributed to by the Company and its employees at the equal monthly rate of 3 percent of the employees' basic salary, based on the length of employment and will be paid to the employees upon termination in accordance with the rules of the fund. The fund is managed by Kasikorn Management Company Limited. For the three-month period ended March 31, 2021 and 2020 the Company contributed to Fund approximately Baht 0.10 million and Baht 0.11 million respectively.

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

27. DIVIDEND PAYMENT

According to the resolution of ordinary shareholders' meeting held on July 22, 2020, The company passed resolution to pay dividend to the shareholders from retained earnings of the year 2019 at the rate Baht 0.50 per share for 12 million shares total amount of Baht 6 million. The company already paid dividend on April 30, 2020.

28. LEGAL RESERVE

Under the Section 116 of the Public Companies Act B.E. 2535 (1992), the Company is required to set aside a legal reserve at least 5% of annual net profit until the cumulative reserve reaches an amount of 10% of the authorized share capital. Such legal reserve is not available for dividend distribution.

29. RESTRICTED ASSETS WITH COMMITMENT

As at March 31, 2021 and December 31, 2020, the Company pledged bank deposit of Baht 64.93 million as follows:

	(Unit: Baht)	
	March 31, 2021	December 31, 2020
Bank deposit as collateral for :		
Bank overdraft	20,000,000.00	20,000,000.00
Assets pledged with registrar	14,000,000.00	14,000,000.00
Assets reserve pledged with registrar	30,000,000.00	30,000,000.00
Credit card usage	500,000.00	500,000.00
Electricity usage	430,000.00	430,000.00
Total	<u>64,930,000.00</u>	<u>64,930,000.00</u>

Litigation

29.1 As at March 31, 2021 and December 31, 2020, the Company was sued from act as insurer with the prosecution value of Baht 5.42 million and 3.53 million respective. However, the Company's contingent liabilities from prosecution cases in the value not more than the policy custody amount of Baht 2.45 million and 1.49 million respective. Those prosecution cases have been incompletely considered and the Company expects to win the mostly cases. Nevertheless, the Company recorded the provision for contingent loss amount of Baht 2.41 million and 1.49 million respective in the financial statements.

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

29. CONTINGENT LIABILITIES AND COMMITMENT (Cont.)

Guarantees

29.2 As at March 31, 2021 and December 31, 2020, the Company has the unused letter of guarantee issued by bank in the name of the Company for the amount of Baht 0.93 million relating to guarantee for electricity usage.

Operating lease commitments

29.3 As at March 31, 2021 and December 31, 2020, the Company has commitments to pay under service agreement as follows:

	<i>(Unit : Baht)</i>	
	<u>March 31, 2021</u>	<u>December 31, 2020</u>
Due within 1 year	2,579,441.10	1,765,984.11
Total	<u>2,579,441.10</u>	<u>1,765,984.11</u>

30. FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company's operations involve the single business segment of non-life insurance, and are carried on in the single geographic area of Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned business segment and geographical area. And for the purposes of administration, The Company reported operating segments. Divided into categories of products include fire insurance, marine and transport insurance, personal accident insurance and miscellaneous insurance as segment income and profit of the Company for the three-month period ended March 31, 2021 and 2020 are as follows.

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

30. FINANCIAL INFORMATION BY SEGMENT (Cont.)

(Unit: Baht)

	For the three-month period ended March 31, 2021					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Underwriting income						
Premium written	10,989,218.53	3,165,290.95	6,596,100.18	225,297.26	11,751,827.66	32,727,734.58
Less: Premium ceded	(3,125,172.44)	(2,059,596.35)	(337,590.27)	(49,144.46)	(6,271,784.78)	(11,843,288.30)
Net premium written	7,864,046.09	1,105,694.60	6,258,509.91	176,152.80	5,480,042.88	20,884,446.28
Add/Less: Unearned premium reserves	(929,058.16)	(139,048.32)	12,182,586.01	(1,212.39)	(1,503,762.06)	9,609,505.08
Earned premium written	6,934,987.93	966,646.28	18,441,095.92	174,940.41	3,976,280.82	30,493,951.36
Fee and commissions income	1,068,276.51	622,734.38	74,497.38	21,038.17	2,309,508.13	4,096,054.57
Total underwriting income	8,003,264.44	1,589,380.66	18,515,593.30	195,978.58	6,285,788.95	34,590,005.93
Underwriting expenses						
Claims and losses adjustment	92,210.39	(37,819.85)	12,353,271.82	145,022.08	3,935,098.95	16,487,783.39
Commissions and brokerages	2,627,491.32	427,400.18	1,000,521.36	40,671.45	1,966,280.21	6,062,364.52
Other underwriting expenses	419,096.12	390,695.01	1,085,335.84	1,170.96	297,246.99	2,193,544.92
Total underwriting expenses before operating expenses	3,138,797.83	780,275.34	14,439,129.02	186,864.49	6,198,626.15	24,743,692.83
Operating expenses						8,545,264.76
Net impairment losses on financial assets						149,282.68
Profit on underwriting						1,151,765.66
Net investment income						2,569,442.56
Other income						626,525.14
Profit before income tax expense						4,347,733.36
Income tax (Expense) income						(844,586.47)
Profit for the period						3,503,146.89

(Sign) Directors

(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

30. FINANCIAL INFORMATION BY SEGMENT (Cont.)

(Unit: Baht)

	For the three-month period ended March 31, 2020					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Underwriting income						
Premium written	8,778,802.19	1,595,575.11	74,125,572.84	197,622.33	8,945,633.55	93,643,206.02
Less: Premium ceded	(2,025,688.58)	(619,252.25)	(3,757,747.90)	(58,128.88)	(4,475,479.85)	(10,936,297.46)
Net premium written	6,753,113.61	976,322.86	70,367,824.94	139,493.45	4,470,153.70	82,706,908.56
Add/Less: Unearned premium reserves	475,143.94	350,280.73	4,325,406.49	20,486.21	(325,503.09)	4,845,814.28
Earned premium written	7,228,257.55	1,326,603.59	74,693,231.43	159,979.66	4,144,650.61	87,552,722.84
Fee and commissions income	577,098.44	159,701.92	592,714.74	24,601.69	1,636,156.91	2,990,273.70
Total underwriting income	<u>7,805,355.99</u>	<u>1,486,305.51</u>	<u>75,285,946.17</u>	<u>184,581.35</u>	<u>5,780,807.52</u>	<u>90,542,996.54</u>
Underwriting expenses						
Claims and losses adjustment	(1,136,537.08)	(671,739.39)	28,725,458.56	38,298.77	92,040.22	27,047,521.08
Commissions and brokerages	2,101,046.30	235,846.59	9,111,044.67	22,288.11	1,462,197.28	12,932,422.95
Other underwriting expenses	667,537.20	461,478.58	34,374,559.68	1,334.51	294,429.35	35,799,339.32
Total underwriting expenses						
before operating expenses	<u>1,632,046.42</u>	<u>25,585.78</u>	<u>72,211,062.91</u>	<u>61,921.39</u>	<u>1,848,666.85</u>	<u>75,779,283.35</u>
Operating expenses						9,581,405.26
Net impairment losses on financial assets						2,910,018.61
Profit on underwriting						2,272,289.32
Net investment income						3,378,222.73
Other income						430,946.36
Profit before income tax expense						6,081,458.41
Income tax (Expense) income						(1,214,291.68)
Profit for the period						<u>4,867,166.73</u>

(Sign) Directors
 (Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)

30. FINANCIAL INFORMATION BY SEGMENT (Cont.)

The following table presents segment assets and liabilities of the Company's operating segments as at March 31, 2021 and December 31, 2020 are as follows:

(Unit: Baht)

	fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Unallocated assets	Total
Assets							
As at March 31, 2021	18,628,617.20	6,038,024.15	12,333,395.92	390,566.07	25,183,356.45	731,001,910.91	793,575,870.70
As at December 31, 2020	23,663,222.45	4,228,079.16	13,226,601.24	395,540.93	12,640,418.99	733,086,308.35	787,240,171.12
Liabilities							
As at March 31, 2021	51,016,610.68	11,131,417.14	93,586,197.62	613,504.66	33,537,152.82	35,420,433.74	225,305,316.66
As at December 31, 2020	46,985,934.23	8,987,757.89	114,433,222.93	677,570.39	19,389,764.23	39,505,152.22	229,979,401.89

31. EVENTS AFTER THE REPORTING PERIOD

According to the resolution of ordinary shareholders' meeting held on April 28, 2021. The company passed resolution to pay dividend to the shareholders from result of its operation of the year 2020 at the rate Baht 2.60 per share for 12 million shares total amount of Baht 31.20 million scheduled to be paid on May 27, 2021.

32. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These financial statements have been approved to be issued by authorized directors on May 12, 2021.

(Sign) Directors
(Mr. Sukich Charanvas Mr.Pon Titipanichayangoon)