

Thaivivat Insurance Public Company Limited  
Review report and interim financial information  
30 September 2023

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

To the Shareholders of Thaivivat Insurance Public Company Limited

I have reviewed the accompanying statement of financial position of Thaivivat Insurance Public Company Limited as at 30 September 2023, the related statements of comprehensive income for the three-month and nine-month periods then ended, and the related statements of changes in equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim financial statements (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**

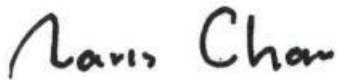
Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

## Emphasis of Matters

I draw attention to the following Notes to the interim financial statements:

1. Note 1.2 to the interim financial statements states that as of 7 July 2023, the Company's parent company is Thaivivat Holdings Public Company Limited (TVH) that holds 98.94 percent of the Company's issued and paid-up share capital. Subsequently, on 14 July 2023, TVH's ordinary shares were listed on the Stock Exchange of Thailand ("SET") in substitution for the Company's shares, which were delisted from the SET on the same date.
2. Note 1.3 to the interim financial statements states that the Company has elected not to present the consolidated financial statements as the parent company has already prepared and published them as public information, which is in accordance with Thai Financial Reporting Standards.

My conclusion is not modified in respect of these matters.



Narissara Chaisuwan

Certified Public Accountant (Thailand) No. 4812

EY Office Limited

Bangkok: 9 November 2023

**Thaivivat Insurance Public Company Limited****Statements of financial position****As at 30 September 2023**

		(Unit: Thousand Baht)	
	Note	30 September 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)
<b>Assets</b>			
Cash and cash equivalents	3	214,877	301,919
Premium receivables	4	603,014	869,561
Accrued investment income		30,331	78,243
Reinsurance assets	5	276,429	406,723
Receivables from reinsurance contracts	6	44,221	60,723
Financial assets - debt instruments	7	5,898,342	5,414,620
Financial assets - equity instruments	8	815,954	843,263
Derivative assets		16	2,379
Loans and interest receivables		1,557	3,184
Investment in subsidiaries	9	94,150	90,150
Property, buildings and equipment		354,550	346,125
Intangible assets - computer software		32,493	23,267
Deferred tax assets	10.1	224,669	227,292
Other assets	11	1,076,374	1,061,551
<b>Total assets</b>		<b>9,666,977</b>	<b>9,729,000</b>

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

**Thaivivat Insurance Public Company Limited**  
**Statements of financial position (Continued)**  
**As at 30 September 2023**

(Unit: Thousand Baht)

	Note	30 September 2023 (Unaudited but reviewed)	31 December 2022 (Audited)
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Insurance contract liabilities	12	6,130,376	6,405,933
Amount due to reinsurers	13	347,353	318,819
Income tax payable		4,777	28,945
Employee benefit obligations		96,882	87,923
Other liabilities	14	1,185,882	1,032,545
<b>Total liabilities</b>		<b>7,765,270</b>	<b>7,874,165</b>
<b>Equity</b>			
Share capital			
Registered			
303,000,000 ordinary shares of Baht 1 each		303,000	303,000
Issued and paid-up			
303,000,000 ordinary shares of Baht 1 each		303,000	303,000
Premium on share capital		163,800	163,800
Retained earnings			
Appropriated - statutory reserve		30,300	30,300
Unappropriated		1,276,297	1,145,516
Other components of equity		128,310	212,219
<b>Total equity</b>		<b>1,901,707</b>	<b>1,854,835</b>
<b>Total liabilities and equity</b>		<b>9,666,977</b>	<b>9,729,000</b>

The accompanying notes are an integral part of the financial statements



Directors

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**

**Statements of comprehensive income**

**For the three-month period ended 30 September 2023**

		(Unit: Thousand Baht)	
	Note	2023	2022
<b>Profit or loss:</b>			
<b>Income</b>			
Gross premium written		1,693,468	2,033,523
Less: Premium ceded to reinsurers		(61,708)	(367,134)
Net premium written		1,631,760	1,666,389
Add (less): Unearned premium reserves (increase) decrease from prior period		23,693	(53,513)
Net earned premium		1,655,453	1,612,876
Fee and commission income		27,965	56,688
Net investment income		33,678	27,421
Gain (loss) on financial instruments	15	12,266	(1,251)
Gain (loss) on fair value valuation of financial instruments	16	(44,410)	4,798
Other income		3,344	1,151
<b>Total income</b>		1,688,296	1,701,683
<b>Expenses</b>			
Claim and loss adjustment expenses		1,118,790	1,106,457
Less: Claims recovery from reinsurance		(36,509)	(47,506)
Commission and brokerage expenses		294,009	298,054
Other underwriting expenses		94,285	96,643
Operating expenses		227,376	234,934
Expected credit loss (reversal)		57	(1,033)
<b>Total expenses</b>		1,698,008	1,687,549
<b>Profit (loss) before income tax</b>		(9,712)	14,134
Income tax (expenses) revenue	10.2	2,271	(1,059)
<b>Profit (loss) for the period</b>		(7,441)	13,075

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**

**Statements of comprehensive income (continued)**

**For the three-month period ended 30 September 2023**

		(Unit: Thousand Baht)	
	Note	2023	2022
<b>Other comprehensive income:</b>			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Gain (loss) on change in value of debt instruments measured at fair value through other comprehensive income		(83,990)	53,158
Add (less): Income tax effect		16,798	(10,632)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(67,192)	42,526
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Loss on change in value of equity instruments designated at fair value through other comprehensive income		(6,825)	(166)
Add: Income tax effect		1,365	33
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(5,460)	(133)
<b>Other comprehensive income for the period (loss)</b>		(72,652)	42,393
<b>Total comprehensive income for the period (loss)</b>		(80,093)	55,468
<b>Earnings (loss) per share</b>			
Basic earnings (loss) per share (Baht)	17	(0.02)	0.04

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**

**Statements of comprehensive income**

**For the nine-month period ended 30 September 2023**

		(Unit: Thousand Baht)	
	Note	2023	2022
<b>Profit or loss:</b>			
<b>Income</b>			
Gross premium written		5,121,057	5,276,208
Less: Premium ceded to reinsurers		(301,729)	(550,921)
Net premium written		4,819,328	4,725,287
Add (less): Unearned premium reserves (increase) decrease			
from prior period		202,704	(131,272)
Net earned premium		5,022,032	4,594,015
Fee and commission income		109,023	120,754
Net investment income		105,628	66,814
Gain (loss) on financial instruments	15	30,572	(119,231)
Loss on fair value valuation of financial instruments	16	(68,885)	(63,763)
Other income		8,339	3,332
<b>Total income</b>		5,206,709	4,601,921
<b>Expenses</b>			
Claim and loss adjustment expenses		3,209,766	2,727,099
Less: Claims recovery from reinsurance		(111,310)	(51,048)
Commission and brokerage expenses		887,453	829,446
Other underwriting expenses		274,444	267,530
Operating expenses		676,119	589,505
Reversal of expected credit loss		(32)	(1,445)
<b>Total expenses</b>		4,936,440	4,361,087
<b>Profit before income tax</b>		270,269	240,834
Income tax expenses	10.2	(51,620)	(45,118)
<b>Profit for the period</b>		218,649	195,716

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**

**Statements of comprehensive income (continued)**

**For the nine-month period ended 30 September 2023**

		(Unit: Thousand Baht)	
	Note	2023	2022
<b>Other comprehensive income:</b>			
Other comprehensive income to be reclassified to profit or loss in subsequent periods			
Gain (loss) on change in value of debt instruments measured at fair value through other comprehensive income		(71,529)	31,051
Add (less): Income tax effect		14,306	(6,210)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(57,223)	24,841
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Loss on change in value of equity instruments designated at fair value through other comprehensive income		(33,357)	(1,686)
Add: Income tax effect		6,671	337
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax (loss)		(26,686)	(1,349)
<b>Other comprehensive income for the period (loss)</b>		(83,909)	23,492
<b>Total comprehensive income for the period</b>		134,740	219,208
<b>Earnings per share</b>	17		
Basic earnings per share (Baht)		0.72	0.65

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited**

**Statements of cash flows**

**For the nine-month period ended 30 September 2023**

	(Unit: Thousand Baht)	
	2023	2022
<b>Cash flows from (used in) operating activities</b>		
Direct premium written	5,514,156	5,354,620
Cash paid for reinsurance	(3,068)	(149,317)
Interest income	129,259	32,866
Dividend income	24,272	21,730
Other income	6,871	3,229
Claim incurred on direct insurance	(3,060,634)	(2,314,383)
Loss adjustment expenses on direct insurance	(65,373)	(47,191)
Commission and brokerage on direct insurance	(951,353)	(871,712)
Other underwriting expenses	(281,364)	(260,070)
Operating expenses	(693,598)	(686,804)
Income tax	(52,188)	(160,656)
Cash received from investment assets	3,258,154	4,412,098
Cash paid for investment assets	(3,781,921)	(5,494,860)
<b>Net cash from (used in) operating activities</b>	<b>43,213</b>	<b>(160,450)</b>
<b>Cash flows from (used in) investing activities</b>		
Investment in subsidiaries	(4,000)	(3,750)
Net cash received from disposals of investments in subsidiaries	-	5,000
Cash paid for purchased of equipment	(26,400)	(30,474)
Cash paid for purchased of intangible assets	(12,035)	(2,586)
Cash received from disposals of equipment	112	-
<b>Net cash used in investing activities</b>	<b>(42,323)</b>	<b>(31,810)</b>
<b>Cash flows from (used in) financial activities</b>		
Dividend paid	(87,868)	(212,100)
<b>Net cash used in financial activities</b>	<b>(87,868)</b>	<b>(212,100)</b>
<b>Unrealised exchange rate change</b>	<b>64</b>	<b>283</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(86,914)</b>	<b>(404,077)</b>
Decrease (increase) in allowance for expected credit loss	(128)	621
Cash and cash equivalents at beginning of period	301,919	737,770
<b>Cash and cash equivalents at end of period</b>	<b>214,877</b>	<b>334,314</b>

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

(Unaudited but reviewed)

**Thaivivat Insurance Public Company Limited****Statements of changes in equity****For the nine-month period ended 30 September 2023**

(Unit: Thousand Baht)

					Other components of equity - surplus (deficit)			
					on changes in value of investments			
					Debt instruments	Equity instruments		
					measured at fair	designated at fair		
					value through other	value through other		
					comprehensive	comprehensive		
					income	income	Total	Total equity

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

**Thaivivat Insurance Public Company Limited**

**Notes to interim financial statements**

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

**1. General information**

**1.1 Company information**

Thaivivat Insurance Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Since 7 July 2023, the Company has Thaivivat Holdings Public Company Limited, a public limited company also existing under Thai laws and listed on the Stock Exchange of Thailand on 14 July 2023, as its parent company. It holds 98.94 percent of the Company's issued and paid-up share capital.

Prior to 7 July 2023, the Company's major shareholder was MAFAM Co., Ltd., which was incorporated in Thailand, held 48.07 percent of the issued and paid-up share capital of the Company.

The Company is principally engaged in non-life insurance. The registered office of the Company is at 71 Thaivivat Insurance Building, Dindaeng Road, Samsen Nai, Phayathai, Bangkok.

**1.2 The restructuring plan of the Company**

At the 2022 Annual General Meeting of the Company's shareholders held on 28 April 2022, the shareholders approved the Company's Shareholding and Management Restructuring Plan. As a result, the Company established a holding company, "Thaivivat Holdings Public Company Limited" ("TVH"), as a public limited company to make a tender offer for all securities of the Company to swap with the same securities of TVH at a ratio of one ordinary share of the Company per one ordinary share of the TVH.

On 28 April 2023, the Company received a tender offer from Thaivivat Holdings Public Company Limited (referred to as the "Offeror" or "TVH"), to acquire securities of the Company. TVH is to issue and offer securities of the same type in exchange for TVI's securities at a ratio of one to one, meaning one new ordinary share of TVH for each ordinary share of the Company. The tender offer will be made for a total of 303 million ordinary shares, representing 100% of the Company's issued and paid-up shares. The tender offer period will span 45 business days, from 2 May 2023 to 6 July 2023, and this period is considered final and will not be extended. The tender offer period ended and the shareholders of the Company accepted the tender offer for a total of 299,777,556 shares, accounting for 98.94% of the Company's issued and paid-up shares. As a result, the tender offer was successfully completed, and the Company has currently become a subsidiary of TVH.

On 14 July 2023, TVH's shares were listed on the Stock Exchange of Thailand ("SET") in place of the Company's shares, which were delisted from the SET on the same date.

### **1.3 Basis for preparation of the interim financial information**

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial information. However, the Company has presented the statements of financial position, comprehensive income, changes in equity, and cash flows in the same format as that used for the annual financial statements, and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission ("OIC") regarding criteria, procedures, conditions and terms for preparation and submission of financial statements of non-life insurance companies B.E. 2566 dated 8 February 2023.

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

In addition, the Company elects not to present the consolidated financial statements as the parent company has prepared the consolidated financial statements and published as public information by including the Company and the Company's subsidiaries in its financial statements in accordance with Thai Financial Reporting Standards.

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

### **1.4 Significant accounting policies**

The interim financial information is prepared using the same accounting policies and methods of computation as those were used for the financial statements for the year ended 31 December 2022.

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

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

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

## 2. Classification of financial assets and financial liabilities

As at 30 September 2023 and 31 December 2022, carrying amount of financial assets and financial liabilities are classified as follow.

(Unit: Thousand Baht)

	30 September 2023				
	Financial instrument measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated FVOCI	Financial instruments measured at amortised cost	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	-	-	214,877	214,877
Accrued investment income	-	-	-	30,331	30,331
Financial assets - debt instruments	1,082,881	4,785,232	-	30,229	5,898,342
Financial assets - equity instruments	474,263	-	341,691	-	815,954
Derivative assets	16	-	-	-	16
Loan and interest receivables	-	-	-	1,557	1,557
Other assets - claim receivables from litigants	-	-	-	536,250	536,250
Other assets - cash equivalents which subject to restriction	-	-	-	10,466	10,466

(Unit: Thousand Baht)

	31 December 2022				
	Financial instruments measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
<b>Financial assets</b>					
Cash and cash equivalents	-	-	-	301,919	301,919
Accrued investment income	-	-	-	78,243	78,243
Financial assets - debt instruments	981,042	3,560,334	-	873,244	5,414,620
Financial assets - equity instruments	467,721	-	375,542	-	843,263
Derivative assets	2,379	-	-	-	2,379
Loan and interest receivables	-	-	-	3,184	3,184
Other assets - claim receivables from litigants	-	-	-	541,175	541,175
Other assets - cash equivalents which subject to restriction	-	-	-	9,079	9,079

### 3. Cash and cash equivalents

(Unit: Thousand Baht)

	30 September 2023	31 December 2022
Cash on hand	1,081	1,260
Deposits at banks with no fixed maturity date	210,875	296,516
Deposits at banks and certificate of deposit with fixed maturity date	3,387	4,481
Total cash and cash equivalents	215,343	302,257
Less: Allowance for expected credit loss	(466)	(337)
Cash and cash equivalents	214,877	301,919

**4. Premium receivables**

The balances as at 30 September 2023 and 31 December 2022 of premium receivables from direct insurance are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
Not yet due	492,096	768,053
Not over 30 days	61,706	55,139
Over 30 days to 60 days	21,612	20,234
Over 60 days to 90 days	7,438	8,593
Over 90 days	24,957	18,470
Total premium receivables	607,809	870,489
Less: Allowance for doubtful accounts	(4,795)	(928)
Total premium receivables, net	603,014	869,561

**5. Reinsurance assets**

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
Insurance reserves refundable from reinsurers		
Claim reserves and outstanding claims	92,239	121,481
Unearned premium reserves	184,190	285,242
Reinsurance assets	276,429	406,723

**6. Receivables from reinsurance contracts**

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
Amounts deposited on reinsurance	50	90
Amounts due from reinsurers	61,752	78,214
Total	61,802	78,304
Less: Allowance for doubtful accounts	(17,581)	(17,581)
Receivables from reinsurance contracts - net	44,221	60,723

## 7. Financial assets - debt instruments

### 7.1 Classified by type of financial assets

	30 September 2023		31 December 2022	
	(Unit: Thousand Baht)			
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
<b>Debt instruments measured at FVTPL</b>				
Government and state enterprise securities	21,981	21,267	46,198	45,946
Private debt securities	15,410	14,904	15,410	15,146
Unit trusts	1,162,185	1,046,710	1,003,028	919,950
Total	1,199,576	1,082,881	1,064,636	981,042
Less: Unrealised loss	(116,695)		(83,594)	
Total	1,082,881		981,042	
<b>Debt instruments measured at FVOCI</b>				
Government and state enterprise securities	2,014,148	1,965,838	718,123	719,837
Private debt securities	2,824,514	2,805,392	2,837,537	2,840,497
Foreign debt instruments	15,000	14,002	-	-
Total	4,853,662	4,785,232	3,555,660	3,560,334
Add (less): Unrealised gain (loss)	(65,737)		5,792	
Less: Allowance for expected credit loss	(2,693)		(1,118)	
Total	4,785,232		3,560,334	
<b>Debt instruments measured at amortised cost</b>				
Government and state enterprise securities	20,000		845,370	
Private debt securities	841		841	
Foreign debt instruments	-		15,000	
Deposits at financial institutions which amounts maturing in over 3 months	10,233		14,623	
Total	31,074		875,834	
Less: Allowance for expected credit loss	(845)		(2,590)	
Total	30,229		873,244	
Total financial assets - debt instruments - net	5,898,342		5,414,620	

As at 30 September 2023 and 31 December 2022, certain investments of the Company has been placed and reserved as insurance reserves with the Registrar, and placed as other collateral in respect of certain performance as required in the normal course of business as described in Note 20 to the interim financial statements.

## 7.2 Classified by stage of credit risk

(Unit: Thousand Baht)

	30 September 2023		31 December 2022	
	Fair value	Allowance for expected credit loss	Fair value	Allowance for expected credit loss
<b>Debt instruments measured at FVOCI</b>				
Stage 1 - Debt securities without a significant increase in credit risk	4,771,230	800	3,560,334	1,024
Stage 2 - Debt securities with a significant increase in credit risk	14,002	1,799	-	-
Stage 3 - Debt securities with credit impaired	-	94	-	94
<b>Total</b>	<b>4,785,232</b>	<b>2,693</b>	<b>3,560,334</b>	<b>1,118</b>

(Unit: Thousand Baht)

	30 September 2023			31 December 2022		
	Carrying value - gross	Allowance for expected credit loss	Carrying value	Carrying value - gross	Allowance for expected credit loss	Carrying value
<b>Debt instruments measured at amortised cost</b>						
Stage 1 - Debt securities without a significant increase in credit risk	30,233	4	30,229	859,993	57	859,936
Stage 2 - Debt securities with a significant increase in credit risk	-	-	-	15,000	1,692	13,308
Stage 3 - Debt securities with credit impaired	841	841	-	841	841	-
<b>Total</b>	<b>31,074</b>	<b>845</b>	<b>30,229</b>	<b>875,834</b>	<b>2,590</b>	<b>873,244</b>

## 8. Financial assets - equity instruments

### 8.1 Classified by type of financial assets

	(Unit: Thousand Baht)			
	30 September 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
<b>Equity instruments measured at FVTPL</b>				
Domestic listed equity instruments	455,707	401,716	412,431	407,770
Foreign listed equity instruments	78,307	72,547	81,555	59,951
Total	534,014	474,263	493,986	467,721
Less: Unrealised loss	(59,751)		(26,265)	
Total	474,263		467,721	
<b>Equity instruments designated at FVOCI</b>				
Domestic listed equity instruments	31,037	86,896	31,037	81,245
Non-listed equity instruments	3,721	176,436	3,721	176,268
Domestic unit trusts	80,808	78,359	81,302	118,029
Total	115,566	341,691	116,060	375,542
Add: Unrealised gain	226,125		259,482	
Total	341,691		375,542	
Total financial assets - equity instruments - net	815,954		843,263	

### 8.2 Investments derecognition

During the nine-month period ended 30 September 2022, the Company disposed of its investments in equity instruments designated at fair value through other comprehensive income from the accounts. The Company therefore transferred the previous recognised changes in the fair value of these investments in other comprehensive income, to be recognised in retained earnings as follows:

	(Unit: Thousand Baht)			
	For the nine-month period ended 30 September 2022			
	Fair value at the derecognition date	Dividend received	Retained earnings (loss) from derecognition	Reason for derecognition
Domestic listed equity instruments	5,760	24	289	Disposal
Total	5,760	24	289	
Less: Related tax			(58)	
			231	

## 9. Investment in subsidiaries

Details of investments in subsidiaries are as follows:

Company's name	Paid up capital		Shareholding percentage		Cost	
	30 September	31 December	30 September	31 December	30 September	31 December
	2023	2022	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	%	%	Thousand Baht	Thousand Baht
Laovivat Insurance Co., Ltd. (engaged in non-life insurance business)	67,200	67,200	70.0	70.0	67,200	67,200
Motor AI Recognition Solution Co., Ltd. (engaged in the development of computer software and applicable technology systems to provide services to entities operating within insurance industry)	35,000	30,000	77.0	76.5	26,950	22,950
					<u>94,150</u>	<u>90,150</u>

On 28 February 2023, The Extraordinary General Meeting of the shareholders No. 1/2023 of Motor AI Recognition Solution Co., Ltd. passed a resolution approving an increase of Baht 5 million in the registered share capital, from Baht 30 million to Baht 35 million by issuing 50,000 new ordinary shares with a par value of Baht 100 per share offered to the existing shareholders. The subsidiary received full payment for the additional share capital on 1 March 2023 and registered the increase in its registered share capital with the Ministry of Commerce on 10 March 2023.

The Company exercised its right to purchase the additional shares of its subsidiary in proportion to its existing shareholding and remaining shares to which existing shareholders waives their rights, for a total of 40,000 shares with a par value of Baht 100 per share. As a result, its shareholding in the subsidiary increased from 76.5 percent to 77.0 percent of the issued and paid-up share capital of the subsidiary.

**10. Deferred tax assets/Income tax expenses****10.1 Deferred tax assets**

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

(Unit: Thousand Baht)				
Change in deferred tax assets or liabilities for the nine-month periods ended 30 September				
	30 September 2023	31 December 2022	2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit loss	21,179	21,164	15	1,225
Allowance for doubtful accounts	5,605	4,832	773	(102)
Allowance for impairment of investments	1,563	1,563	-	-
Unearned premium reserves	123,075	171,139	(48,064)	(36,521)
Provision for claim incurred but not yet reported and outstanding claims	50,845	42,739	8,106	7,561
Loss on changes in value of investment measured at FVTPL	37,362	23,170	14,192	15,087
Loss on change in value of derivatives	-	-	-	(153)
Post employee benefit obligations	19,376	17,585	1,791	1,673
Total	259,005	282,192		
<b>Deferred tax liabilities</b>				
Gain on changes in value of investments measured at FVOCI	32,078	53,055	(20,977)	5,815
Gain on change in value of derivatives	3	476	(473)	-
Unrealised gain on foreign exchange	2,255	1,369	886	2,182
Total	34,336	54,900		
Deferred tax assets, net	224,669	227,292		
<b>Total changes</b>			(2,623)	(19,227)
<b>Recognition of changes:</b>				
- Profit or loss			(23,600)	(13,412)
- Other comprehensive income			20,977	(5,873)
- Retained earning from disposal of investments measured at FVOCI (Note 8.2)			-	58
<b>Total changes</b>			(2,623)	(19,227)

## 10.2 Income tax expenses

The income tax expenses for the three-month and nine-month periods ended 30 September 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Corporate income tax charge				
in accordance with Revenue Code	9,625	(9,712)	28,052	31,951
Adjustment in respect of income tax of				
previous year	-	-	(32)	(187)
<b>Deferred tax:</b>				
Relating to origination and reversal of				
temporary differences	(11,896)	10,472	23,600	13,412
Relating to disposals of equity instruments				
designated at fair value through other				
comprehensive income during the				
period	-	299	-	(58)
<b>Income tax expenses (revenue) reported</b>				
<b>    in profit or loss</b>	<u>(2,271)</u>	<u>1,059</u>	<u>51,620</u>	<u>45,118</u>

Reconciliation between income tax expenses (revenue) and the product of accounting profit (loss) and the applicable tax rate for the three-month and nine-month periods ended 30 September 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Accounting profit (loss) before income tax				
expenses	(9,712)	14,134	270,269	240,834
Applicable corporate income tax rate	20%	20%	20%	20%
Income tax at the applicable tax rate	(1,942)	2,827	54,054	48,167
Adjustment in respect of income tax of				
previous year	-	-	(32)	(187)
Tax effects of:				
Tax-exempted revenues	(274)	(1,544)	(2,432)	(2,553)
Additional expenses deductions allowed	(247)	(311)	(424)	(568)
Non-deductible expenses	192	87	454	259
<b>Income tax expenses (revenue) reported</b>				
<b>    in profit or loss</b>	<u>(2,271)</u>	<u>1,059</u>	<u>51,620</u>	<u>45,118</u>

**11. Other assets**

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
Claim receivables from litigants, net	536,250	541,175
Prepaid payment of ceded premium	227,354	167,713
Deposits on rice field insurance scheme	37,138	125,052
Prepaid commission expenses	93,129	71,853
Receivable from sale of investments	13,398	4,509
Cash equivalents which subject to restrictions, net	10,466	9,079
Others	158,639	142,170
Total other assets	1,076,374	1,061,551

As at 30 September 2023 and 31 December 2022, the Company has pledged deposit at financial institutions mature within 3 months as security against bank overdraft facilities, and as bail bond in cases where insured drivers have been charged with criminal offence as described in Notes 20 to the interim financial statements.

**12. Insurance contract liabilities**

	(Unit: Thousand Baht)		
	30 September 2023		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	2,518,759	68,286	2,450,473
- Provision for claim incurred but not reported	105,685	23,953	81,732
Premium reserves			
- Unearned premium reserves	3,505,932	184,190	3,321,742
Total	6,130,376	276,429	5,853,947

	(Unit: Thousand Baht)		
	31 December 2022		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	2,448,872	59,048	2,389,824
- Provision for claim incurred but not reported	147,373	62,433	84,940
Premium reserves			
- Unearned premium reserves	3,809,688	285,242	3,524,446
Claim reserves and outstanding claim	6,405,933	406,723	5,999,210

**12.1 Claim reserves and outstanding claim**

	(Unit: Thousand Baht)	
	For the nine-month	
	period ended	For the year ended
	30 September 2023	31 December 2022
Balance - beginning of the period	2,596,245	2,121,132
Claim incurred and loss adjustment expenses for the period	3,541,092	4,508,572
Changes in claim reserves and outstanding claims of prior period	(118,813)	(355,193)
Changes in claim reserves and assumptions	(41,689)	(36,643)
Claim and loss adjustment expenses paid during the period	(3,352,391)	(3,641,623)
Balance - end of the period	2,624,444	2,596,245

As at 30 September 2023, the Company has claim reserves and outstanding claim under reinsurance contracts of Baht 10.6 million (31 December 2022: Baht 6.4 million).

**12.2 Unearned premium reserves**

	(Unit: Thousand Baht)	
	For the nine -month	
	period ended	For the year ended
	30 September 2023	31 December 2022
Balance - beginning of the period	3,809,688	3,335,942
Premium written for the period	5,121,057	7,307,224
Premium earned for the current period	(5,424,813)	(6,833,478)
Balance - end of the period	3,505,932	3,809,688

**13. Amount due to reinsurers**

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
Amounts withheld on reinsurances	165,217	266,985
Other reinsurance payables	182,136	51,834
Total amount due to reinsurers	347,353	318,819

**14. Other liabilities**

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
Premium received in advance	544,523	443,663
Accrued commissions	107,620	153,902
Accrued operating expenses	139,173	146,861
Payables on purchase of investments	92,105	10,078
Commission income received in advance	111,839	88,464
Other payable	98,390	71,584
Others	92,232	117,993
Total other liabilities	1,185,882	1,032,545

**15. Gain (loss) on financial instruments**

	(Unit: Thousand Baht)			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Gain (loss) from disposals of investments measured at FVTPL				
Debt instruments	973	(877)	6,116	(125,896)
Equity instruments	9,928	(374)	21,934	10,147
Derivatives	1,365	-	2,522	(3,482)
Total	12,266	(1,251)	30,572	(119,231)

**16. Gain (loss) on fair value valuation of financial instruments**

	(Unit: Thousand Baht)			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Gain (loss) on fair value valuation of investments measured at FVTPL				
Debt instruments	(25,567)	3,080	(33,101)	(12,104)
Equity instruments	(21,796)	(5,160)	(37,860)	(63,332)
Derivatives	668	-	(2,362)	764
Gain on foreign exchange	2,285	6,878	4,438	10,909
Total	(44,410)	4,798	(68,885)	(63,763)

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

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

**18. Dividend paid**

Dividend declared during the periods consists of the following:

	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2022	Annual General Meeting of the shareholders on 27 April 2023	87.87	0.29
Final dividends for 2021	Annual General Meeting of the shareholders on 28 April 2022	212.10	0.70

**19. Related party transactions**

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

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

Name of related parties	Nature of relationship
Thaivivat Holdings Plc. <sup>(1)</sup>	Parent company
MAFAM Co., Ltd. <sup>(1)</sup>	Common shareholder and directors
Laovivat Insurance Co., Ltd	Subsidiary company
Motor AI Recognition Solution Co., Ltd.	Subsidiary company
Thai Reinsurance Plc.	Shares held by the Company and common directors
Road Accident Victims Protection Co., Ltd.	Shares held by the Company and common directors
T.I.I. Co., Ltd.	Shares held by the Company
Vichitbhan Palmoil Plc.	Common directors
J&A Jewelry Co., Ltd.	Common directors
Encourage Co., Ltd.	A related person of the Company's director is a shareholder
Force Co., Ltd.	A related person of the Company's director is a shareholder

<sup>(1)</sup> Because MAFAM Co., Ltd. accepted the tender offer from Thaivivat Holdings Plc. ("TVH") to swap with securities of TVH causing MAFAM Co., Ltd. is not the major shareholder of the Company and TVH is a parent company instead from 7 July 2023 onwards.

During the period, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows.

	(Unit: Thousand Baht)			
	For the three-month		For the nine-month	
	periods ended 30 September		periods ended 30 September	
	2023	2022	2023	2022
<b><u>Transactions with subsidiaries</u></b>				
<b>Laovivat Insurance Co., Ltd.</b>				
Reinsurance premium written (reversal)	(186)	485	845	932
Commission expenses (reversal)	(37)	97	171	189
Claim expenses	94	194	217	39
<b>Motor AI Recognition Solution Co., Ltd.</b>				
Other underwriting expenses	187	184	489	443
<b><u>Transactions with related parties</u></b>				
<b>MAFAM Co., Ltd.</b>				
Premium written	-	26	11	50
Claims expenses (reversal)	18	-	11	(24)
Dividend paid	-	-	42,240	101,959
<b>Thai Reinsurance Plc.</b>				
Premium ceded (reversal)	(9,450)	99,738	70,248	122,175
Commission income (reversal)	(3,169)	5,473	34,079	13,675
Claim refunded	6,451	2,843	28,041	22,052
Reversal commission	-	-	-	(77)
Claim expenses (reversal)	2	(21)	9	38
<b>Road Accident Victims Protection Co., Ltd.</b>				
Contribution expenses	4,522	4,850	13,657	13,961
<b>T.I.I. Co., Ltd.</b>				
Dividend income	-	-	41	30
<b>Encourage Co., Ltd.</b>				
Commission expenses	21,260	19,836	58,744	55,162
<b>Force Co., Ltd.</b>				
Commission expenses	12,690	18,058	37,422	47,779

As at 30 September 2023 and 31 December 2022, the Company had the following significant balances of assets and liabilities with its related parties:

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
<b><u>Parent company</u></b>		
<b>Thaivivat Holdings Plc.</b>		
Other assets	1,976	442
<b><u>Subsidiaries</u></b>		
<b>Laovivat Insurance Co., Ltd.</b>		
Receivables from reinsurance contracts	307	826
Insurance contract liabilities	768	611
Other assets	1,219	1,589
Other liabilities	-	48
<b>Motor AI Recognition Solution Co., Ltd.</b>		
Other assets	16,550	9,570
<b><u>Related parties</u></b>		
<b>MAFAM Co., Ltd.</b>		
Premium receivables	28	28
Outstanding claims	-	35
<b>Thai Reinsurance Plc.</b>		
Receivables from reinsurance contracts	18,602	16,928
Investments in equity instruments measured at FVTPL	663	729
Investments in equity instruments designated at FVOCI	2,640	2,904
Amounts due to reinsurers	56,003	50,542
Prepaid payment of ceded premium	147,630	23,750
Commission income received in advance	72,268	17,227
<b>Road Accident Victims Protection Co., Ltd.</b>		
Investments in equity instruments designated at FVOCI	175,331	175,331
Other assets	-	4,542
Other liabilities	4,522	5,555
<b>T.I.I. Co., Ltd.</b>		
Investments in equity instruments designated at FVOCI	1,105	937
<b>Vichitbhan Palmoil Plc.</b>		
Investments in equity instruments measured at FVTPL	91	120
<b>Encourage Co., Ltd.</b>		
Premium receivables	55,083	60,853
Accrued commission	9,354	10,475
Other liabilities	1,828	1,233
<b>Force Co., Ltd.</b>		
Premium receivables	25,629	46,161
Accrued commission	4,155	7,614
Other liabilities	1,324	1,031

**Directors and management's remuneration**

During the three-month and nine-month periods ended 30 September 2023 and 2022, the Company had employee benefit expenses to their directors and management as follows:

	For the three-month		For the nine-month	
	periods ended 30 September		periods ended 30 September	
	2023	2022	2023	2022
Short-term employee benefits	29,217	31,254	78,752	80,117
Post employee benefits	1,564	1,471	4,656	4,363
Total	30,781	32,725	83,408	84,480

**20. Assets subject to restriction and obligation****20.1 Assets pledged and assets reserved with the Registrar**

As at 30 September 2023 and 31 December 2022, the Company had placed certain assets as securities and insurance reserves with the Registrar in accordance with the Non-life Insurance Act.

	30 September 2023		31 December 2022	
	Amortised cost	Fair value	Amortised cost	Fair value
<b>Asset pledged</b>				
Government bonds	15.2	13.8	15.2	14.5
Total	15.2	13.8	15.2	14.5
<b>Assets reserved</b>				
Government bonds	860.4	837.3	746.5	750.0
Private debt securities	30.0	30.3	30.0	31.0
Total	890.4	867.6	776.5	781.0
Total	905.6	881.4	791.7	795.5

## 20.2 Assets pledged as other collateral

As at 30 September 2023 and 31 December 2022, the Company had pledged the following assets as collateral.

	(Unit: Thousand Baht)	
	30 September 2023	31 December 2022
Government bonds which pledged for		
Guarantee electricity use	1,000	1,006
Deposit at bank which pledged for		
Letter of bank guarantee	1,938	1,933
Bail bond in cases where insured drivers have been		
charged with criminal offense	1,531	239
Bank overdraft	10,301	10,299
Other	5,422	5,422
Total	20,192	18,899

## 21. Commitments and contingent liabilities

### 21.1 Capital commitments

As at 30 September 2023, the Company has capital commitments of Baht 2.0 million, relating to the construction of buildings and equipment and implementation of computer software (31 December 2022: Baht 8.8 million).

### 21.2 Operating lease and service commitments

As at 30 September 2023, the Company has entered into several office equipment lease agreements which consist of low-value underlying assets and leases term within 1 year and other service agreements. The future minimum payments required under these lease agreements were as follows.

	(Unit: Million Baht)
Payable within:	
Within 1 year	3.1
Over 1 year and not over 5 years	1.2

### 21.3 Bank guarantees

As at 30 September 2023, there were outstanding bank guarantees of Baht 1.9 million issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business (31 December 2022: Baht 1.9 million).

## 21.4 Litigation

As at 30 September 2023, the Company has been sued as insurer for damages totaling approximately Baht 245.0 million (amount claimed). The cases have yet to be finalised. However, the Company has set aside reserves for contingent losses in the financial statements amounting to approximately Baht 97.1 million, with the recoverable portion from reinsurers amounting to Baht 1.2 million. The Company's management believes that such reserve is adequate (31 December 2022: Baht 308.0 million, Baht 95.0 million and Baht 2.2 million, respectively).

## 22. Financial Instrument

### 22.1 Fair value of financial instrument

Most of the Company's financial instruments measured at amortised cost are classified as short-term and/or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value in the statement of financial position.

### 22.2 Fair value hierarchy

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

(Unit: Million Baht)				
30 September 2023				
Fair value				
	Level 1	Level 2	Level 3	Total
<b><u>Financial assets</u></b>				
Investment measured at FVTPL				
Financial assets - debt instruments	2.8	1,080.1	-	1,082.9
Financial assets - equity instruments	474.3	-	-	474.3
Investment measured at FVOCI				
Financial assets - debt instruments	-	4,785.2	-	4,785.2
Financial assets - equity instruments	165.3	-	176.4	341.7

(Unit: Million Baht)

31 December 2022				
Fair value				
	Level 1	Level 2	Level 3	Total
<b><u>Financial assets</u></b>				
Investment measured at FVTPL				
Financial assets - debt instruments	2.6	978.4	-	981.0
Financial assets - equity instruments	467.7	-	-	467.7
Investment measured at FVOCI				
Financial assets - debt instruments	-	3,560.3	-	3,560.3
Financial assets - equity instruments	199.3	-	176.2	375.5
Derivative assets	2.4	-	-	2.4

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

### 23. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 9 November 2023.