



*KING WAI INSURANCE PUBLIC
COMPANY LIMITED*

Interim financial statements

Three-month period ended March 31, 2021



บริษัท ดีลอยท์ ทูเช่ โทหมัตสุ ไชยยศ
สอบบัญชี จำกัด
อาคาร เอไอเอ สาทร์ ทาวเวอร์ ชั้น 23-27
11/1 ถนนสาทรใต้
แขวงยานนาวา เขตสาทร
กรุงเทพฯ 10120
โทร +66 (0) 2034 0000
แฟกซ์ +66 (0) 2034 0100

Deloitte Touche Tohmatsu Jaiyos
Audit Co., Ltd.
AIA Sathorn Tower, 23rd-27th Floor
11/1 South Sathorn Road
Yannawa, Sathorn
Bangkok 10120, Thailand
Tel: +66 (0) 2034 0000
Fax: +66 (0) 2034 0100
www.deloitte.com

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

KING WAI INSURANCE PUBLIC COMPANY LIMITED

We have reviewed the statement of financial position of King Wai Insurance Public Company Limited as at March 31, 2021, and the related statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356

BANGKOK
May 10, 2021

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.



KING WAI INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

UNIT : BAHT

	Notes	"UNAUDITED"	
		As at March 31, 2021	As at December 31, 2020
ASSETS			
Cash and cash equivalents	5	34,962,512	120,077,758
Premium receivables	6	42,712,723	51,524,819
Accrued investment income		2,184,846	685,129
Reinsurance assets	7	66,319,423	81,784,156
Due from reinsurers	8	18,021,610	18,578,753
Financial assets - debt securities	9	295,085,815	246,293,864
Financial assets - equity securities	10	12,224,449	12,216,097
Leasehold improvement and equipment	11	2,968,192	4,488,398
Intangible assets	12	151,201,228	149,503,998
Deferred acquisition costs		19,839,898	24,566,151
License costs	13	16,711,451	16,711,451
Other assets	14	113,967,622	104,435,520
TOTAL ASSETS		<u>776,199,769</u>	<u>830,866,094</u>



See condensed notes to the financial statements

KING WAI INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2021

UNIT : BAHT

	Notes	“UNAUDITED”	
		As at March 31, 2021	As at December 31, 2020
LIABILITIES AND EQUITY			
LIABILITIES			
Insurance contract liabilities	15	264,423,145	305,241,584
Due to reinsurers	16	78,349,165	92,841,476
Lease liabilities	17	1,372,626	2,421,307
Unearned fee and commission income		11,617,876	15,106,234
Employee benefit obligations		22,765,136	23,545,249
Deferred tax liabilities	18	3,342,290	3,342,290
Provision for cost of assets decommissioning		2,173,800	2,173,800
Other liabilities	19	58,474,717	85,405,431
TOTAL LIABILITIES		<u>442,518,755</u>	<u>530,077,371</u>
EQUITY			
Share capital			
Authorized share capital			
145,800,000 ordinary shares of Baht 5.00 each	20	<u>729,000,000</u>	
135,800,000 ordinary shares of Baht 5.00 each			<u>679,000,000</u>
Issued and paid-up share capital			
135,800,000 ordinary shares of Baht 5.00 each		679,000,000	679,000,000
Premium on share capital		122,520,000	122,520,000
Share subscription received in advance	20	50,000,000	-
Retained earnings (deficits)			
Appropriated			
Legal reserve		15,438,000	15,438,000
Unappropriated			
		(542,994,850)	(525,234,430)
Other components of equity		9,717,864	9,065,153
TOTAL EQUITY		<u>333,681,014</u>	<u>300,788,723</u>
TOTAL LIABILITIES AND EQUITY		<u>776,199,769</u>	<u>830,866,094</u>



See condensed notes to the financial statements

KING WAI INSURANCE PUBLIC COMPANY LIMITED
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
 "UNAUDITED"

UNIT : BAHT

	Notes	2021	2020
REVENUES			
Gross written premiums	21	50,091,886	133,505,192
<u>Less</u> Premiums ceded	21	(24,518,465)	(116,187,162)
Net written premiums		25,573,421	17,318,030
<u>Less</u> Unearned premium reserve			
increased (decreased) from previous period	21	7,618,342	(3,078,008)
Net premium earned		33,191,763	14,240,022
Fee and commission income	21	6,446,604	27,857,735
Investment income	22	1,501,350	2,221,715
Other income		50,302	8,872
Total revenues		41,190,019	44,328,344
EXPENSES			
Claims incurred	21	6,349,747	10,406,084
<u>Less</u> Claims refundable from reinsurers	21	(4,372,992)	(11,991,530)
Commission and brokerage expenses	21	11,315,424	23,851,080
Other underwriting expenses	21	23,408,189	14,422,680
Operating expenses		22,250,071	20,136,529
Total expenses		58,950,439	56,824,843
Loss before income tax expense		(17,760,420)	(12,496,499)
Income tax expense		-	-
Net loss		(17,760,420)	(12,496,499)



KING WAI INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
“UNAUDITED”

	Notes	2021	2020
UNIT : BAHT			
Other comprehensive income (loss)			
Items that will not be reclassified subsequently to profit or loss			
Gain (loss) on investment in debt instruments at fair value through other comprehensive income		(1,208,049)	471,022
		<u>(1,208,049)</u>	<u>471,022</u>
Items that will not be reclassified subsequently to profit or loss			
Gain on investment in equity instruments at fair value through other comprehensive income		8,352	-
Actuarial gain on defined employee benefit plans		1,852,408	-
		<u>1,860,760</u>	<u>-</u>
Other comprehensive income for the periods		<u>652,711</u>	<u>471,022</u>
Total comprehensive loss for the periods		<u><u>(17,107,709)</u></u>	<u><u>(12,025,477)</u></u>
Loss per share			
Basic loss per share	23	Baht	(0.13)
			(0.09)

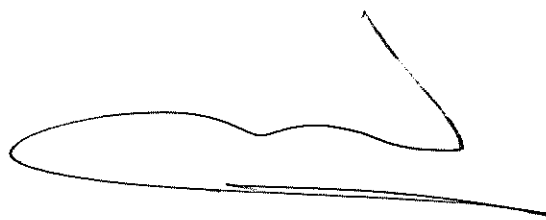


See condensed notes to the financial statements

KING WAI INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
“UNAUDITED”

UNIT : BAHT

Notes	Other components of equity										Total equity
	Issued and paid-up share capital	Premium on share capital	Share subscription received in advance	Retained earnings (deficits)		Debt securities measured at fair value through other comprehensive income	Equity securities designated at fair value through other comprehensive income	Surplus on reclassification of investments	Actuarial gain on defined employee benefit plans	Total other components of equity	
				Appropriated	Unappropriated						
				Legal reserve							
Beginning balance as at January 1, 2020	679,000,000	122,520,000	-	15,438,000	(419,925,782)	(3,798,472)	22,704,190	1,525,812	2,329,096	22,760,626	419,792,844
Total comprehensive loss for the period	-	-	-	-	(12,496,499)	-	-	-	-	-	(12,496,499)
Change in fair value for this period	-	-	-	-	-	471,022	-	-	-	471,022	471,022
Ending balance as at March 31, 2020	679,000,000	122,520,000	-	15,438,000	(432,422,281)	(3,327,450)	22,704,190	1,525,812	2,329,096	23,231,648	407,767,367
Beginning balance as at January 1, 2021	679,000,000	122,520,000	-	15,438,000	(525,234,430)	(5,665,024)	11,653,977	747,104	2,329,096	9,065,153	300,788,723
Share subscription received in advance	20	-	-	50,000,000	-	-	-	-	-	-	50,000,000
Total comprehensive loss for the period	-	-	-	-	(17,760,420)	-	-	-	-	-	(17,760,420)
Change in fair value for this period	-	-	-	-	-	(1,208,049)	8,352	-	1,852,408	652,711	652,711
Ending balance as at March 31, 2021	679,000,000	122,520,000	50,000,000	15,438,000	(542,994,850)	(6,873,073)	11,662,329	747,104	4,181,504	9,717,864	333,681,014




See condensed notes to the financial statements

KING WAI INSURANCE PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
“UNAUDITED”

UNIT : BAHT

	2021	2020
CASH FLOWS PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Written premium received from direct insurance	55,938,377	117,918,237
Cash paid from reinsurance	(58,805,114)	(97,578,725)
Investment income	1,633	217,775
Claims incurred from direct insurance	(25,160,667)	(34,940,140)
Commission and brokerage paid to direct insurance	(11,592,634)	(19,841,161)
Other underwriting expenses	(23,412,929)	(14,348,092)
Operating expenses	(18,202,637)	(7,971,718)
Other income	65,966	-
Income tax expense	(83,717)	7,895,133
Cash received - financial assets	-	136,000,000
Cash paid - financial assets	(50,000,000)	(137,764,667)
Net cash used in operating activities	<u>(131,251,722)</u>	<u>(50,413,358)</u>
CASH FLOWS PROVIDED BY (USED IN)		
INVESTING ACTIVITIES		
Sale of equipment	15,888	8,879
Purchase of equipment	(34,486)	(43,438)
Purchase of intangible asset	(2,700,000)	(887,880)
Net cash used in investing activities	<u>(2,718,598)</u>	<u>(922,439)</u>
CASH FLOWS PROVIDED BY (USED IN)		
FINANCING ACTIVITIES		
Lease payment	(1,144,926)	(974,783)
Share subscription received in advance	50,000,000	-
Net cash provided by (used in) financing activities	<u>48,855,074</u>	<u>(974,783)</u>
Net decrease in cash and cash equivalents	(85,115,246)	(52,310,580)
Cash and cash equivalents as at January 1,	120,077,758	215,059,495
Cash and cash equivalents as at March 31,	<u><u>34,962,512</u></u>	<u><u>162,748,915</u></u>

See condensed notes to the financial statements



**KING WAI INSURANCE PUBLIC COMPANY LIMITED
CONDENSED NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2021
“UNAUDITED”**

1. GENERAL INFORMATION AND OPERATION OF THE COMPANY

King Wai Insurance Public Company Limited (the “Company”) is a limited company incorporated in Thailand on January 2, 2013. The Company’s registered address is located at U Chuliang Building, 15th Floor, 968 Rama IV Road, Silom, Bangrak, Bangkok. The main objective of the Company is non-life insurance.

The Company’s major shareholder is King Wai Capital Limited, which was registered in Thailand, holding 98.24% of the Company’s authorized share capital and the ultimate parent company is King Wai Group (Thailand) Public Company Limited, which was incorporated in Thailand.

The Company has extensive transactions and relationships with related parties. Accordingly, the financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Company had operated without such related parties.

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 Company’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.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 These interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand and the Notification of the Office of Insurance Commission regarding the Rules, Procedures, Conditions and Periods for Preparing and Submitting Financial Statements and Reports on the Operations of the Non-Life Insurance Business (No. 2) B.E. 2562 dated April 4, 2019. The Company presents the condensed notes to interim financial statements.
- 2.2 The statement of financial position as at December 31, 2020, presented herein for comparison, has been derived from the financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month periods ended March 31, 2021 are not necessarily an indication nor anticipation of the operating results for the full year.

- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month periods ended March 31, 2021 should be read in conjunction with the audited financial statements for the year ended December 31, 2020.
- 2.5 The preparation of interim financial statements in conformity with Thai Accounting Standard No. 34 also requires the Company's management to exercise judgements in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities at the end of the reporting period including the reported amounts of revenue and expense during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Company's interim financial statements.

- 2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The revised Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Company's management will adopt such TFRSs in the preparation of the Company's financial statements when it becomes effective. The Company's management is in the process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2020.

4. ADDITIONAL INFORMATION FOR CASH FLOWS

4.1 Non-cash items of lease liabilities for the three-month period ended March 31, 2021 and 2020 consisted of the following:

	For the three-month periods ended March 31,	
	2021 Baht	2020 Baht
Right of used assets		
Lease liabilities as at January 1,	2,421,307	6,146,837
<u>Less</u> Cash paid for lease payment	(1,144,926)	(974,783)
<u>Add</u> Interest from lease liabilities	96,245	36,978
Lease liabilities as at March 31,	<u>1,372,626</u>	<u>5,209,032</u>

4.2 Cash paid for intangible assets for the three-month periods ended March 31, 2021 and 2020 consisted of the following:

	For the three-month periods ended March 31,	
	2021 Baht	2020 Baht
Cash paid for intangible assets		
Payable from intangible assets - beginning period/year	29,403,839	29,403,839
<u>Add</u> Purchases of intangible assets	2,700,000	887,880
<u>Less</u> Cash paid for intangible assets Payable from intangible assets - ending period/year	<u>(2,700,000)</u>	<u>(887,880)</u>
	<u>29,403,839</u>	<u>29,403,839</u>

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at March 31, 2021 and December 31, 2020, consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Cash on hand	65,000	65,000
Deposits at bank - at call	34,897,512	120,012,758
Cash and cash equivalents	<u>34,962,512</u>	<u>120,077,758</u>

6. PREMIUM RECEIVABLES

Premium receivables as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Within credit terms	23,408,601	34,280,424
Less than 30 days	8,659,880	5,288,895
31 - 60 days	8,261,620	3,909,798
61 - 90 days	1,132,316	1,111,267
Over 90 days	2,898,922	7,686,576
Total premium due and uncollected	<u>44,361,339</u>	<u>52,276,960</u>
<u>Less</u> Allowance for doubtful accounts	<u>(1,648,616)</u>	<u>(752,141)</u>
Premium due and uncollected - net	<u>42,712,723</u>	<u>51,524,819</u>

7. REINSURANCE ASSETS

Reinsurance assets as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Insurance reserve refundable from reinsurers	14,901,531	15,977,086
Loss reserves	14,901,531	15,977,086
Unearned premium reserve	51,417,892	65,807,070
- Unearned reinsurance premium reserve	<u>51,417,892</u>	<u>65,807,070</u>
Total reinsurance assets (see Note 15)	<u>66,319,423</u>	<u>81,784,156</u>

8. DUE FROM REINSURERS

Due from reinsurers as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Due from reinsurers	18,026,145	18,614,319
<u>Less</u> Allowance for doubtful accounts	<u>(4,535)</u>	<u>(35,566)</u>
Due from reinsures	<u>18,021,610</u>	<u>18,578,753</u>

9. FINANCIAL ASSETS - DEBT SECURITIES

Financial assets - debt securities as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Fair value	Unit : Baht As at December 31, 2020 Fair value
<u>Debt instrument measured at fair value through other comprehensive income</u>		
Government and state enterprise securities	143,795,867	145,003,916
	Amortized cost	Amortized cost
<u>Debt instrument measured at amortized cost</u>		
Private enterprise debt securities	10,000,000	10,000,000
Deposits at financial institutions with maturity over 3 months	151,289,948	101,289,948
<u>Less</u> Allowance for expected credit loss	<u>(10,000,000)</u>	<u>(10,000,000)</u>
Total debt instrument measured at amortized cost	<u>151,289,948</u>	<u>101,289,948</u>
Total investment in debt securities	<u>295,085,815</u>	<u>246,293,864</u>

As at March 31, 2021 and December 31, 2020, certain government securities were pledged and used for assets reserved with the Registrar amounting to Baht 79.91 million and Baht 40.25 million, respectively (see Note 26).

Allowance for expected credit loss as at March 31, 2021 and December 31, 2020 were as follows:

	As at March 31, 2021		As at December 31, 2020	
	Fair value	Allowance for expected credit loss recognized In other comprehensive income	Fair value	Allowance for expected credit loss recognized In other comprehensive income
Debt securities measured at fair value through other comprehensive income				
Debt securities without significant increased in credit risk (Stage 1)	143,795,867	-	145,003,916	-
Total	<u>143,795,867</u>	<u>-</u>	<u>145,003,916</u>	<u>-</u>

	Book value	Allowance for expected credit loss	Unit : Baht Net book value
As at March 31, 2021			
Debt instrument measured at amortized cost			
Debt securities without significant increased in credit risk (Stage 1)	151,289,948	-	151,289,948
Debt securities with credit impairment loss (Stage 3)	10,000,000	(10,000,000)	-
Total	<u>161,289,948</u>	<u>(10,000,000)</u>	<u>151,289,948</u>
As at December 31, 2020			
Debt instrument measured at amortized cost			
Debt securities without significant increased in credit risk (Stage 1)	101,289,948	-	101,289,948
Debt securities with credit impairment loss (Stage 3)	10,000,000	(10,000,000)	-
Total	<u>111,289,948</u>	<u>(10,000,000)</u>	<u>101,289,948</u>

10. FINANCIAL ASSETS - EQUITY SECURITIES

Financial assets - equity securities as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Fair value	Unit : Baht As at December 31, 2020 Fair value
<u>Equity securities designated at fair value through other comprehensive income</u>		
Local equity securities	12,224,449	12,216,097
Total financial asset - equity securities	<u>12,224,449</u>	<u>12,216,097</u>

11. LEASEHOLD IMPROVEMENT AND EQUIPMENTS

Leasehold improvements and equipment as at March 31, 2021 and December 31, 2020 consisted of the following:

	Cost				Accumulated depreciation				Unit : Baht	
	As at	Additions	Disposal/ Write-off	As at	As at	Depreciation	Disposal/ Write-off	As at	Beginning	Ending
	January 1, 2021			March 31, 2021	January 1, 2021			March 31, 2021	balance of Equipment - net as at January 1, 2021	balance of Equipment - net as at March 31, 2021
Furniture, fixture & fittings, leasehold improvement	18,861,481	-	-	18,861,481	18,401,209	270,334	-	18,671,543	460,272	189,938
Equipment	3,122,657	34,486	(29,159)	3,127,984	3,084,112	8,781	(17,687)	3,075,206	38,545	52,778
Vehicles	-	-	-	-	-	-	-	-	-	-
Computer equipment	10,996,761	-	(39,690)	10,957,071	9,360,492	311,342	(19,609)	9,652,225	1,636,269	1,304,846
Right of used assets	8,829,626	-	-	8,829,626	6,476,314	932,682	-	7,408,996	2,353,312	1,420,630
Total	41,810,525	34,486	(68,849)	41,776,162	37,322,127	1,523,139	(37,296)	38,807,970	4,488,398	2,968,192

	Cost				Accumulated depreciation				Unit : Baht			
	As at	Impact from	Additions	Disposal/ Write-off	As at	As at	Impact from	Depreciation	Disposal/ Write-off	As at	Beginning	Ending
	January 1, 2020	initial application of TFRS 16			December 31, 2020	January 1, 2020	initial application of TFRS 16			December 31, 2020	balance of Equipment - net as at January 1, 2020	balance of Equipment - net as at December 31, 2020
Furniture, fixture & fittings, leasehold improvement	18,861,481	-	-	-	18,861,481	17,299,023	-	1,102,186	-	18,401,209	1,562,458	460,272
Equipment	3,122,190	-	3,729	(3,262)	3,122,657	3,019,352	-	68,021	(3,261)	3,084,112	102,838	38,545
Vehicles	2,489,000	-	-	(2,489,000)	-	2,488,999	-	-	(2,488,999)	-	1	-
Computer equipment	10,901,761	-	252,766	(157,766)	10,996,761	8,284,387	-	1,233,865	(157,760)	9,360,492	2,617,374	1,636,269
Right of used assets	-	8,829,626	-	-	8,829,626	-	2,745,586	3,730,728	-	6,476,314	-	2,353,312
Total	35,374,432	8,829,626	256,495	(2,650,028)	41,810,525	31,091,761	2,745,586	6,134,800	(2,650,020)	37,322,127	4,282,671	4,488,398

As at March 31, 2021 and December 31, 2020, certain leasehold improvement and equipment at cost of Baht 26.78 million and Baht 26.75 million, respectively, were fully depreciated but still in use.

Depreciation for the three-month periods ended March 31, 2021 and 2020 amounting to Baht 1.52 million and Baht 1.52 million, respectively, were included in operating expenses.

12. INTANGIBLE ASSETS

Intangible assets as at March 31, 2021 and December 31, 2020 consisted of the following:

	Cost			Accumulated depreciation			Unit : Baht		
	As at	Additions	Transfer-in/ (Transfer-out)	As at	As at	Amortization	As at	Beginning	Ending
	January 1, 2021			March 31, 2021	January 1, 2021		March 31, 2021	balance of intangible assets - net as at January 1, 2021	balance of intangible assets - net as at March 31, 2021
Software	29,818,987	-	-	29,818,987	1,512,927	1,002,770	2,515,697	28,306,060	27,303,290
Software under installation	121,197,938	2,700,000	-	123,897,938	-	-	-	121,197,938	123,897,938
Total	151,016,925	2,700,000	-	153,716,925	1,512,927	1,002,770	2,515,697	149,503,998	151,201,228

	Cost			Accumulated depreciation			Unit : Baht		
	As at	Additions	Transfer-in/ (Transfer-out)	As at	As at	Amortization	As at	Beginning	Ending
	January 1, 2020			December 31, 2020	January 1, 2020		December 31, 2020	balance of intangible assets - net as at January 1, 2020	balance of intangible assets - net as at December 31, 2020
Software	858,050	-	28,960,937	29,818,987	149,133	1,363,794	1,512,927	708,917	28,306,060
Software under installation	123,870,574	26,288,301	(28,960,937)	121,197,938	-	-	-	123,870,574	121,197,938
Total	124,728,624	26,288,301	-	151,016,925	149,133	1,363,794	1,512,927	124,579,491	149,503,998

Amortization for the three-month periods ended March 31, 2021 and 2020 amounting to Baht 1.00 million and Baht 0.11 million, respectively, were included in operating expenses.

13. LICENSE COSTS

License costs as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
License costs	67,000,000	67,000,000
<u>Less</u> Accumulated amortization	<u>(50,288,549)</u>	<u>(50,288,549)</u>
License costs	<u>16,711,451</u>	<u>16,711,451</u>

License costs were amortised on the straight-line method over 25 years. After January 1, 2008, the license costs which have been considered indefinite useful life assets are no longer subject to amortisation but are tested annually for impairment.

14. OTHER ASSETS

Other assets as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Refundable income tax	20,789,495	20,275,019
Deposits	3,485,376	3,485,376
The Revenue Department receivable	77,685,491	76,057,863
Undue purchase VAT	916,384	470,029
Prepaid Expense	6,217,711	2,426,580
Prepaid premium ceded	3,702,185	301,156
Other receivables	1,170,980	1,419,497
Total other assets	<u>113,967,622</u>	<u>104,435,520</u>

15. INSURANCE CONTRACT LIABILITIES

Insurance contract liabilities as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021		Unit : Baht
	Insurance liabilities	Reinsurance liabilities (see Note 7)	Net
Claim reserves			
Claim incurred and reported	104,823,586	(8,494,424)	96,329,162
Claim incurred but not reported	30,544,083	(6,407,107)	24,136,976
	<u>135,367,669</u>	<u>(14,901,531)</u>	<u>120,466,138</u>
Premium reserve			
Unearned premium reserve	129,055,476	(51,417,892)	77,637,584
Total	<u>264,423,145</u>	<u>(66,319,423)</u>	<u>198,103,722</u>

	As at December 31, 2020		Unit : Baht
	Insurance liabilities	Reinsurance liabilities (see Note 7)	Net
Claim reserves			
Claim incurred and reported	120,018,204	(9,446,348)	110,571,856
Claim incurred but not reported	34,160,385	(6,530,738)	27,629,647
	<u>154,178,589</u>	<u>(15,977,086)</u>	<u>138,201,503</u>
Premium reserve			
Unearned premium reserve	151,062,995	(65,807,070)	85,255,925
Total	<u>305,241,584</u>	<u>(81,784,156)</u>	<u>223,457,428</u>

15.1 Insurance reserve for short-term insurance contract

15.1.1 Claim reserve

Claim reserve as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Balance as at beginning period/year	154,178,589	231,424,610
Claim incurred during the period/year	19,576,731	124,914,340
Changes in claims reserve incurred in previous period/year	(9,610,682)	(48,331,930)
Changes in claims reserve assumption	(3,616,302)	(4,225,132)
Claim paid during the period/year	<u>(25,160,667)</u>	<u>(149,603,299)</u>
Balance as at ending period/year	<u>135,367,669</u>	<u>154,178,589</u>

15.1.2 Unearned premium reserve

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Balance as at beginning period/year	151,062,995	281,148,317
Premium written for the period/year	50,091,886	340,250,591
Premium earned for the period/year	<u>(72,099,405)</u>	<u>(470,335,913)</u>
Balance as at ending period/year	<u>129,055,476</u>	<u>151,062,995</u>

15.1.3 Unexpired risk reserve

As at March 31, 2021 and December 31, 2020, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the Company amounting to Baht 56.70 million and Baht 65.70 million, respectively, is lower than the unearned premium reserve.

16. DUE TO REINSURERS

Due to reinsurers as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Reinsurance payables	62,115,895	78,088,008
Amount withheld on reinsurance	<u>16,233,270</u>	<u>14,753,468</u>
Total due to reinsurers	<u>78,349,165</u>	<u>92,841,476</u>

17. LEASE LIABILITIES

lease liabilities as at March 31, 2021 and December 31, 2020 were as follows:

	Minimum lease payment		Present value of minimum lease payment	
	As at March 31, 2021 Baht	As at December 31, 2020 Baht	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Within 1 year	1,158,444	2,038,938	1,131,140	1,994,680
Over 1 year to 5 years	243,550	432,200	241,486	426,627
	<u>1,401,944</u>	<u>2,471,138</u>	<u>1,372,626</u>	<u>2,421,307</u>
Less Deferred interest	<u>(29,318)</u>	<u>(49,831)</u>	<u>-</u>	<u>-</u>
Total	<u>1,372,626</u>	<u>2,421,307</u>	<u>1,372,626</u>	<u>2,421,307</u>

18. DEFERRED TAX LIABILITIES

Deferred tax liabilities as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Deferred tax liabilities	<u>3,342,290</u>	<u>3,342,290</u>

Deferred income tax assets are recognized only to the extent that realization of the related tax benefit through the future taxable profits is probable. The Company did not recognize deferred income tax assets from temporary difference and loss carried forward as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Temporary difference	163,198,634	184,565,534
Loss carried forward	<u>864,349,178</u>	<u>816,158,101</u>
	1,027,547,812	1,000,723,635
Income tax rate	20%	20%
Deferred tax assets	<u>205,509,562</u>	<u>200,144,727</u>

The loss carried forward as at March 31, 2021 and December 31, 2020 amounting to Baht 864.35 million and 816.16 million, respectively, will gradually expire from 2022 to 2026.

19. OTHER LIABILITIES

Other liabilities as at March 31, 2021 and December 31, 2020 consisted of the following:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Commission and brokerage payable	7,890,411	12,893,874
Accrued expenses	26,550,174	52,110,974
Other payables	<u>24,034,132</u>	<u>20,400,583</u>
Total other liabilities	<u>58,474,717</u>	<u>85,405,431</u>

20. SHARE CAPITAL

On 12 February 2021, the Extraordinary General Meeting of Shareholders passed resolutions to increase and allocate the authorized share capital of 10,000,000 shares, Baht 5 par value each, to offer to existing shareholders of the Company by proportion of shareholding of each shareholder ratio of 13.58 existing ordinary share to 1 new ordinary share. The shareholders have the right to subscribe for newly issued ordinary shares exceeding their rights. Shares subscribed in excess of their entitlement will be allocated to the subscribed shareholders in excess of their entitlement after the allocation of newly issued ordinary shares to all shareholders subscribed for in the first round.

On March 12, 2021, the Company registered its and called for the capital increase in the amount of Baht 50,000,000. On March 5, 2021, the Company received payment of the share subscription and recorded as share subscription received in advance in the statement of financial position. The Company registered change of paid-up capital with the Ministry of Commerce on April 29, 2021.

21. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the management of the company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Financial Reporting Standard.

The Company has four reportable segments, which represent the major products that the Company underwrites and consists of fire, marine and logistic, motor and miscellaneous.

The Company is only operated and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the three-month periods ended March 31, 2021 and 2020, there is no underwriting income with a single external customer contributed 10% or more to the Company's total revenue.

The reporting of underwriting information classified by type of insurance for the three-month periods ended March 31, 2021 and 2020 were as follows:

	For the three-month period ended March 31, 2021				Unit : Baht
	Fire	Marine	Motor	Miscellaneous	Total
Underwriting income					
Gross written premiums	1,378,698	15,216,354	4,723,040	28,773,794	50,091,886
<u>Less</u> Premium ceded	<u>(845,806)</u>	<u>(3,468,776)</u>	<u>-</u>	<u>(20,203,883)</u>	<u>(24,518,465)</u>
Net written premiums	532,892	11,747,578	4,723,040	8,569,911	25,573,421
<u>Less</u> Unearned premium reserve					
increased (decreased) from the previous period	1,932,321	1,183,549	(909,032)	5,411,504	7,618,342
Net premium earned	2,465,213	12,931,127	3,814,008	13,981,415	33,191,763
Fee and commission income	712,695	874,351	-	4,859,558	6,446,604
Total underwriting income	3,177,908	13,805,478	3,814,008	18,840,973	39,638,367
Underwriting expenses					
Claim incurred	542,261	(2,934,985)	1,601,598	7,140,873	6,349,747
<u>Add (less)</u> Claim refundable from reinsurers	<u>(43,378)</u>	<u>21,963</u>	<u>-</u>	<u>(4,351,577)</u>	<u>(4,372,992)</u>
Commission and brokerage expenses	1,263,215	1,740,083	491,568	7,820,558	11,315,424
Other underwriting expenses	644,273	7,110,678	2,207,100	13,446,138	23,408,189
Total underwriting expenses	2,406,371	5,937,739	4,300,266	24,055,992	36,700,368
Profit (loss) on underwriting					
before operating expenses	<u>771,537</u>	<u>7,867,739</u>	<u>(486,258)</u>	<u>(5,215,019)</u>	<u>2,937,999</u>
Operating expenses					<u>22,250,071</u>
Loss on underwriting after operating expenses					<u>(19,312,072)</u>
					Unit : Baht
					For the three-month period ended March 31, 2020
	Fire	Marine	Motor	Miscellaneous	Total
Underwriting income					
Gross written premiums	1,078,731	10,005,899	3,831,106	118,589,456	133,505,192
<u>Less</u> Premium ceded	<u>(1,303,138)</u>	<u>(4,296,023)</u>	<u>-</u>	<u>(110,588,001)</u>	<u>(116,187,162)</u>
Net written premiums	(224,407)	5,709,876	3,831,106	8,001,455	17,318,030
<u>Less</u> Unearned premium reserve					
increased (decreased) from the previous period	(414,584)	(4,053,378)	(344,723)	1,734,677	(3,078,008)
Net premium earned	(638,991)	1,656,498	3,486,383	9,736,132	14,240,022
Fee and commission income	(493,990)	731,539	-	27,620,186	27,857,735
Total underwriting income	(1,132,981)	2,388,037	3,486,383	37,356,318	42,097,757
Underwriting expenses					
Claim incurred	(132,930)	1,351,174	893,100	8,294,740	10,406,084
<u>Add (less)</u> Claim refundable from reinsurers	<u>48,237</u>	<u>(246,197)</u>	<u>-</u>	<u>(11,793,570)</u>	<u>(11,991,530)</u>
Commission and brokerage expenses	145,122	756,315	625,526	22,324,117	23,851,080
Other underwriting expenses	61,562	847,806	368,346	13,144,966	14,422,680
Total underwriting expenses	121,991	2,709,098	1,886,972	31,970,253	36,688,314
Profit (loss) on underwriting					
before operating expenses	<u>(1,254,972)</u>	<u>(321,061)</u>	<u>1,599,411</u>	<u>5,386,065</u>	<u>5,409,443</u>
Operating expenses					<u>20,136,529</u>
Loss on underwriting after operating expenses					<u>(14,727,086)</u>

22. INVESTMENT INCOME

Investment income for the three-month periods ended March 31, 2021 and 2020 were as follows:

	Unit : Baht	
	For the three-month periods ended March 31,	
	2021	2020
Interest income	<u>1,501,350</u>	<u>2,221,715</u>

23. BASIC LOSS PER SHARE

Basic loss per share for the three-month periods ended March 31, 2021 and 2020 were as follows:

	For the three-month periods ended March 31,	
	2021	2020
Net loss attributable to ordinary shareholders (Baht)	(17,760,420)	(12,496,499)
Number of share capital (Shares)	<u>135,800,000</u>	<u>135,800,000</u>
Basic loss per share (Baht)	<u>(0.13)</u>	<u>(0.09)</u>

24. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The Company's management believes that the Company has no significant influence over the related parties. The accompanying financial statements reflect the effects of these transactions determined on the basis of commitments and conditions as in the normal course of business.

The relationships between the Company and its related parties are summarized below:

Companies	Relationship	Type of business
King Wai Group (Thailand) Public Company Limited	Ultimate parent company	Renting and operating of self-owned or leased of residential buildings
King Wai Capital Limited	Some common shareholders and directors	Activities of holding companies, of mostly investing in non-financial sectors
Cornerstone Realty Company Limited	Some common shareholders and directors	Buying and selling of on own account of residential buildings
Gold Star Property Company Limited	Some common shareholders and directors	Buying and selling of on own account of residential buildings
Thai-Kami Company Limited	Some common shareholders and directors	Buying and selling of on own account of residential buildings
Top Property Co., Ltd.	Some common shareholders and directors	Buying and selling of on own account of residential buildings
AEC City Co., Ltd.	Some common shareholders and directors	Construction of non-residential buildings
S31 Limited	Some common shareholders and directors	Buying and selling of on own account of residential buildings
S61 Limited	Some common shareholders and directors	Buying and selling of on own account of residential buildings
Param4 Limited	Some common shareholders and directors	Buying and selling of on own account of residential buildings

Significant balances and transactions were as follows:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Assets		
Receivables from reinsurance	1,040	259,939
Liabilities		
Outstanding claims	-	16,006
	For the three-month periods ended March 31, 2021 Baht	2020 Baht
Premium	3,402	438,080
Claim Expense	20,000	-

The Company paid insurance claims in compliance with insurance policy criteria and it is normal commercial transaction for insurance.

The Company used the same pricing policy and conditions for the above premiums as it did for other customers and other insurance companies.

25. DIRECTORS AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

For the three-month periods ended March 31, 2021 and 2020, the Company had salaries, bonuses, directors allowances and other benefits of its directors and key management personnel recognized as expenses as follows:

	For the three-month periods ended March 31,	
	2021 Baht	2020 Baht
Directors and key management personnel's remuneration		
Short-term benefits	14,839,527	4,137,713
Post-employment benefits	(184,993)	113,569
Total	<u>14,654,534</u>	<u>4,251,282</u>

Directors' remunerations for the years of 2021 and 2020 were approved by the annual general meeting of shareholders of the Company held on March 25, 2021 and April 10, 2020, respectively.

26. SECURITIES PLEDGED AND ASSETS RESERVED WITH THE REGISTRAR

As at March 31, 2021 and December 31, 2020, certain financial assets - debt securities and financial assets - equity securities of the Company were pledged and used for assets reserved with the Registrar (see Note 9) in accordance with the Insurance Act and according to the announcement of the Office of Insurance Commission regarding "Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2557" as follows:

	As at March 31, 2021 Baht	As at December 31, 2020 Baht
Investment in securities used to secure the facilities collateral with the Office of Insurance Commission		
Securities pledged with the registrar		
Government bonds	14,328,414	14,448,789
Deposit at financial institutions with maturity Over 3 months	14,000,000	-
Assets reserved with the registrar		
Government bonds	25,586,453	25,801,409
Deposit at financial institutions with maturity Over 3 months	26,000,000	-
Total investment in securities of pledged	<u>79,914,867</u>	<u>40,250,198</u>

27. CONTINGENT LIABILITIES AND COMMITMENT

27.1 As at March 31, 2021 and December 31, 2020, lawsuits have been brought against the Company, as insurer, from which the Company estimates losses totaling Baht 5.90 million and Baht 4.68 million, respectively. Such amount has been set aside in the loss reserve and outstanding claims accounts. The Company's management does not expect the outcome of the litigation to result in losses that differ from the recorded liability by amounts that would be material to the Company's operating results.

27.2 As at March 31, 2021 and December 31, 2020, the Company had a capital commitment to pay computer software in amount of Bath 14.67 million and Bath 8.11 million, respectively.

28. LONG TERM LEASE AND SERVICE AGREEMENT

Long term leases and service agreement as at March 31, 2021 and December 31, 2020 consisted of the follows:

	2021 Baht	2020 Baht
Within 1 year	10,002,720	8,340,782
Over 1 year to 5 years	5,247,374	-
Total	<u>15,250,094</u>	<u>8,340,782</u>

The Company recognized rental expense in the statements of profit and loss and other comprehensive income for the three-month periods ended March 31, 2021 amounting to Baht 2.50 million and amounting to Baht 1.65 million, respectively.

29. FAIR VALUE MEASUREMENT

Certain financial assets of the Company were measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets were determined.

	As at March 31, 2021				Unit : Baht
	Fair value				Book value
	Level 1	Level 2	Level 3	Total	
Financial assets					
Financial assets - debt instruments	-	143,795,867	-	143,795,867	143,795,867
Financial assets - equity instruments	-	-	12,224,449	12,224,449	12,224,449
Financial liabilities					
Lease liabilities	-	-	(1,372,626)	(1,372,626)	(1,372,626)
					Unit : Baht
	As at December 31, 2020				
	Fair value				Book value
	Level 1	Level 2	Level 3	Total	
Financial assets					
Financial assets - debt instruments	-	145,003,916	-	145,003,916	145,003,916
Financial assets - equity instruments	-	-	12,216,097	12,216,097	12,216,097
Financial liabilities					
Lease liabilities	-	-	(2,421,307)	(2,421,307)	(2,421,307)

During the period, there are no fair value transferred between level 1, level 2 and level 3.

There are no change in fair value measurement technique.

Level 2 of fair values for debt instruments measured at fair value through other comprehensive income and debt securities available-for-sale investments are based on the yield rate quoted by the Thai Bond Market Association.

Level 3 of fair value for equity instruments measured at fair value through other comprehensive income are based on discounted cash flows.

Financial assets or financial liabilities not measured at fair value Cash and cash equivalents, Premium receivable, Accrued investment income, Reinsurance assets, Due from reinsurers, Deferred acquisition costs, Prepaid premium ceded, other assets, Insurance contract liabilities, Due to reinsurers, Unearned fee and commission income and other liabilities; the fair values approximate their carrying values due to the relatively short period to maturity.

30. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuance by the Company's authorized executive director on May 10, 2021.



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