



*KWI INSURANCE PUBLIC COMPANY LIMITED  
(FORMERLY KING WAI INSURANCE PUBLIC  
COMPANY LIMITED)*

*Interim financial statements*

*Three-month and six-month period ended  
June 30, 2022*



บริษัท ดีลอยท์ ทูเช่ โตเกียว ไซมอส  
สอบบัญชี จำกัด  
อาคาร เอไอเอ สาทร์ ทาวเวอร์ ชั้น 23-27  
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**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION  
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS  
KWI INSURANCE PUBLIC COMPANY LIMITED  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)**

We have reviewed the statement of financial position of KWI Insurance Public Company Limited as at June 30, 2022, and the statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2022, and the related statements of changes in equity and cash flows for the six-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  
August 10, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.



**KWI INSURANCE PUBLIC COMPANY LIMITED**  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)

**STATEMENT OF FINANCIAL POSITION**

**AS AT JUNE 30, 2022**

UNIT : BAHT

	Notes	"UNAUDITED" As at June 30, 2022	As at December 31, 2021
<b>ASSETS</b>			
Cash and cash equivalents	5	100,950,067	87,068,756
Premium receivables	6	102,337,548	94,937,566
Accrued investment income		1,653,955	1,644,841
Reinsurance assets	7	167,305,934	179,274,554
Due from reinsurers	8	34,865,289	19,579,077
Financial assets - debt securities	9	385,624,962	427,767,942
Financial assets - equity securities	10	19,201,240	19,165,953
Leasehold improvement and equipment	11	11,767,596	13,786,042
Intangible assets	12	31,670,092	33,436,342
Deferred acquisition costs		35,172,373	30,563,597
License costs	13	16,711,451	16,711,451
Other assets	14	96,536,277	103,047,429
<b>TOTAL ASSETS</b>		<b>1,003,796,784</b>	<b>1,026,983,550</b>



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See condensed notes to the financial statements

**KWI INSURANCE PUBLIC COMPANY LIMITED**  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT JUNE 30, 2022**

UNIT : BAHT

	Notes	“UNAUDITED” As at June 30, 2022	As at December 31, 2021
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Insurance contract liabilities	15	505,970,401	483,728,482
Due to reinsurers	16	131,128,605	110,968,805
Lease liabilities	17	2,957,813	4,059,905
Unearned fee and commission income		21,483,610	18,647,146
Employee benefit obligations		18,647,492	17,988,947
Deferred tax liabilities	18	7,070,114	7,063,057
Provision for cost of assets decommissioning		435,021	461,087
Other liabilities	19	57,100,435	68,190,472
<b>TOTAL LIABILITIES</b>		<b>744,793,491</b>	<b>711,107,901</b>
<b>EQUITY</b>			
Share capital	20		
Authorized share capital			
165,800,000 ordinary shares of Baht 5.00 each		829,000,000	829,000,000
Issued and paid-up share capital			
165,800,000 ordinary shares of Baht 5.00 each		829,000,000	829,000,000
Premium on share capital		122,520,000	122,520,000
Retained earnings (deficits)			
Appropriated			
Legal reserve		15,438,000	15,438,000
Unappropriated		(712,551,445)	(674,660,159)
Other components of equity		4,596,738	23,577,808
<b>TOTAL EQUITY</b>		<b>259,003,293</b>	<b>315,875,649</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,003,796,784</b>	<b>1,026,983,550</b>

See condensed notes to the financial statements



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**KWI INSURANCE PUBLIC COMPANY LIMITED**  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2022**  
**“UNAUDITED”**

UNIT : BAHT

	Notes	2022	2021
<b>REVENUES</b>			
Gross premium written	21	132,671,153	73,735,341
<u>Less</u> Premiums ceded	21	(42,346,819)	(64,664,181)
Net premium written		90,324,334	9,071,160
<u>Less</u> Unearned premium reserve increased from previous year	21	(18,538,832)	(2,657,232)
Net premium earned		71,785,502	6,413,928
Fee and commission income	21	10,870,218	6,148,555
Investment income	22	2,011,571	1,454,244
Net gain on financial instruments	23	-	117,728
Other income		781,110	15,651
Total revenues		85,448,401	14,150,106
<b>EXPENSES</b>			
Claims incurred	21	32,031,862	29,062,486
<u>Less</u> Claims refundable from reinsurers	21	(3,033,040)	(4,224,530)
Commission and brokerage expenses	21	16,273,828	10,432,599
Other underwriting expenses	21	36,310,238	17,804,768
Operating expenses		16,892,361	18,787,427
Expected credit loss (reversal)	24	(278,123)	-
Total expenses		98,197,126	71,862,750
Loss before income tax expenses		(12,748,725)	(57,712,644)
Income tax expense		-	-
Net loss		(12,748,725)	(57,712,644)



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**KWI INSURANCE PUBLIC COMPANY LIMITED**  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2022**  
**“UNAUDITED”**

		UNIT : BAHT	
	Notes	2022	2021
Other comprehensive income (loss)			
Items that will be reclassified subsequently to profit or loss			
Loss on investment in debt instruments at fair value through other comprehensive income		(11,072,743)	(898,563)
Written off gain from reclassification of financial assets from sale of financial assets		-	(204,328)
		<u>(11,072,743)</u>	<u>(1,102,891)</u>
Items that will not be reclassified subsequently to profit or loss			
Actuarial gain on defined employee benefit plans		657,936	932,686
		<u>657,936</u>	<u>932,686</u>
Other comprehensive loss for the periods		<u>(10,414,807)</u>	<u>(170,205)</u>
<b>Total comprehensive loss for the periods</b>		<u><b>(23,163,532)</b></u>	<u><b>(57,882,849)</b></u>
<b>Loss per share</b>			
Basic loss per share	25 Baht	(0.08)	(0.40)
Number of ordinary shares	Shares	165,800,000	142,800,000



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See condensed notes to the financial statements



KWI INSURANCE PUBLIC COMPANY LIMITED

(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

“UNAUDITED”

UNIT : BAHT

	Notes	2022	2021
<b>REVENUES</b>			
Gross premium written	21	248,993,908	123,827,227
<u>Less</u> Premiums ceded	21	(92,244,774)	(89,182,646)
Net premium written		156,749,134	34,644,581
<u>Add (less)</u> Unearned premium reserve (increased)			
decreased from previous year	21	(24,914,606)	4,961,110
Net premium earned		131,834,528	39,605,691
Fee and commission income	21	20,124,454	12,595,159
Investment income	22	4,817,072	2,955,594
Net gain on financial instruments	23	6,597	117,728
Other income		914,703	65,953
Total revenues		157,697,354	55,340,125
<b>EXPENSES</b>			
Claims incurred	21	69,346,136	35,412,233
<u>Less</u> Claims refundable from reinsurers	21	(6,006,529)	(8,597,522)
Commission and brokerage expenses	21	30,307,540	21,748,023
Other underwriting expenses	21	68,924,063	41,212,957
Operating expenses		33,300,492	41,037,498
Expected credit loss (reversal)	24	(283,062)	-
Total expenses		195,588,640	130,813,189
Loss before income tax expenses		(37,891,286)	(75,473,064)
Income tax expense		-	-
Net loss		(37,891,286)	(75,473,064)



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(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

UNIT : BAHT



Shares 165,800

See condensed notes to the financial statements



**KWI INSURANCE PUBLIC COMPANY LIMITED**  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022**  
**“UNAUDITED”**

UNIT : BAHT

	Notes	Other components of equity								Total equity		
		Issued and paid-up share capital	Premium on share capital	Retained earnings (deficits)		Debt securities measured at fair value through other comprehensive income	Equity securities designated at fair value through other comprehensive income	Written off gain from reclassification of financial assets from sale of financial assets	Actuarial gain on defined employee benefit plans		Total other components of equity	
				Appropriated	Unappropriated							
												Legal reserve
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	
Increase in share capital - ordinary shares	20	50,000,000	-	-	-	-	-	-	-	-	50,000,000	
Net loss		-	-	-	(75,473,064)	-	-	-	-	-	(75,473,064)	
Total comprehensive income (loss) for the period		-	-	-	-	(2,106,612)	8,352	(204,328)	2,785,094	482,506	482,506	
Ending balance as at June 30, 2021		729,000,000	122,520,000	15,438,000	(600,707,494)	(7,771,636)	11,662,329	542,776	5,114,190	9,547,659	275,798,165	
Beginning balance as at January 1, 2022		829,000,000	122,520,000	15,438,000	(674,660,159)	(627,094)	14,883,066	-	9,321,836	23,577,808	315,875,649	
Net loss		-	-	-	(37,891,286)	-	-	-	-	-	(37,891,286)	
Total comprehensive income (loss) for the period		-	-	-	-	(20,375,755)	28,230	-	1,366,455	(18,981,070)	(18,981,070)	
Ending balance as at June 30, 2022		829,000,000	122,520,000	15,438,000	(712,551,445)	(21,002,849)	14,911,296	-	10,688,291	4,596,738	259,003,293	

See condensed notes to the financial statements



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**KWI INSURANCE PUBLIC COMPANY LIMITED**  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)

**STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022**

“UNAUDITED”

UNIT : BAHT

	Note	2022	2021
<b>CASH FLOWS PROVIDED BY (USED IN)</b>			
<b>OPERATING ACTIVITIES</b>			
Written premium received from direct insurance		246,985,234	116,633,827
Cash paid from reinsurance		(38,429,798)	(97,945,761)
Investment income		4,807,958	3,396,610
Claim incurred from direct insurance		(80,453,144)	(48,556,138)
Commission and brokerage paid to direct insurance		(34,231,644)	(19,793,651)
Other underwriting expenses		(67,407,281)	(41,066,438)
Operating expenses		(33,440,893)	(18,150,761)
Other income		794,810	81,618
Income tax expense		(1,174,258)	(692,600)
Cash received - financial assets		51,661,789	41,819,454
Cash paid - financial assets		(29,895,025)	(50,000,000)
Net cash provided by (used in) operating activities		<u>19,217,748</u>	<u>(114,273,840)</u>
<b>CASH FLOWS PROVIDED BY (USED IN)</b>			
<b>INVESTING ACTIVITIES</b>			
Sale of equipment		120,000	15,888
Purchase of equipment		(303,445)	(34,486)
Purchase of intangible asset	4.2	(3,995,000)	(3,409,340)
Net cash used in investing activities		<u>(4,178,445)</u>	<u>(3,427,938)</u>



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**KWI INSURANCE PUBLIC COMPANY LIMITED**  
(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)

**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022**

**“UNAUDITED”**

UNIT : BAHT

	Note	2022	2021
<b>CASH FLOWS PROVIDED BY (USED IN)</b>			
<b>FINANCING ACTIVITIES</b>			
Lease payment	4.1	(1,157,992)	(1,660,170)
Cash received from increase in share capital		-	50,000,000
Net cash provided by (used in) financing activities		<u>(1,157,992)</u>	<u>48,339,830</u>
Net increased (decreased) in cash and cash equivalents		13,881,311	(69,361,948)
Cash and cash equivalents as at January 1,		<u>87,068,756</u>	<u>120,077,758</u>
<b>Cash and cash equivalents as at June 30,</b>	<b>5</b>	<b><u>100,950,067</u></b>	<b><u>50,715,810</u></b>



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See condensed notes to the financial statements



**KWI INSURANCE PUBLIC COMPANY LIMITED**  
**(FORMERLY KING WAI INSURANCE PUBLIC COMPANY LIMITED)**  
**CONDENSED NOTES TO FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND THE SIX-MONTH PERIODS ENDED JUNE 30, 2022**  
**“UNAUDITED”**

**1. GENERAL INFORMATION AND OPERATION OF THE COMPANY**

KWI 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 Thai CC Tower 33<sup>rd</sup> Floor, 43 South Sathorn Road, Yannawa, Sathorn, Bangkok. The main objective of the Company is non-life insurance.

The Company’s major shareholder is King Wai Capital Limited, which was incorporated in Thailand, holding 99.22% of the Company’s authorized share capital and the ultimate parent company is KWI Public Company Limited which was incorporated in Thailand.

On April 19, 2022, the Annual General Meeting of Shareholders No.1/2022 passed resolutions to change the Company’s name from “King Wai Insurance Public Company Limited” to “KWI Insurance Public Company Limited”. The Company registered change of the Company’s name with the Ministry of Commerce on June 1, 2022.

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.

**Coronavirus Disease 2019 Pandemic**

The Coronavirus disease 2019 (“COVID-19”) pandemic, 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 B.E. 2559 dated March 4, 2016 which has been effective since January 1, 2016 onward and No. 2 B.E. 2562 dated April 4, 2019, which has been effective since January 1, 2019 onward. The Company presents the condensed notes to interim financial statements.

2.2 The statement of financial position as at December 31, 2021, 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 period and six-month periods ended June 30, 2022 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 and six-month period ended June 30, 2022 should be read in conjunction with the audited financial statements for the year ended December 31, 2021.
- 2.5 The preparation of interim financial statements in conformity with Thai Accounting Standard No. 34 also requires the Company's management to exercise judgments 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 issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and accounting requirements for interest rate reform - Phrase 2. The adoption of these financial reporting standards does not have any significant impact on the Company's interim financial statements.

### 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, 2021.

### 4. ADDITIONAL INFORMATION FOR CASH FLOWS

- 4.1 Non-cash items of lease liabilities for the six-month periods ended June 30, 2022 and 2021 consisted of the following:

	For the six-month periods ended June 30,	
	2022	2021
	Baht	Baht
<b>Lease liabilities</b>		
Lease liabilities as at January 1,	4,059,905	2,421,307
<u>Add</u> Interest from lease liabilities	55,900	30,408
<u>Less</u> Cash paid for lease payment	(1,157,992)	(1,660,170)
Lease liabilities as at June 30,	<u>2,957,813</u>	<u>791,545</u>

- 4.2 Cash paid for intangible assets for the six-month periods ended June 30, 2022 and 2021 consisted of the following;

	For the six-month periods ended June 30,	
	2022	2021
	Baht	Baht
Cash paid for intangible assets		
Payable from intangible assets		
- beginning period/year	2,488,000	29,403,839
<u>Add</u> Purchases of intangible assets	1,507,000	3,409,340
<u>Less</u> Cash paid for intangible assets	<u>(3,995,000)</u>	<u>(3,409,340)</u>
Payable from intangible assets		
- ending period/year	<u>-</u>	<u>29,403,839</u>

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at June 30, 2022 and December 31, 2021, consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Cash on hand	65,000	65,000
Deposits at bank - at call	100,885,067	87,003,756
Cash and cash equivalents	<u>100,950,067</u>	<u>87,068,756</u>

## 6. PREMIUM RECEIVABLES

Premium receivables as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Within credit terms	68,576,600	74,284,891
Less than 30 days	13,891,850	11,482,757
31 - 60 days	9,990,334	4,307,629
61 - 90 days	3,739,577	1,974,837
Over 90 days	8,054,239	4,496,012
Total premium due and uncollected	104,252,600	96,546,126
<u>Less</u> Allowance for doubtful accounts	<u>(1,915,052)</u>	<u>(1,608,560)</u>
Premium due and uncollected - net	<u>102,337,548</u>	<u>94,937,566</u>



## 7. REINSURANCE ASSETS

Reinsurance assets as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Insurance reserve refundable from reinsurers		
Loss reserves	91,895,003	112,297,944
Unearned premium reserve		
- Unearned reinsurance premium reserve	75,410,931	66,976,610
Total reinsurance assets (see Note 15)	<u>167,305,934</u>	<u>179,274,554</u>

## 8. DUE FROM REINSURERS

Due from reinsurers as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Due from reinsurers	34,866,573	19,586,815
<u>Less</u> Allowance for doubtful accounts	<u>(1,284)</u>	<u>(7,738)</u>
Due from reinsurers	<u>34,865,289</u>	<u>19,579,077</u>

## 9. FINANCIAL ASSETS - DEBT SECURITIES

Financial assets - debt securities as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Fair value	Unit : Baht As at December 31, 2021 Fair value
<b><u>Debt instrument measured at fair value through other comprehensive income</u></b>		
Government and state enterprise securities	146,418,445	160,592,500
Private enterprise debt securities	218,912,492	225,882,445
	<u>365,330,937</u>	<u>386,474,945</u>
	Amortized cost	Amortized cost
<b><u>Debt instrument measured at amortized cost</u></b>		
Private enterprise debt securities	10,000,000	10,000,000
Deposits at financial institutions with maturity over 3 months	20,294,025	41,292,997
<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>20,294,025</u>	<u>41,292,997</u>
Total investment in debt securities	<u>385,624,962</u>	<u>427,767,942</u>

As at June 30, 2022 and December 31, 2021, certain government securities were pledged and used for assets reserved with the Registrar amounting to Baht 59.48 million and Baht 40.00 million, respectively (see Note 28).

Allowance for expected credit loss as at June 30, 2022 and December 31, 2021 were as follows:

	As at June 30, 2022		As at December 31, 2021	
	Fair value	Allowance for expected credit loss	Fair value	Allowance for expected credit loss
Debt securities measured at fair value through other comprehensive income				
Debt securities without significant increased in credit risk (Stage 1)	365,330,937	368,310	386,474,945	651,372
Total	<u>365,330,937</u>	<u>368,310</u>	<u>386,474,945</u>	<u>651,372</u>

	Unit : Baht		
	Book value	Allowance for expected credit loss	Net book value
<b>As at June 30, 2022</b>			
Debt instrument measured at amortized cost			
Debt securities without significant increased in credit risk (Stage 1)	20,294,025	-	20,294,025
Debt securities with credit impairment loss (Stage 3)	10,000,000	(10,000,000)	-
Total	<u>30,294,025</u>	<u>(10,000,000)</u>	<u>20,294,025</u>

<b>As at December 31, 2021</b>			
Debt instrument measured at amortized cost			
Debt securities without significant increased in credit risk (Stage 1)	41,292,997	-	41,292,997
Debt securities with credit impairment loss (Stage 3)	10,000,000	(10,000,000)	-
Total	<u>51,292,997</u>	<u>(10,000,000)</u>	<u>41,292,997</u>

#### 10. FINANCIAL ASSETS - EQUITY SECURITIES

Financial assets - equity securities as at June 30, 2022 and December 31, 2021 consisted of the following:

	Unit : Baht	
	As at June 30, 2022 Fair value	As at December 31, 2021 Fair value
<u>Equity securities designated at fair value through other comprehensive income</u>		
Local equity securities	19,201,240	19,165,953
Total financial asset - equity securities	<u>19,201,240</u>	<u>19,165,953</u>

# 11. LEASEHOLD IMPROVEMENT AND EQUIPMENTS

Leasehold improvements and equipment as at June 30, 2022 and December 31, 2021 consisted of the following:

	Cost				Accumulated depreciation				Unit : Baht		
	As at January 1, 2022	Additions	Disposal/ Write-off	Transfer-in/ (Transfer-out)	As at June 30, 2022	As at January 1, 2022	Depreciation	Disposal/ Write-off	As at June 30, 2022	Beginning balance of Equipment as at January 1, 2022	Ending balance of Equipment as at June 30, 2022
Furniture, fixture & fittings,											
leasehold improvement	4,736,721	95,351	-	-	4,832,072	113,433	297,363	-	410,796	4,623,288	4,421,276
Equipment	2,525,958	208,094	(1,376,022)	1,872,846	3,230,876	1,592,546	203,173	(1,375,915)	419,804	933,412	2,811,072
Computer equipment	4,105,072	-	-	-	4,105,072	2,242,040	549,795	-	2,791,835	1,863,032	1,313,237
Right of used assets	6,786,848	-	(44,012)	-	6,742,836	2,293,384	1,227,441	-	3,520,825	4,493,464	3,222,011
Asset under installation	1,872,846	-	-	(1,872,846)	-	-	-	-	-	1,872,846	-
Total	20,027,445	303,445	(1,420,034)	-	18,910,856	6,241,403	2,277,772	(1,375,915)	7,143,260	13,786,042	11,767,596

	Cost				Accumulated depreciation				Unit : Baht	
	As at January 1, 2021	Additions	Disposal/ Write-off	As at December 31, 2021	As at January 1, 2021	Depreciation	Disposal/ Write-off	As at December 31, 2021	Beginning balance of Equipment as at January 1, 2021	Ending balance of Equipment as at December 31, 2021
Furniture, fixture & fittings,										
leasehold improvement	18,861,481	4,691,836	(18,816,596)	4,736,721	18,401,209	526,854	(18,814,630)	113,433	460,272	4,623,288
Equipment	3,122,657	948,756	(1,545,455)	2,525,958	3,084,112	37,910	(1,529,476)	1,592,546	38,545	933,412
Computer equipment	10,996,761	1,501,864	(8,393,553)	4,105,072	9,360,492	1,252,753	(8,371,205)	2,242,040	1,636,269	1,863,032
Right of used assets	8,829,626	4,573,328	(6,616,106)	6,786,848	6,476,314	2,433,175	(6,616,105)	2,293,384	2,353,312	4,493,464
Asset under installation	-	1,872,846	-	1,872,846	-	-	-	-	-	1,872,846
Total	41,810,525	13,588,630	(35,371,710)	20,027,445	37,322,127	4,250,692	(35,331,416)	6,241,403	4,488,398	13,786,042

As at June 30, 2022 and December 31, 2021, certain leasehold improvement and equipment at cost of Baht 1.03 million and Baht 2.35 million, respectively, were fully depreciated but still in use.

Depreciation for the three-month periods ended June 30, 2022 and 2021 amounting to Baht 1.22 million and Baht 1.16 million, respectively, and depreciation for the six-month period ended June 30, 2022 and 2021 amounting to Baht 2.28 Million and Baht 2.68 million, respectively, were included in operating expenses.



## 12. INTANGIBLE ASSETS

Intangible assets as at June 30, 2022 and December 31, 2021 consisted of the following:

	Cost			Accumulated depreciation			Unit : Baht	
	As at	Additions	Decrease	As at	As at	Amortization	As at	Beginning
	January 1, 2022			June 30, 2022	January 1, 2022		June 30, 2022	balance of intangible assets as at January 1, 2022
Software	35,313,467	-	-	35,313,467	7,065,125	3,273,250	10,338,375	28,248,342
Software under installation	92,196,959	1,507,000	-	93,703,959	-	-	-	92,196,959
Total	127,510,426	1,507,000	-	129,017,426	7,065,125	3,273,250	10,338,375	120,445,301
Less Allowance for impairment	(87,008,959)	-	-	(87,008,959)	-	-	-	(87,008,959)
Total intangible assets	40,501,467	1,507,000	-	42,008,467	7,065,125	3,273,250	10,338,375	33,436,342

	Cost				Accumulated depreciation			Unit : Baht	
	As at	Additions	Decrease	Transfer-in/ (Transfer-out)	As at	As at	Amortization	As at	Beginning
	January 1, 2021				December 31, 2021	January 1, 2021		December 31, 2021	balance of intangible assets as at January 1, 2021
Software	29,818,987	709,340	-	4,785,140	35,313,467	1,512,927	5,552,198	7,065,125	28,306,060
Software under installation	121,197,938	5,188,000	(29,403,839)	(4,785,140)	92,196,959	-	-	-	121,197,938
Total	151,016,925	5,897,340	(29,403,839)	-	127,510,426	1,512,927	5,552,198	7,065,125	149,503,998
Less Allowance for impairment	-	(87,008,959)	-	-	(87,008,959)	-	-	-	-
Total intangible assets	151,016,925	(81,111,619)	(29,403,839)	-	40,501,467	1,512,927	5,552,198	7,065,125	149,503,998

Amortization for the three-month periods ended June 30, 2022 and 2021 amounting to Baht 1.64 million and Baht 1.22 million, respectively, and amortization for the six-month periods ended June 30, 2022 and 2021 amounting to Baht 3.27 million and Baht 2.22 million, respectively, were included in operating expenses.

During the year 2021, the Company recognized allowance for impairment in the amounts of Baht 87.01 million for computer software under installation which was unable continue to develop according to the Company's management intention.

### 13. LICENSE COSTS

License costs as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
License costs	67,000,000	67,000,000
Less Accumulated amortization	<u>(50,288,549)</u>	<u>(50,288,549)</u>
Total 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 June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Income tax refundable	22,040,601	20,298,934
Withholding tax	1,463,588	1,624,610
Deposits	823,115	4,273,198
The Revenue Department receivable	62,462,756	68,920,005
Undue purchase VAT	1,541,346	1,498,995
Prepaid Expense	4,638,956	2,972,894
Prepaid premium ceded	2,343,320	1,907,867
Other receivables	1,222,595	1,550,926
Total other assets	<u>96,536,277</u>	<u>103,047,429</u>

## 15. INSURANCE CONTRACT LIABILITIES

Insurance contract liabilities as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022		Unit : Baht
	Insurance liabilities	Reinsurance liabilities (see Note 7)	Net
Claim reserves			
Claim incurred and reported	211,089,613	(78,892,228)	132,197,385
Claim incurred but not reported	50,202,680	(13,002,775)	37,199,905
	<u>261,292,293</u>	<u>(91,895,003)</u>	<u>169,397,290</u>
Premium reserve			
Unearned premium reserve	244,678,108	(75,410,931)	169,267,177
Total	<u>505,970,401</u>	<u>(167,305,934)</u>	<u>338,664,467</u>

	As at December 31, 2021		Unit : Baht
	Insurance liabilities	Reinsurance liabilities (see Note 7)	Net
Claim reserves			
Claim incurred and reported	224,307,180	(97,963,139)	126,344,041
Claim incurred but not reported	48,092,121	(14,334,805)	33,757,316
	<u>272,399,301</u>	<u>(112,297,944)</u>	<u>160,101,357</u>
Premium reserve			
Unearned premium reserve	211,329,181	(66,976,610)	144,352,571
Total	<u>483,728,482</u>	<u>(179,274,554)</u>	<u>304,453,928</u>

### 15.1 Insurance reserve for short-term insurance contract

#### 15.1.1 Claim reserve

Claim reserve as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Balance as at beginning period/year	272,399,301	154,178,589
Claim incurred during the period/year	90,007,082	215,648,933
Changes in claims reserve incurred in previous period/year	(22,771,506)	(5,934,214)
Changes in claims reserve assumption	2,110,560	13,931,736
Claim paid during the period/year	(80,453,144)	(105,425,743)
Balance as at ending period/year	<u>261,292,293</u>	<u>272,399,301</u>



15.1.2 Unearned premium reserve

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Balance as at beginning period/year	211,329,181	151,062,995
Premium written for the period/year	248,993,908	371,728,675
Premium earned for the period/year	(215,644,981)	(311,462,489)
Balance as at ending period/year	<u>244,678,108</u>	<u>211,329,181</u>

15.1.3 Unexpired risk reserve

As at June 30, 2022 and December 31, 2021, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the Company amounting to Baht 120.27 million and Baht 114.53 million, respectively, is lower than the unearned premium reserve.

16. DUE TO REINSURERS

Due to reinsurers as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Reinsurance payables	80,320,021	79,527,185
Amount withheld on reinsurance	<u>50,808,584</u>	<u>31,441,620</u>
Total due to reinsurers	<u>131,128,605</u>	<u>110,968,805</u>

17. LEASE LIABILITIES

Lease liabilities as at June 30, 2022 and December 31, 2021 were as follows:

	Minimum lease payment		Present value of minimum lease payment	
	As at June 30, 2022 Baht	As at December 31, 2021 Baht	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Within 1 year	1,616,030	1,993,430	1,548,202	1,897,791
Over 1 year to 5 years	<u>1,431,128</u>	<u>2,211,743</u>	<u>1,409,611</u>	<u>2,162,114</u>
	3,047,158	4,205,173	2,957,813	4,059,905
Less Deferred interest	<u>(89,345)</u>	<u>(145,268)</u>	-	-
Total	<u>2,957,813</u>	<u>4,059,905</u>	<u>2,957,813</u>	<u>4,059,905</u>

# **18. DEFERRED TAX LIABILITIES**

Deferred tax liabilities as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Deferred tax liabilities	<u>7,070,114</u>	<u>7,063,057</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 June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Temporary difference	363,559,264	348,623,086
Loss carried forward	<u>841,918,099</u>	<u>809,713,028</u>
	1,205,477,363	1,158,336,114
Income tax rate	20%	20%
Deferred tax assets	<u>241,095,473</u>	<u>231,667,223</u>

The loss carried forward as at June 30, 2022 and December 31, 2021 amounting to Baht 841.92 million and Baht 809.71 million, respectively, will gradually expire from 2022 to 2026.

# **19. OTHER LIABILITIES**

Other liabilities as at June 30, 2022 and December 31, 2021 consisted of the following:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Commission and brokerage payable	15,991,425	15,306,751
Accrued expenses	34,842,348	39,140,494
Other payables	<u>6,266,662</u>	<u>13,743,227</u>
Total other liabilities	<u>57,100,435</u>	<u>68,190,472</u>

## 20. SHARE CAPITAL

On February 12, 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 and the Company received payment of the share subscription on March 5, 2021. The Company registered change of paid-up capital with the Ministry of Commerce on April 29, 2021.

On September 1, 2021, the Extraordinary General Meeting of Shareholders passed resolutions to increase and allocate the authorized share capital of 20,000,000 shares, Baht 5 par value each, to offer to existing shareholders of the Company by proportion of shareholding of each shareholder ratio of 7.29 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 September 30, 2021, the Company registered its and called for the capital increase in the amount of Baht 100,000,000 and the Company received payment of the share subscription on September 23, 2021. The Company registered change of paid-up capital with the Ministry of Commerce on September 30, 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 and six-month periods ended June 30, 2022 and 2021, 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 and six-month periods ended June 30, 2022 and 2021 were as follows:

	For the three-month period ended June 30, 2022				Unit : Baht
	Fire	Marine	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross written premiums	1,192,957	32,295,072	45,771,607	53,411,517	132,671,153
<u>Less</u> Premium ceded	(655,618)	(9,788,923)	-	(31,902,278)	(42,346,819)
Net written premiums	537,339	22,506,149	45,771,607	21,509,239	90,324,334
<u>Add (Less)</u> Unearned premium reserve					
(increased) decreased from the previous period	79,112	(6,981,411)	(6,304,032)	(5,332,501)	(18,538,832)
Net premium earned	616,451	15,524,738	39,467,575	16,176,738	71,785,502
Fee and commission income	164,346	2,396,342	12,345	8,297,185	10,870,218
Total underwriting income	780,797	17,921,080	39,479,920	24,473,923	82,655,720
<b>Underwriting expenses</b>					
Claim Incurred	282,828	12,438,619	13,607,851	5,702,564	32,031,862
<u>Add (Less)</u> Claim refundable from reinsurers	(61,305)	(4,810,555)	-	1,838,820	(3,033,040)
Commission and brokerage expenses	259,172	3,345,477	5,000,434	7,668,745	16,273,828
Other underwriting expenses	327,934	8,854,481	12,494,265	14,633,558	36,310,238
Total underwriting expenses	808,629	19,828,022	31,102,550	29,843,687	81,582,888
<b>Profit (loss) on underwriting</b>					
before operating expenses	(27,832)	(1,906,942)	8,377,370	(5,369,764)	1,072,832
Operating expenses					16,892,361
Expected credit loss (reversal)					(278,123)
Loss on underwriting					(15,541,406)
	For the three-month period ended June 30, 2021				Unit : Baht
	Fire	Marine	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross written premiums	600,265	10,540,794	10,485,850	52,108,432	73,735,341
<u>Less</u> Premium ceded	(2,761,676)	(14,205,321)	-	(47,697,184)	(64,664,181)
Net written premiums	(2,161,411)	(3,664,527)	10,485,850	4,411,248	9,071,160
<u>Add (Less)</u> Unearned premium reserve					
(increased) decreased from the previous period	1,601,735	5,288,055	(6,435,708)	(3,111,314)	(2,657,232)
Net premium earned	(559,676)	1,623,528	4,050,142	1,299,934	6,413,928
Fee and commission income	449,486	1,001,845	-	4,697,224	6,148,555
Total underwriting income	(110,190)	2,625,373	4,050,142	5,997,158	12,562,483
<b>Underwriting expenses</b>					
Claim incurred	119,060	5,314,339	1,869,374	21,759,713	29,062,486
<u>Less</u> Claim refundable from reinsurers	(71,614)	(144,930)	-	(4,007,986)	(4,224,530)
Commission and brokerage expenses	840,397	1,896,832	546,401	7,148,969	10,432,599
Other underwriting expenses	14,378	1,461,978	2,854,818	13,473,594	17,804,768
Total underwriting expenses	902,221	8,528,219	5,270,593	38,374,290	53,075,323
<b>Loss on underwriting</b>					
before operating expenses	(1,012,411)	(5,902,846)	(1,220,451)	(32,377,132)	(40,512,840)
Operating expenses					18,787,427
Loss on underwriting					(59,300,267)



	For the six-month period ended June 30, 2022				Unit : Baht
	Fire	Marine	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross written premiums	1,835,233	56,184,679	95,103,058	95,870,938	248,993,908
<u>Less</u> Premium ceded	(1,053,553)	(22,061,545)	(43,680)	(69,085,996)	(92,244,774)
Net written premiums	781,680	34,123,134	95,059,378	26,784,942	156,749,134
<u>Add (less)</u> Unearned premium reserve					
(increased) decreased from the previous period	407,858	(6,583,472)	(26,392,146)	7,653,154	(24,914,606)
Net premium earned	1,189,538	27,539,662	68,667,232	34,438,096	131,834,528
Fee and commission income	327,510	4,693,095	24,088	15,079,761	20,124,454
Total underwriting income	1,517,048	32,232,757	68,691,320	49,517,857	151,958,982
<b>Underwriting expenses</b>					
Claim Incurred	6,981,436	12,063,050	25,709,734	24,591,916	69,346,136
<u>Add (Less)</u> Claim refundable from reinsurers	(1,329,896)	4,839,542	-	(9,516,175)	(6,006,529)
Commission and brokerage expenses	523,126	6,190,962	8,682,568	14,910,884	30,307,540
Other underwriting expenses	508,011	15,552,495	26,325,500	26,538,057	68,924,063
Total underwriting expenses	6,682,677	38,646,049	60,717,802	56,524,682	162,571,210
Profit (loss) on underwriting					
before operating expenses	(5,165,629)	(6,413,292)	7,973,518	(7,006,825)	(10,612,228)
Operating expenses					33,300,492
Expected credit loss (reversal)					(283,062)
Loss on underwriting					(43,629,658)

	For the six-month period ended June 30, 2021				Unit : Baht
	Fire	Marine	Motor	Miscellaneous	Total
<b>Underwriting income</b>					
Gross written premiums	1,978,963	25,757,148	15,208,890	80,882,226	123,827,227
<u>Less</u> Premium ceded	(3,607,482)	(17,674,097)	-	(67,901,067)	(89,182,646)
Net written premiums	(1,628,519)	8,083,051	15,208,890	12,981,159	34,644,581
<u>Add (Less)</u> Unearned premium reserve					
(increased) decreased from the previous period	3,534,056	6,471,604	(7,344,740)	2,300,190	4,961,110
Net premium earned	1,905,537	14,554,655	7,864,150	15,281,349	39,605,691
Fee and commission income	1,162,181	1,876,196	-	9,556,782	12,595,159
Total underwriting income	3,067,718	16,430,851	7,864,150	24,838,131	52,200,850
<b>Underwriting expenses</b>					
Claim incurred	661,321	2,379,354	3,470,972	28,900,586	35,412,233
<u>Less</u> Claim refundable from reinsurers	(114,992)	(122,967)	-	(8,359,563)	(8,597,522)
Commission and brokerage expenses	2,103,612	3,636,915	1,037,969	14,969,527	21,748,023
Other underwriting expenses	658,651	8,572,656	5,061,918	26,919,732	41,212,957
Total underwriting expenses	3,308,592	14,465,958	9,570,859	62,430,282	89,775,691
Profit (loss) on underwriting					
before operating expenses	(240,874)	1,964,893	(1,706,709)	(37,592,151)	(37,574,841)
Operating expenses					41,037,498
Loss on underwriting					(78,612,339)

## 22. INVESTMENT INCOME

Investment income for the three-month and six-month periods ended June 30, 2022 and 2021 were as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2022	2021	2022	2021
Interest income	2,011,571	1,454,244	4,817,072	2,955,594

Unit : Baht

## 23. GAIN ON FINANCIAL INSTRUMENTS - NET

Gain on financial instruments for the three-month and six-month periods ended June 30, 2022 and 2021 were as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2022	2021	2022	2021
Gain from sales				
Debt instrument reclassified and measured at fair value through profit or loss	-	117,728	6,597	117,728
Total	-	117,728	6,597	117,728

Unit : Baht

## 24. EXPECTED CREDIT LOSS (REVERSAL)

Expected credit loss (reversal) for the three-month and six-month periods ended June 30, 2022 and 2021 were as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2022	2021	2022	2021
Expected credit loss (reversal)				
Debt securities measured at fair value through other comprehensive income	(278,123)	-	(283,062)	-
Total	(278,123)	-	(283,062)	-

Unit : Baht

## 25. BASIC LOSS PER SHARE

Basic loss per share for the three-month and six-month periods ended June 30, 2022 and 2021 were as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2022	2021	2022	2021
Net loss attributable to shareholders (Baht)	(12,748,725)	(57,712,644)	(37,891,286)	(75,473,064)
Weighted average number of ordinary shares in issue (Shares)	165,800,000	142,800,000	165,800,000	139,300,000
Basic loss per share (Baht)	(0.08)	(0.40)	(0.23)	(0.54)

## 26. 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
KWI 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
KWI Life Insurance Public Company Limited (formerly "King Wai Life Insurance Public Company Limited")	Some common shareholders and directors	Life Assurance
NVV Development Company Limited	Some common shareholders and directors	Develops Real Estate Properties

Significant balances and transactions were as follows:

	As at		As at	
	June 30,		December 31,	
	2022		2021	
	Baht		Baht	
<b>Assets</b>				
Premium Receivables		260		604,054
<b>Liabilities</b>				
Outstanding claims		51,567		-
Other Liabilities		294,734		3,556,438
	<b>For the three-month</b>		<b>For the six-month</b>	
	<b>periods ended June 30,</b>		<b>periods ended June 30,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Income/(expenses)</b>				
Premiums	87,365	190,866	140,948	194,268
Claims	(10,750)	(1,603)	(431,400)	18,397
Other expenses	(147,367)	-	(294,734)	-

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.

## 27. DIRECTORS AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

For the three-month and six-month periods ended June 30, 2022 and 2021, 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 June 30,		For the six-month periods ended June 30,	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Directors and key management personnel's remuneration				
Short-term benefits	2,359,500	3,984,125	9,319,440	18,823,652
Post-employment benefits	84,943	(184,993)	169,886	(369,985)
	<u>2,444,443</u>	<u>3,799,132</u>	<u>9,489,326</u>	<u>18,453,667</u>

Directors' remunerations for the years of 2022 and 2021 were approved by the annual general meeting of shareholders of the Company held on April 19, 2022 and March 25, 2021, respectively.

## 28. SECURITIES PLEDGED AND ASSETS RESERVED WITH THE REGISTRAR

As at June 30, 2022 and December 31, 2021, 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 June 30, 2022 Baht	As at December 31, 2021 Baht
Investment in securities used to secure the facilities collateral with the Office of Insurance Commission		
Securities pledged with the registrar		
Deposit at financial institutions with maturity Over 3 months	14,000,000	14,000,000
Assets reserved with the registrar		
Government bonds	40,481,973	-
Deposit at financial institutions with maturity Over 3 months	<u>5,000,000</u>	<u>26,000,000</u>
Total investment in securities of pledged	<u>59,481,973</u>	<u>40,000,000</u>



## 29. CONTINGENT LIABILITIES AND COMMITMENT

- 29.1 As at June 30, 2022 and December 31, 2021, lawsuits have been brought against the Company, as insurer, from which the Company estimates losses in outstanding claims totaling Baht 30.21 million and Baht 29.86 million, respectively, which include a lawsuit have been brought against the company, as the insurer. In 2021, the insured has requested claim from the Company in the amount of Baht 114.18 million with interest at 5% per annum from prosecution date. At present, the lawsuit is still in the process of legal proceedings. The Company's management believes that such estimation in outstanding claims is adequate to losses and 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.
- 29.2 As at June 30, 2022 and December 31, 2021, the Company had a capital commitment to pay computer software in amount of Baht 4.43 million and Baht 7.41 million, respectively.

## 30. LONG-TERM LEASE AND SERVICE AGREEMENT

Long-term leases and service agreement as at June 30, 2022 and December 31, 2021 consisted of the follows:

	As at June 30, 2022 Baht	As at December 31, 2021 Baht
Within 1 year	5,898,481	4,797,361
Over 1 year to 5 years	3,964,258	4,863,019
Total	<u>9,862,739</u>	<u>9,660,380</u>

The Company recognized rental expense in the statements of profit and loss and other comprehensive income for the three-month and six-month periods ended June 30, 2022 amounting to Baht 2.87 million and amounting to Baht 5.97 million, respectively. (For the three-month and six-month periods ended June 30, 2021 amounting to Baht 2.00 million and amounting to Baht 4.50 million, respectively).

## 31. 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 June 30, 2022			Unit : Baht
	Fair value			Book value
	Level 2	Level 3	Total	
Financial assets				
Financial assets - debt instruments	365,330,937	-	365,330,937	365,330,937
Financial assets - equity instruments	-	19,201,240	19,201,240	19,201,240
Financial liabilities				
Lease liabilities	-	2,957,813	2,957,813	2,957,813

	As at December 31, 2021			Unit : Baht
	Level 2	Fair value		Book value
		Level 3	Total	
Financial assets				
Financial assets - debt instruments	386,474,945	-	386,474,945	386,474,945
Financial assets - equity instruments	-	19,165,953	19,165,953	19,165,953
Financial liabilities				
Lease liabilities	-	4,059,905	4,059,905	4,059,905

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 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 determined by using the generally accepted pricing model and lease liabilities 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.

### 32. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuance by the Company's authorized executive director on August 10, 2022.



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