

Thai Reinsurance Public Company Limited and its subsidiaries
Review report and interim financial information
30 September 2023

Independent Auditor's Report on Review of Interim Financial Information

To the shareholders of Thai Reinsurance Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Thai Reinsurance Public Company Limited and its subsidiaries as at 30 September 2023, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods then ended, and the related consolidated statements of changes in owners' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Thai Reinsurance Public Company Limited for the same periods (collectively called "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34: Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

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

Narissara Chaisuwan

Certified Public Accountant (Thailand) No. 4812

EY Office Limited

Bangkok: 13 November 2023

Thai Reinsurance Public Company Limited and its subsidiaries

Statements of financial position

As at 30 September 2023 and 31 December 2022

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2023	2022	2023	2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash and cash equivalents	3	299,694,887	289,287,353	188,546,756	168,830,289
Accrued investment income		3,337,663	930,314	3,337,046	874,435
Reinsurance assets	4	125,883,338	171,896,031	125,883,338	171,896,031
Receivables from reinsurance contracts	5	1,688,224,512	1,578,719,368	1,688,224,512	1,578,719,368
Debt financial assets	6.1	3,253,127,403	2,420,789,945	2,843,928,088	2,347,027,836
Equity financial assets	7	789,029,205	804,801,085	789,029,205	804,801,085
Derivative assets		368,980	-	-	-
Loans and interest receivables	8	9,509,010	12,908,280	9,509,010	12,908,280
Investments in subsidiaries	9	-	-	258,131,165	317,699,900
Assets held for sale	10	108,270,149	-	112,365,399	-
Premises and equipment	11	213,716,915	217,178,013	107,937,045	121,858,457
Right-of-use assets		11,331,417	3,340,781	9,742,283	986,369
Intangible assets		158,819,358	142,244,593	51,488,138	51,899,066
Deferred tax assets	12.1	307,157,827	351,683,955	295,645,332	342,503,025
Other assets					
Deferred commissions and brokerages expenses		579,616,109	490,028,258	579,616,109	490,028,258
Corporate income tax awaiting refund		27,535,092	46,021,974	26,098,729	43,938,375
Deferred excess of loss		5,610,116	-	5,610,116	-
Others		231,452,118	169,718,263	122,769,036	94,882,784
Total assets		7,812,684,099	6,699,548,213	7,217,861,307	6,548,853,558

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

Thai Reinsurance Public Company Limited and its subsidiaries

Statements of financial position (continued)

As at 30 September 2023 and 31 December 2022

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
		2023	2022	2023	2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and owners' equity					
Liabilities					
Insurance contract liabilities	13	2,929,840,394	2,537,978,326	2,929,840,394	2,537,978,326
Due to reinsurers	14	513,977,401	563,201,720	513,977,401	563,201,720
Derivative liabilities		-	1,156,616	-	-
Income tax payables		2,958,561	2,470,041	-	-
Employee benefit obligations		81,065,717	78,621,739	47,678,515	41,990,942
Lease liabilities		11,780,943	3,701,745	10,068,692	1,190,386
Other liabilities					
Premium received in advance		335,590,231	265,966,640	335,590,231	265,966,640
Deferred commissions and brokerages income		18,248,521	23,569,321	18,248,521	23,569,321
Others		171,378,024	109,315,083	68,309,877	45,445,144
Total liabilities		4,064,839,792	3,585,981,231	3,923,713,631	3,479,342,479
Owners' equity					
Share capital					
Registered, issued and paid-up					
4,214,993,832 ordinary shares of Baht 0.88 each		3,709,194,572	3,709,194,572	3,709,194,572	3,709,194,572
Retained earnings					
Appropriated					
Statutory reserve	15	70,100,000	69,700,000	48,500,000	48,500,000
Unappropriated (deficit)		(299,073,942)	(411,652,798)	(271,693,470)	(528,332,026)
Other components of owners' equity		16,933,516	(253,674,792)	(191,853,426)	(159,851,467)
Equity attribute to owners of the Company		3,497,154,146	3,113,566,982	3,294,147,676	3,069,511,079
Non-controlling interests of the subsidiaries		250,690,161	-	-	-
Total owners' equity		3,747,844,307	3,113,566,982	3,294,147,676	3,069,511,079
Total liabilities and owners' equity		7,812,684,099	6,699,548,213	7,217,861,307	6,548,853,558

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

Directors

(Unaudited but reviewed)

Thai Reinsurance Public Company Limited and its subsidiaries**Statements of income****For the three-month periods ended 30 September 2023 and 2022**

(Unit: Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
Revenues					
Gross reinsurance premium written		1,274,442,312	984,438,491	1,274,442,312	984,438,491
Less: Premium ceded to reinsurers		(64,464,222)	(68,235,996)	(64,464,222)	(68,235,996)
Net reinsurance premium written		1,209,978,090	916,202,495	1,209,978,090	916,202,495
Add (less): Unearned premium reserves (increased)					
decreased from prior period		(62,820,309)	40,329,602	(62,820,309)	40,329,602
Earned reinsurance premium		1,147,157,781	956,532,097	1,147,157,781	956,532,097
Commissions and brokerage income		15,360,482	22,649,389	15,360,482	22,649,389
Net investment revenues		20,065,991	15,608,604	26,426,787	68,379,190
Net gains from financial instruments		-	12,908,384	-	12,775,921
Fair value losses on financial instruments		(5,304,428)	(17,936,342)	(5,528,677)	(17,821,357)
Service income		126,990,726	110,451,240	-	-
Other income		1,783,056	2,019,459	1,995,624	1,668,832
Total revenues		1,306,053,608	1,102,232,831	1,185,411,997	1,044,184,072
Expenses					
Gross claims		570,677,033	582,862,914	570,677,033	582,862,914
Less: claim recovery from reinsurers		(23,581,815)	(46,017,505)	(23,581,815)	(46,017,505)
Commissions and brokerage expenses		485,075,865	399,906,272	485,075,865	399,906,272
Other underwriting expenses		38,367,685	36,496,221	38,367,685	36,496,221
Operating expenses		53,382,835	63,833,805	56,358,219	67,939,933
Investment expenses		1,210,744	1,590,444	1,210,744	1,590,444
Service expenses		110,342,833	92,483,984	-	-
Finance costs		327,582	69,075	302,807	29,151
Expected credit losses (reversal)		(184,197)	434,644	(238,865)	54,720
Other expenses		(86,631)	116	327,168	302,237
Total expenses		1,235,531,934	1,131,659,970	1,128,498,841	1,043,164,387
Profit (loss) before income taxes		70,521,674	(29,427,139)	56,913,156	1,019,685
Income tax benefits (expenses)	12.2	(14,364,766)	7,547,561	(9,197,923)	11,706,920
Net profit (loss)		56,156,908	(21,879,578)	47,715,233	12,726,605
Net profit (loss) attributable to:					
Shareholders of the Company		50,470,617	(21,879,578)	47,715,233	12,726,605
Non-controlling interests of the subsidiaries		5,686,291	-		
		<u>56,156,908</u>	<u>(21,879,578)</u>		
Basic earnings per share					
17					
Earnings (loss) per share attributable					
to shareholders of the Company		0.012	(0.005)	0.011	0.003

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

(Unaudited but reviewed)

Thai Reinsurance Public Company Limited and its subsidiaries
Statements of comprehensive income
For the three-month periods ended 30 September 2023 and 2022

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net profit (loss)	56,156,908	(21,879,578)	47,715,233	12,726,605
Other comprehensive income (loss)				
Items to be recognised in statements of income for subsequent periods				
Losses on investments in debt securities measured at fair value through other comprehensive income	(2,403,235)	(2,022,688)	(2,090,917)	(2,018,907)
Add: Income taxes	480,647	404,538	418,184	403,781
Losses on investments in debt securities measured at fair value through other comprehensive income - net of income taxes	(1,922,588)	(1,618,150)	(1,672,733)	(1,615,126)
Total items to be recognised in statements of income for subsequent periods	(1,922,588)	(1,618,150)	(1,672,733)	(1,615,126)
Items not to be recognised in statements of income for subsequent periods				
Gains (losses) on investments in equity securities measured at fair value through other comprehensive income	(2,082,047)	3,900,407	(2,082,047)	3,900,407
Add (less): Income taxes	416,409	(780,081)	416,409	(780,081)
Gains (losses) on investments in equity securities measured at fair value through other comprehensive income - net of income taxes	(1,665,638)	3,120,326	(1,665,638)	3,120,326
Total items not to be recognised in statements of income for subsequent periods	(1,665,638)	3,120,326	(1,665,638)	3,120,326
Other comprehensive income (loss) for the periods	(3,588,226)	1,502,176	(3,338,371)	1,505,200
Total comprehensive income (loss) for the periods	<u>52,568,682</u>	<u>(20,377,402)</u>	<u>44,376,862</u>	<u>14,231,805</u>
Total comprehensive income (loss) for the periods attributable to:				
Shareholders of the Company	46,969,841	(20,377,402)	<u>44,376,862</u>	<u>14,231,805</u>
Non-controlling interest of the subsidiaries	5,598,841	-		
	<u>52,568,682</u>	<u>(20,377,402)</u>		

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

(Unaudited but reviewed)

Thai Reinsurance Public Company Limited and its subsidiaries**Statements of income****For the nine-month periods ended 30 September 2023 and 2022**

(Unit: Baht)

		Consolidated		Separate	
		financial statements		financial statements	
	Note	2023	2022	2023	2022
Revenues					
Gross reinsurance premium written		3,700,734,388	3,215,628,524	3,700,734,388	3,215,628,524
Less: Premium ceded to reinsurers		(185,903,052)	(283,885,544)	(185,903,052)	(283,885,544)
Net reinsurance premium written		3,514,831,336	2,931,742,980	3,514,831,336	2,931,742,980
Add (less): Unearned premium reserves (increased)					
decreased from prior period		(327,840,436)	10,715,312	(327,840,436)	10,715,312
Earned reinsurance premium		3,186,990,900	2,942,458,292	3,186,990,900	2,942,458,292
Commissions and brokerage income		45,430,509	61,578,129	45,430,509	61,578,129
Net investment revenues		61,534,405	54,903,879	77,152,137	127,168,605
Net gains from financial instruments		-	12,908,384	191,964,278	12,775,921
Fair value losses on financial instruments		(17,533,381)	(25,312,939)	(19,164,985)	(25,428,681)
Service income		366,695,682	313,523,596	-	-
Other income		7,713,521	8,437,333	7,138,398	5,866,827
Total revenues		3,650,831,636	3,368,496,674	3,489,511,237	3,124,419,093
Expenses					
Unexpired risk reserves decreased		-	(127,017,800)	-	(127,017,800)
Gross claims		1,572,984,519	2,389,797,117	1,572,988,119	2,389,797,117
Less: claim recovery from reinsurers		(42,146,241)	(386,645,555)	(42,146,241)	(386,645,555)
Commissions and brokerage expenses		1,339,474,301	1,230,134,310	1,339,474,301	1,230,134,310
Other underwriting expenses		103,611,235	100,059,887	103,611,235	100,059,887
Operating expenses		185,685,168	152,464,173	194,617,447	162,095,121
Investment expenses		3,629,931	4,763,085	3,629,931	4,763,085
Service expenses		323,226,507	269,207,937	-	-
Finance costs		661,794	227,114	575,905	96,458
Expected credit losses (reversal)		(50,870)	(241,238)	(34,448)	(15,012)
Other expenses		743,184	1,138,719	1,162,700	1,015,187
Total expenses		3,487,819,528	3,633,887,749	3,173,878,949	3,374,282,798
Profit (loss) before income taxes		163,012,108	(265,391,075)	315,632,288	(249,863,705)
Income tax benefits (expenses)	12.2	(30,748,334)	39,961,306	(55,685,293)	51,572,399
Net profit (loss)		132,263,774	(225,429,769)	259,946,995	(198,291,306)
Net profit (loss) attributable to:					
Shareholders of the Company		118,307,934	(225,429,769)	259,946,995	(198,291,306)
Non-controlling interests of the subsidiaries		13,955,840	-		
		132,263,774	(225,429,769)		
Basic earnings per share					
Earnings (loss) per share attributable	17				
to shareholders of the Company		0.028	(0.053)	0.062	(0.047)

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

(Unaudited but reviewed)

Thai Reinsurance Public Company Limited and its subsidiaries
Statements of comprehensive income
For the nine-month periods ended 30 September 2023 and 2022

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net profit (loss)	132,263,774	(225,429,769)	259,946,995	(198,291,306)
Other comprehensive income (loss)				
Items to be recognised in statements of income for subsequent periods				
Losses on investments in debt securities measured at fair value through other comprehensive income	(4,384,373)	(4,160,314)	(3,960,584)	(4,156,065)
Add: Income taxes	876,875	832,063	792,117	831,213
Losses on investments in debt securities measured at fair value through other comprehensive income - net of income taxes	(3,507,498)	(3,328,251)	(3,168,467)	(3,324,852)
Total items to be recognised in statements of income for subsequent periods	(3,507,498)	(3,328,251)	(3,168,467)	(3,324,852)
Items not to be recognised in statements of income for subsequent periods				
Gains (losses) on investments in equity securities measured at fair value through other comprehensive income	(36,041,865)	110,105,775	(36,041,865)	110,105,775
Add (less): Income taxes	7,208,373	(22,021,155)	7,208,373	(22,021,155)
Gains (losses) on investments in equity securities measured at fair value through other comprehensive income - net of income taxes	(28,833,492)	88,084,620	(28,833,492)	88,084,620
Actuarial losses	(8,043,148)	(4,767,577)	(4,135,549)	(2,110,450)
Add: Income taxes	1,608,630	953,515	827,110	422,090
Actuarial losses - net of income taxes	(6,434,518)	(3,814,062)	(3,308,439)	(1,688,360)
Total items not to be recognised in statements of income for subsequent periods	(35,268,010)	84,270,558	(32,141,931)	86,396,260
Other comprehensive income (loss) for the periods	(38,775,508)	80,942,307	(35,310,398)	83,071,408
Total comprehensive income (loss) for the periods	93,488,266	(144,487,462)	224,636,597	(115,219,898)
Total comprehensive income (loss) for the periods attributable to:				
Shareholders of the Company	80,740,612	(144,487,462)	224,636,597	(115,219,898)
Non-controlling interest of the subsidiaries	12,747,654	-		
	<u>93,488,266</u>	<u>(144,487,462)</u>		

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

(Unaudited but reviewed)

Thai Reinsurance Public Company Limited and its subsidiaries

Statements of changes in owners' equity

For the nine-month periods ended 30 September 2023 and 2022

(Unit: Baht)

Consolidated financial statements										
Equity attributable to the Company's shareholders										
Other components of owners' equity										
	Issued and	Retained earnings (deficit)		Debt securities	Equity securities	Capital surplus		Total equity	Equity attributable	
	paid-up	Appropriated -		measured at fair value	measured at fair value	(deficit) as a result	Total other	attribute to	to non-controlling	
Note	share capital	Statutory reserve	Unappropriated	through other	through other	of change in shareholding	components of	shareholders of	interests of	Total owners'
				- net of income taxes	- net of income taxes	percentage in subsidiaries	owners' equity	the Company	the subsidiary	equity
Balance as at 1 January 2022	3,709,194,572	65,700,000	(201,462,609)	2,043,735	(236,694,966)	(93,821,601)	(328,472,832)	3,244,959,131	-	3,244,959,131
Net loss	-	-	(225,429,769)	-	-	-	-	(225,429,769)	-	(225,429,769)
Other comprehensive income (loss) for the period	-	-	(3,814,062)	(3,328,251)	88,084,620	-	84,756,369	80,942,307	-	80,942,307
Total comprehensive income (loss) for the period	-	-	(229,243,831)	(3,328,251)	88,084,620	-	84,756,369	(144,487,462)	-	(144,487,462)
Transfer of net gains on disposals of investments in equity securities directly against retained earning	7.2	-	-	2,705,155	-	(2,705,155)	-	(2,705,155)	-	-
Balance as at 30 September 2022	3,709,194,572	65,700,000	(428,001,285)	(1,284,516)	(151,315,501)	(93,821,601)	(246,421,618)	3,100,471,669	-	3,100,471,669
Balance as at 1 January 2023	3,709,194,572	69,700,000	(411,652,798)	712,568	(160,565,759)	(93,821,601)	(253,674,792)	3,113,566,982	-	3,113,566,982
Net profit	-	-	118,307,934	-	-	-	-	118,307,934	13,955,840	132,263,774
Other comprehensive loss for the period	-	-	(5,340,390)	(3,393,440)	(28,833,492)	-	(32,226,932)	(37,567,322)	(1,208,186)	(38,775,508)
Total comprehensive income (loss) for the period	-	-	112,967,544	(3,393,440)	(28,833,492)	-	(32,226,932)	80,740,612	12,747,654	93,488,266
Dividend paid from subsidiaries	-	-	-	-	-	-	-	-	(10,552,501)	(10,552,501)
Reversal of accrued dividend from subsidiaries	-	-	11,312	-	-	-	-	11,312	6,091	17,403
Appropriated to statutory reserve	15	-	400,000	(400,000)	-	-	-	-	-	-
Change in shareholding percentage in a subsidiary	-	-	-	-	-	302,835,240	302,835,240	302,835,240	248,488,917	551,324,157
Balance as at 30 September 2023	3,709,194,572	70,100,000	(299,073,942)	(2,680,872)	(189,399,251)	209,013,639	16,933,516	3,497,154,146	250,690,161	3,747,844,307

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

(Unaudited but reviewed)

Thai Reinsurance Public Company Limited and its subsidiaries

Statements of changes in owners' equity (continued)

For the nine-month periods ended 30 September 2023 and 2022

(Unit: Baht)

		Separate financial statements					
		Other components of owners' equity					
		Retained earnings (deficit)		Debt securities	Equity securities		
		Issued and		measured at fair value	measures fair value		
		paid-up	Appropriated -	through other	through other	Total other	
Note		share capital	Statutory reserve	Unappropriated	comprehensive income	comprehensive income	components
					- net of income taxes	- net of income taxes	of owners' equity
							Total owners' equity

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

(Unaudited but reviewed)

Thai Reinsurance Public Company Limited and its subsidiaries**Statements of cash flows****For the nine-month periods ended 30 September 2023 and 2022**

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Cash received for reinsurance	2,047,364,475	813,761,476	2,047,360,875	813,761,476
Interest income	30,836,876	11,729,173	26,801,847	11,125,585
Dividends received from subsidiaries	-	-	19,597,499	37,799,998
Dividend income from other companies	28,231,445	43,202,722	28,231,445	43,202,722
Expenses from other investments	(3,571,196)	(4,104,893)	(3,571,196)	(4,104,893)
Other income	334,997,084	323,935,000	5,899,254	5,806,744
Commission and brokerage expenses	(1,462,596,650)	(1,181,879,511)	(1,462,596,650)	(1,181,879,511)
Other underwriting expenses	(118,470,782)	(125,030,130)	(118,470,782)	(125,030,130)
Operating expenses	(127,287,116)	(117,199,468)	(134,000,014)	(124,354,495)
Other expenses	(267,475,812)	(251,136,897)	(1,162,700)	(1,015,187)
Income tax benefits (expenses)	712,759	(6,089,485)	12,919,538	5,698,118
Cash received on financial assets	370,791,797	1,051,742,684	334,728,574	997,610,221
Cash paid for financial assets	(1,252,297,848)	(327,694,310)	(880,507,226)	(283,538,483)
Loans	3,399,270	1,383,881	3,399,270	1,368,988
Net cash provided by (used in) operating activities	(415,365,698)	232,620,242	(121,370,266)	196,451,153
Cash flows from investing activities				
Net proceeds from offering its shares in a subsidiary to public	251,533,013	-	251,533,013	-
Disposals of equipment and intangible assets	2,025,722	571,285	1,943,926	552,804
Purchases of premises, equipment and intangible assets	(150,633,755)	(27,637,568)	(110,564,574)	(3,025,603)
Net cash provided by (used in) investing activities	102,924,980	(27,066,283)	142,912,365	(2,472,799)
Cash flows from financing activities				
Net proceeds from initial public offering of its shares	336,105,000	-	-	-
Repayment of lease liabilities	(2,697,006)	(2,215,689)	(1,812,009)	(1,330,692)
Dividend paid from subsidiaries	(10,552,501)	-	-	-
Net cash provided by (used in) financing activities	322,855,493	(2,215,689)	(1,812,009)	(1,330,692)
Net increase in cash and cash equivalents	10,414,775	203,338,270	19,730,090	192,647,662
Cash and cash equivalents at beginning of the periods	289,287,353	285,636,307	168,830,289	159,043,018
Less: Increase in allowance for expected credit losses	(7,241)	(134,986)	(13,623)	(130,199)
Cash and cash equivalents at end of the periods	299,694,887	488,839,591	188,546,756	351,560,481

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

Thai Reinsurance Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2023 and 2022

1. General information

1.1 Corporate information

Thai Reinsurance Public Company Limited (“the Company”) is a public company, incorporated, domiciled in Thailand and listed on the Stock Exchange of Thailand. As at 30 September 2023 and 31 December 2022, its major shareholder is HWIC ASIA FUND, which 47% of the issued and paid-up share capital of the Company. The Company is principally engaged in the provision of non-life reinsurance and its registered address is located at 48/22-24 Soi Rajchadapisek 20, Rajchadapisek Road, Samsennok Sub-district, Huaykwang District, Bangkok.

1.2 Basis for preparation of interim financial information

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

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

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

(a) Consolidated financial statement

The consolidated financial statements include the financial statements of Thai Reinsurance Public Company Limited (“the Company”) and its subsidiaries (collectively called “the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022 without changes in shareholding structure in the subsidiaries during the period.

(b) Separate financial statements

The Company prepared its separate financial statements, which have presented investments in subsidiaries under the cost method and net of allowance for impairment (if any).

1.3 Significant accounting policies

The interim financial information is prepared using the same accounting policies and methods of computation as those were used in preparation of financial statements for the year ended 31 December 2022 except the adopt in Thai Financial Reporting Standard 5 non-current assets held and discontinued operations for sale.

Assets held for sale

Assets held for sale is stated at the lower of carrying value or net realisable value, which is determined with the expected selling price less cost of sales.

Gain (loss) on disposal and impairment loss of assets held for sale are recognised as income or expense in the statement of income.

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

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

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

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

2. Classification of financial assets and liabilities

As at 30 September 2023 and 31 December 2022, the carrying values of financial assets and liabilities were classified as follows.

(Unit: Thousand Baht)

Consolidated financial statements					
30 September 2023					
	Debt securities	Equity securities			
Financial	measured at fair	measured at fair	Financial		
instruments	value through	value through	instruments		
measured at fair	other	other	measured at		
value through	comprehensive	comprehensive	amortised cost		
profit or loss	income	income		Total	
Financial assets					
Cash and cash equivalents	-	-	299,695		299,695
Accrued investment income	-	-	3,338		3,338
Debt financial assets	63,394	3,189,733	-		3,253,127
Equity financial assets	-	-	789,029		789,029
Derivative assets	369	-	-		369
Loans and interest receivables	-	-	9,509		9,509
Financial liabilities					
Lease liabilities	-	-	11,781		11,781

(Unit: Thousand Baht)

Consolidated financial statements					
31 December 2022					
	Debt securities	Equity securities			
Financial	measured at fair	measured at fair	Financial		
instruments	value through	value through	instruments		
measured at fair	other	other	measured at		
value through	comprehensive	comprehensive	amortised cost		
profit or loss	income	income		Total	
Financial assets					
Cash and cash equivalents	-	-	289,287		289,287
Accrued investment income	-	-	930		930
Debt financial assets	72,879	2,170,978	176,933		2,420,790
Equity financial assets	-	-	804,801		804,801
Loans and interest receivables	-	-	12,908		12,908
Financial liabilities					
Derivative liabilities	1,157	-	-		1,157
Lease liabilities	-	-	3,702		3,702

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements				
30 September 2023				
	Debt securities	Equity securities		
Financial	measured at fair	measured at fair		
instruments	value through	value through	Financial	
measured at fair	other	other	instruments	
value through	comprehensive	comprehensive	measured at	
profit or loss	income	income	amortised cost	Total
Financial assets				
Cash and cash equivalents	-	-	188,547	188,547
Accrued investment income	-	-	3,337	3,337
Debt financial assets	53,550	2,790,378	-	2,843,928
Equity financial assets	-	-	789,029	789,029
Loans and interest receivables	-	-	9,509	9,509
Financial liabilities				
Lease liabilities	-	-	10,069	10,069

(Unit: Thousand Baht)

Separate financial statements				
31 December 2022				
	Debt securities	Equity securities		
Financial	measured at fair	measured at fair		
instruments	value through	value through	Financial	
measured at fair	other	other	instruments	
value through	comprehensive	comprehensive	measured at	
profit or loss	income	income	amortised cost	Total
Financial assets				
Cash and cash equivalents	-	-	168,830	168,830
Accrued investment income	-	-	874	874
Debt financial assets	63,140	2,146,927	136,961	2,347,028
Equity financial assets	-	-	804,801	804,801
Loans and interest receivables	-	-	12,908	12,908
Financial liabilities				
Lease liabilities	-	-	1,190	1,190

3. Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Cash on hand	115	93	35	35
Deposits at banks with no fixed maturity date				
Saving and current accounts	299,787	266,394	188,642	168,912
Deposits at banks with fixed maturity date	-	23,000	-	-
Total	299,902	289,487	188,677	168,947
Less: allowance for expected credit losses	(207)	(200)	(130)	(117)
Cash and cash equivalents - net	299,695	289,287	188,547	168,830

4. Reinsurance assets

	Consolidated and separate	
	financial statements	
	30 September 2023	31 December 2022
Insurance reserves refundable from reinsurers		
Claim reserves	71,506	105,526
Premium reserves		
Unearned premium reserves	54,377	66,370
Reinsurance assets	125,883	171,896

5. Reinsurance receivables

	Consolidated and separate	
	financial statements	
	30 September 2023	31 December 2022
Amounts deposited on reinsurance	895,110	820,690
Amounts due from reinsurers	858,863	797,777
Total	1,753,973	1,618,467
Less: Allowance for doubtful accounts	(65,748)	(39,748)
Reinsurance receivables - net	1,688,225	1,578,719

As at 30 September 2023 and 31 December 2022, the Company has an overdue amount of Baht 190 million due from an overseas reinsurer and the amount of Baht 50 million due to the same reinsurer, leaving the net amount due of Baht 140 million (excluding interest) presented as a part of "Amounts due from reinsurers". The Company has continuously followed up for collection of such amount, but the reinsurer refused to make any payment. The Company therefore submitted its request for collection of the disputed amount through the arbitration process. However, such reinsurer still denied payment and purportedly asserted that it was entitled to cancel the reinsurance agreement and claimed for monetary restitution of a total of approximately Baht 745 million plus interest to be accrued since 14 August 2020. In this regard, the Company's management has considered all the arguments raised by such reinsurer, including the Company's supporting evidences, as well as comparing the practice in the market between the Company and other reinsurers in making reinsurance contracts, together with a legal opinion from the Company's external legal counsel, and reasonably believed that the cancellation of the reinsurance agreement was not lawful. In view of this, the Company strongly believes that such allegations have no sufficient legal merit and the Company would incur no significant loss in relation to such disputes. Therefore, the management considers not to record any allowance for doubtful accounts for such overdue reinsurance receivables and not to record any provision for contingent liabilities as a result of such counterclaim. On 20 October 2021, the Court appointed the 3rd arbitrator whereby there is a representative from each party and a joint representative from both parties. Hence, such disputes have been in the arbitration process and have not yet been finalised.

As at 30 September 2023, the Company has reinsurance assets and reinsurance receivables due from an insurance company totaling Baht 69.8 million, the amounts due to reinsurer amounting to Baht 5.5 million and reserves related to reinsurance contracts meeting the offsetting conditions amounting to Baht 3.5 million due to the same insurance company, representing a net receivable of Baht 60.8 million. This insurance company entered into a rehabilitation process on 20 October 2022, ordered by the Central Bankruptcy Court and is in process of presenting the rehabilitation plan to and considered by creditors. However, the Company's management has exercised judgement in making their best estimate of the expected losses on the outstanding balance and recognised allowance for doubtful accounts amounting to Baht 46.0 million based on the latest available debt settlement plan. As a result, whether or not the Company would be settled for such estimated amount depending on the success of the rehabilitation plan and the future operating results of such company.

6. Debt financial assets

6.1 Classified by types of investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2023		31 December 2022	
	Cost/ amortised cost	Fair value	Cost/ amortised cost	Fair value
Debt securities measured at fair value through profit or loss				
Private sector debt securities	9,456	10,139	9,456	10,034
Foreign debt securities	79,430	53,255	69,856	62,845
Total	88,886	63,394	79,312	72,879
Less: Unrealised losses	(25,492)		(6,433)	
Debt securities measured at fair value through profit or loss - net	63,394		72,879	
Debt securities measured at fair value through other comprehensive income				
Government and state enterprise securities	3,118,231	3,114,895	2,065,102	2,065,421
Private sector debt securities	75,000	74,838	105,000	105,557
Total	3,193,231	3,189,733	2,170,102	2,170,978
Add (less): Unrealised gains (losses)	(3,493)		891	
Less: Allowance for expected credit losses	(5)		(15)	
Debt securities measured at fair value through other comprehensive income - net	3,189,733		2,170,978	
Debt securities measured at amortised cost				
Deposits at financial institutions with a maturity period of longer than 3 months	-		177,000	
Less: Allowance for expected credit losses	-		(67)	
Debt securities measured at amortised cost - net	-		176,933	
Debt financial assets - net	3,253,127		2,420,790	

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	30 September 2023		31 December 2022	
	Cost/ amortised cost	Fair value	Cost/ amortised cost	Fair value
Debt securities measured at fair value				
through profit or loss				
Private sector debt securities	-	295	-	295
Foreign debt securities	79,431	53,255	69,856	62,845
Total	79,431	53,550	69,856	63,140
Less: Unrealised losses	(25,881)		(6,716)	
Debt securities measured at fair value through profit or loss - net	53,550		63,140	
Debt securities measured at fair value				
through other comprehensive income				
Government and state enterprise securities	2,718,451	2,715,541	2,041,049	2,041,370
Private sector debt securities	75,000	74,837	105,000	105,557
Total	2,793,451	2,790,378	2,146,049	2,146,927
Add (less): Unrealised gains (losses)	(3,068)		893	
Less: Allowance for expected credit losses	(5)		(15)	
Debt securities measured at fair value through other comprehensive income - net	2,790,378		2,146,927	
Debt securities measured at amortised cost				
Deposits at financial institutions with a maturity period of longer than 3 months	-		137,000	
Less: Allowance for expected credit losses	-		(39)	
Debt securities measured at amortised cost - net	-		136,961	
Debt financial assets - net	2,843,928		2,347,028	

6.2 Classified by stage of credit risk

(Unit: Thousand Baht)

Consolidated financial statements				
30 September 2023			31 December 2022	
Fair value	Allowance for expected credit losses		Fair value	Allowance for expected credit losses
Debt securities measured at fair value through other comprehensive income				
Stage 1 - Debt securities without a significant increase in credit risk				
3,189,733	(5)		2,170,978	(15)

(Unit: Thousand Baht)

Separate financial statements				
30 September 2023			31 December 2022	
Fair value	Allowance for expected credit losses		Fair value	Allowance for expected credit losses
Debt securities measured at fair value through other comprehensive income				
Stage 1 - Debt securities without a significant increase in credit risk				
2,790,378	(5)		2,146,927	(15)

(Unit: Thousand Baht)

Consolidated financial statements					
30 September 2023			31 December 2022		
Gross carrying value	Allowance for expected credit losses	Net carrying value	Gross carrying value	Allowance for expected credit losses	Net carrying value
Debt securities measured at amortised cost					
Stage 1 - Debt securities without a significant increase of credit risk					
-	-	-	177,000	(67)	176,933

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements					
30 September 2023			31 December 2022		
Gross carrying value	Allowance for expected credit losses	Net carrying value	Gross carrying value	Allowance for expected credit losses	Net carrying value
Debt securities measured at amortised cost					
Stage 1 - Debt securities without a significant increase of credit risk					
-	-	-	137,000	(39)	136,961

6.3 Investments subject to restriction and commitment

As at 30 September 2023 and 31 December 2022, the Company placed certain investments as securities and insurance reserves with the Registrar in accordance with the Non-Life Insurance Act and others as required in the normal course of business of the Group as follows:

(Unit: Million Baht)

Consolidated financial statements			
30 September 2023		31 December 2022	
Cost	Fair value	Cost	Fair value
Placed as securities			
Government bonds	14.7	14.7	14.9
Placed as insurance reserves			
Government and state enterprise bonds	250.0	247.0	222.5
Placed as performance bonds			
Government bonds	0.1	0.1	0.1
264.8	261.8	234.8	237.5

(Unit: Million Baht)

Separate financial statements			
30 September 2023		31 December 2022	
Cost	Fair value	Cost	Fair value
Placed as securities			
Government bonds	14.7	14.7	14.9
Placed as insurance reserves			
Government and state enterprise bonds	250.0	247.0	222.5
264.7	261.7	234.7	237.4

7. Equity financial assets

7.1 Classified by types of investments

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	30 September 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
Equity securities designated at fair value through other comprehensive income				
Domestic equity securities	957,093	743,120	936,823	748,764
Foreign equity securities	68,685	45,909	68,685	56,037
Total	1,025,778	789,029	1,005,508	804,801
Less: Unrealised losses	(236,749)		(200,707)	
Equity securities measured at fair value through other comprehensive income - net	789,029		804,801	
Equity financial assets - net	789,029		804,801	

7.2 Derecognition of investments

During the nine-month period ended 30 September 2022, the Company derecognised its investments in equity securities designated as at fair value through other comprehensive income. The Company therefore transferred changes in fair value previously recognised in other comprehensive income, to be recognised directly against in retained earnings as follows:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	For the nine-month period ended 30 September 2022			
	Fair value on the derecognition date	Dividend received	Gains on revaluation previously recognised in other comprehensive income - net of income taxes	Reason for derecognition
Derecognition of investments in equity securities				
Domestic marketable equity securities	225,179	6,060	2,705	Disposal

8. Loans and interest receivables

As at 30 September 2023 and 31 December 2022, the balances of loans and interest receivables, classified by stage of credit risk, were as follows:

(Unit: Thousand Baht)

Classification	Consolidated and Separate financial statements					
	30 September 2023			31 December 2022		
	Mortgaged loans	Others	Total	Mortgaged loans	Others	Total
Loans without a significant increase of credit risk (Stage 1)	9,509	-	9,509	12,903	5	12,908

The entire outstanding balances of loans and interest receivables were due from employees in accordance with employee welfare plans. Interest is charged on the loans at rates MLR-3% per annum, with reference to the MLR rate announced by commercial banks, depending on the type of loans. However, the outstanding balances were not yet due and there were no outstanding balances of interest receivable at the end the reporting years.

9. Investments in subsidiaries

9.1 Share capital of subsidiaries and shareholding percentage in subsidiaries

Company's Name	Nature of Business	Country of				
		Incorporation	Paid-up Capital		Percentage Holding	
			30 September	31 December	30 September	31 December
			2023	2022	2023	2022
			Thousand Baht	Thousand Baht	%	%
Subsidiary directly held by the Company						
BlueVenture Group Public Company Limited	Provision of computer services in relation to motor claim management	Thailand	225,000	180,000	65	100
Subsidiaries indirectly held through another subsidiary						
BlueVenture TPA Co., Ltd.	Provision of claim management and marketing services	Thailand	100,000	100,000	100	100
BlueVenture Actuarial Co., Ltd.	Provision of actuarial, training and advisory services	Thailand	35,000	35,000	100	100
BlueVenture Tech Co., Ltd.	Provision of develop electronic commerce service	Thailand	18,000	18,000	100	100

9.2 Investments in subsidiaries presented under the cost method

(Unit: Thousand Baht)

Company's name	Separate financial statements							
	Cost		Allowance for impairment		Carrying values under the cost method		Dividend received during for the nine-month periods ended	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	30 September
	2023	2022	2023	2022	2023	2022	2023	2022
Subsidiary directly held by the Company								
BlueVenture Group Public Company Limited	258,131	317,700	-	-	258,131	317,700	19,587	72,720
Total investment in a subsidiary	258,131	317,700	-	-	258,131	317,700	19,587	72,720
Subsidiaries indirectly held through another subsidiary								
BlueVenture TPA Co., Ltd.	100,000	100,000	-	-	100,000	100,000	11,500	42,200
BlueVenture Actuarial Co., Ltd.	40,000	40,000	-	-	40,000	40,000	2,205	-
BlueVenture Tech Co., Ltd.	9,000	9,000	-	-	9,000	9,000	-	-
	149,000	149,000	-	-	149,000 ⁽¹⁾	149,000 ⁽¹⁾	13,705 ⁽²⁾	42,200 ⁽²⁾

⁽¹⁾ This was carrying value presented in the separate financial statements of BlueVenture Group Public Company Limited.

⁽²⁾ Dividend incomes were recognized in the separate financial statements of BlueVenture Group Public Company Limited which directly held in such subsidiary.

The Market for Alternative Investment approved the listing of 450,000,000 ordinary shares of BlueVenture Group Public Company Limited ("BVG") with a par value of Baht 0.50 each as listed securities, with trading started on 17 February 2023.

Under the IPO plan, the Company also offered its existing 67.5 million ordinary shares in BVG to public at an offering price of Baht 3.85 per share. This resulted in the change in its shareholding in BVG from 100% to 65% after the IPO and had gains of Baht 192 million (before income taxes) recognised in the separate statement of income for the nine-month period ended 30 September 2023 from such offering.

10. Assets held for sale

(Unit: Thousand Baht)

	Consolidated financial statements		
	For the nine-month period ended 30 September 2023		
	Land	Buildings	Total
Net book value - beginning of period	-	-	-
Transferred from premises and equipment	59,267	49,003	108,270
Net book value - ending of period	59,267	49,003	108,270

(Unit: Thousand Baht)

	Separate financial statements		
	For the nine-month period ended 30 September 2023		
	Land	Buildings	Total
Net book value - beginning of period	-	-	-
Transferred from premises and equipment	63,664	48,701	112,365
Net book value - ending of period	63,664	48,701	112,365

(Unaudited but reviewed)

On 26 May 2023, the Company entered into an agreement to purchase and sale land and office buildings of the Company and will deliver such assets to the buyer within 30 April 2024. The sale of such assets had been approved by the Board of Directors on 30 May 2023.

11. Premises and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	For the nine-month period ended 30 September 2023						
	Land	Buildings	Motor vehicles	Office equipment and furniture	Computers	Condominium in development	Total
Net book value as at							
1 January 2023	99,739	91,356	1,060	7,056	17,967	-	217,178
Additions during the period - cost	-	-	-	1,252	15,858	103,558	120,668
Disposals during the period - net book value	-	(48)	(679)	(113)	(56)	-	(896)
Transferred to assets held for sale	(59,267)	(49,003)	-	-	-	-	(108,270)
Depreciation during the period	-	(4,387)	(381)	(1,865)	(8,330)	-	(14,963)
Net book value as at 30 September 2023	40,472	37,918	-	6,330	25,439	103,558	213,717

(Unit: Thousand Baht)

	Separate financial statements						
	For the nine-month period ended 30 September 2023						
			Office				
	Land	Buildings	Motor vehicles	equipment and furniture	Computers	Condominium in development	Total
Net book value as at							
1 January 2023	63,664	50,435	1,060	965	5,734	-	121,858
Additions during the							
period - cost	-	-	-	26	915	103,558	104,499
Disposals during the period							
- net book value	-	-	(679)	(26)	-	-	(705)
Transferred to assets held							
for sale	(63,664)	(48,701)	-	-	-	-	(112,365)
Depreciation during the period	-	(1,734)	(381)	(360)	(2,875)	-	(5,350)
Net book value as at							
30 September 2023	-	-	-	605	3,774	103,558	107,937

As at 30 September 2023 and 31 December 2022, land and buildings thereon of a subsidiary with net book values amounting to Baht 24.9 million and Baht 25.9 million, respectively, were mortgaged against an overdraft facility obtained from a financial institution.

12. Deferred tax assets and income tax benefits (expenses)

12.1 Deferred tax assets

The components of deferred tax assets were the tax effects arose from the following transactions:

					(Unit: Thousand Baht)			
	Consolidated financial		Separate financial		Consolidated financial		Separate financial	
	statements		statements		statements		statements	
	30	31	30	31	Changes in deferred tax		Changes in deferred tax	
	September	December	September	December	assets or liabilities for		assets or liabilities for	
	2023	2022	2023	2022	the nine-month periods		the nine-month periods	
					ended 30 September		ended 30 September	
					2023	2022	2023	2022
Deferred tax assets								
(liabilities) arose from:								
Loss reserves	261,144	239,466	261,144	239,466	21,678	(15,647)	21,678	(15,647)
Unexpired risk reserves	-	-	-	-	-	(25,404)	-	(25,404)
Unearned premium reserves	2,573	-	2,573	-	2,573	-	2,573	-
Commission receivable/payable								
from reinsurance	2,584	1,843	2,584	1,843	741	2,404	741	2,404
Deferred commission and								
brokerage income	3,650	4,714	3,650	4,714	(1,064)	297	(1,064)	297
Not yet utilised brought forward								
tax losses	135,289	202,614	135,289	202,614	(67,325)	79,917	(67,325)	79,917
Unrealised loss on investments	48,049	39,963	47,963	39,963	8,086	(20,513)	8,000	(20,513)
Allowance for doubtful accounts	13,606	8,404	13,150	7,950	5,202	3,953	5,200	4,000
Unrealised gains as a result of								
reclassification of investment								
types	(68,952)	(68,952)	(68,952)	(68,952)	-	-	-	-
Deferred commission and								
brokerage expenses	(115,923)	(98,006)	(115,923)	(98,006)	(17,917)	1,973	(17,917)	1,973
Others	25,138	21,638	14,167	12,911	3,500	4,932	1,256	3,778
Deferred tax assets	<u>307,158</u>	<u>351,684</u>	<u>295,645</u>	<u>342,503</u>				
Total changes					<u>(44,526)</u>	<u>31,912</u>	<u>(46,858)</u>	<u>30,805</u>
Recognition of changes in:								
- Statements of income					(15,827)	52,148	(55,685)	51,572
- Statements of comprehensive income					9,694	(20,236)	8,827	(20,767)
- Other components of owners' equity directly					(38,393)	-	-	-
Total changes					<u>(44,526)</u>	<u>31,912</u>	<u>(46,858)</u>	<u>30,805</u>

12.2 Income tax benefits (expenses)

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge for the periods	(6,041)	(4,505)	-	-
Deferred taxes:				
Relating to origination and reversal of temporary differences	(8,323)	12,052	(9,198)	11,707
Income tax benefits (expenses) reported in statements of income	<u>(14,364)</u>	<u>7,547</u>	<u>(9,198)</u>	<u>11,707</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge for the periods	(14,921)	(12,187)	-	-
Deferred taxes:				
Relating to origination and reversal of temporary differences	(15,827)	52,148	(55,685)	51,572
Income tax benefits (expenses) reported in statements of income	<u>(30,748)</u>	<u>39,961</u>	<u>(55,685)</u>	<u>51,572</u>

(Unaudited but reviewed)

Reconciliations between income tax benefits (expenses) and the product of accounting profits (losses) For the three-month and nine-month periods ended 30 September 2023 and 2022 and the applicable tax rates were as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	For the three-month periods ended 30 September	For the three-month periods ended 30 September
	2023	2022
Accounting profits (losses) before income tax expenses	70,522	(29,427)
Applicable tax rate	20%	20%
Income taxes at the applicable tax rate	(14,104)	5,885
Net tax effect on tax-exempted revenues and non tax-deductible expenses	(260)	1,662
Income tax benefits (expenses) reported in statements of income	(14,364)	7,547

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	For the nine-month periods ended 30 September	For the nine-month periods ended 30 September
	2023	2022
Accounting profits (losses) before income tax expenses	163,012	(265,391)
Applicable tax rate	20%	20%
Income taxes at the applicable tax rate	(32,602)	53,078
Net tax effect on tax-exempted revenues and non tax-deductible expenses	1,854	(13,117)
Income tax benefits (expenses) reported in statements of income	(30,748)	39,961

13. Insurance contract liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statements					
	30 September 2023			31 December 2022		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Loss reserves						
- For reported claims	836,725	(46,198)	790,527	879,621	(61,039)	818,582
- For claims incurred but not reported	540,499	(25,308)	515,191	423,237	(44,487)	378,750
Premium reserves						
- Unearned premium reserves	1,552,616	(54,377)	1,498,239	1,234,216	(66,370)	1,167,846
Other insurance liabilities	-	-	-	904	-	904
Total	2,929,840	(125,883)	2,803,957	2,537,978	(171,896)	2,366,082

13.1 Loss reserves

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the nine-month period ended	For the year ended
	30 September 2023	31 December 2022
Beginning balances	1,302,858	1,516,429
Claims incurred during the current periods	1,626,543	3,070,985
Changes in loss reserves of prior periods'		
incurred claims	(57,073)	(191,346)
Claims paid during the periods	(1,495,104)	(3,093,210)
Ending balances	1,377,224	1,302,858

13.2 Unearned premium reserves

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the nine-month	
	period ended	For the year ended
	30 September 2023	31 December 2022
Beginning balances	1,234,216	1,275,203
Premium written for the periods	3,700,734	4,199,919
Premium earned during the periods	(3,382,334)	(4,240,906)
Ending balances	1,552,616	1,234,216

14. Due to reinsurers

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	30 September 2023	31 December 2022
Amounts withheld on reinsurance	38,241	45,006
Other reinsurance payables	475,736	518,196
Total due to reinsurers	513,977	563,202

15. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

According to the Civil and Commercial Code, the subsidiary is required to set aside a statutory reserve an amount equal to at least 5% of its net income each time the subsidiary pay out a dividend, until such reserve reaches 10% of the subsidiary's registered share capital. The statutory reserve cannot be used for dividend payment. During the nine-month period ended 30 September 2023, the subsidiaries appropriated net profit to statutory reserve amounting to Baht 0.4 million.

16. Segment information

16.1 Operating segment information

Operating segment information can be classified by type of insurance products as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	For the three-month period ended 30 September 2023		
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Gross reinsurance premium written	702,179	572,263	1,274,442
Less: Reinsurance premium ceded	(63,902)	(562)	(64,464)
Net reinsurance premium written	638,277	571,701	1,209,978
Less: Unearned premium reserves increased from prior period	(47,250)	(15,570)	(62,820)
Earned reinsurance premium	591,027	556,131	1,147,158
Underwriting expenses			
Net claims expenses	273,616	273,479	547,095
Net commission and brokerage expenses	229,439	240,277	469,716
Other underwriting expenses	12,369	25,998	38,367
Total underwriting expenses	515,424	539,754	1,055,178
Profit from underwriting	75,603	16,377	91,980
Operating expenses			(53,383)
Profit before net service and investment revenues			38,597
Net service revenues			16,648
Net investment revenues			13,551
Net other revenues			1,725
Profit before income taxes			70,521
Income tax expenses			(14,364)
Net profit			56,157

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements			
For the three-month period ended 30 September 2022			
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Gross reinsurance premium written	514,612	469,827	984,439
Less: Reinsurance premium ceded	(67,504)	(732)	(68,236)
Net reinsurance premium written	447,108	469,095	916,203
Add: Unearned premium reserves decreased from prior period	37,257	3,072	40,329
Earned reinsurance premium	484,365	472,167	956,532
Underwriting expenses			
Net claims expenses	259,287	277,559	536,846
Net commission and brokerage expenses	166,517	210,740	377,257
Other underwriting expenses	12,150	24,346	36,496
Total underwriting expenses	437,954	512,645	950,599
Profit (loss) from underwriting	46,411	(40,478)	5,933
Operating expenses			(63,834)
Loss before net service and investment revenues			(57,901)
Net service revenues			17,968
Net investment revenues			8,990
Net other revenues			1,516
Loss before income tax expenses			(29,427)
Income tax benefits			7,547
Net loss			(21,880)

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements			
For the nine-month period ended 30 September 2023			
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Gross reinsurance premium written	1,979,876	1,720,858	3,700,734
Less: Premium ceded to reinsurers	(184,535)	(1,368)	(185,903)
Net reinsurance premium written	1,795,341	1,719,490	3,514,831
Less: Unearned premium reserves increased from prior period	(148,463)	(179,377)	(327,840)
Earned reinsurance premium	1,646,878	1,540,113	3,186,991
Underwriting expenses			
Net claims expenses	803,677	727,161	1,530,838
Net commission and brokerage expenses	624,356	669,688	1,294,044
Other underwriting expenses	33,654	69,957	103,611
Total underwriting expenses	1,461,687	1,466,806	2,928,493
Profit from underwriting	185,191	73,307	258,498
Operating expenses			(185,685)
Profit before net service and investment revenues			72,813
Net service revenues			43,469
Net investment revenues			40,371
Net other revenues			6,359
Profit before income tax expenses			163,012
Income tax expenses			(30,748)
Net profit			132,264

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements			
For the nine-month period ended 30 September 2022			
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Gross reinsurance premium written	1,816,237	1,399,392	3,215,629
Less: Premium ceded to reinsurers	(282,010)	(1,876)	(283,886)
Net reinsurance premium written	1,534,227	1,397,516	2,931,743
Add (less): Unearned premium reserves (increased) decreased from prior period	(89,898)	100,613	10,715
Earned reinsurance premium	1,444,329	1,498,129	2,942,458
Underwriting expenses			
Unexpired risk reserves decreased	-	(127,018)	(127,018)
Net claims expenses	823,636	1,179,516	2,003,152
Net commission and brokerage expenses	502,048	666,508	1,168,556
Other underwriting expenses	34,140	65,920	100,060
Total underwriting expenses	1,359,824	1,784,926	3,144,750
Profit (loss) from underwriting	84,505	(286,797)	(202,292)
Operating expenses			(152,464)
Loss before net service and investment revenues			(354,756)
Net service revenues			44,316
Net investment revenues			37,736
Net other revenues			7,313
Loss before income tax expenses			(265,391)
Income tax benefits			39,961
Net loss			(225,430)

(Unaudited but reviewed)

As at 30 September 2023 and 31 December 2022, assets and liabilities can be classified by operating segment as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	30 September 2023			31 December 2022		
	Non-life insurance	Others	Total	Non-life insurance	Others	Total
Total assets	6,949,871	862,813	7,812,684	6,226,321	473,227	6,699,548
Total liabilities	3,918,742	146,098	4,064,840	3,476,233	109,748	3,585,981

16.2 Geographic information

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

16.3 Major customers

For the three-month and nine-month periods ended 30 September 2023 and 2022, the Group had gross reinsurance premium written for the amount equal to or more than 10% of total gross reinsurance premium written from major insurance companies as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	For the three-month		For the nine-month	
	periods ended 30 September		periods ended 30 September	
	2023	2022	2023	2022
Gross reinsurance premium written	717	626	2,169	2,181
Percentage of total gross reinsurance premium written (%)	56	64	59	68
Number of major customers (companies)	3	3	3	4

17. Basic earnings per share

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

18. Commitments and contingent liabilities**18.1 Operating lease commitments**

As at 30 September 2023 and 31 December 2022, the Group entered into lease agreements for office equipment. The terms of the agreements are generally between 1 and 5 years. The Group had future minimum lease payments (The Company only: there was no commitments) as follows:

(Unit: Million Baht)

Payable	Consolidated financial statements	
	30 September 2023	31 December 2022
Within 1 year	0.2	0.2
Over 1 year and not over 5 years	0.1	0.2

18.2 Service commitments

As at 30 September 2023 and 31 December 2022, the Group had outstanding service commitments and future minimum service fees amounting to Baht 203.2 million and Baht 217.2 million, respectively (The Company only: Baht 0.5 million and Baht 0.5 million, respectively).

18.3 Capital commitments

As at 30 September 2023, the Group had no outstanding capital commitments for renovation of building and development of computer (31 December 2022: there was Baht 0.5 million) (The Company only: no commitments).

As at 30 September 2023 and 31 December 2022, the Group had outstanding capital commitments for development of computer softwares totaling Baht 33.7 million and Baht 10.6 million, respectively (The Company only: As at 30 September 2023, there was Baht 5.4 million and as at 31 December 2022, there was no commitments).

18.4 Commitments in respect of joint ventures

As at 30 September 2023, a subsidiary has commitment from entered into a Shareholder's Agreement with Cambodian Reinsurance Company to establish a company to conduct a business related to the Group's operations in Cambodia. This newly established company has an initial registered capital of USD 500,000 (500,000 ordinary shares at a par value of USD 1 each). The subsidiary will holds 49% of total shares amounting to USD 245,000 (or equivalent to Baht 9.0 million). Such joint venture registered a new company under the name of CambodiaRe BlueVenture Co., Ltd. on 5 September 2023 and shall call for the first payment of common stock on 2 November 2023.

18.5 Litigations

As described in Note 5 to the interim financial statements, as at 30 September 2023 and 31 December 2022, the Company has dispute with an oversea reinsurer. Such reinsurer claimed for monetary restitution through arbitration process for a total of approximately Baht 745 million plus interest. However, the Company's management believes that such allegations and the counterclaim amount have no sufficient legal merit and the Company would incur no significant loss in relation to such disputes. Therefore, the management considers not to set aside any provision for contingent liabilities.

19. Related party transactions

19.1 Nature of relationship

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

The relationships between the Group and its related parties are summarised below:

Name of related parties	Relationship with the Company
BlueVenture Group Public Company Limited	Subsidiary
BlueVenture TPA Co., Ltd.	Subsidiary
BlueVenture Actuarial Co., Ltd.	Subsidiary
BlueVenture Tech Co., Ltd.	Subsidiary
Thaire Life Assurance Plc.	Related by way of common directors and shareholding
Bangkok Insurance Plc.	Related by way of common directors and shareholding
Thaivivat Insurance Plc.	Related by way of common directors and shareholding
Krungthai Panich Insurance Plc.	Related by way of common directors and shareholding
The Falcon Insurance Plc.	Related by way of common directors and shareholding
HWIC ASIA FUND	Related by way of common directors and shareholding
Dhipaya Insurance Plc.	Related by way of common directors
Dhipaya Life Assurance Plc.	Related by way of common directors
Muang Thai Insurance Plc.	Related by way of common directors
Muang Thai Life Assurance Plc.	Related by way of common directors
Kasikornbank Plc.	Related by way of common directors

19.2 Significant related party transactions

During the three-month and nine-month periods ended 30 September 2023 and 2022, the Group had significant business transactions with its related parties. Such transactions, which were summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties, were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		
	For the three-month periods ended 30 September		For the three-month periods ended 30 September		Pricing policy
	2023	2022	2023	2022	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service expenses	-	-	3	4	As mutually agreed and at cost
Dividend income	-	-	8	53	As declared
<u>Transactions with related parties</u>					
<u>Revenues</u>					
Gross reinsurance premium written	862	703	862	703	According to terms of reinsurance contracts depending on type of insurance and reinsurance contracts
Commission income	9	11	9	11	According to terms of reinsurance contracts
Dividend income	1	6	1	6	As declared
Service income	24	23	-	-	Contract rates or mutually agreed prices
Claim recovery	12	23	12	23	According to ratios as specified in the contracts
<u>Expenses</u>					
Reinsurance premium ceded	25	26	25	26	According to terms of reinsurance contracts depending on type of insurance and reinsurance contracts
Gross claims	334	392	334	392	According to claim rates as specified in the contracts
Commission expenses	340	290	340	290	According to terms of reinsurance contracts

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		
	For the nine-month periods ended		For the nine-month periods ended		
	30 September		30 September		Pricing policy
	2023	2022	2023	2022	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Service expenses	-	-	10	10	As mutually agreed and at cost
Dividend income	-	-	20	73	As declared
<u>Transactions with related parties</u>					
<u>Revenues</u>					
Gross reinsurance premium written	2,508	1,899	2,508	1,899	According to terms of reinsurance contracts depending on type of insurance and reinsurance contracts
Commission income	32	32	32	32	According to terms of reinsurance contracts
Dividend income	12	19	12	19	As declared
Service income	76	49	-	-	Contract rates or mutually agreed prices
Claim recovery	37	331	37	331	According to ratios as specified in the contracts
<u>Expenses</u>					
Reinsurance premium ceded	79	87	79	87	According to terms of reinsurance contracts depending on type of insurance and reinsurance contracts
Gross claims	1,045	1,543	1,045	1,543	According to claim rates as specified in the contracts
Commission expenses	944	636	944	636	According to terms of reinsurance contracts

During the three-month and nine-month periods ended 30 September 2023, the subsidiaries incurred service income and service expenses among them, the pricing policies of which are based on contract rates, mutually-agreed rates, or at cost, amounted to Baht 2.4 million and Baht 6.1 million, respectively (30 September 2022: Baht 1.5 million and Baht 4.8 million, respectively).

19.3 Outstanding balances

As at 30 September 2023 and 31 December 2022, the Group had the outstanding balances with its related parties as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
Reinsurance receivables				
Amounts deposited on reinsurance	450,135	404,629	450,135	404,629
Amounts due from reinsurers	233,997	259,717	233,997	259,717
Other assets				
Deferred commissions and brokerage expenses	414,552	346,717	414,552	346,717
Trade receivables	15,752	10,575	-	-
Insurance contract liabilities				
Loss reserves	781,675	737,267	781,675	737,267
Due to reinsurers				
Other reinsurance payables	103,965	136,881	103,965	136,881
Other liabilities				
Premium received in advance - net	182,547	157,908	182,547	157,908
Deferred commissions and brokerage income	11,476	11,346	11,476	11,346
Unearned revenues	2,611	3,068	-	-

As at 30 September 2023 and 31 December 2022, there was outstanding balances of intercompany loan among subsidiaries totaling Baht 3.0 million on which interest had been charged at the rate of 5.47% per annum as from the contract inception date to 31 March 2022 and has been charged at the minimum lending rates (MLR) as announced by a commercial bank since 1 April 2022 until the date the loan is repaid in full. The loans will mature on 28 February 2024.

However, transactions and outstanding balances among the subsidiaries were eliminated from the consolidated financial statements.

19.4 Directors' and management's remunerations

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods		For the three-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Short-term benefits	30,178	28,138	13,165	12,563
Long-term benefits	2,170	1,600	1,106	610
Total	32,348	29,738	14,271	13,173

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2023	2022	2023	2022
Short-term benefits	106,706	94,049	42,851	41,390
Long-term benefits	6,510	4,811	3,318	1,830
Total	113,216	98,860	46,169	43,220

20. Financial instruments**20.1 Fair value of financial instruments**

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market interest rate, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

20.2 Fair value hierarchy

As of 30 September 2023 and 31 December 2022, the Group had the following financial assets that were measured at fair value which are disclosed by different levels of fair value as follows:

(Unit: Million Baht)

Consolidated financial statements								
30 September 2023				31 December 2022				
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets								
measured at fair value								
Debt financial assets	-	3,253	-	3,253	-	2,244	-	2,244
Equity financial assets	755	-	34	789	773	-	32	805

(Unit: Million Baht)

Separate financial statements								
30 September 2023				31 December 2022				
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
Financial assets								
measured at fair value								
Debt financial assets	-	2,844	-	2,844	-	2,210	-	2,210
Equity financial assets	755	-	34	789	773	-	32	805

During the periods, the Group had no transfers within the fair value hierarchy.

21. Event after reporting period

On 7 November 2023, the meeting of the Board of Directors of a subsidiary (a subsidiary indirectly held through another subsidiary) passed a resolution approving the establishment of a new company under such subsidiary, which has a registered capital of Baht 10 million, to providing support services, plan and provide advices about health care. Such subsidiary will hold 100 percent of the shares of the new company.

22. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Audit Committee on 13 November 2023.