

MSIG Insurance (Thailand) Public Company Limited

Condensed interim financial statements
for the three-month period ended
31 March 2021
and
Independent auditor's review report



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Independent auditor's report on review of interim financial information

To the Board of Directors of MSIG Insurance (Thailand) Public Company Limited

I have reviewed the accompanying statement of financial position of MSIG Insurance (Thailand) Public Company Limited as at 31 March 2021; the statement of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2021, and the condensed notes ("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 the 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".

(Pantip Gulsantithamrong)
Certified Public Accountant
Registration No. 4208

KPMG Phoomchai Audit Ltd.
Bangkok
14 May 2021

MSIG Insurance (Thailand) Public Company Limited

Statement of financial position

Assets	Note	31 March	31 December
		2021	2020
		(Unaudited)	
		(in thousand Baht)	
Cash and cash equivalents	3, 15	191,731	212,808
Premiums due and uncollected	4	861,664	744,012
Accrued investment income		18,671	10,356
Reinsurance assets	7, 12	439,122	417,452
Reinsurance receivables	5	73,589	60,585
Investments assets			
Investments in securities	6, 13, 14	3,186,232	3,049,095
Premises and equipment		261,056	260,183
Right-of-use-assets		14,645	16,282
Intangible assets		31,853	34,718
Deferred acquisition costs		550,616	535,335
Deferred tax assets		340,627	316,086
Other assets	12	64,006	68,071
Total assets		6,033,812	5,724,983



บมจ. เอ็ม เอส ไอ จี ประกันภัย (ประเทศไทย)
MSIG Insurance (Thailand) Public Company Limited


(นายอรรถนพ พรจิตติ)
กรรมการผู้มีอำนาจ


(นายรัฐพงศ์ จิตกิตต์ไชยกุล)
กรรมการผู้มีอำนาจ

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

MSIG Insurance (Thailand) Public Company Limited

Statement of financial position

		31 March 2021 (Unaudited)	31 December 2020
Liabilities and equity	<i>Note</i>		
		(Unaudited)	
		<i>(in thousand Baht)</i>	
Liabilities			
Insurance contract liabilities	7	3,155,597	2,990,379
Reinsurance payables	8, 12	277,892	217,445
Income tax payable		109,116	72,751
Employee benefit obligations		287,947	285,471
Lease liabilities		13,684	15,434
Other liabilities	12	414,648	434,000
Total liabilities		<u>4,258,884</u>	<u>4,015,480</u>
Equity			
Share capital			
Authorized share capital		142,666	142,666
<i>(1,426,662 ordinary shares, par value at Baht 100 per share)</i>			
Issued and paid-up share capital		142,666	142,666
<i>(1,426,662 ordinary shares, par value at Baht 100 per share)</i>			
Share premium on ordinary shares		146,069	146,069
Retained earnings			
Appropriated			
Legal reserve		14,266	14,266
Unappropriated		1,443,638	1,371,576
Other components of shareholders' equity		28,289	34,926
Total equity		<u>1,774,928</u>	<u>1,709,503</u>
Total liabilities and equity		<u>6,033,812</u>	<u>5,724,983</u>

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

MSIG Insurance (Thailand) Public Company Limited
Statement of comprehensive income (Unaudited)

	Note	Three-month period ended	
		2021	2020
		31 March	
		<i>(in thousand Baht)</i>	
Revenues			
Gross premiums written		1,056,338	970,778
Less premiums ceded	12	(181,457)	(174,813)
Net premiums written		<u>874,881</u>	<u>795,965</u>
Unearned premium reserve increased from previous period		(168,621)	(6,119)
Less reinsurers' share of unearned premium reserve increased from previous period		37,466	31,236
Net premium earned		<u>743,726</u>	<u>821,082</u>
Commission and brokerage income	12	37,021	34,240
Net investment income		9,790	16,099
Gain (loss) on investments		17,476	(18,848)
Other income	12	2,871	4,195
Total revenues		<u>810,884</u>	<u>856,768</u>
Expenses			
Insurance claim expenses		338,678	413,283
Less insurance claims expenses recovered from reinsurers	12	794	(20,941)
Net insurance claims expenses		<u>339,472</u>	<u>392,342</u>
Commission and brokerage expenses		121,525	140,626
Other underwriting expenses		129,315	147,434
Operating expenses	12	128,067	141,249
Other expenses		2,865	-
Expected credit loss (reversal)	11	(10)	91
Total expenses		<u>721,234</u>	<u>821,742</u>
Profit before income tax		<u>89,650</u>	<u>35,026</u>
Income tax expense	10	17,588	6,244
Net profit		<u>72,062</u>	<u>28,782</u>

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

MSIG Insurance (Thailand) Public Company Limited
Statement of comprehensive income (Unaudited)

	Three-month period ended 31 March	
	2021	2020
	<i>(in thousand Baht)</i>	
Other comprehensive income		
<i>Items that will be reclassified subsequently to profit or loss</i>		
Loss on remeasurement of investments - fair value through other comprehensive income (loss)	(8,296)	(24,818)
Income tax relating to components of other comprehensive income (loss) that will be reclassified subsequently to profit or loss	1,659	4,964
Other comprehensive income (loss) for the period, net of income tax	<u>(6,637)</u>	<u>(19,854)</u>
Total comprehensive income for the period	<u>65,425</u>	<u>8,928</u>
Basic earnings per share (in Baht)	<u>50.51</u>	<u>20.18</u>

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MSIG Insurance (Thailand) Public Company Limited

Statement of changes in equity (Unaudited)

	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Retained earnings Unappropriated <i>(in thousand Baht)</i>	Other components of equity Gain (loss) on investments measured at fair value through other comprehensive income	Total equity
Three-month period ended 31 March 2020						
Balance at 1 January 2020	142,666	146,069	14,266	1,231,774	30,857	1,565,632
Comprehensive income (loss) for the period						
Net profit	-	-	-	28,782	-	28,782
Other comprehensive income (loss)	-	-	-	-	(19,854)	(19,854)
Total comprehensive income (loss) for the period	-	-	-	28,782	(19,854)	8,928
Balance at 31 March 2020	142,666	146,069	14,266	1,260,556	11,003	1,574,560

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

MSIG Insurance (Thailand) Public Company Limited

Statement of changes in equity (Unaudited)

	Share		Retained earnings		Other components	
	Issued and	premium on	Legal	Unappropriated	of equity	Total
	paid-up	ordinary	reserve	(in thousand Baht)	Gain (loss) on	equity
	share capital	shares			investments measured	
					at fair value through	
					other comprehensive	
					income	
Three-month period ended 31 March 2021						
Balance at 1 January 2021	142,666	146,069	14,266	1,371,576	34,926	1,709,503
Comprehensive income (loss) for the period						
Net profit	-	-	-	72,062	-	72,062
Other comprehensive income (loss)	-	-	-	-	(6,637)	(6,637)
Total comprehensive income (loss) for the period	-	-	-	72,062	(6,637)	65,425
Balance at 31 March 2021	142,666	146,069	14,266	1,443,638	28,289	1,774,928

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

MSIG Insurance (Thailand) Public Company Limited
Statement of cash flows (Unaudited)

	<i>Note</i>	Three-month period ended	
		31 March	
		2021	2020
		<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>			
Premium received		931,377	1,009,723
Cash paid to reinsurers		(72,577)	(21,509)
Interest received		1,503	9,667
Dividend received		1,486	1,278
Other income		6	4,224
Insurance claims expenses		(331,193)	(404,895)
Commission and brokerage expenses		(150,387)	(159,144)
Other underwriting expenses		(134,272)	(167,646)
Operating expenses		(121,877)	(147,420)
Income tax paid		(4,105)	(4,020)
Cash received - financial assets		621,111	1,138,033
Cash payment - financial assets		(750,573)	(1,253,576)
Net cash flows provided by (used in) operating activities		(9,501)	4,715
<i>Cash flows from investing activities</i>			
Cash flows provided by			
Proceeds from sale of equipment		-	23
Cash flows provided by investing activities		-	23
Cash flows used in			
Purchase of building improvement and equipment		(9,721)	(281)
Cash flows used in investing activities		(9,721)	(281)
Net cash flows used in investing activities		(9,721)	(258)
<i>Cash flows from financing activities</i>			
Payment of lease liabilities		(1,739)	(1,467)
Interest paid	9	(116)	(168)
Net cash flows used in financing activities		(1,855)	(1,635)
Net increase (decrease) in cash and cash equivalents		(21,077)	2,822
Cash and cash equivalents at beginning of period		212,808	233,814
Cash and cash equivalents at ending of period	3	191,731	236,636

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

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

These notes form an integral part of these interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Company's Board of Directors on 14 May 2021.

1 General information

The principal business of the Company is the operation of non-life insurance.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis ("interim financial statements") in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions. In addition, the interim financial statements are prepared in accordance with the Notification of the Office of Insurance Commission regarding "Rules Procedures Conditions and Timing Period for Preparation and Submission of the Financial Statements and Reporting the Operation of Non-Life insurance Companies" B.E. 2562 (No.2), dated 4 April 2019.

The interim financial statements do not include all of the financial information required for annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2020.

The Company has initially applied revised TFRS that are effective for annual periods beginning on or after 1 January 2021. In addition, the Company has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. The Company has assessed the potential initial impact on the financial statements of these new and revised TFRS that there will be no material impact on the financial statements in the period of initial application.

(b) Use of judgements, estimates and accounting policies

In preparing these interim financial statements, judgements and estimates are made by management in applying the Company's accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2020.

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

3 Cash and cash equivalents

	31 March 2021	31 December 2020
	<i>(in thousand Baht)</i>	
Cash on hand	330	330
Deposits at banks - call deposits	151,410	112,482
Highly liquid short-term investments	39,991	99,996
Total	<u>191,731</u>	<u>212,808</u>

4 Premiums due and uncollected

As at 31 March 2021 and 31 December 2020, premiums due and uncollected by aging were as follows:

	31 March 2021	31 December 2020
	<i>(in thousand Baht)</i>	
Within credit terms	557,553	627,140
Overdue:		
Not over than 30 days	105,470	53,502
31 - 60 days	119,057	31,247
61 - 90 days	68,143	14,204
91 days - 1 year	18,439	25,135
Total	<u>868,662</u>	<u>751,228</u>
Less allowance for doubtful accounts	<u>(6,998)</u>	<u>(7,216)</u>
Net	<u>861,664</u>	<u>744,012</u>

	31 March 2021	31 March 2020
	<i>(in thousand Baht)</i>	
Doubtful accounts (reversal) for the period ended	<u>(218)</u>	<u>745</u>

The normal credit term of insured and agents and brokers granted by the Company is not over 60 days.

For premiums due and uncollected from agents and brokers, the Company has established collection guidelines in accordance with the regulatory requirement for premium collection. For overdue premium receivables, the Company closely follows up or pursues legal proceedings against such agents and brokers.

5 Reinsurance receivables

	31 March 2021	31 December 2020
	<i>(in thousand Baht)</i>	
Due from reinsurers	<u>73,589</u>	<u>60,585</u>

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

6 Investments in securities

6.1 Investment in securities by measurement are as follows:

	31 March 2021		31 December 2020	
	Cost / Amortised cost	Fair value <i>(in thousand Baht)</i>	Cost / Amortised cost	Fair value
<i>Investment measured at fair value through other comprehensive income</i>				
Government and state enterprise debt securities	1,903,012	1,906,807	1,762,317	1,795,447
Private debt securities	675,018	682,710	622,845	635,883
Equity securities	221,741	242,095	219,177	221,738
Unit trust	86,800	89,913	86,800	81,320
Total	2,886,571	2,921,525	2,691,139	2,734,388
Add Unrealised gains	35,124	-	43,419	-
Less Allowance for impairment	(170)	-	(170)	-
Total investment measured at fair value through other comprehensive income	2,921,525	2,921,525	2,734,388	2,734,388
Allowance for expected credit loss	229	-	239	-
<i>Investment measured at amortised cost</i>				
Deposits at banks with original maturities over 3 months	264,707	264,707	314,707	314,707
Total investment measured at amortised cost	264,707	264,707	314,707	314,707
Total investment in securities	3,186,232	3,186,232	3,049,095	3,049,095

6.2 Investment measured at fair value through other comprehensive income

	31 March 2021		31 December 2020	
	Fair value	Allowance for expected credit loss / impairment	Fair value	Allowance for expected credit loss / impairment
<i>(in thousand Baht)</i>				
Debt securities - no significant increase in credit risk (stage 1)	2,677,850	229	2,511,278	239
Debt securities - significant increase in credit risk (stage 2)	-	-	-	-
Debt securities - default / credit-impaired (stage 3)	1,580	-	1,372	-
Equity securities	242,095	170	221,738	170
Total	2,921,525	399	2,734,388	409

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

6.3 Investment measured at amortised cost

	31 March 2021		
	Book value	Loss allowance for ECL <i>(in thousand Baht)</i>	Net book value
Debt securities - no significant increase in credit risk / performing (stage 1)	264,707	-	264,707
Debt securities - significant increase in credit risk / under - performing (stage 2)	-	-	-
Debt securities - Default / non-performing (stage 3)	-	-	-
Total	264,707	-	264,707

	31 December 2020		
	Book value	Loss allowance for ECL <i>(in thousand Baht)</i>	Net book value
Debt securities - no significant increase in credit risk / performing (stage 1)	314,707	-	314,707
Debt securities - significant increase in credit risk / under - performing (stage 2)	-	-	-
Debt securities - Default / non-performing (stage 3)	-	-	-
Total	314,707	-	314,707

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

7 Insurance contract liabilities

	31 March 2021			31 December 2020		
	Liabilities under insurance contracts	Reinsurers' share liabilities	Net (in thousand Baht)	Liabilities under insurance contracts	Reinsurers' share liabilities	Net
Short-term technical reserves						
Loss reserves and outstanding claims						
- Case reserves	937,569	(180,178)	757,391	881,455	(139,662)	741,793
- Incurred but not reported	114,858	(26,464)	88,394	174,375	(82,776)	91,599
Total loss reserves and outstanding claims	1,052,427	(206,642)	845,785	1,055,830	(222,438)	833,392
Unearned premium reserves	2,103,170	(232,480)	1,870,690	1,934,549	(195,014)	1,739,535
Total	3,155,597	(439,122)	2,716,475	2,990,379	(417,452)	2,572,927
7.1 Loss reserves and outstanding claims						
At 1 January	1,055,830	(222,438)	833,392	977,507	(146,330)	831,177
Insurance claim expenses incurred during the period/year	366,791	(55,518)	311,273	1,442,624	(158,162)	1,284,462
Insurance claim expenses paid during the period/year	(310,677)	15,002	(295,675)	(1,408,290)	131,853	(1,276,437)
Change in estimation and assumption	(59,517)	56,312	(3,205)	43,989	(49,799)	(5,810)
At 31 March 2021 / 31 December 2020	1,052,427	(206,642)	845,785	1,055,830	(222,438)	833,392
7.2 Unearned premium reserves						
At 1 January	1,934,549	(195,014)	1,739,535	1,964,085	(193,784)	1,770,301
Premium written during the period/year	1,056,338	(181,457)	874,881	3,638,367	(586,020)	3,052,347
Earned premium in the period/year	(887,717)	143,991	(743,726)	(3,667,903)	584,790	(3,083,113)
At 31 March 2021 / 31 December 2020	2,103,170	(232,480)	1,870,690	1,934,549	(195,014)	1,739,535

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

Reconciliation of effective tax rate

<i>For the three-month period ended 31 March</i>	2021		2020	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax		<u>89,650</u>		<u>35,026</u>
Income tax using the Thai corporation tax rate	20.0	17,930	20.0	7,005
Income not subject to tax	(0.1)	(21)	(0.1)	(44)
Additional deductible expenses for tax purpose	(0.4)	(403)	(2.3)	(787)
Expenses not deductible for tax purposes	0.1	82	0.2	70
Total	<u>19.6</u>	<u>17,588</u>	<u>17.8</u>	<u>6,244</u>

11 Expected credit loss (reversal)

<i>Three-month period ended 31 March</i>	2021	2020
	<i>(in thousand Baht)</i>	
Investment in securities		
- Debt securities measured at fair value through other comprehensive income	<u>(10)</u>	<u>91</u>
Total	<u>(10)</u>	<u>91</u>

12 Related parties

The Company do not have material changing in relationships with key management and related parties during the period.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Premiums ceded	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contract
Commission and brokerage income	As stated in the agreement upon normal commercial terms for business operations
Service income	As stated in the agreement upon normal commercial terms for business operations
Insurance claims expenses recovered from reinsurers	Actual indemnity but not exceed as stated in the agreement upon normal commercial terms for business operations
Marketing and management support services agreement fee	As stated in the agreement upon normal commercial terms for business operations

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

Significant transactions for the three-month period ended 31 March 2021 and 2020 with key management and related parties were summarised as follows:

<i>For the three-month period ended 31 March</i>	2021	2020
	<i>(in thousand Baht)</i>	
<i>Revenue</i>		
Other related parties		
Commission and brokerage income	6,481	7,018
Service income	2,530	3,603
<i>Expenses</i>		
Other related parties		
Premiums ceded	26,728	31,717
Insurance claims expenses recovered from reinsurers	15,808	10,495
Marketing and management support services agreement fee	9,550	9,955
<i>Key management and director compensation</i>		
Directors' remuneration	1,049	1,030
Short-term benefits	16,870	17,288
Post-employment benefit	2,498	2,345
Total	<u>20,417</u>	<u>20,663</u>

Significant balances as at 31 March 2021 and 31 December 2020 with related parties were as follows:

	31 March 2021	31 December 2020
	<i>(in thousand Baht)</i>	
<i>Reinsurance assets</i>		
Reinsurance's share of liabilities		
Other related parties	<u>74,381</u>	<u>67,915</u>
<i>Other assets</i>		
Other receivables		
Other related parties	<u>900</u>	<u>927</u>
<i>Reinsurance payable</i>		
Due to reinsurers		
Other related parties	<u>44,417</u>	<u>34,397</u>
<i>Other liabilities</i>		
Payables to related parties		
Other related parties	<u>2,776</u>	<u>1,946</u>

MSIG Insurance (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2021 (Unaudited)

13 Financial instruments

Carrying amounts and fair value

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

<i>At 31 March 2021</i>	<i>Note</i>	Fair value			Total
		Level 1	Level 2	Level 3	
<i>Financial assets</i>					
Investment in securities	6				
Government and state enterprise debt securities		-	1,906,807	-	1,906,807
Private debt securities		-	682,710	-	682,710
Equity securities		212,055	30,040	-	242,095
Unit trusts		-	89,913	-	89,913
Total		212,055	2,709,470	-	2,921,525

At 31 December 2020

<i>Financial assets</i>					
Investment in securities	6				
Government and state enterprise debt securities		-	1,795,447	-	1,795,447
Private debt securities		-	635,883	-	635,883
Equity securities		200,119	19,552	2,067	221,738
Unit trusts		-	81,320	-	81,320
Total		200,119	2,532,202	2,067	2,734,388

Measurement of fair values

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the assets or liabilities that are not based on observable movement date (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability are categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company determines Level 1 fair values of investment in market equity which are in SET 100 by using the last bidding from the Stock Exchange of Thailand (SET) at the reporting date.

MSIG Insurance (Thailand) Public Company Limited
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For the three-month period ended 31 March 2021 (Unaudited)

The Company determines Level 2 fair values for debt securities measured at FVOCI by reference price provided by the Thai Bond Market Association, unit trusts using net asset value (NAV) published by asset management companies at the reporting date. For market equity which are not in SET 100, the fair value is based on last bidding price from the Stock Exchange of Thailand (SET) at the reporting date.

For Level 3 fair value, the Company management performed this judgement by cost approach and expected future dividend and cashflows.

The Company recognises transfers between levels of the fair value hierarchy as of the end of reporting period.

Transfer between Level 1 and 2 of the fair value hierarchy

At 31 March 2021, equity securities measured at FVOCI with a carrying amount of Baht 0.2 million (31 December 2020: nil) were transferred from Level 1 to Level 2 by reference the fair value from intermediate. The Company did not have equity securities measured at FVOCI (31 December 2020: nil) that were transferred from Level 2 to Level 1.

14 Securities and assets pledged with the Registrar

- 14.1 As at 31 March 2021 and 31 December 2020, the Company's investments in deposit at bank were pledged with the Registrar in accordance with the Non-Life Insurance Act No. 2 B.E. 2551 as follows:

	31 March 2021		31 December 2020	
	Book value	Face value	Book value	Face value
		(in thousand Baht)		
Deposit at bank - time deposit	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>	<u>14,000</u>

- 14.2 As at 31 March 2021 and 31 December 2020, the Company's investments in debt securities and deposit at banks were reserved with the Registrar in accordance with the Notification of the Office of Insurance Commission regarding "Rates, Rules and Procedures for unearned premium reserve of Non - life Insurance Company B.E.2557" as follows:

	31 March 2021		31 December 2020	
	Book value	Face value	Book value	Face value
		(in thousand Baht)		
Government and Bank of Thailand bonds	173,992	155,000	177,181	155,000
Deposit at bank - time deposit	<u>250,000</u>	<u>250,000</u>	<u>300,000</u>	<u>300,000</u>
Total	<u>423,992</u>	<u>405,000</u>	<u>477,181</u>	<u>455,000</u>

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15 Restricted and collateral assets

	31 March 2021	31 December 2020
	<i>(in thousand Baht)</i>	
(a) Deposit at bank - call deposit To secure group personal accident insurance	<u>850</u>	<u>850</u>
(b) Deposit at bank - time deposit To secure bank guarantee - facilities issued by banks	<u>700</u>	<u>700</u>

16 Commitments with non-related parties

As at 31 March 2021 and 31 December 2020, the Company had future minimum lease payments required under these non-cancellable contracts as follows:

Commitments under office rental and service agreements

	31 March 2021	31 December 2020
	<i>(in thousand Baht)</i>	
Operating lease commitments		
Within one year	10,210	11,351
After one year but within five years	7,171	8,905
Total	<u>17,381</u>	<u>20,256</u>

17 Contingent liabilities

As at 31 March 2021, lawsuits have been brought against the Company, in relation to insurance claims of Baht 148.4 million (*31 December 2020: Baht 139.7 million*) whereas the sum insured of insurance policy and reinsurance claim recoverable of Baht 136.4 million and Baht 3.1 million, respectively (*31 December 2020: Baht 117 million and Baht 3 million, respectively*). The Company's management believes that the claim reserves accounted for in the financial statements is adequate for potential losses in respect of those lawsuits.

18 Event after the reporting period

At the shareholders' annual general meeting of the Company held on 27 April 2021, the shareholders approved the appropriation of dividend of Baht 55 per share, amounting to Baht 78.5 million. The dividend will be paid to shareholders in May 2021.



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MSIG Insurance (Thailand) Public Company Limited

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