

15 May 2023

Managing Director

The Stock Exchange of Thailand

93 Ratchadaphisek Road, Dindaeng

Bangkok 10400, Thailand

Dear Sir,

Subject: Financial Statement and MD&A Quarter 1 Ending 31 March 2023

Thaivivat Insurance Public Company Limited (the “Company”) would like to clarify the operating results for 3 months ended March 31, 2023 compared to the same period of the previous year. The results of operations are summarized as follows:

Summary Performance

	Consolidated		Change		Separate		Change	
	31-Mar-23	31-Mar-22	Amount	%	31-Mar-23	31-Mar-22	Amount	%
Underwriting income	1,689.1	1,495.0	194.1	13.0%	1,687.7	1,494.2	193.6	13.0%
Underwriting expenses	1,377.0	1,134.2	242.8	21.4%	1,376.1	1,133.7	242.4	21.4%
Underwriting profit before operating expenses	312.1	360.8	(48.7)	(13.5%)	311.6	360.5	(48.9)	(13.6%)
Operating expenses	(215.8)	(178.8)	(37.0)	20.7%	(212.8)	(174.2)	(38.6)	22.1%
Profit from underwriting	96.3	182.0	(85.7)	(47.1%)	98.8	186.3	(87.5)	(46.9%)
Gain (loss) on investment income	32.1	(39.7)	71.8	(180.8%)	31.7	(40.3)	71.9	(178.6%)
Financial cost	(0.0)	(0.0)	0.00	(16.9%)	-	-	-	-
Other income	1.6	(0.5)	2.1	(428.9%)	1.9	(0.3)	2.2	(751.5%)
Profit before income tax	129.9	141.8	(11.9)	(8.4%)	132.4	145.7	(13.3)	(9.2%)
Income tax expenses	(26.0)	(28.8)	2.7	(9.5%)	(26.0)	(28.8)	2.7	(9.5%)
Profit for the year	103.9	113.0	(9.1)	(8.1%)	106.3	116.9	(10.6)	(9.1%)

The Company's underwriting income was Baht 1,689.1 million, increasing Baht 194.1 million or 13.0 percent from the previous year. So, the Company's underwriting and operating expenses was Baht 1,592.8 million, increased by Baht 279.8 million or 21.3 percent. As a result, the Company had a profit from underwriting of Baht 96.3 million, decreasing of Baht 85.7 million. Due to the growth economic in 2023 and disinflation rate situation, the Company had a gain on investment of Baht 32.1 million, increasing Baht 71.8 million compared to a loss of Baht 39.7 million the previous year. Global stock values increase in comparison to the prior year. From the above reasons, the Company had a net profit of Baht 103.9 million, a decrease of Baht 9.1 million or a 8.1 percent decrease from the previous year.

Underwriting income and expenses

	Consolidated		Change		Separate		Change	
	31-Mar-23	31-Mar-22	Amount	%	31-Mar-23	31-Mar-22	Amount	%
Gross premium written	1,741.4	1,651.1	90.3	5.5%	1,739.5	1,649.5	90.1	5.5%
Less Premium ceded to reinsurers	(99.0)	(74.8)	(24.2)	32.3%	(99.0)	(74.8)	(24.2)	32.3%
Net premium written	1,642.4	1,576.3	66.1	4.2%	1,640.5	1,574.6	65.9	4.2%
Less Unearned premium reserves increase from prior period	8.1	(111.3)	119.5	(107.3%)	8.6	(110.6)	119.2	(107.8%)
Earned premium	1,650.5	1,464.9	185.6	12.7%	1,649.2	1,464.1	185.1	12.6%
Fee and commission income	38.6	30.1	8.5	28.2%	38.6	30.1	8.5	28.2%
Total underwriting income	1,689.1	1,495.0	194.1	13.0%	1,687.7	1,494.2	193.6	13.0%
Claim and loss adjustment expenses	988.5	780.4	208.2	26.7%	987.6	780.1	207.4	26.6%
Commission and brokerage expenses	303.6	271.9	31.8	11.7%	303.6	271.6	32.0	11.8%
Other underwriting expenses	84.8	81.9	2.9	3.5%	84.9	81.9	3.0	3.7%
Total underwriting expenses	1,377.0	1,134.2	242.8	21.4%	1,376.1	1,133.7	242.4	21.4%
Operating expenses	(215.8)	(178.8)	(37.0)	20.7%	(212.8)	(174.2)	(38.6)	22.1%
Profit from underwriting	96.3	182.0	(85.7)	(47.1%)	98.8	186.3	(87.5)	(46.9%)

The Company's underwriting income was Baht 1,689.1 million, increased Baht 194.1 million or 13.0 percent, owing primarily to the expansion of motor insurance by Baht 155.7 million or 11.7 percent, which resulted from the Company's continuous product development by using new innovations in product design to facilitate and meet the insured needs under the slogan "Think for Every Life," which received a positive response from the market. The Company also developed access to insurance products through E-Commerce channels as well as the Company's continuous sales promotion activities.

The Company's underwriting and operating expenses came to Baht 1,592.8 million, increased Baht 279.8 million or 21.3 percent from the previous year, which is a higher increase than the underwriting income of motor insurance growth rate. In the end of the year the loss ratio was around 60.4 percent, increase 5.3 percent the previous year mainly due to the relaxation of COVID-19 prevention and control measures, resulting in an increase in the incidence rate of the insured. However, the Company's emphasizes the use of Big Data and innovation to improve operational effectiveness and a more effective risk screening system. From the above reasons, the Company's insurance profit was Baht 96.3 million, decreasing 85.7 million baht from the previous year.

Investment income

	Consolidated		Change		Separate		Change	
	31-Mar-23	31-Mar-22	Amount	%	31-Mar-23	31-Mar-22	Amount	%
Net investment income	24.9	17.5	7.4	42.3%	24.5	16.9	7.6	44.7%
Gain (loss) on financial instruments	11.2	12.2	(1.0)	(8.0%)	11.2	12.2	(1.0)	(8.0%)
Gain (loss) on fair value valuation of financial instruments	(4.0)	(69.4)	65.4	94.2%	(4.0)	(69.4)	65.4	94.2%
Total gain (loss) on investment	32.1	(39.7)	71.8	180.8%	31.7	(40.3)	71.9	178.6%

The Company has income from investment which is considered as another main source of income other than income from insurance. The investment proportion is in accordance with the announcement of investment in other businesses of the Insurance Commission (OIC). In the statement of financial position as of March 31, 2023 which was recorded using market prices, the amount invested in financial instruments was Baht 6,574.1 million.

Due to the growth economic trend in 2023 and Disinflation rate situation. Global stock prices as a result increase in comparison to the prior year. Consequently, the Company had a gain from investment of Baht 32.1 million, while last year had a loss from investment of Baht 39.7 million, mainly from interest and dividend income Baht 24.9 million increasing Baht 7.4 million from the prior year as a result the company had more financial assets debt instruments, gain from trading investments of Baht 11.2 million and unrealized loss on investment occurred Baht 4.0 million increasing Baht 65.4 million compared the previous year.

Best regards,

Jiraphant Asvatanakul
President & CEO