



Disclosure of Insurance Company Information

Quarter 3 of 2018

Disclosure of Insurance Company Information BE 2018

The Company has reviewed the information disclosed with caution and the Company confirms that the information is accurate, complete, not false, does not mislead others and does not lack of information that should be reported in essence. The accuracy of all information disclosed by the Company is certified.

Signed 

Mr. Thomas P. Thomson
Chief Executive Officer

Signed 

Piyapadh Vana-Ukrit
Executive Vice President

Information Disclosed on November 30, 2018 and Disclosure as at Quarter 3/2018

1. Capital Adequacy of the Company

Policy

To ensure that the operation of Pacific Cross Health Insurance PCL is efficient and effective, with adequate levels of control and acceptable capital, the Company has set policies and measures to manage Capital Adequacy of the Company's Investment Policy Framework and Risk Management. The Board of Directors is responsible for supervising and overseeing the agencies related to the management in order to comply with policies and measures of the Capital Fund Management of the Company and to ensure that the Company is properly monitored and timely updated.

Objective

The purpose of this policy is to help the Company effectively manage assets and liabilities, supervises, monitors and evaluates investment in the Company's assets. Investments in those assets will be held by the Investment Committee for the benefit of the Company's mission and objectives. This policy is consistent with the following.

- Determine the level of the acceptable Capital Adequacy and not lower than the threshold used as guidelines for maintaining adequate capital levels to appropriately accommodate risk.
- Determine and assign the responsibilities of each party concerned.
- To clear understanding of all parties involved in the management, purpose and capitalization of the Company and its objectives including to assign and allocate assets and liabilities in accordance with the risk acceptable and compliance of the OIC.
- Capital Adequacy must consider the liquidity and risk concentration of the Company's Capital Funds.
- Define the project procedures and criteria for monitoring, evaluating and comparing the performance by the Investment Manager on a regular basis as scheduled including reporting to the Board of Directors and / or the Investment Committee.

Particulars of responsibilities of the Capital Management Department including an assessment of Capital Adequacy.

Capital Fund Management is responsible for the following:

1. Report Capital Adequacy and changes including major changes of the Company to the Board of Directors at least once a Quarter
2. Forecast related activities which may have an impact on the Capital Fund within the Company.
3. Ensure that the Company is still able to operate under the adequacy of Capital Funds as required by law and by the Company regularly.

Capital Management and Capital Adequacy Assessment

In 2018, the Company has policies to set a Capital Adequacy Ratio of not less than 180%, which is not lower than the benchmark of the OIC. Percentage regulated by law is at 140%. This includes the management of the Company's capital level as per the risk level as follows.

1. Determine the level of adequacy of the acceptable capital and not lower than the benchmark used as guidelines for maintaining the level of Capital Adequacy to appropriately accommodate the risk of business operation.
2. Communicate the risk level of Capital Adequacy level acceptable for the relevant authorities in order to practice.
3. In any action that may affect the capital required for various risks such as the substantial insurance, the unit who owns such risk will have to assess the impact of the fund and submit it to the management for approval.
4. Market risk of the investment in the Stock Exchange which is a major risk of the Capital Fund of the Company, the Investment Unit will calculate the Capital Adequacy Ratio from the change in the value of investment securities and reports to the Investment Committee regularly.
5. When there is an event indicating that it will affect the Capital Adequacy Ratio of the Company significantly, the management will report to the Executive Board immediately.
6. The Company uses the primary assessment in accordance with the Risk Based Capital of the OIC.

Disclosed at 30 September 2018

Unit: Million Baht

Particulars	Q 1		Q 2		Q 3	
	2018	2017	2018	2017	2018	2017
Capital Adequacy Ratio (%)	446.60%	216.02%	459.72%	247.66%	473.35%	280.03%
Total Capital Available	133.98	79.15	137.92	94.93	142.01	104.79
Total Capital Required	30.00	36.64	30.00	38.33	30.00	37.42

Notes - In accordance with the Notification of the OIC regarding definition of classification and type of Capital Funds, rules, procedures and conditions for calculating the Capital Fund of insurance companies. The Registrar may regulate necessary measures to supervise companies with a Capital Adequacy Ratio lower than one hundred and forty percent.

- The capital available is according to the Appraisal Value and the Notification of the OIC regarding valuation of assets and liabilities of insurance companies.
- Q2 means the operational result accumulation for 6 months and Q3 results for 9 months.

2. Financial Statements

Quarterly Financial Statements audited by the Auditor as per link below.

<https://www.pacificcrosshealth.com/en/financials/>