

# **Pacific Cross Health Insurance Public Company Limited**

Condensed interim financial statements  
for the three-month and six-month periods ended  
30 June 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 Pacific Cross Health Insurance Public Company Limited

I have reviewed the accompanying statement of financial position of Pacific Cross Health Insurance Public Company Limited as at 30 June 2021; the statements of comprehensive income for the three-month and six-month periods ended 30 June 2021; the statements of changes in equity and cash flows for the six-month period ended 30 June 2021; and the condensed notes ("interim financial information"). Management is responsible for the preparation and fair 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".

(Pantip Gulsantithamrong)  
Certified Public Accountant  
Registration No. 4208

KPMG Phoomchai Audit Ltd.  
Bangkok  
13 August 2021

# Pacific Cross Health Insurance Public Company Limited

## Statement of financial position

Assets	<i>Note</i>	30 June 2021 (Unaudited)	31 December 2020
		<i>(in Baht)</i>	
Cash and cash equivalents	3	179,405,207	161,843,351
Premiums due and uncollected, net	4	72,210,449	50,780,613
Accrued investment income		1,412,294	1,321,669
Reinsurers' share of insurance contract liabilities	9	143,051,406	161,041,184
Reinsurance receivables	5	19,548,175	23,827,266
Financial assets	6, 17	337,178,470	301,050,828
Equipment	7	2,032,397	1,479,374
Right-of-use-assets	7	9,298,980	12,101,111
Intangible assets		173,598	305,997
Deferred tax assets	13	38,167,027	14,514,032
Other assets	8, 15	<u>5,652,835</u>	<u>4,214,845</u>
<b>Total assets</b>		<b><u>808,130,838</u></b>	<b><u>732,480,270</u></b>

The accompanying notes form an integral part of the interim financial statements.

# Pacific Cross Health Insurance Public Company Limited

## Statement of financial position

Liabilities and equity	<i>Note</i>	30 June 2021 (Unaudited)	31 December 2020
		<i>(in Baht)</i>	
<b><i>Liabilities</i></b>			
Insurance contract liabilities	<i>9</i>	431,045,642	381,300,495
Reinsurance payable	<i>10</i>	110,979,230	122,020,014
Income tax payable		28,501,652	1,324,014
Provisions for employee benefits		1,948,690	1,863,353
Lease liabilities		9,647,622	12,374,931
Other liabilities	<i>11, 15</i>	<u>43,159,799</u>	<u>45,734,802</u>
<b>Total liabilities</b>		<b><u>625,282,635</u></b>	<b><u>564,617,609</u></b>
<b><i>Equity</i></b>			
Share capital			
Authorised share capital <i>(20,000,000 ordinary shares, par value at Baht 25 per share)</i>		<u>500,000,000</u>	<u>500,000,000</u>
Issued and paid share capital <i>(20,000,000 ordinary shares, par value at Baht 25 per share)</i>		500,000,000	500,000,000
Deficit			
Deficit		<u>(317,151,797)</u>	<u>(332,137,339)</u>
<b>Total equity</b>		<b><u>182,848,203</u></b>	<b><u>167,862,661</u></b>
<b>Total liabilities and equity</b>		<b><u>808,130,838</u></b>	<b><u>732,480,270</u></b>

The accompanying notes form an integral part of the interim financial statements.

**Pacific Cross Health Insurance Public Company Limited**  
**Statement of comprehensive income (Unaudited)**

	Note	Three-month period ended	
		30 June	
		2021	2020
		<i>(in Baht)</i>	
<b>Revenues</b>			
Gross premium written		178,900,946	136,385,713
Less premium ceded		<u>(47,390,481)</u>	<u>(53,993,381)</u>
Net premiums written		131,510,465	82,392,332
Less unearned premium reserve increase from previous period		(19,473,333)	(16,227,248)
(Less) add reinsurers' share of (increase) decrease in unearned premium reserve from previous period		<u>(7,186,844)</u>	<u>9,755,374</u>
Net premiums earned		104,850,288	75,920,458
Fee and commission income		19,270,655	21,266,020
Net investment income		670,979	1,053,190
Other income	15	<u>1,220,476</u>	<u>1,133,635</u>
<b>Total income</b>		<b><u>126,012,398</u></b>	<b><u>99,373,303</u></b>
<b>Expenses</b>			
Insurance claim expenses	15	72,775,202	45,123,514
Less insurance claim expenses recovered from reinsurers		<u>(23,837,905)</u>	<u>(17,632,225)</u>
Net insurance claim expenses		48,937,297	27,491,289
Commission and brokerage expenses		22,298,905	19,093,549
Other underwriting expenses	15	14,184,905	14,093,083
Operating expenses	15	24,072,672	21,385,593
Expected credit loss	12	<u>22,383</u>	<u>371</u>
<b>Total expenses</b>		<b><u>109,516,162</u></b>	<b><u>82,063,885</u></b>
<b>Profit before income tax</b>		<b>16,496,236</b>	<b>17,309,418</b>
Income tax expense	13	<u>4,073,609</u>	<u>-</u>
<b>Profit for the period</b>		<b><u>12,422,627</u></b>	<b><u>17,309,418</u></b>
<b>Total comprehensive income for the period</b>		<b><u>12,422,627</u></b>	<b><u>17,309,418</u></b>
<b>Basic earnings per share</b>	14	<b><u>0.62</u></b>	<b><u>0.87</u></b>

The accompanying notes form an integral part of the interim financial statements.

**Pacific Cross Health Insurance Public Company Limited**  
**Statement of comprehensive income (Unaudited)**

	<i>Note</i>	Six-month period ended	
		2021	2020
		30 June	
		<i>(in Baht)</i>	
<b>Revenues</b>			
Gross premium written		342,713,482	271,218,807
Less premium ceded		<u>(93,517,988)</u>	<u>(96,695,308)</u>
Net premiums written		249,195,494	174,523,499
Less unearned premium reserve increase from previous period		(34,973,720)	(37,923,417)
(Less) add reinsurers' share of (increase) decrease in unearned premium reserve from previous period		<u>(16,734,313)</u>	<u>9,739,558</u>
Net premiums earned		197,487,461	146,339,640
Fee and commission income		37,626,861	37,556,147
Net investment income		1,439,982	2,097,056
Other income	15	<u>2,293,030</u>	<u>2,168,133</u>
<b>Total income</b>		<b><u>238,847,334</u></b>	<b><u>188,160,976</u></b>
<b>Expenses</b>			
Insurance claim expenses	15	144,363,525	112,407,950
Less insurance claim expenses recovered from reinsurers		<u>(48,259,890)</u>	<u>(42,010,190)</u>
Net insurance claim expenses		96,103,635	70,397,760
Commission and brokerage expenses		42,036,172	37,374,462
Other underwriting expenses	15	31,022,630	27,898,926
Operating expenses	15	49,739,866	43,701,130
Expected credit loss	12	<u>12,541</u>	<u>6,778</u>
<b>Total expenses</b>		<b><u>218,914,844</u></b>	<b><u>179,379,056</u></b>
<b>Profit before income tax</b>		<b>19,932,490</b>	<b>8,781,920</b>
Income tax expense	13	<u>4,946,948</u>	<u>-</u>
<b>Profit for the period</b>		<b><u>14,985,542</u></b>	<b><u>8,781,920</u></b>
<b>Total comprehensive income for the period</b>		<b><u>14,985,542</u></b>	<b><u>8,781,920</u></b>
Basic earnings per share	14	<u>0.75</u>	<u>0.44</u>

The accompanying notes form an integral part of the interim financial statements.

**Pacific Cross Health Insurance Public Company Limited**  
**Statement of changes in equity (Unaudited)**

	Issued and paid-up share capital	Deficit <i>(in Baht)</i>	Total equity
<b>Six-month period ended 30 June 2020</b>			
Balance at 1 January 2020	500,000,000	(380,539,264)	119,460,736
<b>Comprehensive income for the period</b>			
Profit for the period	-	8,781,920	8,781,920
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>8,781,920</b>	<b>8,781,920</b>
<b>Balance at 30 June 2020</b>	<b>500,000,000</b>	<b>(371,757,344)</b>	<b>128,242,656</b>
<b>Six-month period ended 30 June 2021</b>			
Balance at 1 January 2021	500,000,000	(332,137,339)	167,862,661
<b>Comprehensive income for the period</b>			
Profit for the period	-	14,985,542	14,985,542
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>14,985,542</b>	<b>14,985,542</b>
<b>Balance at 30 June 2021</b>	<b>500,000,000</b>	<b>(317,151,797)</b>	<b>182,848,203</b>

The accompanying notes form an integral part of the interim financial statements.

# Pacific Cross Health Insurance Public Company Limited

## Statement of cash flows (Unaudited)

	Note	Six-month period ended	
		2021	2020
		30 June	
		<i>(in Baht)</i>	
<i>Cash flows from operating activities</i>			
Premiums written		309,900,841	269,764,363
Cash paid to reinsurers		(9,124,422)	(17,717,177)
Interest received		1,326,669	2,258,667
Other income		2,293,030	2,168,134
Insurance claims expenses		(125,294,008)	(127,731,965)
Commission and brokerage expenses		(38,190,171)	(32,033,033)
Other underwriting expenses		(30,968,284)	(28,234,757)
Operating expenses		(50,858,084)	(44,381,875)
Income tax expense		(1,422,305)	-
Cash received - financial assets		167,152,558	105,429,128
Cash payment - financial assets		(203,292,743)	(136,782,149)
<b>Net cash (used in) provided by operating activities</b>		<b><u>21,523,081</u></b>	<b><u>(7,260,664)</u></b>
<i>Cash flows from investing activities</i>			
<b>Cash flows used in:</b>			
Acquisition of equipment	7	<u>(896,560)</u>	<u>(329,366)</u>
<b>Net cash used in investing activities</b>		<b><u>(896,560)</u></b>	<b><u>(329,366)</u></b>
<i>Cash flows from financing activities</i>			
<b>Cash flows used in:</b>			
Payment of lease liabilities		<u>(3,064,665)</u>	<u>(1,517,069)</u>
<b>Cash used in financing activities</b>		<b><u>(3,064,665)</u></b>	<b><u>(1,517,069)</u></b>
<b>Net (decrease) increase in cash and cash equivalents</b>		<b>17,561,856</b>	<b>(9,107,099)</b>
Cash and cash equivalents at 1 January		<u>161,843,351</u>	<u>84,461,933</u>
<b>Cash and cash equivalents at 30 June</b>	3	<b><u><u>179,405,207</u></u></b>	<b><u><u>75,354,834</u></u></b>

The accompanying notes form an integral part of the interim financial statements.



**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2021 (Unaudited)**

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**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2021 (Unaudited)**

These notes form an integral part of the 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 financial statements and were approved and authorised for issuance by Company's Board of Directors on 13 August 2021.

**1 General information**

Pacific Cross Health Insurance Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 152 Chartered Square Building, 21<sup>st</sup> floor, North Sathorn Road, Silom, Bangrak, Bangkok.

The Company's major shareholders during the period were Med-Sure Services Company Limited (69.15% shareholding) which is incorporated in Thailand.

The principal activities of the Company are to operate in non-life insurance.

**2 Basis of preparation of the interim financial statements**

*(a) Statement of compliance*

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2019) Interim Financial Reporting and 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 for the Preparation and Submission of the Financial Statements and Reporting of the Operations of Non-Life Insurance Companies" B.E. 2562 (No. 2), dated 4 April 2019, which is effective for periods beginning on or after 1 January 2020.

The interim financial statements do not include all of the financial information required for full 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 and has not early adopted TFRS which are not yet effective. The application has 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.

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2021 (Unaudited)**

**3 Cash and cash equivalents**

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Cash	13,416	29,523
Deposits at banks - call deposits	179,391,791	161,813,828
<b>Cash and cash equivalents</b>	<b><u>179,405,207</u></b>	<b><u>161,843,351</u></b>

**4 Premiums due and uncollected, net**

As at 30 June 2021 and 31 December 2020, premiums due and uncollected and their aging are as follows:

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Not yet overdue	12,416,564	15,575,581
Overdue		
Less than 30 days	27,794,013	12,851,451
30 - 60 days	16,452,469	11,017,357
60 - 90 days	5,650,884	5,475,597
90 days - 1 year	9,896,519	5,860,627
Over 1 year	387,378	427,364
Total premium due and uncollected	<u>72,597,827</u>	<u>51,207,977</u>
Less allowance for doubtful accounts	<u>(387,378)</u>	<u>(427,364)</u>
<b>Premiums due and uncollected, net</b>	<b><u>72,210,449</u></b>	<b><u>50,780,613</u></b>

During the period ended 30 June 2021, the Office of Insurance Commission, through several announcements for relief program under COVID 19 situation, has extended the grace period by 60 days for all policies which had original grace period expired during 1 January 2021 to 31 December 2021.

**5 Reinsurance receivables**

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Due from reinsurers	19,548,175	23,827,266
<b>Reinsurance receivables</b>	<b><u>19,548,175</u></b>	<b><u>23,827,266</u></b>

As at 30 June 2021 and 31 December 2020, aging analyses for due from reinsurers were as follows:

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Within credit terms	19,548,175	23,827,266
Overdue:		
Not over 1 year	-	-
<b>Total due from reinsurer</b>	<b><u>19,548,175</u></b>	<b><u>23,827,266</u></b>

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2021 (Unaudited)**

**6 Financial assets**

**6.1 Financial assets by measurement are as follows:**

	30 June 2021		31 December 2020	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost <i>(in Baht)</i>	Fair value
<i>Financial assets measured at amortised cost</i>				
Deposits at banks with original maturity over 3 months	337,286,500	337,286,500	301,146,317	301,146,317
Total	<u>337,286,500</u>	<u>337,286,500</u>	<u>301,146,317</u>	<u>301,146,317</u>
Less allowance for ECL	(108,030)	-	(95,489)	-
Total	<u>337,178,470</u>	<u>337,286,500</u>	<u>301,050,828</u>	<u>301,146,317</u>

**6.2 Financial assets measured at amortised cost**

	30 June 2021		Net carrying value
	Carrying value	Allowance for ECL <i>(in Baht)</i>	
Debt securities - no significant increase in credit risk (stage 1)	337,286,500	(108,030)	337,178,470
	<u>337,286,500</u>	<u>(108,030)</u>	<u>337,178,470</u>
	31 December 2020		Net carrying value
	Carrying value	Allowance for ECL <i>(in Baht)</i>	
Debt securities - no significant increase in credit risk (stage 1)	301,146,317	(95,489)	301,050,828
Total	<u>301,146,317</u>	<u>(95,489)</u>	<u>301,050,828</u>

**7 Equipment**

Acquisitions of equipment (excluding right-of-use assets) during the six-month period ended 30 June 2021 were as follows:

	Furniture and fixtures	Office equipment <i>(in Baht)</i>	Total
Net book value as at 1 January 2021	288,442	1,190,932	1,479,374
Addition - cost	-	896,560	896,560
Depreciation for the period	(37,394)	(306,143)	(343,537)
Net book value as at 30 June 2021	<u>251,048</u>	<u>1,781,349</u>	<u>2,032,397</u>

Carrying amounts of the Company's right-of-use assets at 30 June 2021 are Baht 9.2 million and the Company recognised depreciation of right-of-use assets for the six-month period ended 30 June 2021, amounting to Baht 1.4 million.

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2021 (Unaudited)**

Movement of right-of-use assets recognised as premises and vehicle is as follows:

<i>Right-of-use assets</i>	Building and leasehold	Vehicle <i>(in Baht)</i>	Total
Net book value as at 1 January 2021	9,485,375	2,615,736	12,101,111
Addition	-	-	-
Depreciation for the period	<u>(2,261,387)</u>	<u>(540,744)</u>	<u>(2,802,131)</u>
<b>As at 30 June 2021</b>	<b><u>7,223,988</u></b>	<b><u>2,074,992</u></b>	<b><u>9,298,980</u></b>

**8 Other assets**

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Deposits	1,450,207	1,590,130
Prepaid expense	1,449,778	545,752
Others	2,752,850	2,078,963
<b>Total</b>	<b><u>5,652,835</u></b>	<b><u>4,214,845</u></b>

**Pacific Cross Health Insurance Public Company Limited**  
Notes to the condensed interim financial statements  
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

	30 June 2021		31 December 2020	
	Gross	Reinsurer's share	Gross	Reinsurer's share
	(in Baht)			
		Net		Net
<b>9 Insurance contract liabilities</b>				
<b>Short-term technical reserves</b>				
Loss reserves and outstanding claims				
- Case reserves	50,101,865	13,550,673	41,443,430	5,502,764
- Incurred but not reported	29,360,352	24,603,768	23,247,360	16,624,785
Total loss reserves and outstanding claims	79,462,217	38,154,441	64,690,790	22,127,549
Unearned premium reserves	351,583,425	249,839,795	316,609,705	198,131,762
<b>Total</b>	<b>431,045,642</b>	<b>287,994,236</b>	<b>381,300,495</b>	<b>220,259,311</b>
<b>9.1 Loss reserves and outstanding claims</b>				
At 1 January	64,690,790	22,127,549	71,933,888	24,621,267
Insurance claim expense incurred during the period / year	138,250,532	88,124,652	223,746,405	137,495,774
Change in estimation and assumption	6,112,992	7,978,983	7,030,018	5,816,295
Insurance claim expense paid during the period / year	(129,592,097)	(80,076,743)	(238,019,521)	(145,805,787)
<b>At 30 June 2021 / 31 December 2020</b>	<b>79,462,217</b>	<b>38,154,441</b>	<b>64,690,790</b>	<b>22,127,549</b>
<b>9.2 Unearned premium reserves</b>				
At 1 January	316,609,705	198,131,762	227,520,012	140,285,355
Premium written during the period / year	342,713,482	249,195,494	593,913,075	375,188,392
Earned premium in the period / year	(307,739,762)	(197,487,461)	(504,823,382)	(317,341,985)
<b>At 30 June 2021 / 31 December 2020</b>	<b>351,583,425</b>	<b>249,839,795</b>	<b>316,609,705</b>	<b>198,131,762</b>
Unexpired risk reserves	198,583,530	142,245,871	178,824,674	116,613,907

As at 30 June 2021 and 31 December 2020, no additional reserve for unexpired risk reserves has been established as the unexpired risk reserves estimated by the Company amounting to Baht 198.58 million (31 December 2020: Baht 178.82 million) are lower than the unearned premium reserves.

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and six-month periods ended 30 June 2021 (Unaudited)**

**10 Reinsurance payable**

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Amounts withheld on reinsurance	64,741,349	65,676,001
Due to reinsurers	46,237,881	56,344,013
<b>Total</b>	<b><u>110,979,230</u></b>	<b><u>122,020,014</u></b>

**11 Other liabilities**

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Other accrued expenses	20,621,997	23,445,982
Commission and brokerage payable	13,478,013	11,812,976
Premium received in advance	7,069,893	7,913,278
Others	1,989,896	2,562,566
<b>Total</b>	<b><u>43,159,799</u></b>	<b><u>45,734,802</u></b>

**12 Expected credit loss**

<i>Six-month period ended 30 June</i>	2021	2020
	<i>(in Baht)</i>	
<i>Financial assets</i>		
Financial assets measured at amortised cost	12,541	6,778
<b>Total</b>	<b><u>12,541</u></b>	<b><u>6,778</u></b>

**13 Income tax expense**

*Income tax recognised in profit or loss*

<i>Six-month period ended 30 June</i>	2021	2020
	<i>(in Baht)</i>	
<i>Current tax</i>		
Current period	28,599,943	-
<i>Deferred tax</i>		
Movements in temporary differences	(23,652,995)	-
<b>Total</b>	<b><u>4,946,948</u></b>	<b><u>-</u></b>

**Pacific Cross Health Insurance Public Company Limited**  
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*Reconciliation of effective tax rate*

<i>Six-month period ended 30 June</i>	2021		2020	
	Rate (%)	(in Baht)	Rate (%)	(in Baht)
Profit before income tax		19,932,490		8,781,920
Income tax using the Thai corporation tax rate	20	3,986,498	20	1,756,384
Expenses not deductible for tax purposes		24,613,445		-
Expense (income) not subject to tax		(23,652,995)		11,242,997
Loss carry forward not recognised as deferred tax assets		-		(12,999,381)
<b>Total</b>	<b>25</b>	<b>4,946,948</b>	<b>-</b>	<b>-</b>

*Deferred tax assets*

	30 June 2021	31 December 2020
	(in Baht)	
<b>Deferred tax assets</b>	<b>38,167,027</b>	<b>14,514,032</b>

Movements in total deferred tax assets for the six-month period ended 30 June 2021 and 2020 are as follow:

	At 1 January 2021	(Charged) / credited to:		At 30 June 2021
		Profit or loss	Other comprehensive income	
		(in Baht)		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	85,473	(7,997)	-	77,476
Allowance of impairment	19,098	2,508	-	21,606
Premium reserve	9,611,281	20,421,038	-	30,032,319
Loss reserve	4,425,510	3,205,378	-	7,630,888
Employee benefits obligation	372,670	32,068	-	404,738
<b>Total</b>	<b>14,514,032</b>	<b>23,652,995</b>	<b>-</b>	<b>38,167,027</b>

	At 1 January 2020	(Charged) / credited to:		At 30 June 2020
		Profit or loss	Other comprehensive income	
		(in Baht)		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	-	-	-	-
Allowance of impairment	-	-	-	-
Premium reserve	-	-	-	-
Loss reserve	-	-	-	-
Employee benefits obligation	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>



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**14 Basic earnings per share**

The calculations of basic earnings per share for the six-month period ended 30 June 2021 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period were as follows:

<i>Six-month period ended 30 June</i>	2021	2020
Profit for the period attributable to ordinary shareholders ( <i>in Baht</i> )	<u>14,985,542</u>	<u>8,781,920</u>
Number of ordinary shares outstanding ( <i>in shares</i> )	<u>20,000,000</u>	<u>20,000,000</u>
<b>Basic earnings per share (<i>Baht</i>)</b>	<b><u>0.75</u></b>	<b><u>0.44</u></b>

**15 Related parties**

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

**(a) Relationship with key management and related parties were as follows:**

<b>Name of entities</b>	<b>Nature of relationships</b>
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.
Med-Sure Services Limited	Major shareholder (69.15% shareholding)
Legal Concept Company Limited	Related company

The pricing policies for significant types of transactions with are explained further below:

<b>Significant transactions type</b>	<b>Pricing policies</b>
Rental and service income (other income)	At contractually agreed prices
Underwriting and loss adjustment expense (other underwriting expenses and insurance claim expenses)	At contractually agreed prices
Legal consulting fee (operating expenses)	At contractually agreed prices

**Pacific Cross Health Insurance Public Company Limited**  
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(b) Transactions with related parties and key management were as follows:

<i>Six-month period ended 30 June</i>	2021	2020
	<i>(in Baht)</i>	
<i>Med-Sure Services Limited</i>		
Rental and Service income	1,920,000	1,920,000
Underwriting and loss adjustment expense	20,527,910	15,784,540
<i>Legal Concept Company Limited</i>		
Legal consulting fee	48,500	29,620
<i>Key management personnel compensation</i>		
Short-term employee benefits	9,909,299	9,429,393
Directors remuneration	220,000	170,000
Post-employment benefits	102,398	34,061
<b>Total</b>	<b><u>10,231,697</u></b>	<b><u>9,633,454</u></b>

Balance with related parties as at 30 June 2021 and 31 December 2020 were as follows:

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
<i>Med-Sure Services Limited</i>		
Underwriting and loss adjustment payable	4,711,486	4,055,467

## 16 Financial instruments

### Financial instruments not measured at fair value

The carrying amounts of the following financial assets are considered to be approximate to their fair values: cash and cash equivalents, accrued investment income, premiums due and uncollected, reinsurance receivables, other receivables, reinsurance payables, and other payables.

## 17 Securities and assets pledged with the Registrar

17.1 As at 30 June 2021 and 31 December 2020, deposits at bank had been pledged with the Registrar in accordance with the Non-Life Insurance Act (No. 2) B.E. 2551 as follows:

	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
	Book value	Book value
Deposits at bank	<u>3,500,000</u>	<u>3,500,000</u>

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17.2 As at 30 June 2021 and 31 December 2020, deposits at bank had been pledged with the Registrar as the reserve fund in accordance with the Notification of the Office of Insurance Commission regarding “Rates, Rules and Procedures for Unearned Premium Reserve of Non - Life Insurance Companies B.E. 2557” as follows:

	30 June 2021	31 December 2020
	Book value	Book value
	<i>(in Baht)</i>	
Deposits at bank	<u>81,058,718</u>	<u>60,261,662</u>

**18 Commitments with non-related parties**

<i>Future minimum lease payment under non-cancellable operating leases</i>	30 June 2021	31 December 2020
	<i>(in Baht)</i>	
Within 1 year	276,000	342,000
1 - 5 years	<u>225,500</u>	<u>363,500</u>
<b>Total</b>	<u><b>501,500</b></u>	<u><b>705,500</b></u>