

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

Condensed interim financial statements  
for the three-month period ended  
31 March 2023  
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 31 March 2023; the statements of comprehensive income, the statements of changes in equity and cash flows for the three-month period ended 31 March 2023; 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".

#### *Emphasis of Matter*

I draw attention to note 3 to the financial statements describing the effect of the Company's change in accounting policy related to deferred acquisition cost for insurance contracts since quarter 4 of 2022. My conclusion is not modified in respect of this matter.

Pantip Gulsantithamrong  
Certified Public Accountant  
Registration No. 4208

KPMG Phoomchai Audit Ltd.  
Bangkok  
15 May 2023

# Pacific Cross Health Insurance Public Company Limited

## Statement of financial position

Assets	Note	31 March	31 December
		2023	2022
		(Unaudited)	
		(in Baht)	
Cash and cash equivalents	4	707,535,779	464,705,811
Premiums due and uncollected, net	5	89,798,414	131,667,269
Accrued investment income		1,823,947	1,886,853
Reinsurers' share of insurance contract liabilities	11	199,572,059	189,790,228
Reinsurance receivables	7	31,973,107	29,873,103
Financial assets	8, 18, 19	613,769,600	599,247,737
Equipment	9	2,306,779	2,307,469
Right-of-use-assets	9	2,551,468	3,857,870
Intangible assets		7,084,808	3,839,703
Deferred acquisition costs	6	386,564,543	167,606,655
Deferred tax assets	15	130,530,241	33,801,820
Other assets	10	13,523,444	11,509,704
<b>Total assets</b>		<b>2,187,034,189</b>	<b>1,640,094,222</b>

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

**Pacific Cross Health Insurance Public Company Limited**  
**Statement of financial position**

		31 March 2023 (Unaudited)	31 December 2022
<b>Liabilities and equity</b>	<i>Note</i>		
		(in Baht)	
<b>Liabilities</b>			
Insurance contract liabilities	11	1,196,047,070	769,660,285
Reinsurance payable	12	146,388,346	141,056,520
Income tax payable		177,203,155	54,448,994
Provisions for employee benefits		3,971,829	3,796,216
Lease liabilities		2,636,192	4,019,645
Other liabilities	13, 17	180,151,522	187,218,733
<b>Total liabilities</b>		<b>1,706,398,114</b>	<b>1,160,200,393</b>
<b>Equity</b>			
Share capital			
Authorised share capital (20,000,000 ordinary shares, par value at Baht 25 per share)		500,000,000	500,000,000
Issued and paid share capital (20,000,000 ordinary shares, par value at Baht 25 per share)		500,000,000	500,000,000
Deficit			
Deficit		(19,363,925)	(20,106,171)
<b>Total equity</b>		<b>480,636,075</b>	<b>479,893,829</b>
<b>Total liabilities and equity</b>		<b>2,187,034,189</b>	<b>1,640,094,222</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)**

		Three-month period ended	
		31 March	
	<i>Note</i>	2023	2022
			(Restated)
		<i>(in Baht)</i>	
<b>Revenues</b>			
Gross premium written		1,062,139,730	349,883,175
<i>Less</i> premium ceded		<u>(63,233,653)</u>	<u>(52,654,527)</u>
Net premiums written		998,906,077	297,228,648
<i>Add (less)</i> unearned premium reserve increase from previous period		(385,204,253)	(99,167,851)
<i>(Less) add</i> reinsurers' share of (increase) decrease in unearned premium reserve from previous period		<u>(12,809,854)</u>	<u>2,016,160</u>
Net premiums earned		600,891,970	200,076,957
Fee and commission income		24,124,155	20,988,950
Net investment income		1,768,503	692,076
Other income	17	<u>194,213</u>	<u>762,255</u>
<b>Total income</b>		<u><b>626,978,841</b></u>	<u><b>222,520,238</b></u>
<b>Expenses</b>			
Insurance claim expenses	17	218,129,309	98,433,775
<i>Less</i> insurance claim expenses recovered from reinsurers		<u>(51,971,705)</u>	<u>(25,712,597)</u>
Net insurance claim expenses		166,157,604	72,721,178
Commission and brokerage expenses		112,377,517	24,506,593
Other underwriting expenses	17	231,087,175	22,031,343
Operating expenses	17	90,542,504	26,560,148
Expected credit loss	14	<u>46,052</u>	<u>84,253</u>
<b>Total expenses</b>		<u><b>600,210,852</b></u>	<u><b>145,903,515</b></u>
<b>Profit before income tax</b>		<b>26,767,989</b>	<b>76,616,723</b>
Income tax expense	15	<u>26,025,743</u>	<u>2,642,525</u>
<b>Profit for the period</b>		<u><b>742,246</b></u>	<u><b>73,974,198</b></u>
<b>Total comprehensive income for the period</b>		<u><b>742,246</b></u>	<u><b>73,974,198</b></u>
<b>Basic earnings per share</b>	16	<u><b>0.04</b></u>	<u><b>3.70</b></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>Three-month period ended 31 March 2022</b>			
<b>Balance at 1 January 2022 restated</b>	<b>500,000,000</b>	<b>(232,465,064)</b>	<b>267,534,936</b>
<b>Comprehensive income for the period</b>			
Profit for the period	-	73,974,198	73,974,198
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>73,974,198</b>	<b>73,974,198</b>
<b>Balance at 31 March 2022</b>	<b>500,000,000</b>	<b>(158,490,866)</b>	<b>341,509,134</b>
<b>Three-month period ended 31 March 2023</b>			
<b>Balance at 1 January 2023</b>	<b>500,000,000</b>	<b>(20,106,171)</b>	<b>479,893,829</b>
<b>Comprehensive income for the period</b>			
Profit for the period	-	742,246	742,246
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>742,246</b>	<b>742,246</b>
<b>Balance at 31 March 2023</b>	<b>500,000,000</b>	<b>(19,363,925)</b>	<b>480,636,075</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)

		Three-month period ended	
		31 March	
	Note	2023	2022
		(in Baht)	
<b>Cash flows from operating activities</b>			
Premiums written		1,097,682,068	298,115,172
Cash paid to reinsurers		(7,148,374)	(12,145,491)
Interest received		1,352,340	405,327
Other income		194,212	762,255
Insurance claims expenses		(170,085,777)	(168,869,139)
Commission and brokerage expenses		(526,765,875)	(49,891,392)
Other underwriting expenses		(37,424,231)	(37,172,582)
Operating expenses		(95,159,154)	(24,545,963)
Income tax expense		(38,466)	-
Cash received - financial assets		589,421,700	100,552,758
Cash payment - financial assets		(603,792,963)	(199,308,302)
Cash received from insurance contracts obtained from portfolio transfers			
included cash adjustment on 16 March 2022		-	310,156,181
<b>Net cash provided by operating activities</b>		<b>248,235,480</b>	<b>218,058,824</b>
<b>Cash flows from investing activities</b>			
<b>Cash flows used in:</b>			
Acquisition of equipment	9	(708,205)	(115,410)
Acquisition of intangible assets		(3,313,853)	-
<b>Net cash used in investing activities</b>		<b>(4,022,058)</b>	<b>(115,410)</b>
<b>Cash flows from financing activities</b>			
<b>Cash flows used in:</b>			
Payment of lease liabilities		(1,383,454)	(1,407,121)
<b>Cash used in financing activities</b>		<b>(1,383,454)</b>	<b>(1,407,121)</b>
<b>Net increase in cash and cash equivalents</b>		<b>242,829,968</b>	<b>216,536,293</b>
Cash and cash equivalents at 1 January		464,705,811	186,171,560
<b>Cash and cash equivalents at 31 March</b>	4	<b>707,535,779</b>	<b>402,707,853</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 period ended 31 March 2023 (Unaudited)**

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**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month period ended 31 March 2023 (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 Audit Committee on 15 May 2023.

**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.s

The Company’s major shareholders during the period were Med-Sure Services Company Limited (69.15% shareholding) which is incorporated in Thailand. The company’s ultimate parent company is Pacific Cross International Limited.

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 (TFAC). 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 of Non-Life Insurance Companies” B.E. 2566, dated 8 February 2023 which was applicable for the financial reporting period starting from 1 January 2023.

The interim financial statements do not include all 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 2022.

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. Those new and revised TFRS that are relevant to the Company’s operations are disclosed in note 21.

**(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 2022.

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month period ended 31 March 2023 (Unaudited)**

**3 Change in accounting policy**

Since quarter 4 of year 2022, the company has changed the accounting policy related to deferred acquisition cost for insurance contracts where the costs of acquiring new insurance contracts, including commissions and the policy service fee e.t.c., are recognized as a deferred asset and are subsequently amortised on systematic basis. The management considered that such information is more relevant to the decision-making needs of the financial users and no less reliable, or more reliable and no less relevant to those need under TFRS 4 Insurance Contract. The company has restated the financial for this change.

The impact on the financial statement are as follows

	As reported in the prior year	The impacts of the change in accounting policy (in Baht)	Restated
<i>Statement of comprehensive income for the three-month period ended 31 March 2022</i>			
Commission and brokerage expenses	62,727,472	(38,220,879)	24,506,593
Other underwriting expenses	37,411,008	(15,379,665)	22,031,343

**4 Cash and cash equivalents**

	31 March 2023	31 December 2022
	(in Baht)	
Cash	27,536	10,088
Deposits at banks - call deposits	641,081,159	444,195,723
Highly liquid short-term investment	66,427,084	20,500,000
<b>Cash and cash equivalents</b>	<b>707,535,779</b>	<b>464,705,811</b>

**5 Premiums due and uncollected, net**

As at 31 March 2023 and 31 December 2022, premiums due and uncollected and their aging are as follows:

	31 March 2023	31 December 2022
	(in Baht)	
Not yet overdue	10,075,401	36,942,422
Overdue		
Less than 30 days	19,190,457	15,784,931
30 - 60 days	48,392,072	52,178,543
60 - 90 days	7,216,847	10,427,961
90 days - 1 year	4,923,637	16,333,412
Over 1 year	11,003,011	5,135,133
Total premium due and uncollected	100,801,425	136,802,402
Less allowance for doubtful accounts	(11,003,011)	(5,135,133)
<b>Premiums due and uncollected, net</b>	<b>89,798,414</b>	<b>131,667,269</b>

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month period ended 31 March 2023 (Unaudited)**

**6 Deferred acquisition costs**

The movements of deferred acquisition costs are as follows:

	31 March 2023	31 December 2022
	<i>(in Baht)</i>	
At 1 January	167,606,655	43,725,421
Deferral of acquisition costs	372,531,273	353,713,601
Amortisation of acquisition costs	<u>(153,573,385)</u>	<u>(229,832,367)</u>
<b>At 31 March</b>	<b><u>386,564,543</u></b>	<b><u>167,606,655</u></b>

**7 Reinsurance receivables**

	31 March 2023	31 December 2022
	<i>(in Baht)</i>	
Due from reinsurers	<u>31,973,107</u>	<u>29,873,103</u>
<b>Reinsurance receivables</b>	<b><u>31,973,107</u></b>	<b><u>29,873,103</u></b>

As at 31 March 2023 and 31 December 2022, aging analyses for due from reinsurers were as follows:

	31 March 2023	31 December 2022
	<i>(in Baht)</i>	
Within credit terms	31,709,135	29,609,131
Overdue:		
Not over 1 year	<u>263,972</u>	<u>263,972</u>
<b>Total due from reinsurer</b>	<b><u>31,973,107</u></b>	<b><u>29,873,103</u></b>

**8 Financial assets**

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

	31 March 2023		31 December 2022	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
	<i>(in Baht)</i>			
<b><i>Financial assets measured at fair value through profit and loss</i></b>				
Unit trust in private fund				
- equity securities	<u>30,000,000</u>	<u>30,375,164</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>30,000,000</u>	<u>30,375,164</u>	<u>-</u>	<u>-</u>
Add unrealised gains	<u>375,164</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total <i>Financial assets</i> measured at fair value through profit or loss</b>	<b><u>30,375,164</u></b>	<b><u>30,375,164</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month period ended 31 March 2023 (Unaudited)**

	31 March 2023		31 December 2022	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
			(in Baht)	
<b><i>Financial assets measured at amortised cost</i></b>				
Deposits at banks with original maturity over 3 months	573,837,432	573,837,432	589,644,681	589,644,681
Private debt securities	10,000,000	10,111,551	10,000,000	10,100,996
Total	583,837,432	583,948,983	599,644,681	599,745,677
Less allowance for ECL	(442,996)	-	(396,944)	-
<b>Total Financial assets measured at amortised cost</b>	<b>583,394,436</b>	<b>583,948,983</b>	<b>599,247,737</b>	<b>599,745,677</b>
<b>Total</b>	<b>613,769,600</b>	<b>614,324,147</b>	<b>599,247,737</b>	<b>599,745,677</b>

**8.2 Financial assets measured at amortised cost**

	Carrying value	31 March 2023 Allowance for ECL (in Baht)	Net carrying value
<b><i>Debt securities - no significant increase in credit risk (stage 1)</i></b>			
Deposit at banks with original maturity over 3 months	573,837,432	(433,546)	573,403,886
Private debt securities	10,000,000	(9,450)	9,990,550
<b>Total</b>	<b>583,837,432</b>	<b>(442,996)</b>	<b>583,394,436</b>
	Carrying value	31 December 2022 Allowance for ECL (in Baht)	Net carrying value
<b><i>Debt securities - no significant increase in credit risk (stage 1)</i></b>			
Deposit at banks with original maturity over 3 months	589,644,681	(387,494)	589,257,187
Private debt securities	10,000,000	(9,450)	9,990,550
<b>Total</b>	<b>599,644,681</b>	<b>(396,944)</b>	<b>599,247,737</b>

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month period ended 31 March 2023 (Unaudited)**

**9 Equipment**

Acquisitions of equipment (excluding right-of-use assets) during the three-month period ended 31 March 2023 were as follows:

	Furniture and fixtures	Office equipment (in Baht)	Total
Net book value as at 1 January 2023	531,358	1,776,111	2,307,469
Addition - cost	190,700	617,171	807,871
Disposals - net book value	-	(6)	(6)
Depreciation for the period	(535,481)	(273,074)	(808,555)
<b>Net book value as at 31 March 2023</b>	<b>186,577</b>	<b>2,120,202</b>	<b>2,306,779</b>

The gross amount of the Company's fully depreciated equipment that was still in use as at 31 March 2023 amounted to Baht 12.69 million (31 December 2022: Baht 11.65 million).

Carrying amounts of the Company's right-of-use assets at 31 March 2023 are Baht 2.55 million and the Company recognised depreciation of right-of-use assets for the three-month period ended 31 March 2023, amounting to Baht 1.31 million.

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

<i>Right-of-use assets</i>	Building and leasehold	Vehicle (in Baht)	Total
Net book value as at 1 January 2023	1,722,009	2,135,861	3,857,870
Depreciation for the period	(1,116,470)	(189,3932)	(1,306,402)
<b>As at 31 March 2023</b>	<b>605,539</b>	<b>1,945,929</b>	<b>2,551,468</b>

**10 Other assets**

	31 March 2023	31 December 2022
	(in Baht)	
Prepaid expense	1,856,307	782,215
Deposits	1,590,671	1,450,056
Others	10,076,466	9,277,433
<b>Total</b>	<b>13,523,444</b>	<b>11,509,704</b>

**Pacific Cross Health Insurance Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month period ended 31 March 2023 (Unaudited)**

**11 Insurance contract liabilities**

		31 March 2023			31 December 2022	
	Gross	Reinsurer's share	Net	Gross	Reinsurer's share	Net
	<i>(in Baht)</i>					
<b>Short-term technical reserves</b>						
Loss reserves and outstanding claims						
- Case reserves	116,783,075	(74,152,191)	42,630,884	67,456,114	(49,075,714)	18,380,400
- Incurred but not reported	84,284,580	(7,887,181)	76,397,399	89,437,216	(10,371,974)	79,065,242
Total loss reserves and outstanding claims	201,067,655	(82,039,372)	119,028,283	156,893,330	(59,447,688)	97,445,642
Unearned premium reserves	994,979,415	(117,532,687)	877,446,728	612,766,955	(130,342,540)	482,424,415
<b>Total</b>	<b>1,196,047,070</b>	<b>(199,572,059)</b>	<b>996,475,011</b>	<b>769,660,285</b>	<b>(189,790,228)</b>	<b>579,870,057</b>
<b>11.1 Loss reserves and outstanding claims</b>						
At 1 January	156,893,330	(59,447,688)	97,445,642	90,704,892	(47,303,417)	43,401,475
Insurance claim expense incurred during the period / year	220,797,152	(51,971,705)	168,825,447	498,973,250	(115,256,089)	383,717,161
Change in estimation and assumption	(5,152,636)	2,484,793	(2,667,843)	59,343,652	(5,561,744)	53,781,908
Insurance claim expense paid during the period / year	(171,470,191)	26,895,228	(144,574,963)	(492,128,464)	108,673,562	(383,454,902)
<b>At 31 March 2023 / 31 December 2022</b>	<b>201,067,655</b>	<b>(82,039,372)</b>	<b>119,028,283</b>	<b>156,893,330</b>	<b>(59,447,688)</b>	<b>97,445,642</b>
<b>11.2 Unearned premium reserves</b>						
At 1 January	612,766,955	(130,342,540)	482,424,415	361,028,719	(100,508,333)	260,520,386
Premium written during the period / year	1,059,147,937	(63,233,653)	995,914,284	2,126,737,995	(331,514,144)	1,795,223,851
Earned premium in the period / year	(676,935,477)	76,043,506	(600,891,971)	(1,874,999,756)	301,679,937	(1,573,319,822)
<b>At 31 March 2023 / 31 December 2022</b>	<b>994,979,415</b>	<b>(117,532,687)</b>	<b>877,446,728</b>	<b>612,766,955</b>	<b>(130,342,540)</b>	<b>482,424,415</b>
Unexpired risk reserves	308,457,874	(61,992,643)	246,465,231	192,185,678	(50,342,198)	141,463,480

As at 31 March 2023 and 31 December 2022, no additional reserve for unexpired risk reserves has been establish as the unexpired risk reserves estimated by the Company amounting to Baht 308.45 million (31 December 2022: Baht 192.19 million) are lower than the unearned premium reserves.

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**12 Reinsurance payable**

	31 March 2023	31 December 2022
	<i>(in Baht)</i>	
Amounts withheld on reinsurance	75,663,386	73,492,400
Due to reinsurers	70,724,960	67,564,120
<b>Total</b>	<b>146,388,346</b>	<b>141,056,520</b>

**13 Other liabilities**

	31 March 2023	31 December 2022
	<i>(in Baht)</i>	
Other accrued expenses	81,115,885	89,157,996
Commission and brokerage payable	22,527,659	24,955,658
Premium received in advance	11,049,070	9,680,122
Claim payable obtained from portfolio transfers	55,542,535	56,393,817
Others	9,916,373	7,031,140
<b>Total</b>	<b>180,151,222</b>	<b>187,218,733</b>

**14 Expected credit loss**

	2023	2022
	<i>(in Baht)</i>	
<i>Three-month period ended 31 March</i>		
<b>Financial assets</b>		
Financial assets measured at amortised cost	46,052	84,253
<b>Total</b>	<b>46,052</b>	<b>84,253</b>

**15 Income tax expense**

*Income tax recognised in profit or loss*

	2023	2022
	<i>(in Baht)</i>	
<i>Three-month period ended 31 March</i>		
<b>Current tax</b>		
Current period	122,754,164	61,115,317
<b>Deferred tax</b>		
Movements in temporary differences	(96,728,421)	(58,472,792)
<b>Total</b>	<b>26,025,743</b>	<b>2,642,525</b>

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***Reconciliation of effective tax rate***

<b><i>Three-month period ended 31 March</i></b>		<b>2023</b>		<b>2022 (Restated)</b>	
	<b>Rate (%)</b>	<b>(in Baht)</b>	<b>Rate (%)</b>	<b>(in Baht)</b>	
Profit before income tax		26,767,989		68,488,555	
Income tax using the Thai corporation tax rate	20	5,353,598	20	13,697,711	
Expenses not deductible for tax purposes		111,459,694		56,512,081	
Income not subject to tax		(90,787,549)		(58,472,792)	
Taxable expenses		-		(9,094,475)	
<b>Total</b>	<b>97</b>	<b>26,025,743</b>	<b>11</b>	<b>2,642,525</b>	

***Deferred tax assets (liabilities)***

	<b>31 March 2023</b>	<b>31 December 2022</b>
	<b>(in Baht)</b>	
Deferred tax assets	130,605,274	33,801,820
Deferred tax liabilities	(75,033)	-
<b>Deferred tax assets (liabilities)</b>	<b>130,530,241</b>	<b>33,801,820</b>

Movements in total deferred tax assets during the three-month period ended 31 March 2023 and 2022 are as follow:

	<b>At 1 January 2023</b>	<b>(Charged) / credited to:</b>		<b>At 31 March 2023</b>
		<b>Profit or loss</b>	<b>Other comprehensive income</b>	
		<b>(in Baht)</b>		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	1,027,027	1,173,575	-	2,200,602
Allowance of impairment	79,389	9,210	-	88,599
Premium reserve	12,292,833	91,269,017	-	103,561,850
Loss reserve	19,489,128	4,316,529	-	23,805,657
Employee benefits obligation	913,443	35,123	-	948,566
<b>Total</b>	<b>33,801,820</b>	<b>96,803,454</b>	<b>-</b>	<b>130,605,274</b>
<b>Deferred tax liabilities</b>				
Unrealised gains from financial assets measured at fair value through profit or loss	-	(75,033)	-	(75,033)
<b>Total</b>	<b>-</b>	<b>(75,033)</b>	<b>-</b>	<b>(75,033)</b>
<b>Net</b>	<b>33,801,820</b>	<b>96,728,421</b>	<b>-</b>	<b>130,530,241</b>

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	At 1 January 2022	(Charged) / credited to:		At 31 March 2022
		Profit or loss	Other comprehensive income (in Baht)	
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	158,038	(12,770)	-	145,268
Allowance of impairment	45,730	16,851	-	62,581
Premium reserve	12,292,833	59,703,283	-	71,996,116
Loss reserve	8,680,295	(1,251,081)	-	7,429,214
Employee benefits obligation	525,598	16,509.	-	542,107
<b>Total</b>	<b>21,702,494</b>	<b>58,472,792</b>	<b>-</b>	<b>80,175,286</b>

**16 Basic earnings per share**

The calculations of basic earnings per share for the three-month period ended 31 March 2023 and 2022 were based on the profit for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period were as follows:

<i>Three-month period ended 31 March</i>	2023	2022 (Restated)
Profit for the period attributable to ordinary shareholders (in Baht)	742,246	73,974,198
Number of ordinary shares outstanding (in shares)	20,000,000	20,000,000
<b>Basic earnings per share (Baht)</b>	<b>0.04</b>	<b>3.70</b>

**17 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:**

Name of entities	Country of incorporation	Nature of relationships
Med-Sure Services Limited	Thailand	Major shareholder (69.15% shareholding)
Legal Concept Company Limited	Thailand	Related company
Pacific Cross International Limited	Hong Kong	Ultimate parent company
Key management personnel	Thai/Foreigner	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.

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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
Consulting fees (operating expenses)	At mutually agreed prices

**(b) Transactions with related parties and key management were as follows:**

<i>Three-month period ended 31 March</i>	2023	2022
	<i>(in Baht)</i>	
<b><i>Med-Sure Services Limited</i></b>		
Rental and Service income	-	640,000
Underwriting	27,341,871	7,599,946
Loss adjustment expense	18,025,608	4,725,139
<b><i>Legal Concept Company Limited</i></b>		
Legal consulting fee	-	85,500
<b><i>Pacific Cross International Limited</i></b>		
Consulting fees	14,625,090	-
<b><i>Key management personnel compensation</i></b>		
Short-term employee benefits	6,507,457	5,574,169
Directors remuneration	70,000	70,000
Post-employment benefits	32,369	18,647
<b>Total</b>	<b>6,609,826</b>	<b>5,662,816</b>

Balance with related parties as at 31 March 2023 and 31 December 2022 were as follows:

	31 March 2023	31 December 2022
	<i>(in Baht)</i>	
<b><i>Med-Sure Services Limited</i></b>		
Underwriting and loss adjustment payable	8,741,473	10,648,799
<b><i>Pacific Cross International Limited</i></b>		
Other accrued expenses	31,523,459	16,898,369

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**18 Financial instruments**

**Financial instruments measured at fair value**

The following table shows the carrying amounts and fair values of financial assets 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 not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair value			Total
	Level 1	Level 2	Level 3 (in Baht)	
<b>31 March 2023</b>				
<b>Financial assets</b>				
Unit trust in private fund				
- equity securities	-	-	30,375,164	30,375,164
<b>Total</b>	<b>-</b>	<b>-</b>	<b>30,375,164</b>	<b>30,375,164</b>

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 in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the assets or liabilities that are based on 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 3 fair value for Unit trust in private fund - equity securities using the net asset value (NAV) provided by assets management companies at the reporting date.

**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.

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**19 Securities and assets pledged with the Registrar**

19.1 As at 31 March 2023 and 31 December 2022, deposits at bank had been pledged with the Registrar in accordance with the Non-Life Insurance Act (No. 2) B.E. 2551 as follows:

	31 March 2023	31 December 2022
	Book value	Book value
	(in Baht)	
Term deposits	<u>3,500,000</u>	<u>3,500,000</u>

19.2 As at 31 March 2023 and 31 December 2022, 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:

	31 March 2023	31 December 2022
	Book value	Book value
	(in Baht)	
Term deposits	<u>172,347,899</u>	<u>172,331,604</u>

**20 Commitments with non-related parties**

<i>Future minimum lease payment under non-cancellable operating leases</i>	31 March 2023	31 December 2022
	(in Baht)	
Within 1 year	276,000	342,000
1 - 5 years	6,500	26,000
<b>Total</b>	<u><b>282,500</b></u>	<u><b>368,000</b></u>

**21 Thai Financial Reporting Standards (TFRS) not yet adopted**

A number of new TFRS which are relevant to the Company’s operations are expected to have significant impact on the Company’s financial statements on the date of initial application are as follows:

<b>TFRS</b>	<b>Topic</b>
TFRS 17	Insurance contracts

TFRS 17 will replace TFRS 4 - Insurance Contracts for the annual periods beginning on or after 1 January 2025.

TFRS 17 introduces the new measurement model which consists of fulfillment cash flows and a contractual service margin. The fulfillment cash flows represent the risk adjusted present value of the insurer’s rights and obligations to the policyholders, comprising estimates of expected cash flows, discounting, and an explicit risk adjustment for non-financial risk. The contractual service margin represents the unearned profit from in-force contracts that the Company will recognise as it provides services over the coverage period. The contractual service margin is earned based on a pattern of coverage units, reflecting the quantity of benefits provided. The simplified approach may be chosen to adopt when certain criteria are met.

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The Company may elect to recognise the cumulative negative impact on insurance contract liabilities from the adoption of TFRS 17 to retained earnings by applying the straight-line method within the period not exceeding 3 years from transition date.

TFRS 17 also introduces substantial changes in both presentation of the statement of financial position and statement of comprehensive income, as well as more granular disclosure requirements.

Management is presently considering the potential impact of adopting and initially applying those TFRSs on the financial statements.