

**Pacific Cross Health Insurance  
Public Company Limited**

Condensed interim financial statements  
for the three-month and six-month period ended  
30 June 2024  
and  
Independent auditor's review report



KPMG Phoomchai Audit Ltd.  
50<sup>th</sup> Floor, Empire Tower  
1 South Sathorn Road, Yannawa  
Sathorn, Bangkok 10120, Thailand  
Tel +66 2677 2000  
Fax +66 2677 2222  
Website home.kpmg/th

บริษัท เคพีเอ็มจี ภูมิไชย สอบบัญชี จำกัด  
ชั้น 50 เอ็มไพร์ทาวเวอร์  
1 ถนนสาทรใต้ แขวงยานนาวา  
เขตสาทร กรุงเทพฯ 10120  
โทร +66 2677 2000  
แฟกซ์ +66 2677 2222  
เว็บไซต์ home.kpmg/th

## 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 2024; the statements of comprehensive income for the three-month and six-month periods ended 30 June 2024; the statements of changes in equity and cash flows for the six-month period ended 30 June 2024; 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 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".

Charinrat Noprampa  
Certified Public Accountant  
Registration No. 10448

KPMG Phoomchai Audit Ltd.  
Bangkok  
14 August 2024

# Pacific Cross Health Insurance Public Company Limited

## Statement of financial position

Assets	Note	30 June	31 December
		2024	2023
		(Unaudited)	
		(in Baht)	
Cash and cash equivalents	3	407,270,608	399,392,178
Premiums due and uncollected, net	4	123,219,102	109,142,432
Accrued investment income		8,095,493	4,208,218
Reinsurers' share of insurance contract liabilities	9	371,111,567	205,688,092
Reinsurance receivables	6	63,966,322	30,469,833
Financial assets	7, 16, 17	712,446,579	779,597,064
Equipment		19,178,487	3,346,755
Right-of-use-assets		44,542,080	13,395,815
Intangible assets		12,286,950	12,413,598
Deferred acquisition costs	5	95,782,194	136,088,602
Deferred tax assets	13	12,941,581	28,791,939
Other assets	8, 15	82,979,290	62,767,876
<b>Total assets</b>		<b>1,953,820,253</b>	<b>1,785,302,402</b>

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

# Pacific Cross Health Insurance Public Company Limited

## Statement of financial position

		30 June 2024 (Unaudited)	31 December 2023
<b>Liabilities and equity</b>	<i>Note</i>		
		(in Baht)	
<b>Liabilities</b>			
Insurance contract liabilities	9	612,242,056	714,972,931
Reinsurance payable	10	256,435,526	152,896,445
Income tax payable		41,344,087	51,461,602
Provisions for employee benefits		5,160,844	4,809,476
Lease liabilities		46,403,806	13,744,847
Other liabilities	11, 15	187,356,040	164,981,451
<b>Total liabilities</b>		<b>1,148,942,359</b>	<b>1,102,866,752</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-up share capital			
(20,000,000 ordinary shares, par value at Baht 25 per share)		500,000,000	500,000,000
Retained earnings			
Appropriated			
Legal reserve		9,131,413	9,131,413
Unappropriated		295,746,481	173,304,237
<b>Total equity</b>		<b>804,877,894</b>	<b>682,435,650</b>
<b>Total liabilities and equity</b>		<b>1,953,820,253</b>	<b>1,785,302,402</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	
		30 June	
	Note	2024	2023
(in Baht)			
<b>Revenues</b>			
Gross premium written		331,195,321	422,091,325
Less premium ceded		(81,086,712)	(63,293,614)
Net premiums written		250,108,609	358,797,711
Add unearned premium reserve decrease from previous period		138,727,200	316,347,049
Add reinsurers' share of decrease in unearned premium reserve from previous period		5,013,290	3,153,421
Net premiums earned		393,849,099	678,298,181
Fee and commission income		31,904,383	25,225,322
Net investment income		3,457,153	2,442,208
Gain (loss) on investments		(169,148)	140,604
Loss on fair value changes	7	(562,815)	(1,539,552)
Other income		306,717	336,744
<b>Total income</b>		<b>428,785,388</b>	<b>704,903,507</b>
<b>Expenses</b>			
Insurance claim expenses	15	155,007,769	133,313,915
Less insurance claim expenses recovered from reinsurers		(74,200,846)	(23,430,598)
Net insurance claim expenses		80,806,923	109,883,317
Commission and brokerage expenses		67,113,569	123,741,583
Other underwriting expenses	15	110,017,751	228,401,915
Operating expenses	15	60,890,767	60,949,726
Expected credit loss (reversal)	12	(14,203)	126,006
<b>Total expenses</b>		<b>318,814,807</b>	<b>523,102,547</b>
<b>Profit before income tax</b>		<b>109,970,581</b>	<b>181,800,960</b>
Income tax expense	13	22,119,725	13,182,389
<b>Profit for the period</b>		<b>87,850,856</b>	<b>168,618,571</b>
<b>Total comprehensive income for the period</b>		<b>87,850,856</b>	<b>168,618,571</b>
<b>Basic earnings per share</b>	14	<b>4.39</b>	<b>8.43</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)**

		Six-month period ended	
		30 June	
	Note	2024	2023
(in Baht)			
<b>Revenues</b>			
Gross premium written		838,913,005	1,484,231,055
Less premium ceded		(184,003,978)	(126,527,266)
Net premiums written		654,909,027	1,357,703,789
Add (less) unearned premium reserve decrease (increase) from previous period		81,233,590	(68,857,204)
Add (less) reinsurers' share of decrease (increase) in unearned premium reserve from previous period		35,940,473	(9,656,433)
Net premiums earned		772,083,090	1,279,190,152
Fee and commission income		67,909,389	49,349,477
Net investment income		6,874,923	3,835,547
Gain (loss) on investments		(301,091)	140,604
Loss on fair value changes	7	(334,843)	(1,164,388)
Other income		316,034	530,956
<b>Total income</b>		<b>846,547,502</b>	<b>1,331,882,348</b>
<b>Expenses</b>			
Insurance claim expenses	15	361,113,019	351,443,224
Less insurance claim expenses recovered from reinsurers		(156,025,569)	(75,402,303)
Net insurance claim expenses		205,087,450	276,040,921
Commission and brokerage expenses		137,066,387	236,119,100
Other underwriting expenses	15	234,259,566	459,489,090
Operating expenses	15	117,850,663	151,492,230
Expected credit loss	12	21,290	172,059
<b>Total expenses</b>		<b>694,285,356</b>	<b>1,123,313,400</b>
<b>Profit before income tax</b>		<b>152,262,146</b>	<b>208,568,948</b>
Income tax expense	13	29,819,902	39,208,132
<b>Profit for the period</b>		<b>122,442,244</b>	<b>169,360,816</b>
<b>Total comprehensive income for the period</b>		<b>122,442,244</b>	<b>169,360,816</b>
<b>Basic earnings per share</b>	14	<b>6.12</b>	<b>8.47</b>

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)**

		Retained earnings		
	Issued and paid-up share capital	Legal reserve	Unappropriated	Total equity
		(in Baht)		
Six-month period ended 30 June 2023				
Balance at 1 January 2023	500,000,000	-	(20,106,171)	479,893,829
Comprehensive income for the period				
Profit for the period	-	-	169,360,816	169,360,816
Total comprehensive income for the period	-	-	169,360,816	169,360,816
Balance at 30 June 2023	500,000,000	-	149,254,645	649,254,645
Six-month period ended 30 June 2024				
Balance at 1 January 2024	500,000,000	9,131,413	173,304,237	682,435,650
Comprehensive income for the period				
Profit for the period	-	-	122,442,244	122,442,244
Total comprehensive income for the period	-	-	122,442,244	122,442,244
Balance at 30 June 2024	500,000,000	9,131,413	295,746,481	804,877,894

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

# Pacific Cross Health Insurance Public Company Limited

## Statement of cash flows (Unaudited)

		Six-month period ended	
		30 June	
	<i>Note</i>	2024	2023
		<i>(in Baht)</i>	
<b><i>Cash flows from operating activities</i></b>			
Premiums written		842,110,564	1,503,751,153
Cash paid to reinsurers		(6,743,045)	(8,868,040)
Interest received		3,495,474	5,861,367
Other income		546,224	111,623
Insurance claims expenses		(382,059,081)	(350,943,415)
Commission and brokerage expenses		(143,121,665)	(236,043,604)
Other underwriting expenses		(192,059,233)	(511,497,505)
Operating expenses		(135,239,835)	(169,623,177)
Income tax expense		(24,356,924)	(21,462,751)
Cash received - financial assets		103,541,781	770,079,792
Cash payment - financial assets		(56,254,300)	(903,348,989)
<b>Net cash provided by operating activities</b>		<b>9,859,960</b>	<b>78,016,454</b>
<b><i>Cash flows from investing activities</i></b>			
<b>Cash flows provided by (used in):</b>			
Acquisition of equipment		(5,482,757)	(1,709,234)
Disposal of equipment		7,796,606	-
Acquisition of intangible assets		(301,080)	(3,699,846)
<b>Net cash provided by (used in) investing activities</b>		<b>2,012,769</b>	<b>(5,409,080)</b>
<b><i>Cash flows from financing activities</i></b>			
<b>Cash flows used in:</b>			
Payment of lease liabilities		(3,994,299)	(3,179,976)
<b>Cash used in financing activities</b>		<b>(3,994,299)</b>	<b>(3,179,976)</b>
<b>Net increase in cash and cash equivalents</b>		<b>7,878,430</b>	<b>69,427,398</b>
Cash and cash equivalents at 1 January		399,392,178	464,705,811
<b>Cash and cash equivalents at 30 June</b>	<b>3</b>	<b>407,270,608</b>	<b>534,133,209</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 2024 (Unaudited)**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the interim financial statements
3	Cash and cash equivalents
4	Premiums due and uncollected, net
5	Deferred acquisition costs
6	Reinsurance receivables
7	Financial assets
8	Other assets
9	Insurance contract liabilities
10	Reinsurance payable
11	Other liabilities
12	Expected credit loss
13	Income tax expense
14	Basic earnings per share
15	Related parties
16	Financial instruments
17	Securities and assets pledged with the Registrar
18	Commitments with non-related parties
19	Thai Financial Reporting Standards (TFRS) not yet adopted

**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 2024 (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 14 August 2024.

**1 General information**

Pacific Cross Health Insurance Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at No.3 Rajanakarn Building, 16<sup>th</sup> Fl., Zone BC, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120.

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 2023.

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 19.

**(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 2023.

**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 2024 (Unaudited)**

**3 Cash and cash equivalents**

	30 June 2024	31 December 2023
	<i>(in Baht)</i>	
Cash	2,149,438	1,198,105
Deposits at banks - call deposits	405,121,170	398,194,073
<b>Cash and cash equivalents</b>	<b>407,270,608</b>	<b>399,392,178</b>

**4 Premiums due and uncollected, net**

As at 30 June 2024 and 31 December 2023, premiums due and uncollected and their aging are as follows:

	30 June 2024	31 December 2023
	<i>(in Baht)</i>	
Not yet overdue	16,937,803	29,866,376
Overdue		
Less than 30 days	64,385,686	13,008,289
30 - 60 days	26,544,592	47,609,186
60 - 90 days	7,466,371	10,213,024
90 days - 1 year	7,884,650	8,445,557
Over 1 year	10,069,935	9,889,038
Total premium due and uncollected	133,289,037	119,031,470
Less allowance for doubtful accounts	(10,069,935)	(9,889,038)
<b>Premiums due and uncollected, net</b>	<b>123,219,102</b>	<b>109,142,432</b>

**5 Deferred acquisition costs**

The movements of deferred acquisition costs are as follows:

	30 June 2024	31 December 2023
	<i>(in Baht)</i>	
At 1 January	136,088,602	167,606,655
Deferral of acquisition costs	193,812,954	814,167,502
Amortisation of acquisition costs	(234,119,362)	(845,685,555)
<b>At 30 June 2024 / 31 December 2023</b>	<b>95,782,194</b>	<b>136,088,602</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 2024 (Unaudited)**

**6 Reinsurance receivables**

	30 June 2024	31 December 2023
	<i>(in Baht)</i>	
Due from reinsurers	63,966,322	30,469,833
<b>Reinsurance receivables</b>	<b>63,966,322</b>	<b>30,469,833</b>

As at 30 June 2024 and 31 December 2023, aging analyses for due from reinsurers were as follows:

	30 June 2024	31 December 2023
	<i>(in Baht)</i>	
Within credit terms	63,966,322	30,469,833
Overdue:		
Over 1 year	-	-
<b>Total due from reinsurer</b>	<b>63,966,322</b>	<b>30,469,833</b>

**7 Financial assets**

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

	30 June 2024		31 December 2023	
	Cost / Amortised cost	Fair value	Cost / Amortised cost	Fair value
	<i>(in Baht)</i>			
<i><b>Financial assets measured at fair value through profit or loss</b></i>				
Equity securities	26,053,559	24,189,433	26,567,241	25,782,089
Unit trusts	61,019,094	62,369,646	61,599,764	62,206,184
<b>Total</b>	<b>87,072,653</b>	<b>86,559,079</b>	<b>88,167,005</b>	<b>87,988,273</b>
Less unrealised loss	(513,574)	-	(178,732)	-
<b>Total financial assets measured at fair value through profit or loss</b>	<b>86,559,079</b>	<b>86,559,079</b>	<b>87,988,273</b>	<b>87,988,273</b>
<i><b>Financial assets measured at amortised cost</b></i>				
Deposits at banks with original maturity over 3 months	616,423,271	616,423,271	682,123,271	682,123,271
Private debt securities	10,000,000	10,011,940	10,000,000	10,001,584
<b>Total</b>	<b>626,423,271</b>	<b>626,435,211</b>	<b>692,123,271</b>	<b>692,124,855</b>
Less allowance for ECL	(535,771)	-	(514,480)	-
<b>Total financial assets measured at amortised cost</b>	<b>625,887,500</b>	<b>626,435,211</b>	<b>691,608,791</b>	<b>692,124,855</b>
<b>Total</b>	<b>712,446,579</b>	<b>712,994,290</b>	<b>779,597,064</b>	<b>780,113,128</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 2024 (Unaudited)**

**7.2 Financial assets measured at amortised cost**

	Carrying value	30 June 2024 Allowance for ECL (in Baht)	Net carrying value
<i>Debt securities - no significant increase in credit risk (stage 1)</i>			
Deposit at banks with original maturity over 3 months	616,423,271	(526,115)	615,897,156
Private debt securities	10,000,000	(9,656)	9,990,344
<b>Total</b>	<b>626,423,271</b>	<b>(535,771)</b>	<b>625,887,500</b>
	Carrying value	31 December 2023 Allowance for ECL (in Baht)	Net carrying value
<i>Debt securities - no significant increase in credit risk (stage 1)</i>			
Deposit at banks with original maturity over 3 months	682,123,271	(503,958)	681,619,313
Private debt securities	10,000,000	(10,522)	9,989,478
<b>Total</b>	<b>692,123,271</b>	<b>(514,480)</b>	<b>691,608,791</b>

**8 Other assets**

	Note	30 June 2024	31 December 2023
		(in Baht)	
Deposits		6,427,391	1,565,505
Prepaid expense		833,033	591,297
Advance prepaid of regional service fee	15	54,403,865	54,403,865
Others		21,315,001	6,207,209
<b>Total</b>		<b>82,979,290</b>	<b>62,767,876</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 2024 (Unaudited)**

	31 December 2023			
	Gross	Reinsurer's share	Net	Net
9 Insurance contract liabilities				
			(in Baht)	
<b>Short-term technical reserves</b>				
Loss reserves and outstanding claims				
- Case reserves	70,193,081	(186,094,735)	(115,901,654)	11,589,142
- Incurred but not reported	57,964,126	(22,393,213)	35,570,913	54,743,656
Total loss reserves and outstanding claims	128,157,207	(208,487,948)	(80,330,741)	66,332,798
Unearned premium reserves	484,084,849	(162,623,619)	321,461,230	442,952,040
<b>Total</b>	<b>612,242,056</b>	<b>(371,111,567)</b>	<b>241,130,489</b>	<b>509,284,838</b>
<b>9.1 Loss reserves and outstanding claims</b>				
At 1 January	145,337,745	(79,004,947)	66,332,798	97,445,642
Insurance claim expense incurred during the period / year	393,122,049	(156,025,569)	237,096,480	586,948,921
Change in estimation and assumption	(7,613,824)	(11,558,919)	(19,172,743)	(24,321,586)
Insurance claim expense paid during the period / year	(402,688,764)	38,101,487	(364,587,277)	(593,740,179)
<b>At 30 June 2024 / 31 December 2023</b>	<b>128,157,207</b>	<b>(208,487,948)</b>	<b>(80,330,741)</b>	<b>66,332,798</b>
<b>9.2 Unearned premium reserves</b>				
At 1 January	569,635,186	(126,683,146)	442,952,040	482,424,415
Premium written during the period / year	834,596,258	(184,003,978)	650,592,280	2,102,154,896
Earned premium in the period / year	(920,146,595)	148,063,505	(772,083,090)	(2,141,627,271)
<b>At 30 June 2024 / 31 December 2023</b>	<b>484,084,849</b>	<b>(162,623,619)</b>	<b>321,461,230</b>	<b>442,952,040</b>
Unexpired risk reserves	194,322,542	(65,782,348)	128,540,194	148,982,655

As at 30 June 2024 and 31 December 2023, no additional reserve for unexpired risk reserves has been establish as the unexpired risk reserves estimated by the Company amounting to Baht 194.32. million (31 December 2023: Baht 207.61 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 2024 (Unaudited)**

**10 Reinsurance payable**

	30 June 2024	31 December 2023
	<i>(in Baht)</i>	
Amounts withheld on reinsurance	91,883,691	77,170,604
Due to reinsurers	164,551,835	75,725,841
<b>Total</b>	<b>256,435,526</b>	<b>152,896,445</b>

**11 Other liabilities**

	30 June 2024	31 December 2023
	<i>(in Baht)</i>	
Other accrued expenses	73,564,095	70,278,137
Commission and brokerage payable	24,170,260	30,284,967
Premium received in advance	37,038,238	7,147,861
Claim payable and commission payable obtained from portfolio transfers	42,076,105	42,076,106
Others	10,507,342	15,194,380
<b>Total</b>	<b>187,356,040</b>	<b>164,981,451</b>

**12 Expected credit loss**

<i>Six-month period ended 30 June</i>	2024	2023
	<i>(in Baht)</i>	
<b>Financial assets</b>		
Financial assets measured at amortised cost	21,290	172,059
<b>Total</b>	<b>21,290</b>	<b>172,059</b>

**13 Income tax expense**

*Income tax recognised in profit or loss*

<i>Six-month period ended 30 June</i>	2024	2023
	<i>(in Baht)</i>	
<b>Current tax</b>		
Current period	13,971,601	66,439,366
Adjustment for prior period	(2,057)	(29,642,018)
<b>Deferred tax</b>		
Movements in temporary differences	15,850,358	2,410,784
<b>Total</b>	<b>29,819,902</b>	<b>39,208,132</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 2024 (Unaudited)**

*Reconciliation of effective tax rate*

<i>Six-month period ended 30 June</i>		2024		2023
	Rate (%)	(in Baht)	Rate (%)	(in Baht)
Profit before income tax		152,262,146		208,568,948
Income tax using the Thai corporation tax rate	20	30,452,429	20	41,713,790
Expenses not deductible for tax purposes		8,919,080		27,136,360
Income not subject to tax		(9,549,550)		-
Over provided in prior years		(2,057)		(29,642,018)
<b>Total</b>	<b>20</b>	<b>29,819,902</b>	<b>19</b>	<b>39,208,132</b>

*Deferred tax assets*

	30 June 2024	31 December 2023
	(in Baht)	
<b>Deferred tax assets</b>	<b>12,941,581</b>	<b>28,791,939</b>

Movements in total deferred tax assets during the six-month periods ended 30 June 2024 and 2023 are as follow:

	At 1 January 2024	(Charged) / credited to:		At 30 June 2024
		Profit or loss	Other comprehensive income	
		(in Baht)		
<i>Deferred tax assets</i>				
Allowance for doubtful accounts	1,977,809	36,179	-	2,013,988
Allowance of impairment	102,896	4,258	-	107,154
Premium reserve	12,292,833	13,292,670	-	25,585,503
Loss reserve	13,266,560	(29,332,708)	-	(16,066,148)
Employee benefits obligation	1,116,095	82,274	-	1,198,369
Unrealised loss from financial assets measured at fair value through profit or loss	35,746	66,969	-	102,715
<b>Total</b>	<b>28,791,939</b>	<b>(15,850,358)</b>	<b>-</b>	<b>12,941,581</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 2024 (Unaudited)

	At 1 January 2023	(Charged) / credited to:		At 30 June 2023
		Profit or loss	Other comprehensive income	
		(in Baht)		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	1,027,027	967,252	-	1,994,279
Allowance of impairment	79,389	34,412	-	113,801
Premium reserve	12,292,833	-	-	12,292,833
Loss reserve	19,489,128	(3,715,571)	-	15,773,557
Employee benefits obligation	913,443	70,245	-	983,688
Unrealised loss from financial assets measured at fair value through profit or loss	-	232,878	-	232,878
<b>Total</b>	<b>33,801,820</b>	<b>(2,410,784)</b>	<b>-</b>	<b>31,391,036</b>

### 14 Basic earnings per share

The calculations of basic earnings per share for the six-month periods ended 30 June 2024 and 2023 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>Six-month period ended 30 June</i>	2024	2023
Profit for the period attributable to ordinary shareholders (in Baht)	122,442,244	169,360,816
Number of ordinary shares outstanding (in shares)	20,000,000	20,000,000
<b>Basic earnings per share (Baht)</b>	<b>6.12</b>	<b>8.47</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:

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	British Virgin Islands	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.

**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 2024 (Unaudited)**

The pricing policies for significant types of transactions with related parties 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>Six-month period ended 30 June</i>	2024	2023 (in Baht)
<b><i>Med-Sure Services Limited</i></b>		
Underwriting expense	28,040,763	40,341,352
Loss adjustment expense	18,059,641	26,495,866
<b><i>Pacific Cross International Limited</i></b>		
Consulting fees	38,944,794	29,594,472
<b><i>Key management personnel compensation</i></b>		
Short-term employee benefits	7,006,908	10,847,711
Directors remuneration	540,000	580,000
Post-employment benefits	172,804	64,739
<b>Total</b>	<b>7,719,712</b>	<b>11,492,450</b>

Balance with related parties as at 30 June 2024 and 31 December 2023 were as follows:

	30 June 2024	31 December 2023 (in Baht)
<b><i>Med-Sure Services Limited</i></b>		
Underwriting and loss adjustment payable	8,591,947	10,252,736
<b><i>Pacific Cross International Limited</i></b>		
Advance prepaid of regional service fee	54,403,865	54,403,865
Accrued expense of regional service fee	38,944,794	-



**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 2024 (Unaudited)**

**16 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.

	<b>Fair value</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
	<i>(in Baht)</i>			
<b>30 June 2024</b>				
<i>Financial assets</i>				
Equity securities	24,189,433	-	-	24,189,433
Unit trusts	-	62,369,646	-	62,369,646
<b>Total</b>	<b>24,189,433</b>	<b>62,369,646</b>	<b>-</b>	<b>86,559,079</b>
	<b>Fair value</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
	<i>(in Baht)</i>			
<b>31 December 2023</b>				
<i>Financial assets</i>				
Equity securities	25,782,089	-	-	25,782,089
Unit trusts	-	62,206,184	-	62,206,184
<b>Total</b>	<b>25,782,089</b>	<b>62,206,184</b>	<b>-</b>	<b>87,988,273</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 1 fair values for listed equity securities using the close price on the last business day of the period provided by The Stock Exchanges of Thailand.

The Company determines Level 2 fair values for unit trusts using the net asset value (NAV) on the last business day of the period provided by assets management companies.

**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.

**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 2024 (Unaudited)**

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

17.1 As at 30 June 2024 and 31 December 2023, 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 2024	31 December 2023
	Book value	Book value
	(in Baht)	
Term deposits	<u>3,500,000</u>	<u>3,500,000</u>

17.2 As at 30 June 2024 and 31 December 2023, 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 2024	31 December 2023
	Book value	Book value
	(in Baht)	
Term deposits	<u>217,483,034</u>	<u>217,483,034</u>

**18 Commitments with non-related parties**

<i>Future minimum lease payment under non-cancellable operating leases</i>	30 June 2024	31 December 2023
	(in Baht)	
Within 1 year	36,000	224,000
1 - 5 years	<u>252,000</u>	<u>247,500</u>
<b>Total</b>	<b><u>288,000</u></b>	<b><u>471,500</u></b>

**19 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.



**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 2024 (Unaudited)**

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.