

**TOKIO MARINE SAFETY INSURANCE (THAILAND)
PUBLIC COMPANY LIMITED**

INTERIM FINANCIAL INFORMATION (UNAUDITED)

31 MARCH 2024



AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Board of Directors of Tokio Marine Safety Insurance (Thailand) Public Company Limited

I have reviewed the interim financial information of Tokio Marine Safety Insurance (Thailand) Public Company Limited, which comprises the statement of financial position as at 31 March 2024, the related statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the 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".

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in blue ink, appearing to read 'Sakuna Y', with a stylized flourish at the end.

Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
Bangkok
10 May 2024

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Financial Position
As at 31 March 2024

		Unaudited 31 March 2024	Audited 31 December 2023
	Notes	Thousand Baht	Thousand Baht
Assets			
Cash and cash equivalents	7	814,732	542,920
Premium receivables, net	8, 23	2,389,707	2,778,414
Accrued investment income		122,315	88,288
Reinsurance assets	9	3,035,197	3,305,512
Amount due from reinsurance, net	10, 23	811,842	939,920
Financial assets - Debt instruments	11	21,181,305	20,776,797
Financial assets - Equity instruments	12	50,390	98,566
Loans		43,438	43,487
Land building and equipment, net	13	608,730	624,950
Intangible assets, net	14	60,074	65,356
Deferred tax assets	15	1,823,850	1,815,477
Other assets	16, 23	341,864	188,182
Total assets		31,283,444	31,267,869




Director



The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2024

		Unaudited 31 March 2024	Audited 31 December 2023
	<u>Notes</u>	<u>Thousand Baht</u>	<u>Thousand Baht</u>
Liabilities and equity			
Liabilities			
Insurance liabilities	17	18,541,103	18,608,042
Amount due to reinsurance	18, 23	2,379,740	2,742,319
Income tax payable		407,266	294,719
Employee benefit obligation		405,975	562,599
Commissions and brokerage payables	23	422,197	428,733
Other liabilities	19, 23	1,179,936	1,199,506
Total liabilities		<u>23,336,217</u>	<u>23,835,918</u>
Equity			
Share capital			
Authorized share capital			
409,695,870 ordinary shares of Baht 10 each		<u>4,096,959</u>	<u>4,096,959</u>
Issued and paid-up share capital			
409,695,870 ordinary shares of Baht 10 each		4,096,959	4,096,959
Share premium		4,962,744	4,962,744
Deficit from business combination		(3,862,000)	(3,862,000)
Retained earnings			
Appropriated			
Legal reserve		409,696	409,696
Unappropriated		2,483,448	1,980,632
Other components of equity		<u>(143,620)</u>	<u>(156,080)</u>
Total equity		<u>7,947,227</u>	<u>7,431,951</u>
Total liabilities and equity		<u>31,283,444</u>	<u>31,267,869</u>

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 31 March 2024

		Unaudited 31 March 2024	Unaudited 31 March 2023
	Notes	Thousand Baht	Thousand Baht
Income			
Gross written premium	23	5,337,905	5,321,592
<u>Less</u> Ceded premium	23	<u>(961,540)</u>	<u>(1,046,153)</u>
Net written premium		4,376,365	4,275,439
<u>Less</u> Increase in unearned premium reserve from previous period		<u>(244,616)</u>	<u>(121,650)</u>
Net premium earned		4,131,749	4,153,789
Fee and commission income	23	226,458	247,726
Investment income		115,323	93,264
Loss from financial instruments		5,399	-
(Loss) Gain from remeasurement of financial instruments		(67)	1,150
Other income	23	<u>24,324</u>	<u>18,874</u>
Total Income		<u>4,503,186</u>	<u>4,514,803</u>
Expenses			
Change in long-term insurance liabilities		(156,173)	51,615
Gross claim	23	2,577,622	3,066,790
<u>Less</u> Claim recovered from reinsurers	23	<u>(110,443)</u>	<u>(795,955)</u>
Net claim		2,467,179	2,270,835
Commissions and brokerages	23	853,554	857,405
Other underwriting expenses	23	461,562	500,779
Operating expenses	20, 23	<u>247,557</u>	<u>287,622</u>
Total expenses		<u>3,873,679</u>	<u>3,968,256</u>
Profit before income tax		629,507	546,547
Income tax expense	21	<u>(126,691)</u>	<u>(109,140)</u>
Net profit for the period		<u>502,816</u>	<u>437,407</u>

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the three-month period ended 31 March 2024

	Unaudited 31 March 2024	Unaudited 31 March 2023
Note	Thousand Baht	Thousand Baht
Other comprehensive income:		
Items that will be reclassified subsequently to profit or loss		
Gain on investments in debt instruments measured at fair value through other comprehensive income	64,020	9,003
Changes in the fair value of debt instruments measured at fair value through other comprehensive income transferred to profit or loss	(471)	(3)
Income tax on items that will be reclassified subsequently to profit or loss	(12,548)	(1,702)
Total items that will be reclassified subsequently to profit or loss	<u>51,001</u>	<u>7,298</u>
Items that will not be reclassified subsequently to profit or loss		
Loss (Gain) on investments in equity instruments measured at fair value through other comprehensive income	(48,176)	17,999
Income tax on items that will not be reclassified to profit or loss	9,635	(3,600)
Total items that will not be reclassified subsequently to profit or loss	<u>(38,541)</u>	<u>14,399</u>
Other comprehensive expense for the period, net of tax	<u>12,460</u>	<u>21,697</u>
Total comprehensive income for the period	<u><u>515,276</u></u>	<u><u>459,104</u></u>
Earnings per share		
Basic earnings per share	22 <u>1.23</u>	<u>1.07</u>

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Changes in Equity
For the three-month period ended 31 March 2024

	2024 (Unaudited)							
	Note	Issued and paid-up share capital Thousand Baht	Share premium Thousand Baht	Deficit from business combination Thousand Baht	Retained earnings		Other components of equity	Total Thousand Baht
					Legal reserve Thousand Baht	Unappropriated Thousand Baht	Other comprehensive income	
							Debt and Equity instruments designated at fair value through other comprehensive income Thousand Baht	
Opening balance as at 1 January 2024		4,096,959	4,962,744	(3,862,000)	409,696	1,980,632	(156,080)	7,431,951
Net profit for the period		-	-	-	-	502,816	-	502,816
Other comprehensive income for the period		-	-	-	-	-	12,460	12,460
Closing balance as at 31 March 2024		4,096,959	4,962,744	(3,862,000)	409,696	2,483,448	(143,620)	7,947,227

	2023 (Unaudited)							
	Note	Issued and paid-up share capital Thousand Baht	Share premium Thousand Baht	Deficit from business combination Thousand Baht	Retained earnings		Other components of equity	Total Thousand Baht
					Legal reserve Thousand Baht	Unappropriated Thousand Baht	Other comprehensive income	
							Debt instruments designated at fair value through other comprehensive income Thousand Baht	
Opening balance as at 1 January 2023		4,096,959	4,962,744	(3,862,000)	409,696	1,956,564	(146,253)	7,417,710
Net profit for the period		-	-	-	-	437,407	-	437,407
Other comprehensive income for the period		-	-	-	-	-	21,697	21,697
Closing balance as at 31 March 2023		4,096,959	4,962,744	(3,862,000)	409,696	2,393,971	(124,556)	7,876,814

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Tokio Marine Safety Insurance (Thailand) Public Company Limited

Statement of Cash Flows

For the three-month period ended 31 March 2024

	Unaudited 31 March 2024 Thousand Baht	Unaudited 31 March 2023 Thousand Baht
Cash flows provided from (used in) operating activities		
Direct premium written	5,679,434	5,701,646
Cash paid from reinsurance	(716,444)	(521,687)
Interest received	78,661	76,691
Other income	21,355	18,493
Claim from direct insurance	(2,538,453)	(2,385,591)
Commissions and brokerages from direct insurance	(850,966)	(901,212)
Other underwriting expenses	(512,418)	(564,456)
Operating expenses	(594,647)	(509,944)
Income tax	(25,429)	(28,078)
Cash (paid) received for deposit at financial institutions with original maturing more than 3 months	(207,000)	95,400
Cash received from selling and maturity investment in securities	2,224,387	934,790
Cash received from loans	3,764	3,102
Cash paid for investment in securities	(2,267,146)	(1,902,505)
Cash paid for loans	(3,715)	(2,803)
Net cash provided from operating activities	291,383	13,846
Cash flows provided from (used in) investing activities		
Cash flows provided		
Building improvement and equipment	2,496	1,360
Net cash provided from investing activities	2,496	1,360
Cash flows used		
Building improvement and equipment	(11,671)	(7,905)
Net cash used in investing activities	(11,671)	(7,905)
Net cash used in investing activities	(9,175)	(6,545)
Cash flows from financing activities		
Payments on lease liabilities	(10,396)	(10,368)
Net cash used in financing activities	(10,396)	(10,368)
Net decrease in cash and cash equivalents	271,812	(3,067)
Cash and cash equivalents at the beginning of period	542,920	933,271
Cash and cash equivalents at the end of period	814,732	930,204

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

1 General information

Tokio Marine Safety Insurance (Thailand) Public Company Limited ("the Company") is a public limited company incorporated and domiciled in Thailand. The address of its registered office is as follows:

2nd - 6th Floors, S&A Building, No.302 Silom Road, Suriyawong, Bangrak, Bangkok.

The Company has 93 branches. The principal business operation of the Company is the provision of non-life insurance.

The Company has a shareholding structure as follows:

Shareholder	Country	Type of share	Shareholding portion (%)
Tokio Marine & Nichido Fire Insurance Co., Ltd.	Japan	Ordinary	48.83
TMF Holding (Thailand) Limited	Thailand	Ordinary	25.25
NHCT Ltd.	Thailand	Ordinary	25.20
Tokio Marine Asia Pte. Ltd.	Singapore	Ordinary	0.05
Others	Thailand, China, USA, Japan and Singapore	Ordinary	0.67
Total			100.00

2 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting and as required by the Notification of the Office of Insurance Commission entitled "Principle, methodology, condition and timing for preparation, submission and reporting of financial statements and operation performance for non-life insurance company B.E. 2567" dated on 8 February 2024 ('OIC Notification').

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023.

An English version of the interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the previous financial statements for the period ended 31 December 2023.

Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2025 and have impacts to the Company.

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Company.

a) TFRS 17 Insurance Contracts TFRS 17 has replaced TFRS 4 Insurance Contracts.

It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under TFRS 9.

An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for eligible groups of insurance contracts, which are often written by non-life insurers.

There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

Adopting TFRS 17, the Group can choose to recognise any cumulative negative impacts from insurance contract liabilities in retained earnings by applying the straight-line method, using no more than a three-year period from the transition date.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

The Company's management is currently assessing the impact from these standards.

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2023.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

5 Fair value

Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the fair values of the Company's financial assets that are measured at fair value as at 31 March 2024 and 31 December 2023.

	Unaudited 31 March 2024				Carrying amount Thousand Baht
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht	
Debt instruments designated at fair value through other comprehensive income					
Government and state enterprise promissory notes	-	321,564	-	321,564	321,564
Private enterprise debt securities	-	9,702,912	-	9,702,912	9,702,912
Total	-	10,024,476	-	10,024,476	10,024,476
Debt instruments designated at fair value through profit or loss					
Unit trust	-	1,375,038	-	1,375,038	1,375,038
Total	-	1,375,038	-	1,375,038	1,375,038
Equity instruments designated at fair value through other comprehensive income					
Equity securities	-	-	50,390	50,390	50,390
Total	-	-	50,390	50,390	50,390

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

	Audited 31 December 2023				Carrying amount Thousand Baht
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht	
Debt instruments designated at fair value through other comprehensive income					
Government and state enterprise promissory notes	-	336,823	-	336,823	336,823
Private enterprise debt securities	-	9,352,030	-	9,352,030	9,352,030
Total	-	9,688,853	-	9,688,853	9,688,853
Debt instruments designated at fair value through profit or loss					
Unit trust	-	1,112,995	-	1,112,995	1,112,995
Total	-	1,112,995	-	1,112,995	1,112,995
Equity instruments designated at fair value through other comprehensive income					
Equity securities	-	-	98,566	98,566	98,566
Total	-	-	98,566	98,566	98,566

There were no transfers between levels during the period.

5.1 Valuation techniques used to derive Level 2 fair values

Level 2 debt investments are fair valued using a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market prices of other quoted debt instruments of the counterparties.

5.2 Valuation techniques used to derive Level 3 fair values

Level 3 equity investments are fair valued using reference price from net asset value for non-marketable equity securities and the Company does not expect to receive a return from the investment except equity investments of Road Accident Victims Protection Co., Ltd. is determined based on fair value calculated using discounted cash flows method announced by Thailand General Insurance Association.

There were no other changes in valuation techniques during the period.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

Classification of financial assets and financial liabilities

	Unaudited 31 March 2024				
	Debt instruments measured at fair value through profit or loss Thousand Baht	Debt instruments at fair value through other comprehensive income Thousand Baht	Equity investments at fair value through other comprehensive income Thousand Baht	Financial instruments measured at amortised cost Thousand Baht	Total Thousand Baht
Financial assets					
Cash and cash equivalents	-	-	-	814,732	814,732
Financial assets - Debt instruments					
Government and state enterprise promissory notes	-	321,564	-	8,501,791	8,823,355
Private enterprise debt securities	-	9,702,912	-	-	9,702,912
Unit trust	1,375,038	-	-	-	1,375,038
Deposit at financial institutions with original maturing more than 3 months	-	-	-	1,280,000	1,280,000
Financial assets - Equity instruments	-	-	50,390	-	50,390
Loans	-	-	-	43,438	43,438
Total	1,375,038	10,024,476	50,390	10,639,961	22,089,865
	Unaudited 31 March 2024				
	Debt instruments measured at fair value through profit or loss Thousand Baht	Debt instruments at fair value through other comprehensive income Thousand Baht	Equity investments at fair value through other comprehensive income Thousand Baht	Financial instruments measured at amortised cost Thousand Baht	Total Thousand Baht
Financial liabilities					
Other financial liabilities (Notes 19)					
Lease liabilities	-	-	-	191,574	191,574
Accrued operating expenses	-	-	-	427,153	427,153
Other payables	-	-	-	259,210	259,210
Total	-	-	-	877,937	877,937

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

	Audited				
	31 December 2023				
	Debt instruments measured at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Equity investments at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial assets					
Cash and cash equivalents	-	-	-	542,920	542,920
Financial assets - Debt instruments					
Government and state enterprise promissory notes	-	336,823	-	8,901,949	9,238,772
Private enterprise debt securities	-	9,352,030	-	-	9,352,030
Unit trust	1,112,995	-	-	-	1,112,995
Deposit at financial institutions with original maturing more than 3 months	-	-	-	1,073,000	1,073,000
Financial assets - Equity instruments	-	-	98,566	-	98,566
Loans	-	-	-	43,487	43,487
Total	1,112,995	9,688,853	98,566	10,561,356	21,461,770

	Audited				
	31 December 2023				
	Debt instruments measured at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Equity investments at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Financial liabilities					
Other financial liabilities (Notes 19)					
Lease liabilities	-	-	-	198,522	198,522
Accrued operating expenses	-	-	-	462,060	462,060
Other payables	-	-	-	238,736	238,736
Total	-	-	-	899,318	899,318

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

7 Cash and cash equivalents

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Cash on hand	114,309	71,549
Deposit at banks without fixed maturity date	665,539	471,371
Short-term investments	34,884	-
Cash and cash equivalents	814,732	542,920

8 Premium receivables, net

The balances as at 31 March 2024 and 31 December 2023 of premium receivables are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	Premium received from direct insurance	
	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Not yet due	1,620,222	2,053,441
Overdue under 30 days	244,924	387,234
Overdue over 30 days to 60 days	364,954	151,623
Overdue over 60 days to 90 days	46,844	45,984
Overdue over 90 days to 1 year	110,574	135,846
Overdue over 1 year	11,745	15,301
Total premium receivables	2,399,263	2,789,429
Less Allowance for doubtful accounts	(9,556)	(11,015)
Premium receivables, net	2,389,707	2,778,414

The normal credit term of insureds, agents and brokers granted by the Company ranges 0 - 60 days and 15 - 60 days, respectively.

For premium receivables due from agents and brokers, the Company has stipulated the collection guideline in accordance with the law of the premium collection. For overdue premium receivables, the Company has the legal process with such agents and brokers.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

9 Reinsurance assets

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
<u>Insurance reserve recovered from reinsurers</u>		
Loss reserves	1,585,637	1,833,247
Premium reserves		
- Unearned premium reserves (UPR)	1,449,560	1,472,265
Reinsurance assets	3,035,197	3,305,512

10 Amounts due from reinsurance, net

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Due from reinsurers	818,297	977,921
Amount due from reinsurance	818,297	977,921
<u>Less:</u> Allowance for doubtful accounts	(6,455)	(38,001)
Amount due from reinsurance, net	811,842	939,920

11 Financial assets - Debt instruments

The details of financial assets - debt instruments as at 31 March 2024 and 31 December 2023 are as follows:

	Unaudited 31 March 2024 Fair value Thousand Baht	Audited 31 December 2023 Fair value Thousand Baht
<u>Debt instruments designated at fair value through other comprehensive income</u>		
Government and state enterprise promissory notes	321,564	336,823
Private enterprise debt securities	9,702,912	9,352,030
Total debt instruments designated at fair value through other comprehensive income	10,024,476	9,688,853
<u>Debt instruments designated at fair value through profit or loss</u>		
Unit trust	1,375,038	1,112,995
Total debt instruments designated at fair value through profit or loss	1,375,038	1,112,995

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

	Amortised cost Thousand Baht	Amortised cost Thousand Baht
<u>Debt instruments to be measured at amortised cost</u>		
Government and state enterprise promissory notes	8,501,791	8,901,949
Deposit at financial institutions with original maturing more than 3 months	1,280,000	1,073,000
Total	9,781,791	9,974,949
<u>Less:</u> Allowance for impairment ECL	-	-
Total debt instruments to be measured at amortised cost	9,781,791	9,974,949
Total financial asset - debt instruments, net	21,181,305	20,776,797

11.1 Debt securities that are measured at fair value through other comprehensive income

	Unaudited 31 March 2024	
	Fair value Thousand Baht	Expected credit loss recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	10,024,476	(19,393)
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	10,024,476	(19,393)
	Audited 31 December 2023	
	Fair value Thousand Baht	Expected credit loss recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	9,688,853	(18,583)
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	9,688,853	(18,583)

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

11.2 Debt securities that are measured at amortised cost

	Unaudited		
	31 March 2024		
	Gross carrying value	Expected credit loss	Carrying value
	Thousand Baht	Thousand Baht	Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	9,781,791	-	9,781,791
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	9,781,791	-	9,781,791
	Audited		
	31 December 2023		
	Gross carrying value	Expected credit loss	Carrying value
	Thousand Baht	Thousand Baht	Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	9,974,949	-	9,974,949
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	9,974,949	-	9,974,949

12. Financial assets - Equity instruments

The details of financial assets - equity instruments as at 31 March 2024 and 31 December 2023 are as follows:

	Unaudited	Audited
	31 March 2024	31 December 2023
	Fair value	Fair value
	Thousand Baht	Thousand Baht
<u>Equity instruments designated at fair value through other comprehensive income</u>		
Equity securities	180,978	180,978
<u>Less</u> Fair value adjustment	(130,588)	(82,412)
Total equity instruments designated at fair value through other comprehensive income	50,390	98,566
Total financial assets - equity instruments	50,390	98,566

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

Unaudited												
31 March 2024												
	Cost					Accumulated depreciation				Net value		
	Beginning Balance	Addition	Transfer in/(out)	Disposal	Change in contract	Ending Balance	Beginning Balance	Depreciation Charge	Disposal	Ending Balance	Beginning Balance	Ending Balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	185,558	-	-	-	-	185,558	-	-	-	-	185,558	185,558
Building	297,888	-	-	-	-	297,888	237,185	1,654	-	238,839	60,703	59,049
Building improvement	105,267	603	-	-	-	105,870	39,054	2,335	-	41,389	66,213	64,481
Fixture and office equipment	584,751	556	-	(1,627)	-	583,680	493,868	11,033	(1,551)	503,350	90,883	80,330
Vehicles	100,834	10,271	-	(6,862)	-	104,243	60,651	4,229	(6,031)	58,849	40,183	45,394
Right-of-use asset	287,517	-	-	-	-	287,517	106,107	7,733	-	113,840	181,410	173,677
Work in process	-	241	-	-	-	241	-	-	-	-	-	241
Total	1,561,815	11,671	-	(8,489)	-	1,564,997	936,865	26,984	(7,582)	956,267	624,950	608,730

Audited												
31 December 2023												
	Cost					Accumulated depreciation				Net value		
	Beginning Balance	Addition	Transfer in/(out)	Disposal	Change in contract	Ending Balance	Beginning Balance	Depreciation Charge	Disposal	Ending Balance	Beginning Balance	Ending Balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	185,558	-	-	-	-	185,558	-	-	-	-	185,558	185,558
Building	297,888	-	-	-	-	297,888	230,532	6,653	-	237,185	67,356	60,703
Building improvement	100,086	4,387	794	-	-	105,267	29,673	9,381	-	39,054	70,413	66,213
Fixture and office equipment	591,097	23,507	-	(29,853)	-	584,751	475,484	47,779	(29,395)	493,868	115,613	90,883
Vehicles	109,804	13,860	-	(22,830)	-	100,834	63,240	17,888	(20,477)	60,651	46,564	40,183
Right-of-use asset	189,461	98,056	-	-	-	287,517	76,317	29,790	-	106,107	113,144	181,410
Work in process	-	794	(794)	-	-	-	-	-	-	-	-	-
Total	1,473,894	140,604	-	(52,683)	-	1,561,815	875,246	111,491	(49,872)	936,865	598,648	624,950

For the three-month period ended 31 March 2024, depreciation expense has been charged to gross claim Baht 6.91 million (2023: Baht 6.37 million), other underwriting expenses Baht 2.49 million (2023: Baht 2.34 million), and operation expenses Baht 17.59 million (2023: Baht 18.84 million).

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

14 Intangible assets, net

	Unaudited 31 March 2024										
	Cost					Accumulated depreciation				Net value	
	Beginning Balance Thousand Baht	Addition Thousand Baht	Transfer in/(out) Thousand Baht	Disposal Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Amortisation Thousand Baht	Disposal Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Ending Balance Thousand Baht
Computer software	475,946	-	-	-	475,946	410,959	5,282	-	416,241	64,987	59,705
Work in progress	369	-	-	-	369	-	-	-	-	369	369
Total	476,315	-	-	-	476,315	410,959	5,282	-	416,241	65,356	60,074
	Audited 31 December 2023										
	Cost					Accumulated depreciation				Net value	
	Beginning Balance Thousand Baht	Addition Thousand Baht	Transfer in/(out) Thousand Baht	Disposal Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Amortisation Thousand Baht	Disposal Thousand Baht	Ending Balance Thousand Baht	Beginning Balance Thousand Baht	Ending Balance Thousand Baht
Computer software	467,117	4,460	4,369	-	475,946	388,998	21,961	-	410,959	78,119	64,987
Work in progress	4,554	184	(4,369)	-	369	-	-	-	-	4,554	369
Total	471,671	4,644	-	-	476,315	388,998	21,961	-	410,959	82,673	65,356

For the three-month period ended 31 March 2024, depreciation expense has been charged to gross claim Baht 0.10 million (2023: Baht 0.11 million), other underwriting expenses Baht 0.01 million (2023: Baht 0.02 million), and operation expenses Baht 5.17 million (2023: Baht 5.28 million).

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

15 Deferred tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Deferred tax assets	1,836,351	1,837,464
Deferred tax liabilities	(12,501)	(21,987)
Deferred tax asset, net	1,823,850	1,815,477

16 Other assets

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Suspense Input Value Added Tax	55,660	63,594
Deposits	19,052	19,039
Other receivables	278,508	137,278
Others	37,365	16,783
Total other assets	390,585	236,694
<u>Less</u> Allowance for doubtful accounts	(48,721)	(48,512)
Other assets, net	341,864	188,182

17 Insurance liabilities

	Unaudited 31 March 2024		
	Insurance liabilities Thousand Baht	Liabilities recovered from reinsurers Thousand Baht	Net Thousand Baht
Long-term insurance liabilities	3,347,478	-	3,347,478
Loss reserves and outstanding claims			
- Incurred and reported claim reserves	4,999,860	(1,166,469)	3,833,391
- Incurred but not reported claim reserves	337,821	(419,168)	(81,347)
Total claim reserves	5,337,681	(1,585,637)	3,752,044
Premium reserves			
- Unearned premium reserves	9,855,944	(1,449,560)	8,406,384
Total	18,541,103	(3,035,197)	15,505,906

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

	Audited		
	31 December 2023		
	Insurance liabilities	Liabilities recovered from reinsurers	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Long-term insurance liabilities	3,503,651	-	3,503,651
Loss reserves and outstanding claims			
- Incurred and reported claim reserves	5,150,930	(1,422,572)	3,728,358
- Incurred but not reported claim reserves	319,429	(410,676)	(91,247)
Total claim reserves	5,470,359	(1,833,248)	3,637,111
Premium reserves			
- Unearned premium reserves	9,634,032	(1,472,264)	8,161,768
Total	18,608,042	(3,305,512)	15,302,530

17.1 Long-term insurance liabilities

	Unaudited	Audited
	31 March	31 December
	2024	2023
	Thousand Baht	Thousand Baht
Beginning balance of the period/year	3,503,651	3,479,165
Increase in reserve of new insurance policies and inforce insurance policies	257,951	1,384,376
Decrease from benefits payment	(91,439)	(287,764)
Change in actuarial assumptions	(25,945)	20,266
Earned premium in the period/year	(296,740)	(1,092,392)
Ending balance of the period	3,347,478	3,503,651

17.2 Short-term insurance liabilities

Loss reserves and outstanding claims

	Unaudited	Audited
	31 March	31 December
	2024	2023
	Thousand Baht	Thousand Baht
Beginning balance of the period/year	5,470,359	5,015,942
Claim incurred in this period/year	2,333,166	10,064,964
Changes in claim reserves incurred in previous period/year	11,930	(181,347)
Changes in claim reserves assumptions	18,391	(206,374)
Claim paid in this period/year	(2,496,165)	(9,222,826)
Ending balance of the period/year	5,337,681	5,470,359

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

17.3 Unearned premium reserves

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Beginning balance of the period/year	9,634,032	9,348,697
Premium written in the period/year	5,163,765	19,996,868
Earned premium in the period/year	(4,941,853)	(19,711,533)
Ending balance of the period	<u>9,855,944</u>	<u>9,634,032</u>

18 Amount due to reinsurance

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Amount withheld on reinsurance	1,177,447	1,191,921
Due to reinsurance	1,202,293	1,550,398
Total	<u>2,379,740</u>	<u>2,742,319</u>

19 Other liabilities

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Accrued operating expenses	427,153	462,060
Other payables	259,210	238,736
Suspense deposits	169,279	170,112
Lease liabilities	191,574	198,522
Others	132,720	130,076
Total	<u>1,179,936</u>	<u>1,199,506</u>

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

20 Operating expenses

	Unaudited	
	For the three-month period ended 31 March	
	2024	2023
	Thousand Baht	Thousand Baht
Personnel expenses which do not relate with the underwriting and loss adjustment	162,368	162,059
Premises and equipment expenses which do not relate with underwriting and loss adjustment	51,197	53,228
Taxes and duties	7,004	12,670
Bad debt and doubtful accounts (Reversal)	(31,181)	4,148
Other operating expenses	58,169	55,517
Total operating expenses	247,557	287,622

21 Income tax expense

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 20% (2023: 20%).

22 Basic earnings per share

The calculations of basic earnings per share 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 as follows:

	Unaudited	
	For the three-month period ended 31 March	
	2024	2023
Profit for the period (Thousand Baht)	502,816	437,407
Number of ordinary shares outstanding (Thousand Share)	409,696	409,696
Basic earnings per share (Baht per share)	1.23	1.07

There were no potential dilutive ordinary shares issued for the three-month period ended 31 March 2024 and 2023.

23 Transactions with related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

Revenue and expense transactions with related for the three-month period ended 31 March 2024 and 2023 are as follows:

	Unaudited	
	For the three-month period ended 31 March	
	2024	2023
	Thousand Baht	Thousand Baht
Revenues		
Gross written premium		
Affiliated company of the Group	831	11,402
Commission and brokerage income		
Parent company	51,500	44,949
Affiliated company of the Group	34,538	22,342
Total	86,038	67,291
Other income		
Parent company	8,034	6,457
Affiliated company of the Group	12,002	10,784
Total	20,036	17,241
Insurance claim expense recovered from reinsurers		
Parent company	73,449	38,238
Affiliated company of the Group	89,176	27,013
Total	162,625	65,251
Expenses		
Ceded premium		
Parent company	175,775	159,600
Affiliated company of the Group	153,647	165,647
Total	329,422	325,247
Gross claim		
Parent company	200	142
Affiliated company of the Group	2,652	3,962
Total	2,852	4,104
Commissions and brokerage expenses		
Affiliated company of the Group	139,458	135,027
Other underwriting expenses		
Affiliated company of the Group	40,886	24,128
Operating expenses		
Affiliated company of the Group	10,062	14,488

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

Balances with the related parties as at 31 March 2024 and 31 December 2023 consist of:

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Assets		
Premium receivables, net		
Affiliated company of the Group	348	519
Due from reinsurers, net		
Parent company	58,677	72,724
Affiliated company of the Group	133,639	197,390
Total	192,316	270,114
Other assets		
Parent company	126,388	69,631
Affiliated company of the Group	22,374	10,204
Total	148,762	79,835
Liabilities		
Insurance liabilities		
Affiliated company of the Group	58	47
Amount due to reinsurance		
Parent company	612,405	668,292
Affiliated company of the Group	466,048	608,524
Total	1,078,453	1,276,816
Commission and brokerage payables		
Affiliated company of the Group	100,866	79,615
Other liabilities		
Affiliated company of the Group	16,499	15,374

Commitments with related parties

Service agreements

- (a) The Company entered into an agreement with a related company whereby the related company will provide the service related to management of health insurance claims. The Company was charged a service fee at 4% - 5% of total premium received under the insurance policies of policyholders. The term of the agreements is for 1 year from 1 April 2022 to 31 March 2023 and from 1 April 2023 to 31 March 2024. The Company is in the process of renewing the agreement for 1 year from 1 April 2024 to 31 March 2025. Either party may terminate this agreement at any time by giving not less than 30 days prior written notice to another party.
- (b) The Company entered into an agreement with a related company whereby the related company will provide the necessary human resource for risk engineering services. The Company was charged a service fee of Japanese Yens 11.2 million for the agreement period from 1 April 2022 to 31 March 2023 and 11 million for the agreement period from 1 April 2023 to 31 March 2024. The Company has renewed the agreement which was charged a service fee of Japanese Yens 11.4 million from 1 April 2024 to 31 March 2025.
- (c) The Company entered into an agreement with a related company whereby the related company will provide the necessary human resource for risk management services. The Company was charged a service fee of Japanese Yens 5.4 million. The term of the agreement is from 1 July 2022 to 30 June 2023 and from 1 July 2023 to 30 June 2024. The Company has renewed the agreement for the period from 1 July 2024 to 30 June 2025. The agreement will be automatically renewed.

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

Directors and management's remuneration

For the three-month period ended 31 March 2024 and 2023, the Company had employee benefit expenses payable to their directors and management as below.

	Unaudited	
	For the three-month period ended 31 March	
	2024	2023
	Thousand Baht	Thousand Baht
Short-term employee benefits	21,382	21,324
Other long-term employee benefits	12	11
Post-employment benefit	665	668
Total	22,059	22,003

24 Securities placed with the Registrar

24.1 Securities placed with the Registrar

The Company's investments in debt securities were pledged with the Registrar in accordance with the Non-Life Insurance Act (No. 2) B.E. 2551 as follows:

	Unaudited	
	31 March 2024	
	Book value	Face value
	Thousand Baht	Thousand Baht
Government and state enterprise bonds and Bank of Thailand bonds	15,025	15,000
Total	15,025	15,000
	Audited	
	31 December 2023	
	Book value	Face value
	Thousand Baht	Thousand Baht
Government and state enterprise bonds and Bank of Thailand bonds	15,027	15,000
Total	15,027	15,000

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

24.2 Assets reserved with the Registrar

The Company's investments in debt securities were allocated to 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 Company B.E.2557" as follows:

	Unaudited	
	31 March 2024	
	Book value	Face value
	Thousand	Thousand
	Baht	Baht
Government and state enterprise bonds and Bank of Thailand bonds	1,825,515	1,786,000
Total	1,825,515	1,786,000
	Audited	
	31 December 2023	
	Book value	Face value
	Thousand	Thousand
	Baht	Baht
Government and state enterprise bonds and Bank of Thailand bonds	1,827,910	1,786,000
Total	1,827,910	1,786,000

25 Investment in securities with restrictions to make commitments

As at 31 March 2024 and 31 December 2023, investment in securities with restrictions to make commitments appropriation as backup assets with banks in accordance with Section 27/4 of the Insurance Act, B.E. 2535" are as follows:

	Unaudited	
	31 March 2024	
	Book value	Face value
	Thousand	Thousand
	Baht	Baht
Deposit at financial institutions	1,351,254	1,351,254
Debt securities	18,546,126	18,426,800
Equity securities	50,390	327,560
Unit trust	1,375,038	1,359,066
Accrued investment income	122,272	122,272
Receivables from the sale of securities	10,323	10,323
Total	21,455,403	21,597,275

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

	Unaudited	
	31 December 2023	
	Book value	Face value
	Thousand	Thousand
	Baht	Baht
Deposit at financial institutions	1,073,865	1,073,865
Debt securities	18,575,775	18,524,300
Equity securities	98,566	327,560
Unit trust	1,112,995	1,097,766
Accrued investment income	88,282	88,282
Total	20,949,483	21,111,773

26 Restricted assets

	Unaudited	Audited
	31 March	31 December
	2024	2023
	Thousand	Thousand
	Baht	Baht
Restricted deposit at financial institutions		
Collateral against court cases	1,518	813
Credit lines of bank overdrafts letter of guarantee and other matters	4,000	4,000
Total	5,518	4,813

27 Contribution to non-life guarantee fund

As at 31 March 2024 and 31 December 2023, the accumulated Contribution to Non-Life Guarantee Fund are as follows:

	Unaudited	Audited
	31 March	31 December
	2024	2023
	Thousand	Thousand
	Baht	Baht
Accumulated Contribution at the beginning of the period/year	584,896	520,537
Contribution during the period/year	26,459	64,359
Accumulated Contribution at the end of the period/year	611,355	584,896

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2024

28 Commitments

The Company entered into service agreement. The Company's obligation for future payments under service agreement comprising low value contracts as at 31 March 2024 and 31 December 2023 are as follows:

	Unaudited 31 March 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Within 1 year	32,422	32,265
Within 2 - 5 years	52,300	50,807
Total	84,722	83,072

29 Contingent liabilities

As at 31 March 2024, lawsuits have been brought against the Company, in relation to insurance claims in the normal course of business, approximately in amount of Baht 563 million (31 December 2023 : Baht 576 million). The Company's management believes that the recorded amount of provision in the financial statements for potential losses in respect of those claims is adequate.

As at 31 March 2024, the Company had letters of guarantee with a bank amounted to Baht 1.2 million (31 December 2023 : Baht 1 million).

30 Subsequent Events

The Annual Shareholders meeting for the year 2023 held on 25 April 2024 approved dividend payment for the year 2023 with a dividend of Baht 4.82 per share which was totalling amounting to Baht 1,975 million. The dividend was paid to shareholders in May 2024.

31 Authorisation of financial information

The financial statements were authorised for issue by the Company's management on 10 May 2024.