

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

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 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 30 June 2024, the related statements of comprehensive income for the three-month and six-month period then ended, changes in equity, and cash flows for the six-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
9 August 2024

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Financial Position
As at 30 June 2024

		Unaudited 30 June 2024	Audited 31 December 2023
	Notes	Thousand Baht	Thousand Baht
Assets			
Cash and cash equivalents	7	629,358	542,920
Premium receivables, net	8, 21	2,516,610	2,778,414
Accrued investment income		95,442	88,288
Reinsurance assets	9	3,139,557	3,305,512
Amount due from reinsurance, net	10, 21	592,311	939,920
Financial assets - Debt instruments	11	20,118,747	20,776,797
Financial assets - Equity instruments	12	50,818	98,566
Loans		43,414	43,487
Land building and equipment, net		597,880	624,950
Intangible assets, net		55,002	65,356
Deferred tax assets	13	1,816,642	1,815,477
Other assets	14, 21	234,030	188,182
Total assets		29,889,811	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 30 June 2024

		Unaudited 30 June 2024	Audited 31 December 2023
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Liabilities			
Insurance liabilities	15	18,601,683	18,608,042
Amount due to reinsurance	16, 21	2,505,576	2,742,319
Income tax payable		218,399	294,719
Employee benefit obligation		452,492	562,599
Commissions and brokerage payables	21	392,093	428,733
Other liabilities	17, 21	1,209,634	1,199,506
Total liabilities		<u>23,379,877</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		1,070,362	1,980,632
Other components of equity		<u>(167,827)</u>	<u>(156,080)</u>
Total equity		<u>6,509,934</u>	<u>7,431,951</u>
Total liabilities and equity		<u>29,889,811</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 30 June 2024

		Unaudited 30 June 2024	Unaudited 30 June 2023
	Notes	Thousand Baht	Thousand Baht
Income			
Gross written premium	21	5,564,086	5,469,611
<u>Less</u> Ceded premium	21	<u>(1,268,351)</u>	<u>(1,380,938)</u>
Net written premium		4,295,735	4,088,673
<u>Less</u> Increase in unearned premium reserve from previous period		<u>31,388</u>	<u>25,428</u>
Net premium earned		4,327,123	4,114,101
Fee and commission income	21	347,702	356,517
Investment income		113,396	98,040
Gain (Loss) from financial instruments		6,032	(1,979)
Gain from remeasurement of financial instruments		1,126	2,552
Other income	21	<u>23,559</u>	<u>52,006</u>
Total Income		<u>4,818,938</u>	<u>4,621,237</u>
Expenses			
Change in long-term insurance liabilities		23,728	(31,713)
Gross claim	21	2,620,911	2,551,097
<u>Less</u> Claim recovered from reinsurers	21	<u>(175,650)</u>	<u>(271,234)</u>
Net claim		2,445,261	2,279,863
Commissions and brokerages	21	889,017	867,198
Other underwriting expenses	21	452,533	450,685
Operating expenses	18, 21	<u>305,800</u>	<u>300,012</u>
Total expenses		<u>4,116,339</u>	<u>3,866,045</u>
Profit before income tax		702,599	755,192
Income tax expense	19	<u>(140,953)</u>	<u>(151,138)</u>
Net profit for the period		<u>561,646</u>	<u>604,054</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 30 June 2024

		Unaudited 30 June 2024	Unaudited 30 June 2023
	Note	Thousand Baht	Thousand Baht
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss			
Loss on investments in debt instruments measured at fair value through other comprehensive income		(31,052)	(54,159)
Changes in the fair value of debt instruments measured at fair value through other comprehensive income transferred to profit or loss		284	748
Income tax on items that will be reclassified subsequently to profit or loss		6,220	10,506
		<u> </u>	<u> </u>
Total items that will be reclassified subsequently to profit or loss		<u>(24,548)</u>	<u>(42,905)</u>
Items that will not be reclassified subsequently to profit or loss			
Gain on investments in equity instruments measured at fair value through other comprehensive income		427	-
Income tax on items that will not be reclassified to profit or loss		(85)	-
		<u> </u>	<u> </u>
Total items that will not be reclassified subsequently to profit or loss		<u>342</u>	<u>-</u>
Other comprehensive expense for the period, net of tax		<u>(24,206)</u>	<u>(42,905)</u>
Total comprehensive income for the period		<u><u>537,440</u></u>	<u><u>561,149</u></u>
Earnings per share			
Basic earnings per share	20	<u><u>1.37</u></u>	<u><u>1.47</u></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 six-month period ended 30 June 2024

		Unaudited 30 June 2024	Unaudited 30 June 2023
	Notes	Thousand Baht	Thousand Baht
Income			
Gross written premium	21	10,901,991	10,791,203
<u>Less</u> Ceded premium	21	<u>(2,229,890)</u>	<u>(2,427,091)</u>
Net written premium		8,672,101	8,364,112
<u>Less</u> Increase in unearned premium reserve from previous period		<u>(213,228)</u>	<u>(96,222)</u>
Net premium earned		8,458,873	8,267,890
Fee and commission income	21	574,160	604,242
Investment income		228,719	191,304
Gain (Loss) from financial instruments		11,431	(1,979)
Gain from remeasurement of financial instruments		1,058	3,702
Other income	21	<u>47,884</u>	<u>70,880</u>
Total Income		<u>9,322,125</u>	<u>9,136,039</u>
Expenses			
Change in long-term insurance liabilities		(132,445)	19,902
Gross claim	21	5,198,533	5,617,887
<u>Less</u> Claim recovered from reinsurers	21	<u>(286,093)</u>	<u>(1,067,190)</u>
Net claim		4,912,440	4,550,697
Commissions and brokerages	21	1,742,572	1,724,604
Other underwriting expenses	21	914,094	951,464
Operating expenses	18, 21	<u>553,357</u>	<u>587,634</u>
Total expenses		<u>7,990,018</u>	<u>7,834,301</u>
Profit before income tax		1,332,107	1,301,738
Income tax expense	19	<u>(267,643)</u>	<u>(260,278)</u>
Net profit for the period		<u>1,064,464</u>	<u>1,041,460</u>

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Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Comprehensive Income (Cont'd)
For the six-month period ended 30 June 2024

		Unaudited 30 June 2024	Unaudited 30 June 2023
	Note	Thousand Baht	Thousand Baht
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss			
Gain (Loss) on investments in debt instruments measured at fair value through other comprehensive income		32,968	(45,157)
Changes in the fair value of debt instruments measured at fair value through other comprehensive income transferred to profit or loss		(187)	745
Income tax on items that will be reclassified subsequently to profit or loss		(6,329)	8,803
		<u>26,452</u>	<u>(35,609)</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		(47,749)	17,999
Income tax on items that will not be reclassified to profit or loss		9,550	(3,600)
		<u>(38,199)</u>	<u>14,399</u>
Other comprehensive expense for the period, net of tax		<u>(11,747)</u>	<u>(21,210)</u>
Total comprehensive income for the period		<u><u>1,052,717</u></u>	<u><u>1,020,250</u></u>
Earnings per share			
Basic earnings per share	20	<u><u>2.60</u></u>	<u><u>2.54</u></u>

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Tokio Marine Safety Insurance (Thailand) Public Company Limited
Statement of Changes in Equity
For the six-month period ended 30 June 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
Dividends	26	-	-	-	-	(1,974,734)	-	(1,974,734)
Net profit for the period		-	-	-	-	1,064,464	-	1,064,464
Other comprehensive income for the period		-	-	-	-	-	(11,747)	(11,747)
Closing balance as at 30 June 2024		4,096,959	4,962,744	(3,862,000)	409,696	1,070,362	(167,827)	6,509,934
	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
Dividends	26	-	-	-	-	(1,954,249)	-	(1,954,249)
Net profit for the period		-	-	-	-	1,041,460	-	1,041,460
Other comprehensive income for the period		-	-	-	-	-	(21,210)	(21,210)
Closing balance as at 30 June 2023		4,096,959	4,962,744	(3,862,000)	409,696	1,043,775	(167,463)	6,483,711

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 six-month period ended 30 June 2024

	Unaudited 30 June 2024 Thousand Baht	Unaudited 30 June 2023 Thousand Baht
Cash flows provided from (used in) operating activities		
Direct premium written	11,033,410	10,809,039
Cash paid from reinsurance	(950,711)	(1,188,393)
Interest received	219,620	208,561
Other income	41,804	68,025
Claim from direct insurance	(5,315,569)	(4,604,817)
Commissions and brokerages from direct insurance	(1,732,691)	(1,748,808)
Other underwriting expenses	(974,369)	(1,033,155)
Operating expenses	(639,269)	(548,548)
Income tax	(341,907)	(246,136)
Cash (paid) received for deposit at financial institutions with original maturing more than 3 months	(62,000)	729,400
Cash received from selling and maturity investment in securities	6,671,756	3,408,545
Cash received from loans	6,700	6,063
Cash paid for investment in securities	(5,847,800)	(3,685,621)
Cash paid for loans	(6,628)	(5,358)
Net cash provided from operating activities	2,102,346	2,168,797
Cash flows provided from (used in) investing activities		
Cash flows provided		
Building improvement and equipment	6,821	4,504
Net cash provided from investing activities	6,821	4,504
Cash flows used		
Building improvement and equipment	(28,253)	(23,712)
Intangible assets	-	(161)
Net cash used in investing activities	(28,253)	(23,873)
Net cash used in investing activities	(21,432)	(19,369)
Cash flows from financing activities		
Dividend paid	(1,973,684)	(1,953,456)
Payments on lease liabilities	(20,792)	(20,736)
Net cash used in financing activities	(1,994,476)	(1,974,192)
Net increase in cash and cash equivalents	86,438	175,236
Cash and cash equivalents at the beginning of period	542,920	933,271
Cash and cash equivalents at the end of period	629,358	1,108,507
Non-cash transaction		
Dividend payable	5,235	4,502

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 six-month period ended 30 June 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. 2566" dated on 8 February 2023 ('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.

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 30 June 2024 and 31 December 2023.

	Unaudited 30 June 2024				Carrying amount
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht	Thousand Baht
Debt instruments designated at fair value through other comprehensive income					
Government and state enterprise promissory notes	-	454,682	-	454,682	454,682
Private enterprise debt securities	-	9,142,478	-	9,142,478	9,142,478
Total	-	9,597,160	-	9,597,160	9,597,160
Debt instruments designated at fair value through profit or loss					
Unit trust	-	1,490,294	-	1,490,294	1,490,294
Total	-	1,490,294	-	1,490,294	1,490,294
Equity instruments designated at fair value through other comprehensive income					
Equity securities	-	-	50,818	50,818	50,818
Total	-	-	50,818	50,818	50,818

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the six-month period ended 30 June 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

Cash and cash equivalent, Net accrued investment income, Net premium receivable, Net amount due from reinsurance, Other financial assets, Outstanding claims, Amount due to reinsurance and other financial liabilities are approximately to the carrying amounts as at financial statements date.

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 six-month period ended 30 June 2024

6 Classification of financial assets and financial liabilities

	Unaudited 30 June 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	-	-	-	629,358	629,358
Financial assets - Debt instruments					
Government and state enterprise promissory notes	-	454,682	-	7,896,293	8,350,975
Private enterprise debt securities	-	9,142,478	-	-	9,142,478
Unit trust	1,490,294	-	-	-	1,490,294
Deposit at financial institutions with original maturing more than 3 months	-	-	-	1,135,000	1,135,000
Financial assets - Equity instruments	-	-	50,818	-	50,818
Loans	-	-	-	43,414	43,414
Total	1,490,294	9,597,160	50,818	9,704,065	20,842,337
	Unaudited 30 June 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 17)					
Lease liabilities	-	-	-	184,505	184,505
Accrued operating expenses	-	-	-	472,827	472,827
Other payables	-	-	-	251,102	251,102
Total	-	-	-	908,434	908,434

Tokio Marine Safety Insurance (Thailand) Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the six-month period ended 30 June 2024

	Audited 31 December 2023				
	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	-	-	-	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 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 17)					
Lease liabilities	-	-	-	198,522	198,522
Accrued operating expenses	-	-	-	462,060	462,060
Other payables	-	-	-	238,736	238,736
Total	-	-	-	899,318	899,318

7 Cash and cash equivalents

	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Cash on hand	152,406	71,549
Deposit at banks without fixed maturity date	476,952	471,371
Short-term investments	-	-
Cash and cash equivalents	<u>629,358</u>	<u>542,920</u>

8 Premium receivables, net

The balances as at 30 June 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 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Not yet due	1,467,312	2,053,441
Overdue under 30 days	270,021	387,234
Overdue over 30 days to 60 days	559,858	151,623
Overdue over 60 days to 90 days	63,341	45,984
Overdue over 90 days to 1 year	157,240	135,846
Overdue over 1 year	5,941	15,301
Total premium receivables	2,523,713	2,789,429
<u>Less</u> Allowance for doubtful accounts	<u>(7,103)</u>	<u>(11,015)</u>
Premium receivables, net	<u>2,516,610</u>	<u>2,778,414</u>

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.

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9 Reinsurance assets		
	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
<u>Insurance reserve recovered from reinsurers</u>		
Loss reserves	1,421,037	1,833,247
Premium reserves		
- Unearned premium reserves (UPR)	1,718,520	1,472,265
Reinsurance assets	3,139,557	3,305,512

10 Amounts due from reinsurance, net		
	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Due from reinsurers	599,406	977,921
Amount due from reinsurance	599,406	977,921
<u>Less: Allowance for doubtful accounts</u>	(7,095)	(38,001)
Amount due from reinsurance, net	592,311	939,920

11 Financial assets - Debt instruments		
	Unaudited 30 June 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	454,682	336,823
Private enterprise debt securities	9,142,478	9,352,030
Total debt instruments designated at fair value through other comprehensive income	9,597,160	9,688,853
<u>Debt instruments designated at fair value through profit or loss</u>		
Unit trust	1,490,294	1,112,995
Total debt instruments designated at fair value through profit or loss	1,490,294	1,112,995

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	Amortised cost Thousand Baht	Amortised cost Thousand Baht
<u>Debt instruments to be measured at amortised cost</u>		
Government and state enterprise promissory notes	7,896,293	8,901,949
Deposit at financial institutions with original maturing more than 3 months	1,135,000	1,073,000
Total	9,031,293	9,974,949
Less: Allowance for impairment ECL	-	-
Total debt instruments to be measured at amortised cost	9,031,293	9,974,949
Total financial asset - debt instruments, net	20,118,747	20,776,797

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

	Unaudited 30 June 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)	9,597,160	(19,723)
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	9,597,160	(19,723)
	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)

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11.2 Debt securities that are measured at amortised cost

	Unaudited 30 June 2024		
	Gross carrying value Thousand Baht	Expected credit loss Thousand Baht	Carrying value Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	9,031,293	-	9,031,293
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	9,031,293	-	9,031,293

	Audited 31 December 2023		
	Gross carrying value Thousand Baht	Expected credit loss Thousand Baht	Carrying value 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 30 June 2024 and 31 December 2023 are as follows:

	Unaudited 30 June 2024 Fair value Thousand Baht	Audited 31 December 2023 Fair value 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	(130,160)	(82,412)
Total equity instruments designated at fair value through other comprehensive income	50,818	98,566
Total financial assets - equity instruments	50,818	98,566

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13 Deferred tax

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

	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Deferred tax assets	1,829,519	1,837,464
Deferred tax liabilities	(12,877)	(21,987)
Deferred tax asset, net	1,816,642	1,815,477

The movement in deferred tax for the six-month period ended 30 June 2024 is as follows:

	30 June 2024 (Unaudited)			
	Balance as of 1 January 2024 Baht	Charges to profit or loss Baht	Charges to other comprehensive income Baht	
Deferred tax assets				
Unearned premium reserve, net	935,868	(6,914)	-	928,954
Loss reserves and outstanding claims	740,968	11,760	-	752,728
Allowance for impairment of Investments	3,716	229	-	3,945
Defined retirement employee benefit obligations	69,633	1,774	-	71,407
Allowance for doubtful accounts	18,775	(7,329)	-	11,446
Others	68,504	(1,136)	(6,329)	61,039
	1,837,464	(1,616)	(6,329)	1,829,519
Deferred tax liabilities				
Change in value of financial assets measured at fair value through profit or loss and other comprehensive income	(21,987)	(440)	9,550	(12,877)
	(21,987)	(440)	9,550	(12,877)
Deferred tax assets, net	1,815,477			1,816,642

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14 Other assets

	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Suspense Input Value Added Tax	73,983	63,594
Deposits	19,074	19,039
Other receivables	154,014	137,278
Others	33,651	16,783
Total other assets	280,722	236,694
<u>Less</u> Allowance for doubtful accounts	(46,692)	(48,512)
Other assets, net	234,030	188,182

15 Insurance liabilities

	Unaudited 30 June 2024		
	Insurance liabilities Thousand Baht	Liabilities recovered from reinsurers Thousand Baht	Net Thousand Baht
Long-term insurance liabilities	3,371,206	-	3,371,206
Loss reserves and outstanding claims			
- Incurred and reported claim reserves	4,861,882	(1,023,306)	3,838,576
- Incurred but not reported claim reserves	275,079	(397,731)	(122,652)
Total claim reserves	5,136,961	(1,421,037)	3,715,924
Premium reserves			
- Unearned premium reserves	10,093,516	(1,718,520)	8,374,996
Total	18,601,683	(3,139,557)	15,462,126

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	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

15.1 Long-term insurance liabilities

	Unaudited	Audited
	30 June	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	727,489	1,384,376
Decrease from benefits payment	(179,385)	(287,764)
Change in actuarial assumptions	(35,433)	20,266
Earned premium in the period/year	(645,116)	(1,092,392)
Ending balance of the period	3,371,206	3,503,651

15.2 Short-term insurance liabilities

Loss reserves and outstanding claims

	Unaudited	Audited
	30 June	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	4,912,517	10,064,964
Changes in claim reserves incurred in previous period/year	(97,767)	(181,347)
Changes in claim reserves assumptions	(44,350)	(206,374)
Claim paid in this period/year	(5,103,798)	(9,222,826)
Ending balance of the period/year	5,136,961	5,470,359

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15.3 Unearned premium reserves

	Unaudited 30 June 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	10,381,478	19,996,868
Earned premium in the period/year	(9,921,994)	(19,711,533)
Ending balance of the period	10,093,516	9,634,032

16 Amount due to reinsurance

	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Amount withheld on reinsurance	1,161,432	1,191,921
Due to reinsurance	1,344,144	1,550,398
Total	2,505,576	2,742,319

17 Other liabilities

	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Accrued operating expenses	472,827	462,060
Other payables	251,102	238,736
Suspense deposits	152,272	170,112
Lease liabilities	184,505	198,522
Others	148,928	130,076
Total	1,209,634	1,199,506

18 Operating expenses

	Unaudited	
	For the three-month period ended 30 June	
	2024	2023
	Thousand Baht	Thousand Baht
Personnel expenses which do not relate with the underwriting and loss adjustment	169,954	162,291
Premises and equipment expenses which do not relate with underwriting and loss adjustment	78,678	76,089
Taxes and duties	6,029	10,057
Bad debt and doubtful accounts (Reversal)	(1,713)	2,414
Other operating expenses	52,852	49,161
Total operating expenses	305,800	300,012

	Unaudited	
	For the six-month period ended 30 June	
	2024	2023
	Thousand Baht	Thousand Baht
Personnel expenses which do not relate with the underwriting and loss adjustment	332,322	324,350
Premises and equipment expenses which do not relate with underwriting and loss adjustment	129,875	129,317
Taxes and duties	13,034	22,727
Bad debt and doubtful accounts (Reversal)	(32,893)	6,561
Other operating expenses	111,019	104,679
Total operating expenses	553,357	587,634

19 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%).

20 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 30 June	
	2024	2023
Profit for the period (Thousand Baht)	561,646	604,054
Number of ordinary shares outstanding (Thousand Share)	409,696	409,696
Basic earnings per share (Baht per share)	1.37	1.47

There were no potential dilutive ordinary shares issued for the three-month period ended 30 June 2024 and 2023.

	Unaudited For the six-month period ended 30 June	
	2024	2023
Profit for the period (Thousand Baht)	1,064,464	1,041,460
Number of ordinary shares outstanding (Thousand Share)	409,696	409,696
Basic earnings per share (Baht per share)	2.60	2.54

There were no potential dilutive ordinary shares issued for the six-month period ended 30 June 2024 and 2023.

21 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.

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Revenue and expense transactions with related for the three-month period ended 30 June 2024 and 2023 are as follows:

	Unaudited For the three-month period ended 30 June	
	2024 Thousand Baht	2023 Thousand Baht
Revenues		
Gross written premium		
Affiliated company of the Group	21,384	3,604
Commission and brokerage income		
Parent company	148,099	158,079
Affiliated company of the Group	77,242	77,471
Total	225,341	235,550
Other income		
Parent company	7,781	5,494
Affiliated company of the Group	10,235	10,818
Total	18,016	16,312
Insurance claim expense recovered from reinsurers		
Parent company	37,042	28,018
Affiliated company of the Group	22,831	81,590
Total	59,873	109,608
	Unaudited For the three-month period ended 30 June	
	2024 Thousand Baht	2023 Thousand Baht
Expenses		
Ceded premium		
Parent company	446,893	589,508
Affiliated company of the Group	253,554	256,609
Total	700,447	846,117
Gross claim		
Parent company	75	-
Affiliated company of the Group	3,808	3,174
Total	3,883	3,174
Commissions and brokerage expenses		
Affiliated company of the Group	164,612	139,669
Other underwriting expenses		
Affiliated company of the Group	28,163	23,492
Operating expenses		
Affiliated company of the Group	9,474	5,750

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Revenue and expense transactions with related for the six-month period ended 30 June 2024 and 2023 are as follows:

	Unaudited	
	For the six-month	
	period ended 30 June	
	2024	2023
	Thousand	Thousand
	Baht	Baht
Revenues		
Gross written premium		
Affiliated company of the Group	22,215	15,006
Commission and brokerage income		
Parent company	199,600	203,028
Affiliated company of the Group	111,780	99,814
Total	311,380	302,842
Other income		
Parent company	15,815	11,951
Affiliated company of the Group	22,237	21,602
Total	38,052	33,553
Insurance claim expense recovered from reinsurers		
Parent company	110,491	66,256
Affiliated company of the Group	112,007	108,603
Total	222,498	174,859
Expenses		
Ceded premium		
Parent company	622,668	749,108
Affiliated company of the Group	407,202	422,256
Total	1,029,870	1,171,364
Gross claim		
Parent company	275	142
Affiliated company of the Group	6,460	7,136
Total	6,735	7,278
Commissions and brokerage expenses		
Affiliated company of the Group	304,070	274,696
Other underwriting expenses		
Affiliated company of the Group	69,049	47,620
Operating expenses		
Affiliated company of the Group	19,536	20,239

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Balances with the related parties as at 30 June 2024 and 31 December 2023 consist of:

	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Assets		
Premium receivables, net		
Affiliated company of the Group	260	519
Due from reinsurers, net		
Parent company	57,223	72,724
Affiliated company of the Group	127,195	197,390
Total	184,418	270,114
Other assets		
Parent company	33,397	69,631
Affiliated company of the Group	23,061	10,204
Total	56,458	79,835
Liabilities		
Insurance liabilities		
Affiliated company of the Group	47	47
Amount due to reinsurance		
Parent company	672,112	668,292
Affiliated company of the Group	540,507	608,524
Total	1,212,619	1,276,816
Commission and brokerage payables		
Affiliated company of the Group	77,095	79,615
Other liabilities		
Affiliated company of the Group	23,819	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 has renewed 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.

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Directors and management's remuneration

For the six-month period ended 30 June 2024 and 2023, the Company had employee benefit expenses payable to their directors and management as below.

	Unaudited For the three-month period ended 30 June	
	2024 Thousand Baht	2023 Thousand Baht
Short-term employee benefits	26,183	30,581
Other long-term employee benefits	12	11
Post-employment benefit	665	668
Total	26,860	31,260

For the six-month period ended 30 June 2024 and 2023, the Company had employee benefit expenses payable to their directors and management as below.

	Unaudited For the six-month period ended 30 June	
	2024 Thousand Baht	2023 Thousand Baht
Short-term employee benefits	47,565	51,905
Other long-term employee benefits	25	22
Post-employment benefit	1,330	1,336
Total	48,920	53,263

22 Securities placed with the Registrar

22.1 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 30 June 2024	
	Book value Thousand Baht	Face value Thousand Baht
Government and state enterprise bonds and Bank of Thailand bonds	15,023	15,000
Total	15,023	15,000
	Audited 31 December 2023	
	Book value Thousand Baht	Face value Thousand Baht
Government and state enterprise bonds and Bank of Thailand bonds	15,027*	15,000
Total	15,027	15,000

22.2 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	
	30 June 2024	
	Book value	Face value
	Thousand	Thousand
	Baht	Baht
Government and state enterprise bonds and Bank of Thailand bonds	1,823,121	1,786,000
Total	1,823,121	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

23 Restricted assets

	Unaudited	Audited
	30 June	31 December
	2024	2023
	Thousand	Thousand
	Baht	Baht
Restricted deposit at financial institutions		
Collateral against court cases	1,428	813
Credit lines of bank overdrafts letter of guarantee and other matters	4,000	4,000
Total	5,428	4,813

24 Commitments

The Company entered into service agreement. The Company's obligation for future payments under service agreement comprising low value contracts as at 30 June 2024 and 31 December 2023 are as follows:

	Unaudited 30 June 2024 Thousand Baht	Audited 31 December 2023 Thousand Baht
Within 1 year	32,514	32,265
Within 2 - 5 years	54,300	50,807
Total	86,814	83,072

25 Contingent liabilities

As at 30 June 2024, lawsuits have been brought against the Company, in relation to insurance claims in the normal course of business, approximately in amount of Baht 709 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 30 June 2024, the Company had letters of guarantee with a bank amounted to Baht 0.92 million (31 December 2023 : Baht 1 million).

26 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.

The Annual Shareholders meeting for the year 2022 held on 26 April 2023 approved dividend payment for the year 2022 with a dividend of Baht 4.77 per share which was totalling amounting to Baht 1,954 million. The dividend was paid to shareholders in May 2023.

27 Authorisation of financial information

The financial statements were authorised for issue by the Company's management on 9 August 2024.