

Tune Insurance Public Company Limited
Review report and interim financial information
31 March 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Tune Insurance Public Company Limited

I have reviewed the accompanying statement of financial position of Tune Insurance Public Company Limited as at 31 March 2023, the related statements of comprehensive income, changes in owners' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements (collectively "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.

Emphasis of Matter

I draw attention to Note 1 to the interim financial statements regarding the deficits from claim payment to insured. In Q1 2023, the Company also has the lower gross premium written than the same period in 2022. However, the Company's management has continuously monitored such situations and updated business plan and managed to minimise the impact of that situation.

My conclusion is not modified in respect of this matter.

Naris Chan

Narissara Chaisuwan

Certified Public Accountant (Thailand) No. 4812

EY Office Limited

Bangkok: 12 May 2023

Tune Insurance Public Company Limited**Statement of financial position****As at 31 March 2023**

		(Unit: Baht)	
	Note	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)
Assets			
Cash and cash equivalents	4	27,204,583	67,138,829
Premium receivables	5	82,418,944	82,832,655
Accrued investment income		1,478,931	932,863
Reinsurance assets	6	61,484,882	76,584,184
Receivables on reinsurance contracts	7	248,817,743	245,201,901
Debt financial assets	8	291,817,146	249,083,439
Equity financial assets	9	80,926,777	80,926,777
Equipments		7,786,871	8,536,252
Right-of-use assets		7,312,169	8,058,521
Intangible assets		8,012,021	8,042,614
Deferred tax assets	10.1	41,831,268	43,652,479
Other assets	11	20,966,632	37,894,784
Total assets		880,057,967	908,885,298

The accompanying notes are an integral part of the financial statements.

Tune Insurance Public Company Limited
Statement of financial position (Continued)
As at 31 March 2023

		(Unit: Baht)	
	Note	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)
Liabilities and owners' equity			
Liabilities			
Insurance contract liabilities	12	158,943,651	188,251,986
Due to reinsurers	13	265,554,511	248,905,421
Employee benefit obligations		13,182,684	12,179,279
Premium received in advances		13,750,276	14,394,592
Lease liabilities		6,979,734	7,682,279
Other liabilities	14	97,003,076	109,777,646
Total liabilities		555,413,932	581,191,203
Owners' equity			
Share capital			
Registered, issued and fully paid-up			
30,000,000 ordinary shares of Baht 10 each		300,000,000	300,000,000
Retained earnings			
Appropriated - statutory reserve		16,997,780	16,997,780
Unappropriated		(16,128,267)	(13,078,207)
Other components of equity		23,774,522	23,774,522
Total owners' equity		324,644,035	327,694,095
Total liabilities and owner's equity		880,057,967	908,885,298

The accompanying notes are an integral part of the financial statements.





Directors

(Unaudited but reviewed)

Tune Insurance Public Company Limited

Statement of comprehensive income

For the three-month period ended 31 March 2023

		(Unit: Baht)	
	Note	2023	2022
Profit or loss:			
Income			
Gross premium written		86,214,881	175,877,714
Less: Premium ceded to reinsurers		(44,792,588)	(90,077,629)
Net premium written		41,422,293	85,800,085
Add: Unearned premium reserves decreased			
from prior period		597,197	8,274,940
Net earned premium		42,019,490	94,075,025
Fee and commission income		12,645,675	39,740,744
Net investment income	15	1,375,044	2,810,368
Net gains on financial instruments	16	4,226	1,797,182
Fair value gain (loss) from financial instruments	17	2,440,213	(6,677,998)
Other income		1,311,910	1,475,782
Total income		59,796,558	133,221,103
Expenses			
Claim expenses		1,334,783	180,984,780
Less: Claims recovery from reinsurers		(1,809,060)	(72,622,957)
Commission and brokerage expenses		12,949,389	26,585,103
Other underwriting expenses		13,431,754	13,988,722
Operating expenses	18	35,070,939	31,573,581
Finance costs		48,037	13,468
Reversal of expected credit loss		(435)	(332,132)
Total expenses		61,025,407	180,190,565
Loss before income tax expenses		(1,228,849)	(46,969,462)
Add (less): Income tax revenue (expense)	10.2	(1,821,211)	6,829,258
Loss for the period		(3,050,060)	(40,140,204)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Tune Insurance Public Company Limited

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2023

	(Unit: Baht)	
Note	2023	2022
Other comprehensive income:		
Other comprehensive income for the period	-	-
Total comprehensive income for the period (loss)	<u>(3,050,060)</u>	<u>(40,140,204)</u>
Losses per share:		
19		
Basic loss per share		
Loss for the period	<u>(0.10)</u>	<u>(1.34)</u>

The accompanying notes are an integral part of the financial statements.

Tune Insurance Public Company Limited

Statement of changes in owners' equity

For the three-month period ended 31 March 2023

(Unaudited but reviewed)

(Unit: Baht)

	Other component of owners' equity				Total
	Issued and fully paid-up share capital	Retained earnings		Revaluation surplus on investments in equity designated at fair value through other comprehensive income - net of income tax	
		Appropriated	Unappropriated		
Balance as at 1 January 2022	300,000,000	16,997,780	225,228,835	19,831,967	562,058,582
Loss for the period	-	-	(40,140,204)	-	(40,140,204)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period (loss)	-	-	(40,140,204)	-	(40,140,204)
Balance as at 31 March 2022	300,000,000	16,997,780	185,088,631	19,831,967	521,918,378
Balance as at 1 January 2023	300,000,000	16,997,780	(13,078,207)	23,774,522	327,694,095
Loss for the period	-	-	(3,050,060)	-	(3,050,060)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period (loss)	-	-	(3,050,060)	-	(3,050,060)
Balance as at 31 March 2023	300,000,000	16,997,780	(16,128,267)	23,774,522	324,644,035

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Tune Insurance Public Company Limited

Statement of cash flows

For the three-month period ended 31 March 2023

	(Unit: Baht)	
	2023	2022
Cash flows from operating activities		
Direct premium written	78,829,225	175,456,887
Cash paid for reinsurance	(12,682,145)	(2,013,509)
Interest income	1,214,104	4,949,343
Dividend income	-	14,735
Other income	1,311,910	1,475,782
Loss incurred on direct insurance	(19,732,073)	(121,400,807)
Commissions and brokerages on direct insurance	(14,250,621)	(26,075,707)
Other underwriting expenses	(12,271,454)	(14,701,520)
Operating expenses	(21,027,899)	(59,814,692)
Income tax revenue (expense)	101,670	(217,732)
Cash received from debt and equity securities	53,500,000	157,356,298
Cash paid for debt and equity securities	(94,181,413)	(128,509,541)
Net cash used in operating activities	(39,188,696)	(13,480,463)
Cash flows from investing activities		
Equipment	-	(397,425)
Intangible assets	-	(850,220)
Net cash used in investing activities	-	(1,247,645)
Cash flows from financing activities		
Repayment of lease liabilities	(748,776)	(748,776)
Net cash flows used in financing activities	(748,776)	(748,776)
Net decrease in cash and cash equivalents	(39,937,472)	(15,476,884)
Decrease in allowance for expected credit loss	3,226	5,463
Cash and cash equivalents at beginning of period	67,138,829	75,937,863
Cash and cash equivalents at end of period	27,204,583	60,466,442

The accompanying notes are an integral part of the financial statements.

Tune Insurance Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2023

1. General information

Tune Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Tune Protect Group Berhad, a company is incorporated in Malaysia, is the major shareholder of the Company and holds 49 percent of total ordinary shares. The Company is principally engaged in providing non-life insurance. The registered address of the Company is at 3199 Maleenont Tower 14th Floor, Rama IV Road, Klongton Sub-district, Klongtoey District, Bangkok.

The COVID-19 pandemic has a significant impact to the Company's operations in relation to claim payment according to the coverage specified in the insurance policies until 2022, resulting in the Company's deficits and it has also resulted to the present in respect of insurance premium income, which has been continuously decreasing. In the first quarter of 2023, the Company also has the lower gross premium written than the same period in 2022 and its business plan. However, the Company's management has continuously monitored such situations and updated business plan and managed to minimise the impact of that situation.

2. Basis for preparation of the financial information

2.1 Basis for preparation of the interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented line items in the statements of financial position, comprehensive income, changes in equity and cash flows in the same format as that used for annual financial statements, and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, conditions and terms for preparation and submission of financial statements of non-life insurance companies B.E. 2566 dated 8 February 2023.

This interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, the interim financial information focuses on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language financial information.

2.2 Significant accounting policies

The interim financial information is prepared using the same accounting policies and methods of computation as those were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Company's financial statements.

3. Classification of Financial assets and financial liabilities

As at 31 March 2023 and 31 December 2022, the carrying value of the financial assets and financial liabilities are classified as follows:

(Unit: Baht)

	31 March 2023			Total
	Financial instruments measured at fair value through profit or loss	Equity instruments designated at fair value through comprehensive income	Financial Instruments measured at amortised cost	
Financial assets				
Cash and cash equivalents	-	-	27,204,583	27,204,583
Accrued investment income	-	-	1,478,931	1,478,931
Debt financial assets	132,004,399	-	159,812,747	291,817,146
Equity financial assets	-	80,926,777	-	80,926,777
Other financial assets	-	-	7,506,242	7,506,242
Financial liabilities				
Other liabilities - financial liabilities	-	-	41,442,428	41,442,428
Lease liabilities	-	-	6,979,734	6,979,734

(Unaudited but reviewed)

(Unit: Baht)

31 December 2022

	Equity instruments			Total
	Financial instruments measured at fair value through profit or loss	designated at fair value through other comprehensive income	Financial Instruments measured at amortised cost	
Financial assets				
Cash and cash equivalents	-	-	67,138,829	67,138,829
Accrued investment income	-	-	932,863	932,863
Debt financial assets	129,293,648	-	119,789,791	249,083,439
Equity financial assets	-	80,926,777	-	80,926,777
Other financial assets	-	-	25,616,807	25,616,807
Financial liabilities				
Other liabilities - financial liabilities	-	-	56,225,011	56,225,011
Lease liabilities	-	-	7,682,279	7,682,279

4. Cash and cash equivalents

(Unit: Baht)

	31 March 2023	31 December 2022
Cash	61,263	61,263
Deposits at banks with no fixed maturity date	26,826,060	66,757,470
Deposits at banks with fixed maturity date and certificates deposits at bank	319,477	325,539
Total	27,206,800	67,144,272
Less: Allowance for expected credit loss	(2,217)	(5,443)
Cash and cash equivalents	27,204,583	67,138,829

5. Premium receivables

As at 31 March 2023 and 31 December 2022, the balances of premium receivables from direct insurance are classified by overdue periods from the maturity date under the stipulated law of the premium collection as follows:

	(Unit: Baht)	
	31 March 2023	31 December 2022
Not yet due	63,938,472	61,860,453
Not over 30 days	2,006,219	5,609,355
Overdue 30 days to 60 days	9,844,112	1,279,484
Overdue 60 days to 90 days	1,762,694	2,103,925
Overdue longer than 90 days	27,516,993	29,384,212
Total	105,068,490	100,237,429
Less: Allowance for doubtful debt	(22,649,546)	(17,404,774)
Premium receivables, net	<u>82,418,944</u>	<u>82,832,655</u>

6. Reinsurance assets

	(Unit: Baht)	
	31 March 2023	31 December 2022
Insurance reserve refundable from reinsurers		
Loss reserves	24,271,468	29,142,488
Unearned premium reserves	37,213,414	47,441,696
Reinsurance assets	<u>61,484,882</u>	<u>76,584,184</u>

7. Receivables on reinsurance contracts

	(Unit: Baht)	
	31 March 2023	31 December 2022
Amounts due from reinsurers	376,100,357	371,786,265
Less: Allowance for doubtful accounts	(127,282,614)	(126,584,364)
Receivables on reinsurance contracts	<u>248,817,743</u>	<u>245,201,901</u>

As of 31 March 2023, and 31 December 2022, the Company has receivables from reinsurance contracts amounting to Baht 255 million and Baht 253 million, respectively, which is the outstanding amount from entering into a reinsurance contract with a reinsurance broker. In November 2022, the Company filed a lawsuit with the Central Intellectual Property and International Trade Court against the reinsurance broker and its associate. From the opinion of the Company's legal advisor, the Company is in a position to have an advantage in litigation. However, there is still uncertainty in the outcome of the case. Therefore, the allowance for doubtful accounts of Baht 127 million is recorded in the financial statements (31 December 2022: Baht 127 million).

However, in March 2023, reinsurance broker and its associate filed a statement of defense and counterclaim against the Company for damages amounting to Baht 111 million and in April 2023, the Central Intellectual Property and International Trade Court set the dispute and scheduled an appointment for witness examination in October 2023.

8. Debt financial assets

8.1 Classified by type of financial assets

	(Unit: Baht)			
	31 March 2023		31 December 2022	
	Cost/ Amortised cost	Fair Value	Cost/ Amortised cost	Fair Value
Debt instruments measured at fair value through profit or loss				
Government and state enterprise securities	76,204,863	78,568,506	75,919,148	76,320,291
Private enterprise debt securities	53,788,962	53,435,893	53,804,139	52,973,357
Total	129,993,825	132,004,399	129,723,287	129,293,648
Add (less): Unrealised gain (loss)	2,010,574	-	(429,639)	-
Total	132,004,399	132,004,399	129,293,648	129,293,648
	<u>Amortised cost</u>		<u>Amortised cost</u>	
Debt instruments measured at amortised cost				
Government and state enterprise securities	46,010,318		45,987,562	
Private enterprise debt securities	50,000,000		50,000,000	
Fixed deposits and certificates of deposits	64,160,549		24,160,349	
Total	160,170,867		120,147,911	
Less: Allowance for expected credit loss	(358,120)		(358,120)	
Total	159,812,747		119,789,791	
Total debt financial assets - net	<u>291,817,146</u>		<u>249,083,439</u>	

8.2 Classified by stage of credit risk

(Unit: Baht)

	31 March 2023			31 December 2022		
	Carrying value - gross	Allowance for		Carrying value - gross	Allowance for	
		expected credit loss	Carrying value - net		expected credit loss	Carrying value - net
Debt instruments measured at amortised cost						
Stage 1 - Debt securities without a significant increase in credit risk	140,170,867	(33,641)	140,137,226	100,147,911	(33,641)	100,114,270
Stage 2 - Debt securities with a significant increase in credit risk	20,000,000	(324,479)	19,675,521	20,000,000	(324,479)	19,675,521
Total	160,170,867	(358,120)	159,812,747	120,147,911	(358,120)	119,789,791

8.3 Investments subject to restrictions

As at 31 March 2023 and 31 December 2022, the Company has placed government securities at amortised cost as securities and reserves with the Registrar of the Office of Insurance Commission under the Non-life Insurance Act as follows:

(Unit: Baht)

	31 March 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
Securities pledged				
Government bonds	16,932,878	17,107,157	16,908,073	16,109,306
Securities reserve				
Government bonds	29,077,439	28,339,655	29,079,488	27,956,785

9. Equity financial assets**9.1 Classified by type financial assets**

(Unit: Baht)

	31 March 2023		31 December 2022	
	Cost	Fair Value	Cost	Fair Value
Equity instruments designated at fair value through other comprehensive income				
Non-listed domestic equity instruments	728,830	26,432,682	728,830	26,432,682
Non-listed foreign equity instruments	50,479,792	54,494,095	50,479,792	54,494,095
Total	51,208,622	80,926,777	51,208,622	80,926,777
Add: Unrealised gain	29,718,155	-	29,718,155	-
Total	80,926,777	80,926,777	80,926,777	80,926,777
Total equity financial assets - net	80,926,777	80,926,777	80,926,777	80,926,777

9.2 Derecognition of equity securities

During the period, the Company did not sell investments in equity instruments designated at fair value through other comprehensive income from account.

10. Deferred tax assets/liabilities and income tax expenses

10.1 Deferred tax assets/liabilities

As at 31 March 2023 and 31 December 2022, the components of deferred tax assets and deferred tax liabilities are as follows:

	31 March 2023	31 December 2022	(Unit: Baht)	
			Change in Deferred tax assets and liabilities	
			For the three-month periods ended 31 March	
	2023	2022	2023	2022
Deferred tax assets				
Provision for loss incurred but not yet reported	6,088,509	8,142,153	(2,053,644)	8,502,465
Loss reserves	4,254,227	4,922,950	(668,723)	(319,351)
Premium reserves	-	-	-	(2,809,591)
Allowance for doubtful accounts	29,986,432	28,797,828	1,188,605	-
Employee benefit obligations	2,636,537	2,435,856	200,681	186,561
Allowance for impairment of investments	2,772,042	2,772,042	-	-
Expected credit losses	2,437,657	2,437,744	(87)	(66,426)
Unrealised loss on changes in value of financial assets designated at fair value through profit or loss	-	85,405	(85,405)	-
Total	48,175,404	49,593,978		
Deferred tax liabilities				
Unrealised gains on changes in value of financial assets designated at fair value through profit or loss	402,637	-	402,637	1,335,600
Unrealised gains on changes in value of equity instruments designated at fair value through other comprehensive income	5,941,499	5,941,499	-	-
Total	6,344,136	5,941,499		
Deferred tax assets - net	41,831,268	43,652,479		
Total changes			(1,821,211)	6,829,258
Changes were recognised in:				
- Profit or loss			(1,821,211)	6,829,258
- Other comprehensive income			-	-
			(1,821,211)	6,829,258

10.2 Income tax revenues

Income tax expense (revenue) for the three-month periods ended 31 March 2023 and 2022 are made up as follows:

	(Unit: Baht)	
	For the three-month periods ended	
	31 March	
	2023	2022
Current income tax:		
Current income tax charge for the period	-	-
Deferred tax:		
Deferred income tax relating to origination and reversal of temporary differences	1,821,211	(6,829,258)
Income tax (revenue) expense as reported in profit or loss	<u>1,821,211</u>	<u>(6,829,258)</u>

The reconciliation between tax expense (revenue) and the product of accounting losses multiplied by the applicable tax rate for the three-month periods ended 31 March 2023 and 2022 are shown below.

	(Unit: Baht)	
	For the three-month periods ended	
	31 March	
	2023	2022
Accounting losses before income tax	(1,228,849)	(46,969,462)
Applicable tax rate	20%	20%
Income tax at the applicable tax rate	(245,770)	(9,393,892)
Taxable losses for the period that were not recognised as deferred tax assets	1,978,730	2,481,788
Tax effect of:		
Net effect of exempted income and non-deductible expenses	88,251	82,846
Income tax (revenue) expense as reported in profit or loss	<u>1,821,211</u>	<u>(6,829,258)</u>

As at 31 March 2023, the Company has unused tax losses totaling Baht 270 million, which is expired by 2026 until 2028. The Company has not recognised as deferred tax asset since it believes future taxable profits may not be sufficient to allow utilization of unused tax losses.

(Unaudited but reviewed)

11. Other assets

	(Unit: Baht)	
	31 March 2023	31 December 2022
Other assets - financial assets		
Other account receivable	15,718,175	33,596,000
Less: Allowance for expected credit loss	(11,824,606)	(11,824,606)
Other account receivable - net	3,893,569	21,771,394
Deposits	3,315,073	3,315,073
Advance payment	297,600	530,340
Total	7,506,242	25,616,807
Other assets - other		
Prepaid commission and brokerages expenses	2,289,118	2,437,215
Prepaid expenses	688,136	887,539
Prepaid reinsurance premium	1,517,496	803,541
Input tax not due	2,555,322	1,965,053
Revenue department receivables	2,023,863	2,361,129
Others	4,386,455	3,823,500
Total	13,460,390	12,277,977
Total other assets	20,966,632	37,894,784

12. Insurance contract liabilities

	(Unit: Baht)		
	31 March 2023		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
- Claims incurred and reported	25,727,283	(4,456,150)	21,271,133
- Claims incurred but not yet reported	50,257,863	(19,815,318)	30,442,545
Premium reserves			
- Unearned premium reserves	82,958,505	(37,213,414)	45,745,091
Total	158,943,651	(61,484,882)	97,458,769

(Unaudited but reviewed)

(Unit: Baht)

	31 December 2022		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
- Claims incurred and reported	33,160,019	(8,545,271)	24,614,748
- Claims incurred but not yet reported	61,307,983	(20,597,217)	40,710,766
Premium reserves			
- Unearned premium reserves	93,783,984	(47,441,696)	46,342,288
Total	188,251,986	(76,584,184)	111,667,802

12.1 Loss reserves

(Unit: Baht)

	For the three-month	
	period ended 31 March 2023	For the year ended 31 December 2022
Balance - beginning of the period/year	94,468,002	259,302,546
Claim expenses for the period/year	20,961,218	539,431,939
Change in loss reserves and assumptions	(21,611,832)	(110,933,022)
Claim expenses paid during the period/year	(17,832,242)	(593,333,461)
Balance - end of the period	75,985,146	94,468,002

As at 31 March 2023 and 31 December 2022, the Company had loss reserves under reinsurance contracts of Baht 3.3 million and Baht 4.8 million, respectively.

12.2 Unearned premium reserves

(Unit: Baht)

	For the three-month	
	period ended 31 March 2023	For the year ended 31 December 2022
Unearned premium reserves		
Balance - beginning of the period/year	93,783,984	256,116,103
Premium written for the period/year	86,214,881	454,704,967
Premium earned for the current period/year	(97,040,360)	(617,037,086)
Balance of unearned premium reserves	82,958,505	93,783,984

(Unaudited but reviewed)

13. Due to reinsurers

	(Unit: Baht)	
	31 March 2023	31 December 2022
Amounts withheld on reinsurance	71,344,275	116,304,211
Amounts due to reinsurers	194,210,236	132,601,210
Total	265,554,511	248,905,421

14. Other liabilities

	(Unit: Baht)	
	31 March 2023	31 December 2022
Other liabilities - financial liabilities		
Accrued expenses	30,613,200	45,313,574
Other account payables	10,829,228	10,911,437
Total	41,442,428	56,225,011
Other liabilities - other		
Accrued commission expenses	18,578,519	20,236,723
Accrued marketing expenses	9,501,758	8,341,458
Deposits for insurance premium	15,556,743	13,212,967
Revenue department payable	2,112,531	1,994,273
Other payables	6,368,469	6,158,478
Others	3,442,628	3,608,736
Total	55,560,648	53,552,635
Total other liabilities	97,003,076	109,777,646

15. Net investment income

	(Unit: Baht)	
	For the three-month periods ended	
	31 March	
	2023	2022
Interest income	1,556,257	2,398,117
Dividend income	-	1,077,496
Investment expenses	(181,213)	(665,245)
Total	1,375,044	2,810,368

(Unaudited but reviewed)

16. Net gains on financial instruments

(Unit: Baht)

For the three-month periods ended
31 March

	2023	2022
Gain (loss) from disposal and derecognition		
Debt instruments measured at fair value through profit or loss	4,226	(689,092)
Equity instruments measured at fair value through profit or loss	-	2,486,274
Total	<u>4,226</u>	<u>1,797,182</u>

17. Fair value gain (loss) from financial instruments

(Unit: Baht)

For the three-month periods ended
31 March

	2023	2022
Debt instruments measured at fair value through profit or loss	2,440,213	(5,063,981)
Equity instruments measured at fair value through profit or loss	-	(1,614,017)
Total	<u>2,440,213</u>	<u>(6,677,998)</u>

18. Operating expenses

(Unit: Baht)

For the three-month periods ended
31 March

	2023	2022
Personnel expenses	18,405,808	21,678,790
Premises and equipment expenses	5,963,067	5,293,533
Taxes and duties	3,496	118,988
Bad debts and doubtful accounts	5,943,022	-
Other operating expenses	4,755,546	4,482,270
Total operating expenses	<u>35,070,939</u>	<u>31,573,581</u>

19. Loss per share

Basic loss per share is calculated by dividing losses for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

20. Related party transactions

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

The relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship with the Company
Tune Protect Group Berhad	Related by way of common directors and shareholding
Thai AirAsia Co., Ltd.	Related by way of common directors
Thai AirAsia X Co., Ltd.	Related by way of common directors

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended		Pricing policy
	31 March		
	2023	2022	
Transactions with related companies			
Premium written	10.9	2.3	According to terms of underwriting agreements
Commission and brokerage expenses	1.5	0.4	At a mutually agreed percentage of premium written

As at 31 March 2023 and 31 December 2022, the balances of the accounts between the Company and its related parties are as follows:

(Unit: Baht)

	31 March 2023	31 December 2022
Premium receivables		
Thai AirAsia Co., Ltd.	8,399,220	3,242,714
Thai AirAsia X Co., Ltd.	1,395,706	876,512
Loss reserves		
Thai AirAsia Co., Ltd.	10,600	-

Directors and key management's remuneration

During the three-month periods ended 31 March 2023 and 2022, the Company had employment benefit expenses in relation to its directors and key management as follows:

(Unit: Million Baht)

For the three-month periods ended
31 March

	2023	2022
Short-term benefits	22.4	26.4
Post employment benefits	0.9	0.9
Total	23.3	27.3

21. Financial Instrument**21.1 Fair value of financial instrument**

Most of the Company's financial instruments, consist of cash and cash equivalents, held to maturity investments measured at amortised cost, accrued investment income, other assets and lease liabilities which are classified as short-term and/or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

21.2 Fair value hierarchy

As of 31 March 2023 and 31 December 2022, the Company had the following financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

31 March 2023

	Fair value			
	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value				
Debt instruments measured at fair value through profit or loss				
Government and state enterprise securities	79	-	79	-
Private enterprises debt securities	53	-	53	-
Equity instruments designated at fair value through other comprehensive income				
Non-listed domestic equity instruments	26	-	-	26
Non-listed foreign equity instruments	54	-	-	54
				14

(Unaudited but reviewed)

(Unit: Million Baht)

	31 December 2022			
	Fair value			
	Total	Level 1	Level 2	Level 3
Financial assets measured at fair value				
Debt instruments measured at fair value through profit or loss				
Government and state enterprise securities	76	-	76	-
Private enterprises debt securities	53	-	53	-
Equity instruments designated at fair value through other comprehensive income				
Non-listed domestic equity instruments	26	-	-	26
Non-listed foreign equity instruments	54	-	-	54

During the current period, the Company does not change the valuation technique and assumptions used in the valuation of financial assets, and there were no transfers within the fair value hierarchy.

22. Commitments and contingent liabilities

22.1 Operating lease and service commitments

- As at 31 March 2023, the Company has entered into several lease agreements in respect of office equipment and other services. The lease agreements consist of short-term lease and leases of low-value assets, lease term 1 - 4 years. The future minimum payments required under these agreements were as follows:

	(Unit: Million Baht)
	31 March 2023
Payable within:	
Within 1 year	6.9
Over 1 to 3 years	5.6
Total	12.5

- The Company has entered into service agreement to obtain notification claims services for travel insurance policy at the rate 0.7% of insurance premium per month.

22.2 Litigation

As at 31 March 2023, the Company has been sued for damages as an insurer. The total exposure of a couple of litigation cases amounts to Baht 7.2 million (31 December 2022: Baht 8.7 million) However, the Company is only obligated under the insurance liabilities totaling Baht 2.1 million (31 December 2022: Baht 3.4 million). And according to aforementioned in Note 7 to the interim financial statements, the Company was sued for damages from reinsurance broker and associate in the amount of Baht 111 million. The outcomes of the cases have not yet been finalized, since the case is in the step of further appointment. Therefore, the Company has set aside provision for potential losses in the financial statement amounting to Baht 0.7 million (31 December 2022: Baht 1.7 million) and the Company's management believes that upon the conclusion from litigation, the remaining amount will not be material to the Company's financial positions and operating result.

22.3 Capital commitments

As at 31 March 2023 and 31 December 2022, the Company had capital commitments of approximately Baht 6.0 million relating to computer software development.

23. Approval of interim financial statements

These interim financial information were authorised for issue by the Company's Board of Directors on 12 May 2023.