

Tune Insurance Public Company Limited
Review report and interim financial information
For the three-month and nine-month periods ended
30 September 2022

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 30 September 2022, the related statements of comprehensive income for the three-month and nine-month periods then ended, and the related statements of changes in owners' equity and cash flows for the nine-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.

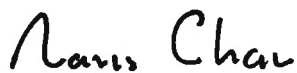
Conclusion

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 1.2 to the interim financial statements regarding the COVID-19 pandemic. This situation is significantly impacting the Company's operating results, financial position, cash flows and risk-based capital. However, the Company's management has continuously monitored the ongoing developments, assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, risk-based capital, and updated business plan and managed to minimise the impact of that situation.

My conclusion is not modified in respect of this matter.



Narissara Chaisuwan

Certified Public Accountant (Thailand) No. 4812

EY Office Limited

Bangkok: 14 November 2022

Tune Insurance Public Company Limited**Statement of financial position****As at 30 September 2022**

		(Unit: Baht)	
	Note	30 September 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)
Assets			
Cash and cash equivalents	4	76,622,176	75,937,863
Premium receivables	5	92,971,130	114,947,345
Accrued investment income		1,558,147	1,967,612
Reinsurance assets	6	124,759,306	288,759,376
Receivables on reinsurance contracts	7	307,090,235	193,009,668
Debt financial assets	8	207,981,053	507,526,604
Equity financial assets	9	75,998,583	230,345,447
Equipments		8,831,339	11,386,722
Right-of-use assets		1,203,804	3,464,187
Intangible assets		5,549,093	4,622,050
Deferred tax assets	10.1	50,350,299	41,745,957
Other assets	11	28,252,721	47,804,379
Total assets		981,167,886	1,521,517,210

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

Tune Insurance Public Company Limited
Statement of financial position (Continued)
As at 30 September 2022

		(Unit: Baht)	
	Note	30 September 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)
Liabilities and owners' equity			
Liabilities			
Insurance contract liabilities	12	269,116,985	515,418,649
Due to reinsurers	13	245,277,788	260,336,698
Employee benefit obligations		14,199,501	11,189,286
Premium received in advances		20,539,469	40,782,941
Lease liabilities		1,099,059	3,318,609
Other liabilities	14	74,028,221	128,412,445
Total liabilities		624,261,023	959,458,628
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		20,077,116	225,228,835
Other components of equity		19,831,967	19,831,967
Total owners' equity		356,906,863	562,058,582
Total liabilities and owner's equity		981,167,886	1,521,517,210

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 30 September 2022

		(Unit: Baht)	
	Note	2022	2021
Profit or loss:			
Income			
Gross premium written		69,079,162	140,882,371
Less: Premium ceded to reinsurers		(37,581,593)	(42,952,348)
Net premium written		31,497,569	97,930,023
Add (Less): Unearned premium reserves decrease (increase) from prior period		28,780,563	(35,799,507)
Net earned premium		60,278,132	62,130,516
Fee and commission income		14,595,010	24,824,520
Net investment income	15	1,756,623	1,368,794
Net gain on financial instruments	16	1,931,466	1,383,047
Fair value loss from financial instruments	17	(2,605,483)	(1,088,965)
Other income		1,334,998	1,722,654
Total income		77,290,746	90,340,566
Expenses			
Claim expenses		63,581,487	150,519,592
Less: Claims recovery from reinsurers		(31,129,674)	(75,595,553)
Unexpired risks reserve from prior period		(14,569,768)	-
Commission and brokerage expenses		10,390,198	23,221,159
Other underwriting expenses		11,015,334	12,871,197
Operating expenses	18	86,344,585	37,152,808
Finance costs		7,125	19,754
Expected credit loss (reversal)	19	(51,350)	5,518,803
Total expenses		125,587,937	153,707,760
Loss before income tax expenses		(48,297,191)	(63,367,194)
Add (Less): Income tax revenue (expense)	10.2	(5,748,507)	12,837,868
Loss for the period		(54,045,698)	(50,529,326)

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 30 September 2022

		(Unit: Baht)	
	Note	2022	2021
Other comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Loss on investments in equity designated at fair value through other comprehensive income		-	(9,612,181)
Add: Income tax effect		-	1,922,436
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(7,689,745)
Other comprehensive income for the period (loss)		-	(7,689,745)
Total comprehensive income for the period (loss)		<u>(54,045,698)</u>	<u>(58,219,071)</u>
Loss per share :	20		
Basic loss per share			
Loss for the period		<u>(1.80)</u>	<u>(1.68)</u>

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

(Unaudited but reviewed)

Tune Insurance Public Company Limited

Statement of comprehensive income

For the nine-month period ended 30 September 2022

		(Unit: Baht)	
	Note	2022	2021
Profit or loss:			
Income			
Gross premium written		361,599,302	361,805,567
Less: Premium ceded to reinsurers		(181,811,588)	(159,171,586)
Net premium written		179,787,714	202,633,981
Add (less): Unearned premium reserves			
decrease (increase) from prior period		77,166,821	(49,490,333)
Net earned premium		256,954,535	153,143,648
Fee and commission income		77,683,820	51,883,887
Net investment income	15	8,183,318	7,178,650
Net gain on financial instruments	16	17,117,809	10,044,034
Fair value gain (loss) from financial instruments	17	(36,775,716)	3,489,960
Other income		3,987,672	3,272,619
Total income		327,151,438	229,012,798
Expenses			
Claim expenses		453,404,968	344,845,710
Less: Claims recovery from reinsurers		(147,056,051)	(213,414,336)
Unexpired risks reserve increase from prior period		4,584,743	-
Commission and brokerage expenses		53,983,025	51,772,142
Other underwriting expenses		39,714,447	31,528,789
Operating expenses	18	151,108,579	91,912,807
Finance costs		35,211	68,617
Expected credit loss (reversal)	19	(14,867,423)	11,644,311
Total expenses		540,907,499	318,358,040
Loss before income tax expenses		(213,756,061)	(89,345,242)
Add: Income tax revenue	10.2	8,604,342	17,129,000
Loss for the period		(205,151,719)	(72,216,242)

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 nine-month period ended 30 September 2022

		(Unit: Baht)	
	Note	2022	2021
Other comprehensive income:			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Loss on investments in equity designated at fair value through other comprehensive income		-	(8,546,466)
Add: Income tax effect		-	1,709,293
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(6,837,173)
Other comprehensive income for the period (loss)		-	(6,837,173)
Total comprehensive income for the period (loss)		<u>(205,151,719)</u>	<u>(79,053,415)</u>
Loss per share :	20		
Basic loss per share			
Loss for the period		<u>(6.84)</u>	<u>(2.41)</u>

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

(Unaudited but reviewed)

Tune Insurance Public Company Limited

Statement of changes in owners' equity

For the nine-month period ended 30 September 2022

(Unit: Baht)

	Issued and fully paid-up share capital		Retained earnings		Other component of owners' equity		Total
	Appropriated	Unappropriated	Revaluation surplus on investments in equity designated at fair value through other comprehensive income	- net of income tax			
Balance as at 1 January 2021	300,000,000	16,997,780	382,522,070	19,638,164		719,158,014	
Loss for the period	-	-	(72,216,242)	-		(72,216,242)	
Other comprehensive income for the period	-	-	-	(6,837,173)		(6,837,173)	
Total comprehensive income for the period (loss)	-	-	(72,216,242)	(6,837,173)		(79,053,415)	
Balance as at 30 September 2021	300,000,000	16,997,780	310,305,828	12,800,991		640,104,599	
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	-	-	(205,151,719)	-		(205,151,719)	
Other comprehensive income for the year	-	-	-	-		-	
Total comprehensive income for the year (loss)	-	-	(205,151,719)	-		(205,151,719)	
Balance as at 30 September 2022	300,000,000	16,997,780	20,077,116	19,831,967		356,906,863	

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 nine-month period ended 30 September 2022

	(Unit: Baht)	
	2022	2021
Cash flows from operating activities		
Direct premium written	358,330,478	330,840,487
Cash paid for reinsurance	(29,539,091)	(90,115,231)
Interest income	12,198,740	6,721,385
Dividend income	2,660,799	2,555,138
Other income	3,987,672	3,272,619
Loss incurred on direct insurance	(545,803,084)	(215,862,873)
Commissions and brokerages on direct insurance	(57,664,402)	(43,281,413)
Other underwriting expenses	(42,055,024)	(28,794,854)
Operating expenses	(145,029,693)	(89,894,942)
Income tax expenses	(5,217,446)	(1,054,183)
Cash received from debt and equity securities	725,027,366	488,923,852
Cash paid for debt and equity securities	(273,323,732)	(342,607,843)
Net cash from operating activities	3,572,583	20,702,142
Cash flows from investing activities		
Equipment	(413,532)	(2,210,426)
Intangible asset	(992,930)	-
Net cash used in investing activities	(1,406,462)	(2,210,426)
Cash flows from financing activities		
Repayment of lease liabilities	(1,497,552)	(2,246,328)
Cash flows used in financing activities	(1,497,552)	(2,246,328)
Net increase in cash and cash equivalents	668,569	16,245,388
Decrease (increase) in allowance for expected credit loss	15,744	(12,459)
Cash and cash equivalents at beginning of period	75,937,863	43,573,228
Cash and cash equivalents at end of period	76,622,176	59,806,157

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

Tune Insurance Public Company Limited
Notes to interim financial statements
For the nine-month period ended 30 September 2022

1. General information

1.1 General information of the Company

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.

1.2 The COVID-19 pandemic

The ongoing epidemic situation of the COVID-19 has a significant impact on the Company's operations in relation to estimation and claim payment according to the coverage specified in the insurance policy. As a result, the Company has loss from operations and a decrease in the capital adequacy ratio.

The Company's management has continuously monitored the ongoing developments, assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, risk-based capital and updated business plan and managed to minimise the impact of that situation. The Company's management has used estimates and judgement in respect of various issues as the situation has evolved.

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 and operating performance reports of non-life insurance companies (No.2) B.E. 2562 dated 4 April 2019.

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 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Company’s financial statements.

3. Classification of Financial assets and financial liabilities

As at 30 September 2022 and 31 December 2021, the carrying value of the financial assets and financial liabilities are classified as follows:

(Unit: Baht)

	30 September 2022			
	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	Total
Financial assets				
Cash and cash equivalents	-	-	76,622,176	76,622,176
Accrued investment income	-	-	1,558,147	1,558,147
Debt financial assets	98,184,399	-	109,796,654	207,981,053
Equity financial assets	-	75,998,583	-	75,998,583
Other financial assets	-	-	7,985,708	7,985,708
Financial liabilities				
Other liabilities - financial liabilities	-	-	29,429,844	29,429,844
Lease liabilities	-	-	1,099,059	1,099,059

(Unaudited but reviewed)

(Unit: Baht)

31 December 2021				
	Equity instruments			
	Financial instruments measured at fair value through profit or loss	designated at fair value through comprehensive income	Financial Instruments measured at amortised cost	Total
Financial assets				
Cash and cash equivalents	-	-	75,937,863	75,937,863
Accrued investment income	-	-	1,967,612	1,967,612
Debt financial assets	331,853,172	-	175,673,432	507,526,604
Equity financial assets	154,346,865	75,998,582	-	230,345,447
Other financial assets	-	-	11,290,747	11,290,747
Financial liabilities				
Other liabilities - financial liabilities	-	-	57,010,555	57,010,555
Lease liabilities	-	-	3,318,609	3,318,609

4. Cash and cash equivalents

(Unit: Baht)

	30 September 2022	31 December 2021
Cash	58,973	55,263
Deposits at banks with no fixed maturity date	76,245,880	75,581,268
Deposits at banks with fixed maturity date and certificates deposits at bank	325,442	325,195
Total	76,630,295	75,961,726
Less: Allowance for expected credit loss	(8,119)	(23,863)
Cash and cash equivalents	76,622,176	75,937,863

5. Premium receivables

As at 30 September 2022 and 31 December 2021, 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)	
	<u>30 September 2022</u>	<u>31 December 2021</u>
Not yet due	51,669,433	87,015,418
Not over 30 days	13,575,328	14,364,995
Overdue 30 days to 60 days	8,280,106	4,275,538
Overdue 60 days to 90 days	8,486,529	1,369,286
Overdue longer than 90 days	25,317,026	19,027,973
Total	<u>107,328,422</u>	<u>126,053,210</u>
Less: Allowance for doubtful debt	<u>(14,357,292)</u>	<u>(11,105,865)</u>
Premium receivables, net	<u>92,971,130</u>	<u>114,947,345</u>

6. Reinsurance assets

	(Unit: Baht)	
	<u>30 September 2022</u>	<u>31 December 2021</u>
Insurance reserve refundable from reinsurers		
Loss reserves	76,717,021	160,969,829
Unearned premium reserves	48,042,285	127,789,547
Reinsurance assets	<u>124,759,306</u>	<u>288,759,376</u>

7. Receivables on reinsurance contracts

	(Unit: Baht)	
	<u>30 September 2022</u>	<u>31 December 2021</u>
Amounts due from reinsurers	429,492,574	271,731,992
Less: Allowance for doubtful accounts	<u>(122,402,339)</u>	<u>(78,722,324)</u>
Receivables on reinsurance contracts	<u>307,090,235</u>	<u>193,009,668</u>

As of 30 September 2022, and 31 December 2021, the Company has receivables from reinsurance contracts amounting to Baht 244.8 million and Baht 157.4 million, respectively, that the Company is currently preparing documents for suing with related reinsurance brokers. (The outstanding balance of a such receivables increased from the end of 2021 due to the transferred of assets from reinsurance assets amounting to Baht 87.4 million to reinsurance receivables due to the due of payment.) 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 122.4 million is recorded in the financial statements (31 December 2021: Baht 78.7 million).

8. Debt financial assets**8.1 Classified by type of financial assets**

(Unit: Baht)

	30 September 2022		31 December 2021	
	Cost/		Cost/	
	Amortised cost	Fair Value	Amortised cost	Fair Value
Debt instruments measured at fair value through profit or loss				
Government and state enterprise securities	21,965,846	20,928,082	89,193,442	92,819,932
Private enterprise debt securities	82,450,997	77,256,317	189,484,288	192,848,570
Unit trusts	-	-	42,051,275	46,184,670
Total	104,416,843	98,184,399	320,729,005	331,853,172
Add (less): Unrealised gain (loss)	(6,232,444)	-	11,124,167	-
Total	98,184,399	98,184,399	331,853,172	331,853,172
	<u>Amortised cost</u>		<u>Amortised cost</u>	
Debt instruments measured at amortised cost				
Government and state enterprise securities	45,964,463		43,087,680	
Private enterprise debt securities	50,000,000		84,000,000	
Fixed deposits and certificates of deposits	14,160,349		63,159,953	
Total	110,124,812		190,247,633	
Less: Allowance for expected credit loss	(328,158)		(14,574,201)	
Total	109,796,654		175,673,432	
Total debt financial assets - net	<u>207,981,053</u>		<u>507,526,604</u>	

(Unaudited but reviewed)

8.2 Classified by stage of credit risk

(Unit: Baht)

	30 September 2022			31 December 2021		
	Carrying value - gross	Allowance for expected credit loss	Carrying value - net	Carrying value - gross	Allowance for expected credit loss	Carrying value - net
Debt instruments measured at amortised cost						
Stage 1 - Debt securities without a significant increase in credit risk	90,124,812	(3,679)	90,121,133	146,247,633	(259,270)	145,988,363
Stage 2 - Debt securities with a significant increase in credit risk	20,000,000	(324,479)	19,675,521	20,000,000	(1,738,931)	18,261,069
Stage 3 - Debt securities with credit impairment	-	-	-	24,000,000	(12,576,000)	11,424,000
Total	110,124,812	(328,158)	109,796,654	190,247,633	(14,574,201)	175,673,432

8.3 Investments subject to restrictions

As at 30 September 2022 and 31 December 2021, 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)

	30 September 2022		31 December 2021	
	Cost	Fair value	Cost	Fair value
Securities pledged				
Government bonds	16,882,891	14,852,085	14,000,000	14,008,940
Securities reserve				
Government bonds	29,081,573	26,679,855	29,087,680	29,282,410

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

	(Unit: Baht)			
	30 September 2022		31 December 2021	
	Cost	Fair Value	Cost	Fair Value
Equity instruments measured at fair value through profit or loss				
Listed domestic equity instruments	-	-	134,927,760	154,346,865
Add: Unrealised gain	-	-	19,419,105	-
Total	-	-	154,346,865	154,346,865
Equity instruments designated at fair value through other comprehensive income				
Non-listed domestic equity instruments	728,830	21,544,655	728,830	21,544,655
Non-listed foreign equity instruments	50,479,793	54,453,928	50,479,792	54,453,927
Total	51,208,623	75,998,583	51,208,622	75,998,582
Add: Unrealised gain	24,789,960	-	24,789,960	-
Total	75,998,583	75,998,583	75,998,582	75,998,582
Total equity financial assets - net	75,998,583	75,998,583	230,345,447	230,345,447

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 30 September 2022 and 31 December 2021, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Baht)			
			Change in Deferred tax assets and liabilities	
	30 September 2022	31 December 2021	For the nine-month periods ended 30 September	
	2022	2021	2022	2021
Deferred tax assets				
Provision for loss incurred but not yet reported	9,482,303	3,921,761	5,560,542	5,432,450
Loss reserves	8,240,338	15,744,783	(7,504,445)	9,890,551
Premium reserves	-	2,809,591	(2,809,591)	93,022
Unexpired risk reserve	916,949	-	916,949	-
Allowance for doubtful accounts	27,351,926	17,965,638	9,386,288	(522,250)
Employee benefit obligations	2,839,900	2,237,857	602,043	474,960
Allowance for impairment of investments	2,772,042	4,701,144	(1,929,102)	-
Expected credit losses	2,456,735	5,430,220	(2,973,485)	2,328,862
Unrealised loss on changes in value of financial assets designated at fair value through profit or loss	1,245,966	-	1,245,966	-
Total	55,306,159	52,810,994		
Deferred tax liabilities				
Unrealised gains on changes in value of financial assets designated at fair value through profit or loss	-	6,109,177	6,109,177	(697,992)
Unrealised gains on changes in value of equity instruments designated at fair value through other comprehensive income	4,955,860	4,955,860	-	1,709,293
Total	4,955,860	11,065,037		
Deferred tax assets - net	50,350,299	41,745,957		
Total changes			8,604,342	18,708,896
Changes were recognised in:				
- Profit or loss			8,604,342	16,999,603
- Other comprehensive income			-	1,709,293
			8,604,342	18,708,896

10.2 Income tax revenues

Income tax expense (revenue) for the three-month and nine-month periods ended 30 September 2022 and 2021 are made up as follows:

	(Unit: Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2022	2021	2022	2021
Current income tax:				
Current income tax charge for the period	-	-	-	-
Adjustment of prior period's income tax	-	-	-	(129,397)
Deferred income tax:				
Deferred income tax relating to origination and reversal of temporary differences	5,748,507	(12,837,868)	(8,604,342)	(16,999,603)
Income tax expense (revenue) reported in profit or loss	<u>5,748,507</u>	<u>(12,837,868)</u>	<u>(8,604,342)</u>	<u>(17,129,000)</u>

Reconciliation between income tax revenue and product of accounting losses multiplied by the applicable tax rate for the three-month and nine-month periods ended 30 September 2022 and 2021 are shown below.

	(Unit: Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2022	2021	2022	2021
Accounting loss before income tax	<u>(48,297,191)</u>	<u>(63,367,194)</u>	<u>(213,756,061)</u>	<u>(89,345,242)</u>
Applicable tax rate	20%	20%	20%	20%
Income tax at the applicable tax rate	(9,659,438)	(12,673,438)	(42,751,212)	(17,869,048)
Adjustment of prior period's income tax	-	-	-	(129,397)
Tax losses incurred (used in) during the period	15,326,369	(245,723)	33,900,235	620,508
Net effect of exempted income and non-deductible expenses	<u>81,576</u>	<u>81,293</u>	<u>246,635</u>	<u>248,937</u>
Income tax expense (revenue) reported in profit or loss	<u>5,748,507</u>	<u>(12,837,868)</u>	<u>(8,604,342)</u>	<u>(17,129,000)</u>

(Unaudited but reviewed)

11. Other assets

	(Unit: Baht)	
	30 September 2022	31 December 2021
Other assets - financial assets		
Other account receivable	15,151,589	17,673,119
Less: Allowance for expected credit loss	(11,944,606)	(12,544,606)
Other account receivable - net	3,206,983	5,128,513
Deposits	3,315,073	3,327,373
Advance payment	1,463,652	716,026
Receivable on sales of securities	-	2,118,835
Total	7,985,708	11,290,747
Other assets - other		
Prepaid commission and brokerages expenses	3,401,625	6,853,599
Prepaid expenses	518,411	572,500
Prepaid reinsurance premium	2,354,105	17,147,215
Input tax not due	1,148,408	4,980,644
Revenue department receivables	9,232,327	4,996,211
Others	3,612,137	1,963,463
Total	20,267,013	36,513,632
Total other assets	28,252,721	47,804,379

12. Insurance contract liabilities

	(Unit: Baht)		
	30 September 2022		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
- Claims incurred and reported	85,643,855	(44,442,166)	41,201,689
- Claims incurred but not yet reported	79,686,368	(32,274,855)	47,411,513
Premium reserves			
- Unearned premium reserves	99,202,019	(48,042,285)	51,159,734
- Unexpired risk reserves	4,584,743	-	4,584,743
Total	269,116,985	(124,759,306)	144,357,679

(Unaudited but reviewed)

(Unit: Baht)

	31 December 2021		
	Insurance contract liabilities	Reinsurance on liabilities	Net
Loss reserves			
- Claims incurred and reported	219,136,565	(140,412,653)	78,723,912
- Claims incurred but not yet reported	40,165,981	(20,557,176)	19,608,805
Premium reserves			
- Unearned premium reserves	256,116,103	(127,789,547)	128,326,556
Total	515,418,649	(288,759,376)	226,659,273

12.1 Loss reserves

(Unit: Baht)

	For the nine-month period ended	For the year ended
	30 September 2022	31 December 2021
Balance - beginning of the period/year	259,302,546	217,600,353
Claim expenses for the period/year	513,586,173	474,342,715
Change in loss reserves and assumptions	(65,623,154)	(80,110,147)
Claim expenses paid during the period/year	(541,935,342)	(352,530,375)
Balance - end of the period	165,330,223	259,302,546

As at 30 September 2022 and 31 December 2021, the Company had loss reserves under reinsurance contracts of Baht 5.3 million and Baht 5.6 million, respectively.

12.2 Unearned premium reserves

(Unit: Baht)

	For the nine-month period ended	For the year ended
	30 September 2022	31 December 2021
Unearned premium reserves		
Balance - beginning of the period/year	256,116,103	257,519,770
Premium written for the period/year	361,599,302	558,461,278
Premium earned for the current period/year	(518,513,386)	(559,864,945)
Balance of unearned premium reserves	99,202,019	256,116,103
Estimating Incurred Claims	19,154,511	
Claim expired risk during the period	(14,569,768)	
Balance of unexpired risk reserves	4,584,743	

(Unaudited but reviewed)

13. Due to reinsurers

	(Unit: Baht)	
	30 September 2022	31 December 2021
Amounts withheld on reinsurance	124,814,797	94,315,911
Amounts due to reinsurers	120,462,991	166,020,787
Total	<u>245,277,788</u>	<u>260,336,698</u>

14. Other liabilities

	(Unit: Baht)	
	30 September 2022	31 December 2021
Other liabilities - financial liabilities		
Accrued expenses	18,766,388	40,372,808
Payable on purchase of securities	-	1,099,204
Other account payables	10,663,456	15,538,543
Total	<u>29,429,844</u>	<u>57,010,555</u>
Other liabilities - other		
Accrued commission expenses	18,928,200	26,684,450
Accrued marketing expenses	5,662,490	8,003,068
Deposits for insurance premium	14,040,161	17,323,485
Revenue department payable	1,692,147	9,063,051
Other payables	183,732	104,807
Others	4,091,647	10,223,029
Total	<u>44,598,377</u>	<u>71,401,890</u>
Total other liabilities	<u>74,028,221</u>	<u>128,412,445</u>

15. Net investment income

	(Unit: Baht)			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2022	2021	2022	2021
Interest income	1,944,245	1,528,162	6,999,535	6,376,700
Dividend income	(13,644)	430,085	2,660,799	2,663,909
Investment expenses	(173,978)	(589,453)	(1,477,016)	(1,861,959)
Total	<u>1,756,623</u>	<u>1,368,794</u>	<u>8,183,318</u>	<u>7,178,650</u>

(Unaudited but reviewed)

16. Net gains on financial instruments

(Unit: Baht)

	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2022	2021	2022	2021
Gain (loss) from disposal and derecognition				
Debt instruments measured at fair value through profit or loss	(1,197,465)	306,681	2,149,813	1,514,488
Equity instruments measured at fair value through profit or loss	3,128,931	1,076,366	14,967,996	8,529,546
Total	1,931,466	1,383,047	17,117,809	10,044,034

17. Fair value gain (loss) from financial instruments

(Unit: Baht)

	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2022	2021	2022	2021
Debt instruments measure at fair value through profit or loss	701,044	(2,211,518)	(17,356,611)	(5,398,590)
Equity instruments measure at fair value through profit or loss	(3,306,527)	1,122,553	(19,419,105)	8,888,550
Total	(2,605,483)	(1,088,965)	(36,775,716)	3,489,960

18. Operating expenses

(Unit: Baht)

	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2022	2021	2022	2021
Personnel expenses	26,377,638	26,896,292	73,472,727	68,462,872
Premises and equipment expenses	6,629,058	5,299,454	17,449,234	15,482,946
Taxes and duties	17,595	(161,131)	205,559	15,721
Bad debts and doubtful accounts (reversal)	48,359,923	944,980	46,931,442	(2,611,253)
Other operating expenses	4,960,371	4,173,213	13,049,617	10,562,521
Total operating expenses	86,344,585	37,152,808	151,108,579	91,912,807

(Unaudited but reviewed)

19. Expected credit loss

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2022	2021	2022	2021
Expected credit loss from (reversal)				
Cash and cash equivalents	6,322	(23)	(15,744)	12,459
Debt instruments measured at amortised cost	-	5,527,417	(14,246,043)	12,001,030
Accrued investment incomes	2,328	231,409	(5,636)	230,822
Other financial assets	(60,000)	(240,000)	(600,000)	(600,000)
Total	(51,350)	5,518,803	(14,867,423)	11,644,311

20. 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.

21. 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.

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month		For the nine-month		Pricing policy
	periods ended		periods ended		
	30 September		30 September		
	2022	2021	2022	2021	
Transactions with related companies					
Premium written	5.3	0.2	10.8	44.5	According to term of underwriting agreements
Commission and brokerage expenses	0.9	0.1	1.9	0.7	According to term of underwriting agreements

As at 30 September 2022 and 31 December 2021, the balances of the accounts between the Company and its related parties are as follows:

(Unit: Baht)

	30 September 2022	31 December 2021
Premium receivables		
Thai AirAsia Co., Ltd.	7,659,127	2,226,426
Thai AirAsia X Co., Ltd.	421,208	10,047
Loss reserves		
Thai AirAsia Co., Ltd.	9,000	6,400
Thai AirAsia X Co., Ltd.	-	1,600

Directors and key management's remuneration

During the three-month and nine-month periods ended 30 September 2022 and 2021, the Company had employment benefit expenses in relation to its directors and key management as follows:

(Unit: Million Baht)

	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2022	2021	2022	2021
Short-term benefits	18.9	20.1	62.9	57.7
Post-employment benefits	0.9	0.6	2.7	1.9
Total	19.8	20.7	65.6	59.6

22. Financial Instrument

22.1 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.

22.2 Fair value hierarchy

As of 30 September 2022 and 31 December 2021, the Company had the following financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	30 September 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	21	-	21	-
Private enterprises debt securities	77	-	77	-
Equity instruments designated at fair value				
through other comprehensive income				
Non-listed domestic equity instruments	22	-	-	22
Non-listed foreign equity instruments	54	-	-	54

(Unaudited but reviewed)

(Unit: Million Baht)

31 December 2021

	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	93	-	93	-
Private enterprises debt securities	193	-	193	-
Unit trusts	46	-	46	-
Equity instruments designated at fair value				
through profit or loss				
Listed domestic equity instruments	154	154	-	-
Equity instruments designated at fair value				
through other comprehensive income				
Non-listed domestic equity instruments	22	-	-	22
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.

23. Commitments and contingent liabilities

23.1 Operating lease and service commitments

- As at 30 September 2022, 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)
	30 September 2022
Payable within:	
Within 1 year	7.0
Over 1 to 3 years	4.8
Total	<u>11.8</u>

- The Company has entered into service agreement to obtain notification claims services for travel insurance policy at the rate 0.70% of insurance premium per month.

23.2 Litigation

As at 30 September 2022, the Company has been sued for damages as an insurer under policy liabilities. The total exposure of a couple of litigation cases amounts to Baht 7.9 million (31 December 2021: Baht 9.1 million) however, the Company is only obligated under the insurance liabilities totaling Baht 6.7 million (31 December 2021: Baht 3.0 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 1.2 million (31 December 2021: Baht 2.1 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.

23.3 Capital commitments

As at 30 September 2022, the Company had capital commitments of approximately Baht 3.7 million relating to computer software development (31 December 2021: Baht 4.5 million).

24. Approval of interim financial statements

These interim financial information were authorised for issue by the Company's Board of Directors on 14 November 2022.