



**BANGKOK
LIFE**

กรุงเทพประกันชีวิต

“Management Discussion and Analysis for 2nd quarter 2025”



Executive Summary

Consolidate financial statement Unit: Million Baht

	Quarter 2/25	Quarter 2/24	6 months 2568	6 months 2568	Change QoQ%	Change YoY%
Net profit	2,128	983	3,317	2,105	117%	58%
Insurance service result	1,100	873	2,008	1,753	26%	15%
Net financial result ⁽¹⁾	1,448	327	1,707	888	343%	92%
First year premium ⁽²⁾	1,542	1,873	3,652	3,473	-18%	5%
Total premium ⁽³⁾	7,125	7,526	16,434	16,085	-5%	2%
NB CSM-Insurance Contract			1,901	2,240	-40%	-15%
NB CSM Margin ⁽⁴⁾			58.2%	63.8%		

	30 Jun 2025	31 Dec 2024
CAR	484%	441%

⁽¹⁾ Net financial result = Net investment income and insurance finance expense

⁽²⁾⁽³⁾ Insurance premiums for 2025 from the Thai Life Assurance Association, Insurance premiums for 2024 in accordance with Thai Financial Reporting Standard No. 4, as reported in the Management Discussion and Analysis (MD&A) for 2024.

⁽⁴⁾ NB CSM Margin = New business Contractual Service Margin / First year Annual Premium Equivalent (APE)

- In the second quarter of 2025, Bangkok Life Assurance PCL reported a net profit of 2,128 million Baht, an increase of 1,145 million Baht or 117% from the second quarter of 2024. Insurance service result 1,100 million Baht, an increase of 227 million Baht or 26% from the second quarter of 2024. Investment result increase 1,121 million Baht, an increase of 343% from unrealised gain on remeasuring investment at fair value through profit or loss and revaluation of fair value of bond forward contracts 1,187 million Baht from market condition.
- In the six-month period of 2025, the company reported a net profit of 3,317 million, an increase of 1,212 million Baht or 58% from 2024. Insurance service result 2,008 million Baht, an increase of 255 million Baht or 15% from the second quarter of 2024. Investment result increase 819 million Baht, an increase of 92% from unrealised gain on remeasuring investment at fair value through profit or loss and revaluation of fair value of bond forward contracts 845 million Baht from market condition.
- In the six-month period of 2025, the company reported new business contractual service margin (CSM) 1,901 million Baht, a decrease of 15% from 2024 from decreasing in interest rate. New business CSM margin at 58% slightly decrease from decreasing in interest rate.
- The Capital Adequacy Ratio (CAR) as of the end of second quarter was at 484%, an increase from 441% at the end of 2024, which higher than regulatory minimum requirement of 140%.

Statement of profit or loss

Consolidate financial statement Unit: Million Baht

Operating Results	Quarter 2/25	%	Quarter 2/24	%	Change QoQ		6 months 2025	%	6 months 2024	%	Change YoY
Insurance revenue											
Contracts not measured under the premium allocation approach											
Expected incurred claims and other insurance service expenses	1,359	55%	1,366	120%	(7)	0%	2,800	78%	3,561	143%	(761) -21%
Change in risk adjustment	173	7%	(16)	-1%	189	-1202%	155	4%	(46)	-2%	201 -433%
CSM release	893	36%	958	84%	(65)	-7%	1,799	50%	1,950	78%	(151) -8%
Recovery of insurance acquisition cash flows	269	11%	230	20%	39	17%	530	15%	443	18%	87 20%
Insurance revenue-Contracts measured under the PAA	560	23%	364	32%	196	54%	1,149	32%	839	34%	310 37%
Insurance revenue	3,254	132%	2,902	255%	352	12%	6,433	179%	6,747	270%	(314) -5%
Insurance service expenses											
Incurred claims and other insurance service expenses											
Contracts not measured under the premium allocation approach	(1,336)	-54%	(1,401)	-123%	65	-5%	(2,744)	-76%	(3,663)	-147%	919 -25%
Contracts measured under the premium allocation approach	(516)	-21%	(370)	-32%	(146)	39%	(1,036)	-29%	(856)	-34%	(180) 21%
Losses and reversal of losses on onerous contracts	(19)	-1%	(19)	-2%	-	-1%	(65)	-2%	(41)	-2%	(24) 61%
Amortisation of insurance acquisition cash flows	(269)	-11%	(230)	-20%	(39)	17%	(530)	-15%	(443)	-18%	(87) 20%
Insurance service expenses	(2,140)	-87%	(2,020)	-177%	(120)	6%	(4,375)	-122%	(5,003)	-200%	628 -13%
Net expenses from reinsurance contracts	(14)	-1%	(9)	-1%	(5)	64%	(50)	-1%	9	0%	(59) -646%
Insurance service result	1,100	45%	873	77%	227	26%	2,008	56%	1,753	70%	255 15%
Investment revenue	2,645	107%	2,742	240%	(97)	-4%	5,110	142%	5,395	216%	(285) -5%
Gains (losses) on financial instruments	84	3%	21	2%	63	301%	424	12%	128	5%	296 232%
Gains (losses) on fair value of financial instruments	1,010	41%	(225)	-20%	1,235	-549%	669	19%	(130)	-5%	799 -615%
Expected credit lossess	(151)	-6%	(35)	-3%	(116)	328%	(133)	-4%	(31)	-1%	(102) 335%
Net investment income	3,588	145%	2,503	219%	1,085	43%	6,070	169%	5,362	215%	708 13%
Finance expenses from insurance contracts	(2,135)	-87%	(2,171)	-190%	36	-2%	(4,353)	-121%	(4,468)	-179%	115 -3%
Finance income from reinsurance contracts	(5)	0%	(5)	0%	-	17%	(10)	0%	(6)	0%	(4) 70%
Net finance expenses from insurance contracts	(2,140)	-87%	(2,176)	-191%	36	-2%	(4,363)	-121%	(4,474)	-179%	111 -3%
Net investment income and insurance finance expense	1,448	59%	327	29%	1,121	343%	1,707	47%	888	36%	819 92%
Other income and expenses											
Other finance costs	(3)	0%	(3)	0%	-	14%	(3)	0%	(12)	0%	9 -74%
Other operating expenses	(118)	-5%	(103)	-9%	(15)	14%	(218)	-6%	(228)	-9%	10 -4%
Other income	39	2%	46	4%	(7)	-14%	101	3%	97	4%	4 5%
Other income and expenses	(82)	-3%	(60)	-5%	(22)	36%	(120)	-3%	(143)	-6%	23 -16%
Profits before income tax expenses	2,466	100%	1,140	100%	1,326	116%	3,595	100%	2,498	100%	1,097 44%
Income tax expenses	338	14%	157	14%	181	115%	278	8%	393	16%	(115) -29%
Net profit for the years	2,128	86%	983	86%	1,145	117%	3,317	92%	2,105	84%	1,212 58%

- In the second quarter of 2025, Net profit 2,128 million Baht representing an earnings per share of Baht 1.25, an increase 1,145 million Baht or 117% from the second quarter of 2024. Net investment income and insurance finance expense increase 1,121 million Baht. Insurance service result increase 227 million Baht. In the six-month period of 2025, Net profit 3,317 million Baht representing an earnings per share of Baht 1.94, an increase 1,212 million Baht from 2024. Net investment income and insurance finance expense increase 819 million Baht. Insurance service result increase 255 million Baht.
- In the second quarter of 2025, Insurance service result increase 227 million Baht and 255 million Baht in six-month from decreasing in loss ratio and premium adjustment to align with risk.
- For investment result, investment income increases 1,085 million Baht in the second quarter of 2025 and 708 million Baht in the six-month period of 2025 from unrealised gain on remeasuring investment at fair value through profit or loss and revaluation of fair value of bond forward contracts.

Statement of financial position

Consolidate financial statement Unit: Million Baht

	30-Jun-25	%	31-Dec-24	%	Change	%
Cash and cash equivalents	8,193	3%	10,523	3%	(2,329)	-22.1%
Accrued investment income	1,108	0%	1,151	0%	(43)	-3.7%
Investment assets ⁽⁵⁾	307,014	95%	298,353	95%	8,660	2.9%
Insurance contract assets	33	0%	89	0%	(56)	-62.6%
Property, plant and equipment	1,914	1%	1,924	1%	(10)	-0.5%
Other assets	4,316	1%	3,365	1%	951	28.3%
TOTAL ASSETS	322,578	100%	315,405	100%	7,173	2.3%
Insurance liabilities	272,973	85%	265,909	84%	7,064	2.7%
Other liabilities	1,276	0%	1,433	0%	(157)	-11.0%
TOTAL LIABILITIES	274,249	85%	267,342	85%	6,907	2.6%
Share capital and premium on share capital	5,069	2%	5,069	2%	-	0.0%
Retained earnings	39,856	12%	39,099	12%	757	1.9%
Other component of shareholders' equity	3,404	1%	3,896	1%	(492)	-12.6%
TOTAL EQUITIES	48,329	15%	48,064	21%	266	0.6%
BV Per share	28.30		28.15			

⁽⁵⁾ Investment assets = Debt instruments + Equity instruments + Loans and accrued interest receivables

Assets

Total assets as of 30 June 2025 was 322,578 million Baht, increased from 31 December 2024 by 2.3% or 7,173million Baht from premium received in first half of the year. The majority of the company's assets were investment asset and cash equivalents, which were accounted for 95% of total assets and 115% of insurance contract liabilities.

Liabilities and Equity

Total liabilities as of 30 June 2025 increased by 2.6% from 31 December 2024 from premium received.

The total equity as of 30 June 2025 was 48,329 million Baht, an increase of 266 million Baht or 0.6% from 31 December 2024. Book value per share (BV/share) was at 28.30 Baht per share. This was resulted from net profit of 3,317 million Baht, dividend paid 813 million Baht. Gain on investment at fair value through other comprehensive income result in increasing in equity of 8,680 million Baht while increasing insurance finance expenses result in decreasing in equity 10,976 million Baht.

Performance Overview

Total Premium

In the second quarter of 2025, the company's total premium amounted to 7,125 million Baht, a decrease of 5% from the same period last year. For the first half of 2025, the total premium reached 16,434 million Baht, an increase of 2% YoY. Contribution of the total premium by distribution channel in the second quarter of 2025 was 50% from bancassurance, 43% from agent channel, and 7% from others channel.

First Year Premium

In the second quarter of 2025, the company's first year premium (FYP) was 1,542 million Baht, a decline of 18% YoY. This was mainly due to a 36% decrease in FYP from the bancassurance channel, following the launch of a new product in in the second quarter of 2024. Meanwhile, the agent channel saw a 24% increase and the other channels recorded a 171% increase in FYP. The contribution by distribution channel was 77% from bancassurance, 20% from agent channel, and 3% from other channels. For the first half of 2025, FYP was 3,652 million Baht, a growth of 5% YoY. This was driven by a 24% increase in FYP from the agent channel and a 282% increase from other channels, while FYP from bancassurance decreased by 15%. The contribution by distribution channel was 60% from bancassurance, 26% from agent channel, and 14% from other channels.

Renewal Year Premium

In the second quarter of 2025, the company recorded renewal year premium (RYP) of 5,582 million Baht, a slight decline of 1% from the same period last year. For the first half of 2025, RYP amounted to 12,782 million Baht, representing a 1% increase YoY, which was in line with the company's expectations.

Remark: 2025 Premiums are from The Thai Life Assurance Association (TLAA)

Figure 1: Total Premium by channels (Baht: million)

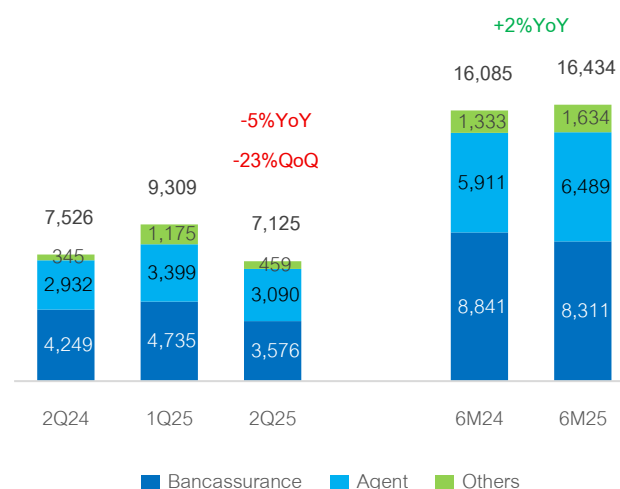


Figure 2: First Year Premium by channels (Baht: million)

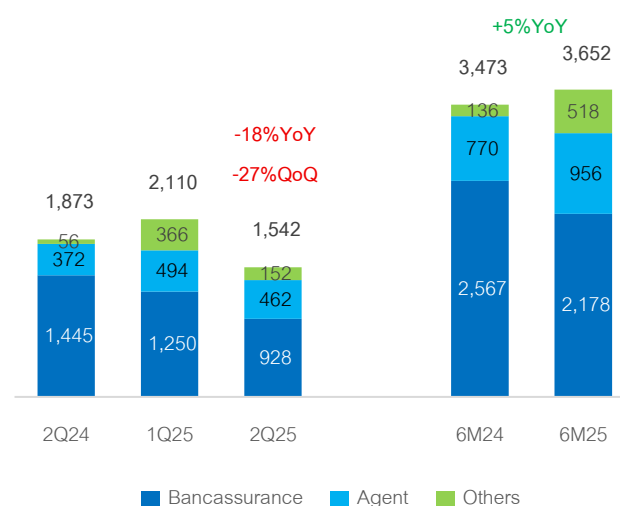
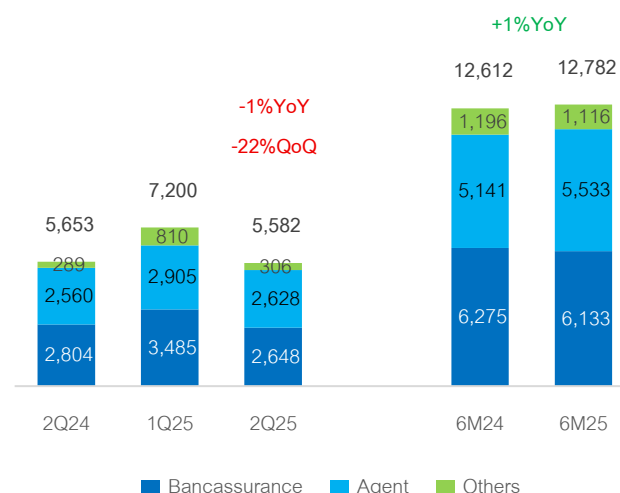


Figure 3: Renewal Premium by channels (Baht: million)



Investment Asset and Investment Return

As of the end of Q2 2025, the Company's total investment asset was 314,796 million Baht, an increase of 3% from the end of Q1 2025. The Company's investment allocation comprised 89% in fixed income, 8% in equities, and 3% in REITs.

In Q2 2025, the company recorded total investment income of 3,589 million Baht, representing a 43% increase and for the first half of 2025, recorded total investment income was 6,070 million Baht, representing a 13% increase. The main contributing factor was the rise in gains from fair value adjustments of investments and derivatives. However, interest income declined due to a reduction in the size of investment assets and a decrease in the proportion of high-yielding investment assets.

As of the end of Q2 2025, the company's return on investment (ROI) stood at 5.03%, an increase from 3.45% in the same period last year. Meanwhile, the investment yield, which includes interest and dividend income was 3.81%, down from 3.89% in the same period last year. For the first half of 2025, the company's ROI was 4.23%, an increase from 3.65% in the same period last year. Meanwhile, the investment yield was 3.65%, down from 3.77% in the same period last year.

Table 1: Investment Assets as of 1Q2025

Investment Asset	1Q25	2Q25	Change
Short-term investment	2.2%	2.6%	0.4%
Bond	58.0%	58.9%	0.9%
Debenture & Note	27.7%	27.2%	-0.5%
Total Fixed income	87.9%	88.7%	0.8%
Equity	8.4%	7.9%	-0.4%
REIT	3.4%	3.1%	-0.3%
Secured Loans	0.3%	0.2%	-0.1%
Total Investment assets (MB)	305,754	314,796	3.0%

Table 2: Investment Income (Million Baht)

	2Q24	1Q25	2Q25	6M24	6M25
Interest	2,332	2,195	2,241	4,691	4,435
Dividend	483	334	470	840	804
Gain (loss) on revaluation and expenses	-313	-47	878	-169	831
Investment Income	2,503	2,481	3,589	5,362	6,070
Δ_{YoY}		-13.2%	43.4%		13.2%
Δ_{QoQ}			44.6%		

Table 3: Return on Investment

	2Q24	1Q25	2Q25	6M24	6M25
ROI	3.45%	3.44%	5.03%	3.65%	4.23%
Investment yield	3.89%	3.51%	3.81%	3.77%	3.65%

Financial Ratios

Financial Ratio	Quarter		6 months	
	2Q25	2Q24	2025	2024
Insurance profit ⁽⁶⁾	33.8%	30.1%	31.2%	26.0%
NB CSM Margin ⁽⁷⁾	47.1%	58.6%	58.2%	63.8%
ROI	5.03%	3.45%	4.23%	3.65%

Financial Ratio	30 Jun 25	31 Dec 24
Balance CSM/Share ⁽⁸⁾	2.4%	2.4%
CSM to Insurance contract liabilities ⁽⁹⁾	15.0%	15.5%
ROE	13.8%	9.6%
CAR	483.9%	441.0%

⁽⁶⁾ Insurance profit = Insurance service result/Insurance revenue

⁽⁷⁾ NB CSM Margin = New business Contractual Service Margin / First year Annual Premium Equivalent (APE)

⁽⁸⁾ Balance CSM/share = Ending Contractual Service Margin balance / number of shares

⁽⁹⁾ CSM to Insurance contract Liabilities = Ending Contractual Service Margin balance / (Ending insurance contract liabilities-Ending insurance contract assets)

Industry Overview

In the first half of 2025, life insurance industry reported a new business premium amounting to 94,916 million Baht, an increase of 7% YoY. This was impacted from an increase in FYP excluding single premium by 9% YoY. The increase mainly came from Endowment, Pension, Unit-linked, Health rider and Critical illness rider products. Additionally, single premium (SP) increased by 4% YoY from Whole life, Endowment and Unit-linked products.

Meanwhile, renewal year premium and total premium could be compared to the same period last year as an increase by 4% and 5%, respectively.

For new business premiums by distribution channels, Agent channel increased by 19% YoY, this mainly came from Whole life, Endowment, Health rider and Critical illness rider products. Agent channel FYP was accounted for 38% of the industry's total FYP.

Bancassurance channel FYP increased by 3% YoY, which accounted for 49% of total FYP. The increase came from Endowment, Pension, Unit-linked and Health rider products. However, MRTA products remain on a declining growth trend.

Whereas, others channel FYP decreased by 4% YoY, accounted for 13% of total FYP, mainly impacted by slower growth in the Broker channel.

Figure 4: Life Insurance Industry Premiums

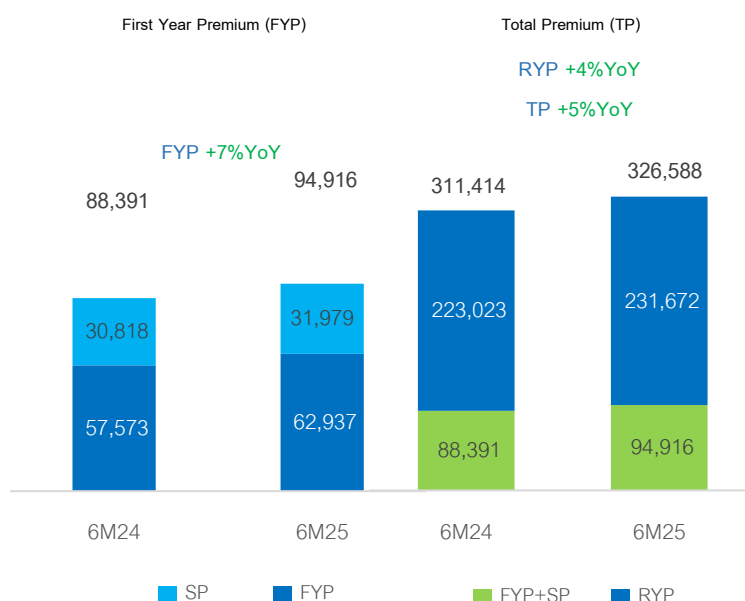


Figure 5: Industry New Business Premiums by Channels

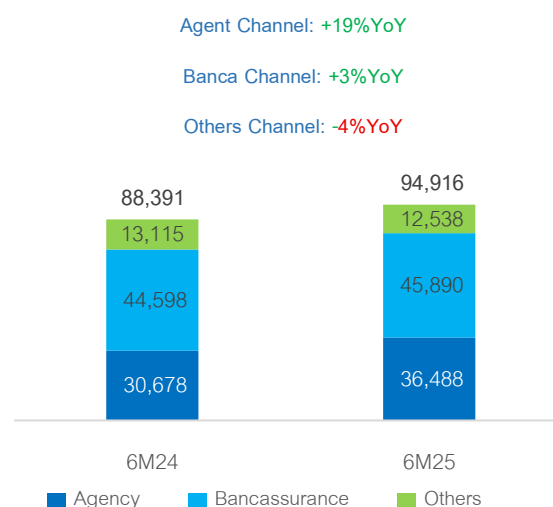


Figure 6: Industry New Business Premium by Channels

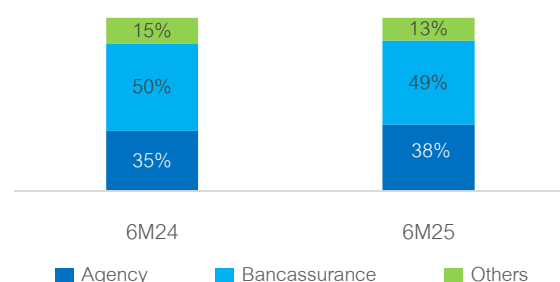


Table 4: Life Insurance Premiums market share (%)

As of 30 June 2025

(Baht: million)

Ranking by FYP	Company	First year premium	Market share by first year premium (%)
1	AIA	17,226	18.1%
2	TLI	15,607	16.4%
3	MTL	12,436	13.1%
4	FWD	11,742	12.4%
5	KTAL	6,770	7.1%
6	PLT	6,517	6.9%
7	AZAY	4,486	4.7%
8	GT	4,255	4.5%
9	BLA	3,652	3.8%
10	SELIC	3,234	3.4%

Ranking by TP	Company	Total premium	Market share by total premium (%)
1	AIA	83,259	25.5%
2	FWD	48,470	14.8%
3	TLI	42,051	12.9%
4	MTL	33,971	10.4%
5	KTAL	23,697	7.3%
6	AZAY	21,415	6.6%
7	PLT	19,711	6.0%
8	BLA	16,434	5.0%
9	GT	7,197	2.2%
10	OLIC	6,088	1.9%

Source: The Thai Life Assurance Association