

***BANGKOK LIFE ASSURANCE PUBLIC
COMPANY LIMITED AND SUBSIDIARIES***

Financial Statements

Year ended December 31, 2023

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Bangkok Life Assurance Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Bangkok Life Assurance Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2023, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Bangkok Life Assurance Public Company Limited and its subsidiaries and of Bangkok Life Assurance Public Company Limited as at December 31, 2023, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Key Audit Procedures
<p>Reserve for long-term insurance contracts</p> <p>As at December 31, 2023, the Group had reserves for long-term insurance contracts of Baht 274,230 million, representing 97% of its total liabilities, which are accumulated for policies in force, from the inception of insurance policies to the end of the reporting period. They are calculated based on the Net Premium Valuation (NPV) method, which is an actuarial method using locked-in assumptions, plus Provision for Adverse Deviation to buffer the risk of actual assumptions being different from actual circumstances.</p> <p>In addition, the Group conducts a liability adequacy test (LAT) on the reserve at the end of the reporting period. If the liability reserve is not sufficient, the Company will recognize the shortfall as an additional expense in the statements of profit or loss and other comprehensive income. The liability adequacy test (LAT) on the reserve is calculated based on the Gross Premium Valuation (GPV) method, using the current best estimate assumption of the contractual obligations.</p> <p>Changes in actuarial model using in the measurement of the reserve for long-term insurance contracts according to the above actuarial methods could significantly affect the reserves for long-term insurance contracts. Therefore, key audit matter is whether the recognition and measurement of the reserve for long-term insurance contracts which is affected by changes in actuarial model is in accordance with the Thai Financial Reporting Standards.</p> <p>The Group disclosed accounting policies of the reserve for long-term insurance contract, detail of the reserve for long-term insurance contract and key assumptions used in the valuation of reserve for long-term insurance contract in Notes 4.15.1, 21.1 and 21.5.1 to the financial statements, respectively.</p>	<p>Our key audit procedures were as follows:</p> <ul style="list-style-type: none"> • Understanding the reserve for long-term insurance contract process and related internal control procedures. • Performing the design and implementation of internal control procedures related to recognition of reserve for long-term insurance contracts. • Performing the substantive testing as follows: <ul style="list-style-type: none"> - The auditor's actuary expert assessed data, key assumptions and financial models using the Net Premium Valuation (NPV) method and using the Gross Premium Valuation (GPV) method, which the Group's management applies for the liability adequacy test. - Testing the data used in estimating the reserve for long-term insurance contracts against its sources, evaluating appropriateness of the underlying assumptions, actuarial model and benchmarking of the management's assumptions to the data on the life insurance industry overall. For financial assumptions, performing analytical procedures on the assumptions with the financial data. - The auditor's actuary expert tested the selected actuarial models by calculating and assessing whether the method used in the reserve for long-term insurance contracts calculation was consistent with an actuarial approach and in accordance with the notification of the Office of Insurance Commission. - Analyzing and reviewing the reserve for long-term insurance contracts movements. - Performing analytical procedures on financial information relating to reserve for long-term insurance contracts.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the management or those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Chavala Tienpasertkij

Certified Public Accountant (Thailand)

Registration No. 4301

BANGKOK

February 21, 2024

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
ASSETS					
Cash and cash equivalents	6	16,083,827	12,681,084	16,065,650	12,665,453
Premium receivables	7	1,598,550	1,567,142	1,598,550	1,567,142
Accrued investment income		1,470,634	1,555,750	1,470,634	1,555,750
Reinsurance assets	8, 21	459,602	495,015	459,602	495,015
Amount due from reinsurance	9	1,035,861	1,040,880	1,035,861	1,040,880
Derivative assets	10	342,957	457,396	342,957	457,396
Investment assets					
Investments in securities	11, 33, 34	289,039,078	308,748,649	289,039,078	308,748,649
Loans and accrued interest receivables	12	11,607,323	11,726,242	11,607,323	11,726,242
Investment property	13	125,372	13,487	125,372	13,487
Investment in the subsidiary	14	-	-	23,760	23,760
Investment assets of the insured	15	152,252	80,177	152,252	80,177
Property, plant and equipment	16	2,002,762	2,188,540	2,002,762	2,188,536
Goodwill	17	4,955	4,955	-	-
Intangible assets	18	121,142	136,162	121,142	136,160
Deferred tax assets	19	1,558,583	1,341,431	1,558,583	1,341,431
Other assets	20	327,951	574,014	313,510	561,754
TOTAL ASSETS		325,930,849	342,610,924	325,917,036	342,601,832

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
LIABILITIES AND SHAREHOLDERS' EQUITY					
LIABILITIES					
Insurance contract liabilities	21	278,896,319	294,756,842	278,896,319	294,756,842
Amount due to reinsurance	22	916,592	958,952	916,592	958,952
Derivative liabilities	10	133,704	502,995	133,704	502,995
Income tax payable		25,093	18,057	25,093	18,057
Employee benefit obligations	23	217,539	213,956	216,441	213,021
Other liabilities	24	1,306,321	1,376,805	1,297,657	1,371,638
Total liabilities		281,495,568	297,827,607	281,485,806	297,821,505
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of					
Baht 1 each					
		<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>
Issued and paid-up shares capital					
1,707,566,000 ordinary shares of					
Baht 1 each, fully paid-up					
		1,707,566	1,707,566	1,707,566	1,707,566
Premium on share capital		3,360,993	3,360,993	3,360,993	3,360,993
Retained earnings					
Appropriated					
Legal reserve					
	25	170,800	170,800	170,800	170,800
General reserve					
		400,000	400,000	400,000	400,000
Unappropriated					
		37,254,526	35,670,135	37,250,765	35,667,423
Other components of shareholders' equity					
Revaluation surplus on investment at fair value					
through other comprehensive income					
- net of income taxes					
	11	1,470,994	3,169,089	1,470,994	3,169,089
Revaluation surplus on derivatives					
cash flow hedges - net of income taxes					
		70,112	304,456	70,112	304,456
Shareholders' equity attributable to equity holders of the Company		<u>44,434,991</u>	<u>44,783,039</u>	<u>44,431,230</u>	<u>44,780,327</u>
Non-controlling interests of the subsidiary		290	278	-	-
Total shareholders' equity		44,435,281	44,783,317	44,431,230	44,780,327
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		325,930,849	342,610,924	325,917,036	342,601,832

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Gross written premium	26, 32	34,154,674	35,831,119	34,154,854	35,831,284
<u>Less</u> Premium ceded to reinsurers	26	(874,405)	(1,128,742)	(874,405)	(1,128,742)
Net premium written		33,280,269	34,702,377	33,280,449	34,702,542
<u>Add (Less)</u> Unearned premium reserves decreased (increased) from prior period	26	50,236	(123,357)	50,236	(123,357)
Net earned premium		33,330,505	34,579,020	33,330,685	34,579,185
Fee and commission income	26	352,345	530,841	352,345	530,841
Net investment income	32	11,743,084	12,170,341	11,743,084	12,170,341
Gain on investment	11	55,768	804,152	55,768	804,152
Loss on revaluation	30	(183,354)	(15,454)	(183,354)	(15,454)
Other income	32	135,510	116,201	118,322	100,907
Total revenues		<u>45,433,858</u>	<u>48,185,101</u>	<u>45,416,850</u>	<u>48,169,972</u>
Expenses					
Life policy reserves increased (decreased) from prior year	26	(14,665,061)	1,123,907	(14,665,061)	1,123,907
Benefit payments under life policies and claims	26, 32	52,329,679	38,844,433	52,329,679	38,844,433
<u>Less</u> Benefit payments under life policies and claims refundable from reinsurance	26	(709,144)	(676,414)	(709,144)	(676,414)
Commission and brokerage expenses	26, 32	2,580,930	2,596,314	2,571,522	2,587,887
Other underwriting expenses	26	773,103	740,764	773,103	740,753
Operating expenses	27, 32	1,710,567	1,649,581	1,704,767	1,644,884
Loss from expected credit loss and impairment loss (reversal)	41	422,283	127,227	422,283	127,227
Total expenses		<u>42,442,357</u>	<u>44,405,812</u>	<u>42,427,149</u>	<u>44,392,677</u>
Profits before income tax expenses		<u>2,991,501</u>	<u>3,779,289</u>	<u>2,989,701</u>	<u>3,777,295</u>
Income tax expenses	19	(443,191)	(567,690)	(442,559)	(567,425)
Net profit for the years		<u>2,548,310</u>	<u>3,211,599</u>	<u>2,547,142</u>	<u>3,209,870</u>
Profit for the years attributable to					
Shareholders' equity of the Company		2,548,298	3,211,581	2,547,142	3,209,870
Non-controlling interests of the subsidiary		12	18		
		<u>2,548,310</u>	<u>3,211,599</u>		

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Net profit for the years		2,548,310	3,211,599	2,547,142	3,209,870
Other comprehensive income (loss)					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Loss on remeasuring investment at fair value through other comprehensive income	11, 31	(858,618)	(5,119,349)	(858,618)	(5,119,349)
Reversal of gains realized on the disposal of investment at fair value through other comprehensive income	11, 31	(1,264,000)	(1,264,043)	(1,264,000)	(1,264,043)
Gain (loss) on remeasuring cash flow hedge derivatives at fair value	31	(292,930)	256,213	(292,930)	256,213
Income taxes relating to other comprehensive income	19, 31	483,109	1,225,436	483,109	1,225,436
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		(1,932,439)	(4,901,743)	(1,932,439)	(4,901,743)
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods:					
Actuarial gain (loss)	31	(12,628)	5,974	(12,521)	5,967
Income taxes relating to other comprehensive income	19, 31	2,504	(1,194)	2,504	(1,194)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income taxes		(10,124)	4,780	(10,017)	4,773
Other comprehensive loss for the years - net of income taxes		(1,942,563)	(4,896,963)	(1,942,456)	(4,896,970)
Total comprehensive income (loss) for the years		605,747	(1,685,364)	604,686	(1,687,100)
Total comprehensive income (loss) for the years attributable to					
Shareholders' equity of the Company		605,735	(1,685,382)	604,686	(1,687,100)
Non-controlling interests of the subsidiary		12	18		
		605,747	(1,685,364)		
Earnings per share	36				
Basic earnings per share		1.49	1.88	1.49	1.88

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

Consolidated financial statements													
Shareholders' equity attributable to owners of the Company													
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other component of shareholders' equity				Shareholders' equity attributable to non-controlling interests of the subsidiary	Total	
				Legal reserve	Appropriated		Surplus on remeasuring investment at fair value		Surplus on derivatives cash flow hedges - net of income taxes	Total shareholders' equity attributable to owner of the Company			Shareholders' equity attributable to non-controlling interests of the subsidiary
					General reserve	Legal reserve	General reserve	through other comprehensive income - net of income taxes					
Balance as at January 1, 2022		1,707,566	3,360,993	170,800	400,000	33,951,235	8,275,803	99,485	47,965,882	260	47,955,142		
Dividend paid	37	-	-	-	-	(1,497,461)	-	-	(1,497,461)	-	(1,497,461)		
Profit for the year		-	-	-	-	3,211,581	-	-	3,211,581	18	3,211,599		
Other comprehensive gain (loss) for the year		-	-	-	-	-	(5,106,714)	-	(5,106,714)	-	(5,106,714)		
Loss on remeasuring of investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	-	204,971	204,971	-	204,971		
Gain on remeasuring cash flow hedge derivatives at fair value - net of income taxes		-	-	-	-	4,780	-	-	4,780	-	4,780		
Actuarial gain - net of income taxes		-	-	-	-	3,216,361	(5,106,714)	204,971	(1,685,382)	18	(1,685,364)		
Total comprehensive income (loss) for the year		-	-	-	-	35,670,135	3,169,089	304,456	44,783,039	278	44,783,317		
Balance as at December 31, 2022		1,707,566	3,360,993	170,800	400,000	35,670,135	3,169,089	304,456	44,783,039	278	44,783,317		

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

		Consolidated financial statements										
		Shareholders' equity attributable to owners of the Company					Other component of shareholders' equity					
	Note	Retained earnings			Premium on share capital	Unappropriated	Surplus on remeasuring investment at fair value		Surplus on derivatives cash flow hedges - net of income taxes	Total shareholders' equity attributable to owner of the Company	Shareholders' equity attributable to non-controlling interests of the subsidiary	Total
		Appropriated	General reserve	Legal reserve			through other comprehensive income - net of income taxes	to owner of the Company				
Issued and paid-up share capital		1,707,566	3,360,993	170,800	400,000	35,670,135	3,169,089	304,436	44,783,039	278	44,783,317	
Dividend paid	37	-	-	-	-	(953,783)	-	-	(953,783)	-	(953,783)	
Profit for the year		-	-	-	-	2,548,298	-	-	2,548,298	12	2,548,310	
Other comprehensive gain (loss) for the year		-	-	-	-	-	-	-	-	-	-	
Loss on remeasuring of investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	(1,698,095)	-	(1,698,095)	-	(1,698,095)	
Loss on remeasuring cash flow hedge derivatives at fair value - net of income taxes		-	-	-	-	-	-	(234,344)	(234,344)	-	(234,344)	
Actuarial loss - net of income taxes		-	-	-	-	(10,124)	-	-	(10,124)	-	(10,124)	
Total comprehensive income (loss) for the year		-	-	-	-	2,538,174	(1,698,095)	(234,344)	605,735	12	605,747	
Balance as at December 31, 2023		1,707,566	3,360,993	170,800	400,000	37,254,526	1,470,994	70,112	44,434,991	290	44,435,281	

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

(UNIT : THOUSAND BAH)

		Separate financial statements									
		Retained earnings					Other component of shareholders' equity				
Note	Issued and paid-up share capital	Premium on share capital	Appropriated		Unappropriated	Surplus on remeasuring investment at fair value through other comprehensive income - net of income taxes		Surplus on derivatives cash flow hedges - net of income taxes		Total	
			Legal reserve	General reserve		comprehensive income - net of income taxes	net of income taxes				
	1,707,566	3,360,993	170,800	400,000	33,950,241	8,275,803	99,485	47,964,888			
37	-	-	-	-	(1,497,461)	-	-	(1,497,461)	-	-	
	-	-	-	-	3,209,870	-	-	3,209,870	-	-	
	-	-	-	-	-	(5,106,714)	-	(5,106,714)	-	-	
	-	-	-	-	-	-	204,971	204,971	-	-	
	-	-	-	-	4,773	-	-	4,773	-	-	
	-	-	-	-	3,214,643	(5,106,714)	204,971	(1,687,100)	-	-	
	1,707,566	3,360,993	170,800	400,000	35,667,423	3,169,089	304,456	44,780,327			

Balance as at January 1, 2022

Dividend paid

Profit for the year

Other comprehensive gain (loss) for the year

Loss on remeasuring investment at fair value through other comprehensive income - net of income taxes

Gain on remeasuring cash flow hedge derivatives at fair value - net of income taxes

Actuarial gain - net of income taxes

Total comprehensive income (loss) for the year

Balance as at December 31, 2022

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

	Separate financial statements									
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other component of shareholders' equity			Total
				Appropriated		Unappropriated	Surplus on investment at fair value through other comprehensive income - net of income taxes	Surplus on derivatives cash flow hedges - net of income taxes	Total	
				Legal reserve	General reserve					
Balance as at January 1, 2023		1,707,566	3,360,993	170,800	400,000	35,667,423	3,169,089	304,456	44,780,327	
Dividend paid		-	-	-	-	(953,783)	-	-	(953,783)	
Profit for the year	37	-	-	-	-	2,547,142	-	-	2,547,142	
Other comprehensive gain (loss) for the year		-	-	-	-	-	(1,698,095)	-	(1,698,095)	
Loss on remeasuring investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	-	-	-	
Loss on remeasuring cash flow hedge derivatives at fair value - net of income taxes		-	-	-	-	-	-	(234,344)	(234,344)	
Actuarial loss - net of income taxes		-	-	-	-	(10,017)	-	-	(10,017)	
Total comprehensive income (loss) for the year		-	-	-	-	2,537,125	(1,698,095)	(234,344)	604,686	
Balance as at December 31, 2023		1,707,566	3,360,993	170,800	400,000	37,250,765	1,470,994	70,112	44,431,230	

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

(UNIT : THOUSAND BAHT)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Cash flows provided by operating activities					
Gross premium		34,044,836	36,004,829	34,045,016	36,004,994
Cash payments from reinsurance		(617,072)	(588,377)	(617,072)	(588,377)
Interest income		10,283,287	10,418,376	10,283,287	10,418,376
Dividend income		1,562,534	1,788,890	1,562,534	1,788,890
Other income		101,246	115,213	87,335	96,662
Benefit payments under life policies and loss incurred on direct insurance		(52,569,533)	(40,119,921)	(52,569,533)	(40,119,921)
Commissions and brokerages on direct insurance		(2,567,358)	(2,566,333)	(2,558,130)	(2,557,926)
Other underwriting expenses		(766,906)	(834,659)	(766,906)	(834,648)
Operating expenses		(1,647,789)	(1,538,414)	(1,646,463)	(1,533,701)
Corporate income taxes		(170,197)	(363,684)	(169,565)	(311,279)
Cash received - financial assets		21,302,653	19,892,788	21,302,653	19,892,788
Cash payments - financial assets		(4,565,432)	(15,609,935)	(4,565,433)	(15,662,075)
Net cash provided by operating activities		4,390,269	6,598,773	4,387,723	6,593,783
Cash flows used in investing activity					
Net cash flows for purchases and disposals of property, plant and equipment		(33,743)	(56,997)	(33,743)	(52,824)
Net cash used in investing activity		(33,743)	(56,997)	(33,743)	(52,824)
Cash flows used in financing activity					
Dividend paid		(953,783)	(1,497,461)	(953,783)	(1,497,461)
Net cash used in financing activity		(953,783)	(1,497,461)	(953,783)	(1,497,461)
Net increase in cash and cash equivalents		3,402,743	5,044,315	3,400,197	5,043,498
Cash and cash equivalents at beginning of years		12,681,084	7,636,769	12,665,453	7,621,955
Cash and cash equivalents at the end of years	6	16,083,827	12,681,084	16,065,650	12,665,453

Notes to the financial statements form an integral part of these statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. GENERAL INFORMATION AND THE COMPANY'S OPERATIONS

Bangkok Life Assurance Public Company Limited (the "Company") is a public company incorporated and domiciled in Thailand. Its major shareholder is Nippon Life Insurance Company, which was incorporated in Japan. The Company is principally engaged provision of life insurance services. The registered office of the Company is located at No. 1415, Krungthep - Nonthaburi Road, Wongsawang, Bangsue District, Bangkok 10800.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements" and in accordance with Thai accounting practices related to insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission ("OIC"), and in accordance with the format of financial statements specified in the Notification of the OIC regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of life insurance companies dated February 8, 2023.
- 2.3 The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.
- 2.4 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 4).

- 2.5 The consolidated financial statements include the financial statements of Bangkok Life Assurance Public Company Limited and the following subsidiary:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at December 31,	
			2023	2022
			%	%
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99

The Group is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the significant amount of its returns.

The subsidiary is fully consolidated, being the date on the Company obtains control, and continued to be consolidated until the date when such control ceases.

The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.

Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statements of financial position.

2.6 Separate financial statements

The separate financial statements present investments in subsidiaries under the cost method.

2.7 Thai Financial Reporting Standards affecting the presentation and disclosure in the current year financial statements

During the period, the Group and the Company have adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding Thai Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have significant impact on the Group's and the Company's financial statements.

In addition, the Federation of Accounting Professions issued the accounting guidelines for financial instruments and disclosures on insurance business, which have been announced in the Royal Gazette on November 30, 2022 and are effective for the financial statements for the period beginning on or after January 1, 2023 onwards. The adoption of these accounting guidelines does not have significant impact on the Group's financial statements.

3. **THAI FINANCIAL REPORTING STANDARDS ANNOUNCED IN THE ROYAL GAZETTE BUT NOT YET EFFECTIVE**

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

On August 8, 2023, the revised TFRSs have been announced in the Royal Gazette which mostly are the amendments of wordings and the references of Thai Financial Reporting Standard No.17 “Insurance Contracts”. TFRSs which have been amended and are relevant to the Group and the Company are as follows:

Thai Accounting Standard No.1 “Presentation of Financial Statements”

The amendments change the requirements regarding the disclosure of accounting policies from “significant accounting policies” to “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 “Accounting Policies, Changes in Accounting Estimates and Errors”

The amendments change the definition of accounting estimates to be “monetary amounts in financial statements that are subject to measurement uncertainty”, to help an entity to be able to segregate the difference of “change in accounting estimates” from “change in accounting policies”.

Thai Accounting Standard No.12 “Income Taxes”

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions. The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

The Group’s and the Company’s management will adopt such TFRSs in the preparation of the Group’s and the Company’s financial statements when it becomes effective. The Group’s and the Company’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group and the Company in the period of initial application.

In addition, such amendments also add the exemption for the International Tax Reform - Pillar Two Model. An entity should not recognize and not disclose the deferred tax assets and deferred tax liability which are relevant to Pillar Two income tax.

The Federation of Accounting Professions issued the amendments to the Accounting Guideline “Financial Instruments and Disclosures for Insurance Business”, which will be effective for the financial statements for the period beginning on or after January 1, 2024 onwards with earlier application permitted. The amendments add the requirements for the disclosure of accounting policies in accordance with Thai Accounting Standard No.1 “Presentation of Financial Statements”.

The Federation of Accounting Professions issued the Accounting Guideline “Other Thai Financial Reporting Standards relevant to the adoption of Thai Financial Reporting Standard No.4 “Insurance Contracts” during the period which Thai Financial Reporting Standard No.17 “Insurance Contracts” has not been effective for Insurance Business”. An entity which adopts Thai Financial Reporting Standard No.4 should adopt this Accounting Guideline during the period which Thai Financial Reporting Standard No.17 has not been effective in Thailand. An entity should adopt all Thai Financial Reporting Standards that are effective as at January 1, 2024, except for the paragraphs of each Thai Financial Reporting Standard that specified in this Accounting Guideline.

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

On August 19, 2022, Thai Financial Reporting Standard No.17 “Insurance Contracts” has been announced in the Royal Gazette. This Standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”.

The Group’s and the Company’s management will adopt TFRS 17 in the preparation of the Group’s and the Company’s financial statements when it becomes effective. The Group’s and the Company’s management is in the process to assess the impact of this TFRS on the financial statements of the Group and the Company in the period of initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Product classification

The Group and the Company classify insurance contracts and reinsurance contracts based on the nature of the insurance contracts. Insurance contracts are those contracts where the insurer has accepted a significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. To determine whether a significant insurance risk has been accepted, the insurer compares the benefits payable after an insured event with the benefits payable if the insured event does not occur. If the criteria are not met, the Group and the Company classify the insurance contracts as investment contracts. Investment contracts have the legal form of insurance contracts and transfer financial risks to the insurer, but not the significant insurance risk. Financial risks are specified as interest rate risk, exchange rate risk, or price risk.

The Group and the Company classify contracts based on assessment of the significance of the insurance risk at inception of each contract. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime. A contract classified as an investment contract at inception can be reclassified as an insurance contract after inception if the insurance risk becomes significant.

Insurance and investment contracts are further classified as being either with or without a discretionary participation feature (“DPF”). DPF is a contractual right to receive, as a supplement to guaranteed benefits, additional benefits that are likely to be a significant portion of the total contractual benefits, the amount or timing of which is contractually at the discretion of the insurance contract issuer, with the benefits based on the performance of a specified pool of contracts or a specified type of contract, or realised and/or unrealised investment returns on a specified pool of assets held by the issuer, or the profit or loss of the company, fund or other entity that issues the contract.

The Group and the Company classify and measure the insurance risk by comparing death benefits with surrender value in each year and set the significant insurance risk level at least 5%.

4.2 Revenue recognition

(1) Premium income

For first-year policies, the premium written net of premium ceded and refund is recognised as revenue on the effective date of the insurance policies. For renewal policies, it is recognised as revenue when due and only on the policies that are still in force at the end of reporting period.

(2) Ceded premium

Ceded premium is recognised as a deduction from premium income when the insurance risk is transferred to another reinsurer according to the amount as per stated in the policies.

(3) Commission and brokerage fee income

Commission and brokerage fee income from ceded premium are based on contractual conditions as specified in the arrangements and recognised as income when incurred and fees from unit link product are recognised as income when incurred.

(4) Net investment income

Interest and dividend income on investments

Interest income is recognised as revenue on an accrual basis based on the effective interest rate. Dividends are recognised as revenue when the right to receive the dividend is established.

Investment expenses are recognised on an accrual basis.

(5) Interest income on loans

Interest income is recognised as revenue over the term of the loans based on the amount of principal outstanding, except for the interest income portion that has been past due over 6 months, which is recognised on a cash basis.

(6) Gains (losses) on investments

Gains (losses) on investments are recognised as revenues or expenses when incurred.

(7) Other income

Other income is recognised on an accrual basis.

4.3 Expenses recognition

(1) Benefit payments under life policies and claims

Benefit payments under life policies

Benefit payments under life policies are recorded when due as per conditions in the policies.

Claims and losses adjustment expenses

Claims and losses adjustment expenses consist of claims and losses adjustment expenses of insurance, including the amounts of the incurred claims, reported and not reported, which are based on claim reserve amount and related expenses, and loss adjustments of the current and the prior period incurred during the year less claims refundable from reinsurers (if any).

Claims and losses adjustment expenses of insurance are recognised upon the receipt of claim advices from the insured, based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimated is not to exceed the sum-insured under the relevant policy.

(2) Commission and brokerage fees

Commission and brokerage fees are recognized as expenses on an accrual basis.

(3) Other underwriting and operating expenses

Other underwriting and operating expenses are recognised as expenses on an accrual basis.

4.4 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks, and all highly liquid investments with an original maturity of 3 months or less from the date of acquisition and not subject to withdrawal restrictions.

4.5 Premium receivables and allowance for doubtful accounts

Premium receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of premium receivables. The allowance is generally based on collection experiences and a review of the current status of the premium receivables as at the end of reporting period.

For individual policies whose cash value is greater than the amount of premium receivables and that is overdue longer than the grace period granted by the Company, the premium receivables will be settled by granting automatic premium loans.

4.6 Reinsurance assets

Reinsurance assets are stated at the outstanding balance of insurance reserves refundable from reinsurers, which are estimated based on related reinsurance contracts of the unearned premium reserve, the loss reserve and outstanding claims in accordance with the laws regarding insurance reserves calculations.

The Group and the Company set up an allowance for doubtful accounts when there is an indication of an impairment occurring when considering estimated potential losses from inability to make collection which the Group and the Company can measure reliably. Increase (decrease) in allowance for doubtful accounts is recognised as expenses in profit or loss.

4.7 Reinsurance receivables and payables

- (1) Reinsurance receivables are stated at the outstanding balance of amounts due from reinsurers.

Amounts due from reinsurers consist of accrued commission and brokerage income, claims and various other items receivable from reinsurers, excluding reinsurance premium receivables, less allowance for doubtful accounts. The Group and the Company record allowance for doubtful accounts for the estimated losses that may be incurred due to inability to make collection, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting period.

- (2) Reinsurance payables are stated at the amount payable to reinsurers.

The amount payables to reinsurers consist of reinsurance premiums and other items payable to reinsurers.

The Group and the Company present net of reinsurance to the same entity (reinsurance assets or amounts due to reinsurers) when the following criteria for offsetting are met.

- (1) The Group and the Company have a legal right to offset amounts presented in the statements of financial position; and
- (2) The Group and the Company intend to receive or pay the net amount recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

4.8 Derivatives assets / liabilities

Derivative financial instruments have been classified and measured as fair value through profit or loss except for cash flow hedges that apply hedge accounting. The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualified as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Hedge accounting

The Group designates certain derivatives as follows:

For fair value hedges, the fair value change on qualifying hedging instruments is recognised in profit or loss as well as changes in fair value for the relevant risk of hedging instruments.

For cash flow hedges, the effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

4.9 Investments assets

4.9.1 Investments in securities

The Group and the Company measure investments in securities according to classification of investments as follows:

- (1) Investments at fair value through profit or loss are stated at fair value. Changes in the fair value of these investments are recorded in profit or loss.
- (2) Investments at fair value through other comprehensive income are stated at fair value. Changes in the fair value of these investments are recorded in other comprehensive income, and will be transferred to be recognised in profit or loss when investments are sold. Except for gains (losses) on exchange rate of investments, which are classified as debt securities, are recorded immediately in profit or loss.
- (3) Investments at amortised cost are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective interest rate method with the amortised/accreted amount presented as an adjustment to the interest income. The investments in debt securities are classified as investment at amortised cost when the Company has the positive intention and ability to hold them to maturity.
- (4) Investment in the subsidiary is accounted for in the separate financial statements using the cost method.

The fair value of marketable security is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange where such securities are listed. The fair value of debt instrument is determined based on the yield rate or quoted price by the Thai Bond Market Association. The fair value of unit trust is determined from its net asset value.

The Group and the Company record purchases and sales of investments on transaction dates for equity instruments, and on settlement date for debt instruments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification is recorded in the statement of profit or loss or recorded as revaluation surplus (deficit) on investments in other components of owners' equity, depending on the type of investments that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the cost of the investment is recognised as revenue or expense in the statement of profit or loss. The weighted average method is used for equity instruments and first-in first-out method is used for debt instruments for computation of the cost of investments.

4.9.2 Loans and accrued interest receivables

Loans and accrued interest receivables have been measured at amortised cost, net from allowance for expected credit loss.

4.9.3 Expected credit loss and impairment loss

The Group and the Company recognise impairment loss using expected credit loss model and record expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. Investments are impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists.

4.9.4 Investment property

Investment property is initially recorded at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of 20 years. Depreciation of the investment property is charged as expense to profit or loss.

The Group and the Company recognise the difference between the net disposal proceeds and the carrying amount of the asset in statement of profit or loss in the period when the investment property is derecognised.

4.10 Investment assets of the insured

Investment assets of the insured are invested assets held for policies issued that policy holders take risks of changes in the value of those assets, such as unit linked products. Investment assets of the insured are initially recorded at cost and subsequently measured at fair value.

4.11 Property, plant and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment of assets (if any).

Depreciation of buildings and equipment are calculated by reference to their costs on a straight-line basis over the following estimated useful lives, or the period of the lease as follows:

Buildings	20 years and 50 years
Condominium units	20 years
Building improvements	5 years
Leasehold improvements	Period of lease
Furniture and fixtures and office equipment	3 years and 5 years
Motor vehicles	5 years

Depreciation is included in profit or loss.

No depreciation is provided for land and construction in progress.

An item of property, buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in statement of profit or loss when the asset is derecognised.

4.12 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated for impairment losses. Goodwill is tested for impairment annually or when circumstances indicate that the carrying value may be impaired.

An impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.13 Intangible assets and amortisation

Intangible assets are carried at cost less any accumulated amortisation and allowance for impairment loss (if any).

Intangible assets with finite lives are amortised on a systematic basis over their economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation amount is charged as expenses to profit or loss.

The useful lives of intangible assets with finite useful lives which is computer software are expected to generate economic benefit within 3 years, 5 years and 10 years.

4.14 Impairment of assets

At the end of each reporting period, the Group and the Company perform impairment reviews in respect of property, buildings and equipment or intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased. The Group and the Company estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.15 Insurance contract liabilities

4.15.1 Reserves for long-term insurance contracts

Reserves for long-term insurance contracts represent the accumulated total liabilities for policies in force as at the end of the reporting period. Such reserves are set aside for estimated future claims and benefits payment under all life insurance policies in force. The Group and the Company calculate reserve under long-term policies with reference to Net Premium Valuation ("NPV"), which is an actuarial method, plus Provision for Adverse Deviation (PAD) of 5% of NPV. The main assumptions used relate to mortality rate adjusted by experience, which is statistical data, morbidity rate, longevity, and discount rates.

At the end of each reporting period, The Group and the Company perform liabilities adequacy test by using Gross Premium Valuation method (GPV). The significant assumptions are mortality rate adjusted by experience, which is statistical data, lapse or surrender rate, selling and administration expenses rate, which are best estimate assumptions, and discount rate, which complies with risk-free rate determined in accordance with the criteria for the calculation of liabilities under insurance contracts under the risk-based capital framework, plus illiquidity premium which is a rate added to the risk-free rate to reflect the nature of liabilities under insurance contracts that have low liquidity.

In case of insurance contract liabilities under liabilities adequacy test are higher than the amount presented in financial statement, the differences are recognised in profit and loss.

4.15.2 Loss reserves and outstanding claims

Outstanding claims are recorded for the actual cost. Loss reserves are recognised when notified by the insured and by estimation based on actuarial method. The maximum value of claims estimated cannot exceed the sum-insured under the relevant policy.

Outstanding claim provision is calculated using an actuarial method based on the best estimate of claims expected to be paid in respect of losses occurring before or as at the end of the reporting periods for both reported and not reported losses including loss adjustment expense. The difference of the calculated outstanding claim provision which is higher than the loss reserve that recognised into financial statement, the Company has additionally provided reserves for claims incurred but not reported (IBNR).

4.15.3 Premium reserves

Premium reserves consist of unearned premium reserves and unexpired risks reserves.

(a) Unearned premium reserves

At the end of the reporting period, the Group and the Company record unearned premium reserves for short-term riders and group insurance, based on the amount calculated on net premium written for the year, using the monthly average basis (the one-twenty fourth basis).

(b) Unexpired risk reserves

Unexpired risk reserves are the amounts set aside for claims, which may occur in the future, of in-force policies. Unexpired risk reserves are determined using an actuarial method. The reserves are determined using the best estimates of claims expected to occur during the remaining coverage period, with reference to its historical claim data.

As at the end of reporting period, the Group and the Company compare the amount of unexpired risk reserve with unearned premium reserve, and if unexpired risk reserve is higher than unearned premium reserve, the difference is recognised as unexpired risk reserve in the financial statements.

4.15.4 Unpaid policy benefits

Unpaid policy benefits are recorded when notices of the claims are received or when conditions in the policy are met.

4.15.5 Other insurance liabilities

Other insurance liabilities represent premiums received in advance, carrying amount of unit linked products and other payable to policyholders other than policy benefit specified in policies.

4.16 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits.

Defined contribution plans

The Group and the Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group and the Company. The fund's assets are held in a separate trust fund and the contributions of the Group and the Company are recognised as expenses when incurred.

Defined benefit plans and other long-term employee benefits

The Group and the Company have obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Group and the Company treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiaries also provide other long-term employee benefit plans, namely long service awards.

The Group and the Company measure the obligations under the defined benefit plan and other long-term employee benefit plans are determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

4.17 Provisions

Provisions are recognised when the Group and the Company have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Long-term leases

The Group and the Company assess whether a contract is or contains a lease at inception of the contract. The Group and the Company recognise a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which they are leases, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group and the Company use their incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

4.19 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group and the Company at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss, except foreign exchange gain and loss of equity securities at fair value through other comprehensive income.

4.20 Income tax

Income tax expenses

Income tax expenses represent the sum of corporate income taxes and deferred income taxes.

Current income taxes

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred income taxes

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, based on tax rates that have been enacted or substantively enacted on the end of the reporting period.

The Group and the Company recognise deferred tax liabilities for all taxable temporary differences while the recognised deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group and the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group and the Company record deferred income taxes directly to owners' equity if the taxes relate to items that are recorded directly to owners' equity.

4.21 Basic earnings (loss) per share

Basic earnings (loss) per share ("EPS") is calculated by dividing profit (loss) for the year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the year.

4.22 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group and the Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except in case of no active market of an identical asset or liability or when a quoted market price is not available. The Group and the Company measure fair value using valuation techniques that are appropriate to the circumstances and maximise the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group and the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.23 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Group and the Company, whether directly or indirectly, or which are under common control with the Group and the Company.

They also include individuals which directly or indirectly own a voting interest in the Group and the Company that give them significant influence over the Group and the Company, key management personnel, directors and officers with authority in the planning and direction of the operations of the Group and the Company.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with financial reporting standards requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

5.1 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management of exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (the Group and the Company and counterparty, both), liquidity, correlation and long-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

5.2 Expected credit loss and impairment

The Group and the Company recognise impairment loss using expected credit loss model on debt securities except for unit trusts and loans excluding policy loans, and treat investment in equity securities and debt securities only for unit trusts at fair value through other comprehensive income as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

5.3 Reserves for long-term insurance contracts

Reserves for long-term insurance contracts are calculated using the actuarial method, based on current assumptions or assumptions established at inception of the contract which reflect the best estimate at the time increased with a margin for risk and adverse deviation. The main assumptions used relate to mortality, morbidity, longevity, and discount rates.

Estimating the reserve requires the management to exercise judgment, with reference to the best estimates available at the time.

5.4 Loss reserves and outstanding claims

At the end of each reporting period, the Group and the Company estimate loss reserves and outstanding claims, taking into account two factors. These are claims incurred and reported, and claims incurred but not reported (IBNR) on which losses are estimated using international standard actuarial techniques. Major assumptions used under these techniques consist of historical data, including the development of claims estimates, paid, average costs per claim and claim numbers, etc. Nevertheless, such estimates are forecasts of future outcomes, and actual results could differ.

5.5 Unexpired risk reserves

Unexpired risk reserves are calculated using an actuarial method, based on the best estimate of claims expected to be paid over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at the time.

6. CASH AND CASH EQUIVALENTS

As at December 31, 2023 and 2022, the Group and the Company have cash and cash equivalent as follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Cash on hand	1,973	2,375	1,972	2,374
Deposits at banks with no fixed maturity date	3,423,163	2,785,560	3,404,987	2,769,930
Deposits at banks with fixed maturity date	-	5,000	-	5,000
Short-term investments in promissory notes	12,658,691	9,888,149	12,658,691	9,888,149
Cash and cash equivalents	<u>16,083,827</u>	<u>12,681,084</u>	<u>16,065,650</u>	<u>12,665,453</u>

As at December 31, 2023, interest rates on saving accounts and promissory notes are in the range of 0.60% - 1.80% per annum (as at December 31, 2022: 0.35 % - 1% per annum).

7. PREMIUM RECEIVABLES

As at December 31, 2023 and 2022, the outstanding balances of premium receivables, classified by overdue period, counted from the due dates are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	From direct premium written	
	December 31, 2023	December 31, 2022
Not yet due	1,552,261	1,517,027
Not over 30 days	21,973	25,500
Over 30 days to 60 days	5,914	8,756
Over 60 days to 90 days	17,629	14,752
Over 90 days	773	1,107
Total premium receivables	<u>1,598,550</u>	<u>1,567,142</u>

For premium receivables due from agents and brokers, the Group and the Company have determined criteria in collections from those debtors. For overdue premium receivables, the Group and the Company have taken legal process with agents and brokers on a case-by-case basis.

For individual policies which have cash value and premium receivables over the grace period, the premium receivables will be settled by granting an automatic premium loan where the policy has a cash surrender value.

8. REINSURANCE ASSETS

As at December 31, 2023 and 2022, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Reserves recordable from reinsurances		
Claim reserves	123,897	120,950
Unearned premium reserves	335,705	374,065
Total reinsurance assets	<u>459,602</u>	<u>495,015</u>

9. AMOUNT DUE FROM REINSURANCE

As at December 31, 2023 and 2022, amount due from reinsurance receivables consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Amounts due from reinsurers	1,035,861	1,040,880
Total amounts due from reinsurance	<u>1,035,861</u>	<u>1,040,880</u>

As at December 31, 2023 and 2022, the outstanding balances of amounts due from reinsurance, classified by overdue period, are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	<u>December 31, 2023</u>	<u>December 31, 2022</u>
Not yet due	1,035,861	1,040,880
Total amounts due from reinsurance	<u>1,035,861</u>	<u>1,040,880</u>

10. DERIVATIVE ASSETS AND LIABILITIES

As at December 31, 2023 and 2022 derivatives classified by objective are as follows:

Derivatives for which hedge accounting was not applied:

Contract type and objectives	Number of contracts	Notional amount (Thousand Units)	(Unit: Thousand Baht)		
			Consolidated and separate financial statements		
			As at December 31, 2023		For the year ended
			Fair value		December 31, 2023
			Assets	Liabilities	Fair value gains on derivatives
Forward exchange contracts for hedge of net investment in foreign currencies	104	1,044,980	85,019	13,234	22,621
Bond forward contracts for hedge of cash flow in bond forward	9	990,000	36,645	1,014	35,631

Contract type and objectives	Number of contracts	Notional amount (Thousand Units)	(Unit: Thousand Baht)		
			Consolidated and separate financial statements		
			As at December 31, 2022		For the year ended
			Fair value		December 31, 2022
			Assets	Liabilities	Fair value gains on derivatives
Forward exchange contracts for hedge of net investment in foreign currencies	81	913,049	119,711	18,539	25,952

Derivatives for which hedge accounting was applied:

Contract type and objective	Number of contracts	Notional amount (Thousand Units)	(Unit: Thousand Baht)		
			Consolidated and separate financial statements		
			December 31, 2023		For the year ended
			Fair value		December 31, 2023
			Assets	Liabilities	Fair value gains on derivatives
Cross currency swap contracts for cash flow hedge in foreign currencies	43	213,420	221,293	119,456	87,639

(Unit: Thousand Baht)					
Consolidated and separate financial statements					
					For the year ended
					December 31, 2022
					December 31, 2022
Fair value					
Contract type and objective	Number of contracts	Notional amount (Thousand Units)	Fair value		Fair value gains on derivatives
			Assets	Liabilities	
Cross currency swap contracts for cash flow hedge in foreign currencies	63	345,920	337,685	484,456	380,569

As at December 31, 2023 and 2022, derivatives assets and liabilities consisted of the following:

Consolidated and separate financial statements			
December 31, 2023			
	Notional amount (Thousand Unit)	Fair value amount	
		Assets (Thousand Baht)	Liabilities (Thousand Baht)
Forward exchange contracts			
Yen	889,375	7,166	1,913
US dollar	74,321	72,702	-
Singapore dollar	57,985	4,104	4,927
Euro	23,299	1,047	6,394
Bond forward contracts			
Baht	990,000	36,645	1,014
Cross currency swap contracts			
US dollar	203,420	186,140	119,456
Euro	10,000	35,153	-
Total derivatives	<u>2,248,400</u>	<u>342,957</u>	<u>133,704</u>

Consolidated and separate financial statements			
December 31, 2022			
	Notional amount (Thousand Unit)	Fair value amount	
		Assets (Thousand Baht)	Liabilities (Thousand Baht)
Forward exchange contracts			
Yen	759,375	8,060	3,117
US dollar	97,910	107,964	-
Singapore dollar	34,184	2,755	8,780
Euro	21,580	932	6,642
Cross currency swap contracts			
US dollar	335,920	266,807	484,456
Euro	10,000	70,878	-
Total derivatives	<u>1,258,969</u>	<u>457,396</u>	<u>502,995</u>

The Company makes use of cross currency swap contracts and forward exchange contracts to manage the exchange rate risk arising from investment.

11. INVESTMENTS IN SECURITIES

11.1 Investments in securities

As at December 31, 2023 and 2022, investment in securities consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	December 31, 2023		December 31, 2022	
	Cost	Fair value	Cost	Fair value
Investment at fair value through profit or loss				
Equity securities	9,498	5,408	50,097	51,702
Total	9,498	5,408	50,097	51,702
<u>Less</u> Unrealised gain (loss)	(4,090)	-	1,605	-
Total investment at fair value through profit or loss	5,408	5,408	51,702	51,702
Investment at fair value through other comprehensive income				
Government and state enterprise securities	34,399,572	36,168,227	31,576,387	33,397,067
Private enterprises debt securities	31,398,428	31,789,600	31,054,559	31,903,921
Equity securities	27,903,699	26,497,823	31,073,846	31,769,047
Foreign debt securities	8,920,753	9,111,284	10,416,620	10,789,856
Foreign equity securities	192,844	44,731	256,941	95,421
Total	102,815,296	103,611,665	104,378,353	107,955,312
<u>Add</u> Unrealised gains	1,986,170	-	4,296,251	-
<u>Less</u> Allowance for expected credit loss	(24,343)	-	(27,164)	-
<u>Less</u> Allowance for impairment	(1,165,458)	-	(692,128)	-
Total investment at fair value through other comprehensive income	103,611,665	103,611,665	107,955,312	107,955,312
		<u>Amortised cost</u>		<u>Amortised cost</u>
Investment at amortised cost				
Government and state enterprise securities		128,111,847		132,354,527
Private enterprises debt securities		51,161,583		63,739,329
Foreign debt securities		6,308,559		4,865,690
Total		185,581,989		200,959,546
<u>Less</u> Allowance for expected credit loss		(159,984)		(217,911)
Total investment at amortised cost		185,422,005		200,741,635
Total investments in securities		289,039,078		308,748,649

11.2 Allowance for expected credit loss

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	December 31, 2023		December 31, 2022	
	Fair value	Allowance for expected credit loss through other comprehensive income	Fair value	Allowance for expected credit loss through other comprehensive income
Investment at fair value through other comprehensive income				
Debt securities with no significant increase in credit risk (Stage 1)	66,938,088	(24,343)	65,485,749	(27,164)
Total	66,938,088	(24,343)	65,485,749	(27,164)

(Unit : Thousand Baht)

	Consolidated and separate financial statements		
	December 31, 2023		
	Gross amount	Allowance for expected credit loss	Net Amount
Investment at amortised cost			
Debt securities with no significant increase in credit risk (Stage 1)	184,027,104	(40,239)	183,986,865
Debt securities with significant increase in credit risk (Stage 2)	1,554,885	(119,745)	1,435,140
Total	185,581,989	(159,984)	185,422,005

(Unit : Thousand Baht)

	Consolidated and separate financial statements		
	December 31, 2022		
	Gross amount	Allowance for expected credit loss	Net Amount
Investment at amortised cost			
Debt securities with no significant increase in credit risk (Stage 1)	200,634,661	(51,375)	200,583,286
Debt securities with credit impaired (Stage 3)	324,885	(166,536)	158,349
Total	200,959,546	(217,911)	200,741,635

11.3 Remaining periods to maturity of debt securities

(Unit : Thousand Baht)				
Consolidated and separate financial statements				
December 31, 2023				
Period to maturity				
	Within 1 year	1 - 5 years	Over 5 years	Total
Investment at fair value through other comprehensive income				
Government and state enterprise securities	3,595,860	4,270,787	25,714,052	33,580,699
Private enterprises debt securities	9,636,788	12,881,303	8,880,337	31,398,428
Foreign debt securities	7,758,517	500,000	662,236	8,920,753
<u>Add Unrealised gains</u>	<u>257,134</u>	<u>511,820</u>	<u>1,238,579</u>	<u>2,007,533</u>
Total investment at fair value through other comprehensive income	<u>21,248,299</u>	<u>18,163,910</u>	<u>36,495,204</u>	<u>75,907,413</u>
Investment at amortised cost				
Government and state enterprise securities	3,050,000	9,365,762	115,696,085	128,111,847
Private enterprises debt securities	5,589,158	18,980,474	26,591,951	51,161,583
Foreign debt securities	1,045,385	2,748,115	2,515,059	6,308,559
<u>Less Allowance for expected credit loss</u>	<u>(8,131)</u>	<u>(23,565)</u>	<u>(128,288)</u>	<u>(159,984)</u>
Total investment at amortised cost	<u>9,676,412</u>	<u>31,070,786</u>	<u>144,674,807</u>	<u>185,422,005</u>

(Unit : Thousand Baht)				
Consolidated and separate financial statements				
December 31, 2022				
Period to maturity				
	Within 1 year	1 - 5 years	Over 5 years	Total
Investment at fair value through other comprehensive income				
Government and state enterprise securities	390,936	9,450,368	20,792,458	30,633,762
Private enterprises debt securities	3,726,902	20,119,257	7,208,400	31,054,559
Foreign debt securities	9,632,060	784,560	-	10,416,620
<u>Add Unrealised gains</u>	<u>408,660</u>	<u>1,410,487</u>	<u>1,011,202</u>	<u>2,830,349</u>
Total investment at fair value through other comprehensive income	<u>14,158,558</u>	<u>31,764,672</u>	<u>29,012,060</u>	<u>74,935,290</u>
Investment at amortised cost				
Government and state enterprise securities	5,069,649	6,028,077	121,256,801	132,354,527
Private enterprises debt securities	10,645,950	18,799,145	34,294,234	63,739,329
Foreign debt securities	569,583	3,398,659	897,448	4,865,690
<u>Less Allowance for expected credit loss</u>	<u>(6,105)</u>	<u>(20,921)</u>	<u>(190,885)</u>	<u>(217,911)</u>
Total investment at amortised cost	<u>16,279,077</u>	<u>28,204,960</u>	<u>156,257,598</u>	<u>200,741,635</u>

11.4 Investments in structured notes

Investments in structured notes, which are classified as investment at fair value through other comprehensive income and investment at amortised cost, consisted of the following:

- (a) As at December 31, 2023 and 2022, the Company has investments of Baht 405 million and Baht 405 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 3 years and 4 years, respectively, and the bills contain conditions whereby the redemption of the bills is based on the credit event of the and the reference assets.
- (b) As at December 31, 2023 and 2022, the Company has investments of Baht 1,725 million and Baht 1,724 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity periods of 2 - 3 years and 3 - 4 years, respectively. The bills contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.

11.5 Investments subject to restriction

As at December 31, 2023 and 2022, the Group and the Company have placed government and state enterprise bonds with cost and amortised cost of Baht 68,490 million and Baht 70,106 million, respectively, with the Registrar as securities and reserves as described in Notes 33 and 34.

11.6 Gains on investments

Gains on investments for the years ended December 31, 2023 and 2022 consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the years ended December 31,	
	2023	2022
Gains on sales of investment at fair value through profit or loss	4,622	32
Gains on sales of investment at amortised cost	-	12,885
Gains on sales of investment at fair value through other comprehensive income	51,146	791,235
Total gains on investments	<u>55,768</u>	<u>804,152</u>

11.7 Revaluation surplus on investment at fair value through other comprehensive income

Revaluation surplus on fair value for the years ended December 31, 2023 and 2022 consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the years ended December 31,	
	2023	2022
Revaluation surplus on investment at fair value through other comprehensive income - beginning of the years	3,961,361	10,344,753
Losses on revaluation of investment at fair value through other comprehensive income	(858,618)	(5,119,349)
Reversal of gains realized on disposed of investment at fair value through other comprehensive income	(1,264,000)	(1,264,043)
Revaluation surplus on investment at fair value through other comprehensive income - end of the years	1,838,743	3,961,361
<u>Less</u> Income taxes	(367,749)	(792,272)
Revaluation surplus on investment at fair value through other comprehensive income - net of taxes	1,470,994	3,169,089

11.8 The fair value of investments in debt securities consisted of the following:

Type of financial assets	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	December 31, 2023		December 31, 2022	
	Fair value – end of the year	Change in fair value during the year	Fair value – end of the year	Change in fair value during the year
Financial assets held to collect the contractual cash flows on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; excluding financial assets held for sale according to TFRS 9 (when becomes effective) or financial assets that Company manages and assesses with fair value	254,039,163	1,550,781	265,893,296	(17,198,996)
Cash flows that are not solely payments of principal and interest on the principal amount outstanding	11,099,841	(1,829,857)	11,578,447	(2,005,445)

12. LOANS AND ACCRUED INTEREST RECEIVABLES

As at December 31, 2023 and 2022, the balances of loans and accrued interest receivables, classified by overdue periods, are as follows:

(Unit : Thousand Baht)

Consolidated and separate financial statements				
December 31, 2023				
Loans and accrued interest receivables				
Overdue periods	Policy loans	Mortgage loans	Other loans	Total
Not yet due	9,810,188	1,748,366	-	11,558,554
Overdue:				
Less than 3 months	-	4,441	-	4,441
3 - 6 months	-	2,864	-	2,864
6 - 12 months	-	-	-	-
Over 12 months	-	141,325	55	141,380
Total	9,810,188	1,896,996	55	11,707,239
<u>Less</u> Allowance for expected credit loss	-	(99,916)	-	(99,916)
Loans and accrued interest receivables - net	9,810,188	1,797,080	55	11,607,323

(Unit : Thousand Baht)

Consolidated and separate financial statements				
December 31, 2022				
Loans and accrued interest receivables				
Overdue periods	Policy loans	Mortgage loans	Other loans	Total
Not yet due	9,649,773	2,024,286	-	11,674,059
Overdue:				
Less than 3 months	-	2,835	-	2,835
3 - 6 months	-	3,099	-	3,099
6 - 12 months	-	2,861	-	2,861
Over 12 months	-	139,759	55	139,814
Total	9,649,773	2,172,840	55	11,822,668
<u>Less</u> Allowance for expected credit loss	-	(96,426)	-	(96,426)
Loans and accrued interest receivables - net	9,649,773	2,076,414	55	11,726,242

(Unit : Thousand Baht)

Consolidated and separate financial statements			
December 31, 2023			
Loans and accrued interest receivables			
Stages	Mortgage loans	Other loans	Total
Loans with no significant increase in credit risk (Stage 1)	1,752,807	-	1,752,807
Loans with significant increase in credit risk (Stage 2)	2,864	-	2,864
Loans with credit impaired (Stage 3)	141,325	55	141,380
Total	1,896,996	55	1,897,051
<u>Less</u> Allowance for expected credit loss	(99,916)	-	(99,916)
Total	1,797,080	55	1,797,135

(Unit : Thousand Baht)			
Consolidated and separate financial statements			
December 31, 2022			
Loans and accrued interest receivables			
Stages	Mortgage loans	Other loans	Total
Loans with not significantly increase in credit risk (Stage 1)	2,027,121	-	2,027,121
Loans with significantly increase in credit risk (Stage 2)	5,960	-	5,960
Loans with credit impaired (Stage 3)	139,759	55	139,814
Total	2,172,840	55	2,172,895
<u>Less</u> Allowance for expected credit loss	(96,426)	-	(96,426)
Total	2,076,414	55	2,076,469

Policy loans represent loans granted to the policyholders in an amount not exceeding the cash value of the policy. The loans carry interest at 4% - 8% per annum, as approved by the Office of Insurance Commission.

Loans to employees under the employee welfare scheme are set for credit limit of Baht 0.10 million for personal guarantee loans. The interest rate charged is at the rates of 6% per annum. As at December 31, 2023 and 2022, loans to employees amounted to Baht 0.01 million and Baht 0.01 million, respectively.

Loans to employees under the mortgage loans are not to exceed 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5% - 6% per annum. As at December 31, 2023 and 2022, loans to employees under the mortgage loans amounted to Baht 5 million and Baht 7 million, respectively.

13. INVESTMENT PROPERTY

The net carrying value of investment property as at December 31, 2023 and 2022 are as follows:

(Unit : Thousand Baht)		
Consolidated and separate financial statements		
	December 31, 2023	December 31, 2022
Office building for rent		
Cost	142,333	21,303
<u>Less</u> Accumulated depreciation	(16,961)	(7,816)
Net carrying value	125,372	13,487

A reconciliation of the net carrying value of investment property for the years ended December 31, 2023 and 2022 are presented below:

(Unit : Thousand Baht)		
Consolidated and separate financial statements		
	For the years ended December 31,	
	2023	2022
Net carrying value - beginning of the years	13,487	14,556
Depreciation for the years	(9,145)	(1,069)
Transfer in (out)	121,030	-
Net carrying value - ending of the years	125,372	13,487

The fair value of the investment property as at December 31, 2023 and 2022 are stated below:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	December 31, 2023	December 31, 2022
Office building for rent	168,055	35,467

The fair value of the above investment property has been determined based on valuation performed by an independent appraiser. The fair value of the office building held for rent has been determined using the cost approach, which estimated current replacement cost less accumulated depreciation and add with fair value of land.

For the year ended December 31, 2023, the Group and the Company have revenue from rental of investment property amounted to Baht 1.71 million (2022: Nil).

During the year 2023, the Group and the Company transferred a part of building amounting Baht 121 million, which had been used as an office building and recorded as property, plant and equipment, to use for rental service and recorded as investment property since the Company changed the purpose of using such asset. (see Note 16)

14. INVESTMENT IN THE SUBSIDIARY

As at December 31, 2023 and 2022, detail of investments in the subsidiary, as presented in the separate financial statements, are as follows:

Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
			(Thousand Baht)	(Thousand Baht)	(Percentage)	(Percentage)	(Thousand Baht)	(Thousand Baht)
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760
Total investment in the subsidiary							23,760	23,760

15. INVESTMENT ASSETS OF THE INSURED

Fair value of investment assets of the insured as at as at December 31, 2023 and 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	December 31, 2023	December 31, 2022
Investment in debt securities	144,172	76,584
Investment in equity securities	8,080	3,593
Total	152,252	80,177

16. PROPERTY, PLANT AND EQUIPMENT

Movement of property, plant and equipment for the years ended December 31, 2023 and 2022 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	Land	Buildings and building improvements and leasehold building	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	
Cost:							
January 1, 2022	791,346	1,386,742	36,633	918,103	46,683	1,837	3,181,344
Additions	-	8,109	-	35,435	59	14,380	57,983
Disposals	-	(29,586)	-	(25,522)	(12,939)	-	(68,047)
Transfer in (out)	-	8,752	-	7,319	-	(16,071)	-
December 31, 2022	791,346	1,374,017	36,633	935,335	33,803	146	3,171,280
Additions	-	132	-	48,570	2,639	1,455	52,796
Disposals	(3,837)	(49,625)	-	(19,754)	(5,909)	-	(79,125)
Transfer in (out)	-	(121,030)	-	537	-	(537)	(121,030)
December 31, 2023	787,509	1,203,494	36,633	964,688	30,533	1,064	3,023,921
Accumulated depreciation:							
January 1, 2022	-	291,652	33,274	561,777	31,586	-	918,289
Depreciation on disposals	-	(29,583)	-	(25,248)	(12,302)	-	(67,133)
Depreciation for the year	-	39,098	1,833	83,821	6,832	-	131,584
December 31, 2022	-	301,167	35,107	620,350	26,116	-	982,740
Depreciation on disposals	-	(49,606)	-	(19,704)	(4,087)	-	(73,397)
Depreciation for the year	-	31,300	1,526	74,519	4,471	-	111,816
December 31, 2023	-	282,861	36,633	675,165	26,500	-	1,021,159
Net carrying value:							
December 31, 2022	791,346	1,072,850	1,526	314,985	7,687	146	2,188,540
December 31, 2023	787,509	920,633	-	289,523	4,033	1,064	2,002,762

Depreciation for the years ended December 31,

2022

Thousand Baht 131,584

2023

Thousand Baht 111,816

(Unit : Thousand Baht)

Separate financial statements							
	Land	Buildings and building improvements and leasehold building	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Cost:							
January 1, 2023	791,346	1,386,644	36,633	917,709	46,683	1,837	3,180,852
Additions	-	8,109	-	35,435	59	14,380	57,983
Disposals	-	(29,586)	-	(25,522)	(12,939)	-	(68,047)
Transfer in (out)	-	8,752	-	7,319	-	(16,071)	-
December 31, 2022	791,346	1,373,919	36,633	934,941	33,803	146	3,170,788
Additions	-	132	-	48,570	2,639	1,455	52,796
Disposals	(3,837)	(49,625)	-	(19,754)	(5,909)	-	(79,125)
Transfer in (out)	-	(121,030)	-	537	-	(537)	(121,030)
December 31, 2023	787,509	1,203,396	36,633	964,294	30,533	1,064	3,023,429
Accumulated depreciation:							
January 1, 2022	-	291,551	33,276	561,402	31,587	-	917,816
Depreciation on disposals	-	(29,583)	-	(25,248)	(12,302)	-	(67,133)
Depreciation for the year	-	39,098	1,833	83,806	6,832	-	131,569
December 31, 2022	-	301,066	35,109	619,960	26,117	-	982,252
Depreciation on disposals	-	(49,605)	-	(19,704)	(4,087)	-	(73,396)
Depreciation for the year	-	31,300	1,524	74,516	4,471	-	111,811
December 31, 2023	-	282,761	36,633	674,772	26,501	-	1,020,667
Net carrying value:							
December 31, 2022	791,346	1,072,853	1,524	314,981	7,686	146	2,188,536
December 31, 2023	787,509	920,635	-	289,522	4,032	1,064	2,002,762

Depreciation for the years ended December 31,

2022	Thousand Baht	131,569
2023	Thousand Baht	111,811

During the year 2023, the Group and the Company transferred a part of building amounting Baht 121 million, which had been used as an office building and recorded as property, plant and equipment, to use for rental service and recorded as investment property since the Company changed the purpose of using such asset. (see Note 13)

As at December 31, 2023 and 2022, certain items of buildings and equipment of the Group and the Company have been fully depreciated but are still in use. The cost before deducting accumulated depreciation of those assets in the consolidated financial statements amounted to Baht 683 million and Baht 630 million, respectively (the separate financial statements: Baht 682 million and Baht 629 million, respectively).

As at December 31, 2023 and 2022, the Company had land and building that were no longer in use but did not fall under the conditions of assets held for sale with cost before deducting accumulated depreciation as follows:

(Unit : Thousand Baht)		
Consolidated and separate financial statements		
	December 31, 2023	December 31, 2022
Land	9,172	10,720
Building	23,988	13,281
Building improvement	4,179	13,467
Office equipment	10,952	10,871
Computer	444	459
Office furniture, fixture and equipment	7,512	6,552
Total	56,247	55,350

17. GOODWILL

On July 7, 2014, the Company obtained control of BLA Insurance Broker Company Limited (“subsidiary”), by acquiring of the shares and voting interests in the subsidiary and net assets from business combination was lower than consideration part resulting in goodwill from purchase of business.

As at December 31, 2023 and 2022, the consolidated financial statements have goodwill amounted to Baht 5 million and Baht 5 million, respectively.

18. INTANGIBLE ASSETS

Movement of intangible assets for the years ended December 31, 2023 and 2022 are as follows:

	(Unit : Thousand Baht)		
	Consolidated financial statements		
	Computer software	Computer Software under development	Total
Cost:			
January 1, 2022	162,600	105,800	268,400
Increase	37,127	9,753	46,880
December 31, 2022	199,727	115,553	315,280
Increase	2,275	23,096	25,371
Transfer in (out)	1,014	(1,014)	-
December 31, 2023	203,016	137,635	340,651
Accumulated amortisation:			
January 1, 2022	128,373	18,756	147,129
Amortisation for the year	20,736	11,253	31,989
December 31, 2022	149,109	30,009	179,118
Amortisation for the year	25,872	14,519	40,391
December 31, 2023	174,981	44,528	219,509
Net carrying value:			
December 31, 2022	50,618	85,544	136,162
December 31, 2023	28,035	93,107	121,142
Amortisation for the years ended December 31,			
2022		Thousand Baht	31,989
2023		Thousand Baht	40,391

(Unit : Thousand Baht)			
Separate financial statements			
	Computer software	Computer Software under development	Total
Cost:			
January 1, 2022	162,509	105,800	268,309
Increase	37,127	9,753	46,880
December 31, 2022	199,636	115,553	315,189
Increase	2,275	23,096	25,371
Transfer in (out)	1,014	(1,014)	-
December 31, 2023	202,925	137,635	340,560
Accumulated amortisation:			
January 1, 2022	128,287	18,756	147,043
Amortisation for the year	20,733	11,253	31,986
December 31, 2022	149,020	30,009	179,029
Amortisation for the year	25,870	14,519	40,389
December 31, 2023	174,890	44,528	219,418
Net carrying value			
December 31, 2022	50,616	85,544	136,160
December 31, 2023	28,035	93,107	121,142
Amortisation for the years ended December 31,			
2022		Thousand Baht	31,986
2023		Thousand Baht	40,389

As at December 31, 2023 and 2022, certain computer software items were fully amortised but are still in use. The original costs, before deducting accumulated amortisation, of those assets in the consolidated and separate financial statements amounted to approximately Baht 135 million and Baht 116 million, respectively.

19. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSES

19.1 Deferred tax assets/liabilities

Deferred tax assets and liabilities consisted of tax effects as shown below:

	(Unit : Thousand Baht)					
	Consolidated and separate financial statements					
	December 31,		Change in deferred tax assets/liabilities reported in profit or loss for the years ended December 31,		Change in deferred tax assets/liabilities reported in other comprehensive income for the years ended December 31,	
	2023	2022	2023	2022	2023	2022
Deferred tax assets (liabilities)						
Reserves for long-term insurance contracts	1,363,723	1,644,668	(280,945)	(236,425)	-	-
Claim reserves and outstanding claims	11,019	16,877	(5,858)	(2,825)	-	-
Provisions for long-term employee benefits	43,288	42,604	(1,820)	4,198	2,504	(1,194)
Allowance for expected credit loss and impairment loss	304,964	221,749	83,215	25,411	-	-
Investment at fair value through other comprehensive income	(135,875)	(502,842)	(57,556)	(79,835)	424,523	1,276,678
Cash flow hedge	(29,178)	(81,304)	(6,460)	(4,782)	58,586	(51,242)
Others	642	(321)	963	(321)	-	-
Deferred tax assets (liabilities) - net	<u>1,558,583</u>	<u>1,341,431</u>	<u>(268,461)</u>	<u>(294,579)</u>	<u>485,613</u>	<u>1,224,242</u>

19.2 Income tax expenses

Income tax expenses for the years ended December 31, 2023 and 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	For the years ended December 31,	
	2023	2022
Current income tax:		
Corporate income tax charge	176,053	271,773
Adjustment in respect of income tax expenses (revenues) of previous year	(1,323)	1,338
Deferred tax:		
Relating to origination and reversal of temporary differences	268,461	294,579
Income tax expenses reported in profits or losses	<u>443,191</u>	<u>567,690</u>

	(Unit : Thousand Baht)	
	Separate financial statements	
	For the years ended December 31,	
	2023	2022
Current income tax:		
Corporate income tax charge	175,421	271,508
Adjustment in respect of income tax expenses (revenues) of previous year	(1,323)	1,338
Deferred tax:		
Relating to origination and reversal of temporary differences	268,461	294,579
Income tax expenses reported in profits or losses	<u>442,559</u>	<u>567,425</u>

Reconciliation between accounting profits and income tax expense for the years ended December 31, 2023 and 2022 are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2023	2022	2023	2022
Accounting profit before income tax expenses	2,991,501	3,779,289	2,989,701	3,777,295
Corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	598,300	755,858	597,940	755,459
Adjustment in respect of income tax of previous year	(1,323)	1,338	(1,323)	1,338
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(153,786)	(189,506)	(154,058)	(189,372)
Income tax expenses recognised in profits or losses	<u>443,191</u>	<u>567,690</u>	<u>442,559</u>	<u>567,425</u>

The amounts of income taxes relating to each component of other comprehensive income for the years ended December 31, 2023 and 2022 are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the years ended December 31,	
	2023	2022
Income taxes relating to:		
Losses on revaluation of investment at fair value through other comprehensive income	171,723	1,023,870
Reversal of gains realised on disposal of investment at fair value through other comprehensive income	252,800	252,808
(Gain) loss on remeasuring cash flow hedge derivatives fair value	58,586	(51,242)
Actuarial (gain) loss	2,504	(1,194)
Income taxes expenses as reported in other comprehensive income	<u>485,613</u>	<u>1,224,242</u>

20. OTHER ASSETS

As at December 31, 2023 and 2022, other assets consisted of the following:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	December 31,		financial statements	
	2023	2022	2023	2022
Prepaid income tax	174,823	174,823	174,823	174,823
Deposits	8,526	8,861	8,526	8,861
Receivable from sales of investments	14,109	232,046	14,109	232,046
Prepaid expenses	1,236	21,720	1,236	21,720
Others	129,257	136,564	114,816	124,304
Total other assets	327,951	574,014	313,510	561,754

21. INSURANCE CONTRACT LIABILITIES

As at December 31, 2023 and 2022, insurance contract liabilities consisted of the following:

	(Unit : Thousand Baht)					
	Consolidated and separate financial statements					
	December 31, 2023			December 31, 2022		
	Insurance contract liabilities	Reinsurance of liabilities (see Note 8)	Net	Insurance contract liabilities	Reinsurance of liabilities (see Note 8)	Net
Reserves for long-term insurance contracts	274,230,433	-	274,230,433	288,895,494	-	288,895,494
Claim reserves						
Reserves for reported claims	427,772	(89,930)	337,842	384,331	(92,332)	291,999
Reserves for claims incurred but not reported	89,064	(33,967)	55,097	113,005	(28,618)	84,387
Premium reserves						
Unearned premium reserves	1,510,740	(335,705)	1,175,035	1,599,336	(374,065)	1,225,271
Unpaid policy benefits	438,392	-	438,392	434,498	-	434,498
Other insurance liabilities	2,199,918	-	2,199,918	3,330,178	-	3,330,178
Total insurance contract liabilities	278,896,319	(459,602)	278,436,717	294,756,842	(495,015)	294,261,827

During the years 2023 and 2022, the Group and the Company management have entered into reinsurance contracts in order to manage insurance risk. The management manages this risk by considering obligations on net losses insurance, and disclosing the liabilities under insurance contracts, both in terms of gross insurance and net insurance.

21.1 Reserves for long-term insurance contracts

As at December 31, 2023 and 2022, reserves for long-term insurance contracts consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the years ended December 31,	
	2023	2022
Balances - beginning of the year	288,895,494	287,771,587
Reserve increased for new businesses and in force policies	29,858,926	30,988,978
Reserve decreased for benefits payment lapses and surrender, etc.	(44,523,987)	(29,865,071)
Balances - ending of the year	<u>274,230,433</u>	<u>288,895,494</u>

21.2 Claim reserves

As at December 31, 2023 and 2022, claim reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	For the years ended December 31,	
	2023	2022
Balances - beginning of the year	497,336	377,958
Claims incurred in the current year	3,280,920	2,885,549
Claims paid during the year	(3,261,420)	(2,766,171)
Balances - end of the year	<u>516,836</u>	<u>497,336</u>

21.3 Unearned premium reserves

As at December 31, 2023 and 2022, unearned premium reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	For the years ended December 31,	
	2023	2022
Balances - beginning of the year	1,599,336	1,588,010
Premium written for the year	2,876,193	3,794,684
Premium earned for the year	(2,964,789)	(3,783,358)
Balances - end of the year	<u>1,510,740</u>	<u>1,599,336</u>

21.4 Claims development table

21.4.1 Claims development table - gross of reinsurance

As at December 31, 2023

(Unit : Thousand Baht)

Accident year	Consolidated and separate financial statements							Total
	Before 2018	2018	2019	2020	2021	2022	2023	
Estimate of Claims incurred:								
- At the end of accident year	1,787,570	2,073,125	2,119,284	2,177,194	2,288,192	2,576,395	3,166,904	-
- One year later	1,870,902	2,139,768	2,190,663	2,278,433	2,379,052	2,669,509	-	-
- Two year later	1,872,483	2,140,995	2,194,554	2,280,222	2,318,173	-	-	-
- Three year later	1,872,483	2,140,995	2,194,554	2,280,222	-	-	-	-
- Four year later	1,872,483	2,140,995	2,194,554	-	-	-	-	-
- Five year later	1,872,483	2,140,995	-	-	-	-	-	-
Estimate of cumulative claims incurred	1,872,483	2,140,995	2,194,554	2,280,222	2,381,173	2,671,971	3,253,521	16,794,919
Cumulative payments to date	(1,865,094)	(2,138,169)	(2,191,681)	(2,278,057)	(2,371,868)	(2,649,067)	(2,784,147)	(16,278,083)
Total claims provision								
- gross of reinsurance	7,389	2,826	2,873	2,165	9,305	22,904	469,374	516,836

As at December 31, 2022

(Unit : Thousand Baht)

Accident year	Consolidated and separate financial statements							Total
	Before 2017	2017	2018	2019	2020	2021	2022	
Estimate of Claims incurred:								
- At the end of accident year	1,786,229	1,787,570	2,073,125	2,119,284	2,039,985	2,295,222	2,714,813	-
- One year later	1,853,351	1,870,902	2,139,768	2,190,663	2,141,254	2,386,199	-	-
- Two year later	1,857,916	1,872,483	2,140,995	2,194,554	2,143,044	-	-	-
- Three year later	1,857,916	1,872,483	2,140,995	2,194,554	-	-	-	-
- Four year later	1,857,916	1,872,483	2,140,995	-	-	-	-	-
- Five year later	1,857,916	1,872,483	-	-	-	-	-	-
Estimate of cumulative claims incurred	1,857,916	1,872,483	2,140,995	2,194,554	2,143,044	2,388,062	2,825,955	15,423,009
Cumulative payments to date	(1,853,652)	(1,872,304)	(2,139,667)	(2,193,469)	(2,141,479)	(2,370,004)	(2,355,098)	(14,925,673)
Total claims provision								
- gross of reinsurance	4,264	179	1,328	1,085	1,565	18,058	470,857	497,336

21.4.2 Claims development table - net of reinsurance

As at December 31, 2023

(Unit : Thousand Baht)

Accident year	Consolidated and separate financial statements							Total
	Before 2018	2018	2019	2020	2021	2022	2023	
Estimate of Claims incurred:								
- At the end of accident year	1,787,570	2,073,125	2,119,284	2,177,194	2,288,192	2,574,865	3,135,069	-
- One year later	1,870,902	2,139,768	2,190,663	2,278,433	2,379,052	2,667,923	-	-
- Two year later	1,872,483	2,140,995	2,194,554	2,280,222	2,381,173	-	-	-
- Three year later	1,872,483	2,140,995	2,194,554	2,280,222	-	-	-	-
- Four year later	1,872,483	2,140,995	2,194,554	-	-	-	-	-
- Five year later	1,872,483	2,140,995	-	-	-	-	-	-
Estimate of cumulative claims incurred	1,872,483	2,140,995	2,194,554	2,280,222	2,381,173	2,670,385	3,221,140	16,760,952
Cumulative payments to date	(1,865,094)	(2,138,170)	(2,191,709)	(2,278,315)	(2,372,726)	(2,653,213)	(2,868,786)	(16,368,013)
Total claims provision - gross of reinsurance	7,389	2,825	2,845	1,907	8,447	17,172	352,354	392,939

As at December 31, 2022

(Unit : Thousand Baht)

Accident year	Consolidated and separate financial statements							Total
	Before 2017	2017	2018	2019	2020	2021	2022	
Estimate of Claims incurred:								
- At the end of accident year	1,786,229	1,787,570	2,073,125	2,119,284	2,039,985	2,293,431	2,688,864	-
- One year later	1,853,351	1,870,902	2,139,768	2,190,663	2,141,254	2,384,336	-	-
- Two year later	1,857,916	1,872,483	2,140,995	2,194,554	2,143,044	-	-	-
- Three year later	1,857,916	1,872,483	2,140,995	2,194,554	-	-	-	-
- Four year later	1,857,916	1,872,483	2,140,995	-	-	-	-	-
- Five year later	1,857,916	1,872,483	-	-	-	-	-	-
Estimate of cumulative claims								
incurred	1,857,916	1,872,483	2,140,995	2,194,554	2,143,044	2,386,199	2,799,199	15,394,390
Cumulative payments to date	(1,853,752)	(1,872,304)	(2,139,669)	(2,193,706)	(2,142,252)	(2,375,941)	(2,440,380)	(15,018,004)
Total claims provision - gross of reinsurance	4,164	179	1,326	848	792	10,258	358,819	376,386

21.5 Key assumptions

21.5.1 Assumptions used in the measurement of insurance reserves for long-term insurance contracts.

The Group and the Company measure insurance contracts with Net Level Premium Reserve method by using cash flow estimation from premiums and benefits payment. The Company estimates premiums by actuarial methods, using assumptions such as discount rate, mortality rate, and disability rate. This method excludes persistency rate.

The key assumptions in the actuarial method were summarised as follows:

(A) Mortality rate, morbidity rate and longevity rate

According to Thailand mortality tables on industry type and Thailand pensions table that were announced by the OIC.

(B) Discount rate

The discount rate in calculating the reserve was not higher than the interest rate that determined premium rates.

21.5.2 Assumptions used in claims incurred but not reported

The Group and the Company estimated claims for short-term contracts by considering their claims incurred but not reported. The assumptions used in the calculation were as at the date of the latest report and were estimated from data collected in the past and the actuary's judgement.

21.6 Unpaid policy benefits

As at December 31, 2023 and 2022, unpaid policy benefits consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	December 31, 2023	December 31, 2022
Death benefit	77,832	128,009
Maturity payment	314,670	272,278
Benefit payment	45,457	33,749
Surrender	433	462
Total unpaid policy benefits	<u>438,392</u>	<u>434,498</u>

21.7 Other insurance liabilities

As at December 31, 2023 and 2022, other insurance liabilities consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	December 31, 2023	December 31, 2022
Deposits from insurance contracts	1,913,052	3,011,955
Premiums received in advance	56,988	157,629
Payable to policyholders on exempted premiums	75,856	78,360
Carrying amount of unit linked products	154,022	82,234
Total other insurance liabilities	<u>2,199,918</u>	<u>3,330,178</u>

22. AMOUNT DUE TO REINSURANCE

As at December 31, 2023 and 2022, amount due to reinsurance consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	December 31, 2023	December 31, 2022
Amount due to reinsurers	916,592	958,952
Total amount due to reinsurance	<u>916,592</u>	<u>958,952</u>

23. EMPLOYEE BENEFIT OBLIGATIONS

As at December 31, 2023 and 2022, employee benefit obligations consisted of the following:

	Consolidated financial statements		(Unit : Thousand Baht) Separate financial statements	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Post-employment benefit obligations for severance pay (see Note 23.1)	188,745	184,235	187,740	183,474
Other employment benefit obligation for long service awards (see Note 23.2)	28,794	29,721	28,701	29,547
Total employee benefit obligations	<u>217,539</u>	<u>213,956</u>	<u>216,441</u>	<u>213,021</u>

23.1 Post-employment benefit obligations for severance pay

Movement in post-employment benefit obligations for severance pay during the years ended December 31, consisted of the following:

	Consolidated financial statements		(Unit : Thousand Baht) Separate financial statements	
	For the years ended December 31, 2023	For the years ended December 31, 2022	For the years ended December 31, 2023	For the years ended December 31, 2022
Beginning balance as at January 1,	184,235	171,422	183,474	170,673
Increases during the year	<u>4,510</u>	<u>12,813</u>	<u>4,266</u>	<u>12,801</u>
Ending balance as at December 31,	<u>188,745</u>	<u>184,235</u>	<u>187,740</u>	<u>183,474</u>

Under the Labor Protection Act and the Company's employment policy, all employees are entitled to receive the severance pay in accordance with the terms of labor laws, in the event that the employee reaches the retirement age of 60.

23.2 Other employment benefit obligations for long service awards

Movement in other employment benefit obligations for long service awards during the years ended December 31, consisted of the following:

	Consolidated financial statements		(Unit : Thousand Baht) Separate financial statements	
	For the years ended December 31, 2023	For the years ended December 31, 2022	For the years ended December 31, 2023	For the years ended December 31, 2022
Beginning balance as at January 1,	29,721	27,396	29,547	27,330
Increase (decrease) during the year	<u>(927)</u>	<u>2,325</u>	<u>(846)</u>	<u>2,217</u>
Ending balance as at December 31,	<u>28,794</u>	<u>29,721</u>	<u>28,701</u>	<u>29,547</u>

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, and other long-term benefits for the years ended December 31, 2023 and 2022 were as follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	For the years ended December 31,		For the years ended December 31,	
	2023	2022	2023	2022
Provision for long-term employee benefits at beginning of years	213,956	198,818	213,021	198,003
Included in profit or loss:				
Current service cost	7,907	30,536	7,880	30,428
Interest cost	5,958	4,235	5,932	4,217
Actuarial (gain) loss arising from				
Demographic assumptions changes	(10)	-	(26)	-
Financial assumptions changes	720	3,683	721	3,672
Experience adjustments	(1,940)	(179)	(1,694)	(183)
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	9,033	-	8,976	-
Financial assumptions changes	(1,805)	(13,113)	(1,798)	(13,064)
Experience adjustments	5,400	7,139	5,343	7,097
Benefits paid during the year	(21,680)	(17,163)	(21,914)	(17,149)
Provision for long-term employee benefits at ending of years	217,539	213,956	216,441	213,021

As at December 31, 2023 and 2022, the Group and the Company expect to pay long-term employee benefits within the next 1 year Baht 15 million and 14 million, respectively.

As at December 31, 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefit of the Group and the Company are 20 years and 20 years, respectively.

Significant actuarial assumptions are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate for defined benefit plans	3.00	2.89	3.00	2.89
Discount rate for other long-term employee benefits	3.00	2.89	3.00	2.89
Inflation rate for gold price	5.90	3.00	5.90	3.00
Salary increase rate	5.00	5.00	5.00	5.00
Turnover rate (depending on age of employee)	7.10, 9.90	6.30, 9.10	7.10, 9.90	6.30, 9.10
Gold per weight of Baht 1 (Baht)	28,590	25,820	28,590	25,820

The mortality rate is based on the mortality table of 2017 which has not been included in the allowance.

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at December 31, 2023 are summarised below:

	Assumptions increase (decrease) (% per annum)	Consolidated	Separate
		financial statements	financial statements
		Amount	Amount
		increase (decrease)	increase (decrease)
		(Thousand Baht)	(Thousand Baht)
Discount rate	0.25%	(4,047)	(4,030)
Discount rate	(0.25%)	4,182	4,165
Inflation rate of gold price	1.00%	1,890	1,881
Inflation rate of gold price	(1.00%)	(1,739)	(1,730)
Salary increase rate	0.25%	3,709	3,695
Salary increase rate	(0.25%)	(3,604)	(3,589)
Turnover rate	10.00%	(12,490)	(12,438)
Turnover rate	(10.00%)	13,684	13,628
Gold per weight of 1 Baht	10.00%	2,879	2,870
Gold per weight of 1 Baht	(10.00%)	(2,879)	(2,870)

The sensitivity analysis presented above may not be representative of the actual change in employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

24. OTHER LIABILITIES

As at December 31, 2023 and 2022, other liabilities consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Accrued commission expenses	563,047	549,476	561,988	548,595
Accrued expenses	237,104	248,104	237,121	248,054
Premium received for policies not yet approved	75,761	51,263	75,761	51,263
Amounts received awaiting transfer	70,275	113,233	70,275	113,233
Specific business tax payable	146,923	154,841	146,923	154,841
Payable from purchases of investments	25,090	45,315	25,090	45,315
Withholding tax payable	18,629	16,867	18,594	16,827
Short-term employee benefit payables	118,629	112,970	118,080	112,970
Others	50,863	84,736	43,825	80,540
Total other liabilities	1,306,321	1,376,805	1,297,657	1,371,638

25. STATUTORY RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

26. OPERATING SEGMENT

The Group presented operating segment information in the same manner as that reported to the Office of Insurance Commission (“OIC”) on the report of underwriting information reported by insurance categories since the management considered that the Group is operating its core business in a single segment which is life insurance business and in a single geographic area which is Thailand. Hence, all items as presented in this segment information are consistent to The Group and internal reports that are regularly reviewed by the chief operating decisions maker in order to make decision about allocation of resources to the segment and evaluate its performance. The chief operating decision maker has been identified as the Chief Executive Officer.

Information of operating segment as per mention for the years ended December 31, 2023 and 2022 is as follows:

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	For the year ended December 31, 2023						
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Investment Life Insurance Products	Personal accident	Others	
Underwriting income							
Premium written	24,513,443	9,018,502	561,036	12,882	48,811	-	34,154,674
<u>Less</u> Premium ceded	(873,426)	-	-	(979)	-	-	(874,405)
Net premium written	23,640,017	9,018,502	561,036	11,903	48,811	-	33,280,269
<u>Add (Less)</u> Unearned premium reserve decreased (increased) from prior year	51,099	-	-	-	(863)	-	50,236
Net earned premium	23,691,116	9,018,502	561,036	11,903	47,948	-	33,330,505
Fee and commission income	306,019	-	-	46,326	-	-	352,345
Total underwriting income	23,997,135	9,018,502	561,036	58,229	47,948	-	33,682,850
Underwriting expenses							
Life policy reserves increased from prior years	(23,085,927)	7,884,234	536,402	230	-	-	(14,665,061)
Benefit payments under life policies and claims net refundable from reinsurance	50,985,208	414,885	213,086	-	7,356	-	51,620,535
Commissions and brokerage expenses	2,122,508	376,780	33,437	37,623	1,173	9,409	2,580,930
Other underwriting expenses	661,701	104,308	6,490	49	555	-	773,103
Total underwriting expenses	30,683,490	8,780,207	789,415	37,902	9,084	9,409	40,309,507

(Unit : Thousand Baht)

	Consolidated financial statements						Total
	For the year ended December 31, 2022						
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Investment Life Insurance Products	Personal accident	Others	
Underwriting income							
Premium written	28,110,556	7,092,014	577,683	5,760	45,106	-	35,831,119
<u>Less</u> Premium ceded	(1,128,742)	-	-	-	-	-	(1,128,742)
Net premium written	26,981,814	7,092,014	577,683	5,760	45,106	-	34,702,377
<u>Add (Less)</u> Unearned premium reserve (increased) decreased from prior year	(138,205)	-	-	-	14,848	-	(123,357)
Net earned premium	26,843,609	7,092,014	577,683	5,760	59,954	-	34,579,020
Fee and commission income	494,940	-	-	35,901	-	-	530,841
Total underwriting income	27,338,549	7,092,014	577,683	41,661	59,954	-	35,109,861
Underwriting expenses							
Life policy reserves increased from prior years	(5,590,626)	6,043,780	670,393	360	-	-	1,123,907
Benefit payments under life policies and claims net refundable from reinsurance	37,646,010	378,995	127,662	-	15,352	-	38,168,019
Commissions and brokerage expenses	2,032,952	484,860	28,828	39,378	1,869	8,427	2,596,314
Other underwriting expenses	658,914	74,308	6,053	850	629	10	740,764
Total underwriting expenses	34,747,250	6,981,943	832,936	40,588	17,850	8,437	42,629,004

27. OPERATING EXPENSES

For the years ended December 31, 2023 and 2022, operating expenses consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2023	2022	2023	2022
Personnel expenses	962,520	908,502	956,824	903,929
Property, plant and equipment expenses	208,132	204,139	207,826	203,818
Taxes and duties	5,102	3,923	5,102	3,923
Other operating expenses	534,813	533,017	535,015	533,214
Total operating expenses	1,710,567	1,649,581	1,704,767	1,644,884

28. EXPENSES BY NATURE

For the years ended December 31, 2023 and 2022, expenses by nature consisted of the following:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	For the years ended December 31,		financial statements For the years ended December 31,	
	2023	2022	2023	2022
Personnel expenses				
Included in benefit payments under life policies and claims	49,591	43,935	49,591	43,935
Included in other underwriting expenses	29,830	25,399	29,830	25,399
Included in operating expenses	962,520	908,502	956,824	903,929
Total	<u>1,041,941</u>	<u>977,836</u>	<u>1,036,245</u>	<u>973,263</u>
Property, plant and equipment expenses				
Included in operating expenses	208,132	204,139	207,826	203,818
Total	<u>208,132</u>	<u>204,139</u>	<u>207,826</u>	<u>203,818</u>

29. PROVIDENT FUND

The Group and the Company and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both the Group and the employees contribute to the fund monthly at the rate of 5 percent to 15 percent of basic salary depending on the number of service years of employees. The fund, which is managed by a license fund manager, will be paid to employees upon termination in accordance with the fund rules. During the years 2023 and 2022, the Group and the Company contributed to the fund by Baht 47 million and Baht 42 million, respectively.

30. LOSS ON REVALUATION

For the years ended December 31, 2023 and 2022, loss on revaluation consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	For the years ended December 31,	
	2023	2022
Unrealised gain (loss) on remeasuring investment at fair value through profit or loss	(4,394)	15,035
Unrealised loss on foreign exchange forward contracts	(167,624)	(217,612)
Gain (loss) on exchange rate	(43,635)	163,215
Gain on revaluation fair value of forward contracts	32,299	23,908
Total loss on revaluation	<u>(183,354)</u>	<u>(15,454)</u>

31. EFFECTED TAX OF OTHER COMPREHENSIVE INCOME

For the years ended December 31, 2023 and 2022, effected tax of other comprehensive income consisted of the following:

(Unit : Thousand Baht)

	Consolidated financial statements					
	For the years ended December 31,					
	2023			2022		
	Amount before taxes	Taxes income (expense)	Amount after taxes	Amount before taxes	Taxes income (expense)	Amount after taxes
Losses on remeasuring investment at fair value through other comprehensive income	(858,618)	171,723	(686,895)	(5,119,349)	1,023,870	(4,095,479)
Reversal of gain realised on the disposal of investment at fair value through other comprehensive income	(1,264,000)	252,800	(1,011,200)	(1,264,043)	252,809	(1,011,234)
Gains (losses) on remeasuring cash flow hedge derivatives fair value	(292,930)	58,586	(234,344)	256,213	(51,243)	204,970
Actuarial gain (loss) in defined employee benefit plans	(12,628)	2,504	(10,124)	5,974	(1,194)	4,780
Total	(2,428,176)	485,613	(1,942,563)	(6,121,205)	1,224,242	(4,896,963)

(Unit : Thousand Baht)

	Separate financial statements					
	For the years ended December 31,					
	2023			2022		
	Amount before taxes	Taxes income (expense)	Amount after taxes	Amount before taxes	Taxes income (expense)	Amount after taxes
Losses on remeasuring investment at fair value through other comprehensive income	(858,618)	171,723	(686,895)	(5,119,349)	1,023,870	(4,095,479)
Reversal of gain realised on the disposal of investment at fair value through other comprehensive income	(1,264,000)	252,800	(1,011,200)	(1,264,043)	252,809	(1,011,234)
Gains (losses) on remeasuring cash flow hedge derivatives fair value	(292,930)	58,586	(234,344)	256,213	(51,243)	204,970
Actuarial gain (loss) in defined employee benefit plans	(12,521)	2,504	(10,017)	5,967	(1,194)	4,773
Total	(2,428,069)	485,613	(1,942,456)	(6,121,212)	1,224,242	(4,896,970)

32. 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 relationship is summarised below.

1. The subsidiary which is BLA Insurance Broker Co., Ltd.
2. Related companies include companies with relationship as follows:
 - 2.1 Related by way of common shareholders
 - 2.2 Related by way of common directors
 - 2.3 Major shareholders are close relatives with the Company's directors
3. Directors and Executives refer to the Company's director, the Company's executives in managing director level and in division head level.
4. Related persons refer to the directors, executives and close relative persons.

During the years ended December 31, 2023 and 2022, the Group and the Company had significant business transactions with their related parties. Such transactions, which have been concluded on commercial terms and agreed upon in the ordinary course business between the Group and the Company and those parties were as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Pricing policy
	For the years ended December 31,		
	2023	2022	
Related parties			
Written premium	25,319	16,804	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	162,592	237,187	Same rates as those offered by financial institutions and related companies to general customers
Dividend income	303,616	227,200	The declared amount
Other income from investment	1,424	745	Normal commercial terms on contracts
Fee and service income	17,545	15,653	Rate on agreements
Brokerage income from securities trading	62,890	70,296	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(109,416)	45,149	Normal commercial terms on contracts
Commission and brokerage	1,326,939	1,276,385	At a mutually agreed percentage of written premium
Claim payment and diagnosis charge	42,821	26,516	Normal commercial terms for underwriting
Bank charges	199,295	206,641	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	3,302	3,380	Normal commercial terms for underwriting
Building space rental and services	2,188	4,125	Rate on agreements
Other services	2,978	2,936	Normal commercial terms on contracts

(Unit : Thousand Baht)

	Separate financial statements		Pricing policy
	For the years ended		
	December 31,		
	2023	2022	
Subsidiaries			
Written Premium	180	165	Normal commercial terms for underwriting
Rental and service income	435	420	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties			
Written Premium	25,319	16,804	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	162,546	237,173	Same rates as those offered by financial institutions and related companies to general customers
Dividend income	303,616	227,200	The declared amount
Other income from investment	1,424	745	Normal commercial terms on contracts
Brokerage income from securities trading	62,890	70,296	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(109,416)	45,149	Normal commercial terms on contracts
Commission and brokerage	1,326,939	1,276,385	At a mutually agreed percentage of written premium
Claim payment and diagnosis charge	42,821	26,516	Normal commercial terms for underwriting
Bank charges	199,178	206,543	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	3,302	3,373	Normal commercial terms for underwriting
Building space rental and services	2,188	4,125	Rate on agreements
Other services	2,978	2,936	Normal commercial terms for contracts

For the years ended December 31, 2023 and 2022, premium written from the Bancassurance distribution channel represented approximately 55.64% and 57.26% of total net premium written, respectively.

As at December 31, 2023 and 2022, the balance of the accounts between the Group and the Company and those related parties are as follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Subsidiaries				
Other liabilities				
Deposits	-	-	66	66
Accrued expenses	-	-	47	-
Total other liabilities	-	-	113	66
Related parties				
Deposit at financial institution (included in cash and cash equivalents)	2,348,901	1,569,213	2,331,344	1,554,204
Investment assets				
Investment in securities	10,194,805	11,164,304	10,194,805	11,164,304
Forward and swap foreign exchange contract receivables	4,775,601	5,290,219	4,775,601	5,290,219
Bond interest receivables	18,632	46,218	18,632	46,218
Other assets	8,639	8,205	1,895	2,208
Outstanding claims	1,372	2,801	1,372	2,801
Forward and swap foreign exchange contract payables	4,744,763	5,206,271	4,744,763	5,206,271
Other liabilities	259,285	238,132	252,638	234,191

Directors and key management's benefits

During the years ended December 31, 2023 and 2022, the Group and the Company had employee benefit expenses payable to their directors and key management as below:

	(Unit : Thousand Baht)	
	Consolidated and separate	
	financial statements	
	For the years ended December 31,	
	2023	2022
Short-term employee benefits	93,418	81,352
Long-term employee benefits	636	2,572
Total directors and management's benefits	94,054	83,924

33. ASSETS PLACED WITH THE REGISTRAR

As at December 31, 2023 and 2022, the following assets have been placed as securities with the Registrar in accordance with the Life Insurance Act.

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	December 31, 2023		December 31, 2022	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
State enterprise bonds	22,719	24,427	22,888	23,867
Total	22,719	24,427	22,888	23,867

34. ASSETS RESERVED WITH THE REGISTRAR

As at December 31, 2023 and 2022, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	December 31, 2023		December 31, 2022	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Government bonds	66,767,483	69,813,183	66,883,064	68,540,947
State enterprise bonds	1,699,952	1,723,439	3,199,837	3,324,029
Total	68,467,435	71,536,622	70,082,901	71,864,976

35. CONTRIBUTION TO LIFE INSURANCE FUND

For the years ended December 31, 2023 and 2022, contribution to life insurance fund consisted of the following:

(Unit : Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended December 31,	
	2023	2022
Life insurance fund at the beginning of the years	526,837	490,917
Contribution during the years	34,267	35,920
Life insurance fund at the end of the years	561,104	526,837

36. EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, 2023 and 2022 are as follows:

	<u>Consolidated financial statement</u>		<u>Separate financial statement</u>	
	<u>For the years ended December 31,</u>		<u>For the years ended December 31,</u>	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Net profits (Thousand Baht)	2,548,298	3,211,581	2,547,142	3,209,870
Number of share capital (Thousand shares)	1,707,566	1,707,566	1,707,566	1,707,566
Basic earnings per share *(Baht per share)	1.49	1.88	1.49	1.88

* Earnings per share for equity holders of the Company.

37. DIVIDENDS PAID

Dividends declared during the years ended December 31, 2023 and 2022 consisted of the following:

	<u>Approved by</u>	<u>Total dividend (Million Baht)</u>	<u>Dividend per share (Baht)</u>
Annual dividend for the year 2022	Annual General Meeting of the Shareholders on April 20, 2023 and the OIC on April 12, 2023	477	0.28
Interim dividend from operations for the six-month period ended June 30, 2023	Meeting of Board of Directors on August 15, 2023 and the OIC on September 19, 2023	477	0.28
Total dividend paid for the period of 2023		954	0.56
Annual dividend for the year 2021	Annual General Meeting of the Shareholders on April 27, 2022 and the OIC on April 8, 2022	952	0.56
Interim dividend from operations for the six-month period ended June 30, 2022	Meeting of Board of Directors on August 10, 2022 and the OIC on September 9, 2022	545	0.32
Total dividend paid for the period of 2022		1,497	0.88

38. COMMITMENTS

- 38.1 As at December 31, 2023 and 2022, the Company has commitments to pay contingent liabilities from the construction building agreement with local company amounting to Baht 0.54 million and Baht 18.96 million, respectively.
- 38.2 The Group and the Company have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years for leases of building space and are generally between 1 and 5 years for leases of motor vehicles and equipment. Such agreements are non-cancellable.

As at December 31, 2023 and 2022, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit : Million Baht)		
	Consolidated and separate financial statement		
	As at December 31, 2023		
	Pay within		
	1 year	2 - 5 years	Total
Operating lease agreements - others	9.14	5.22	14.36
Service agreements	2.16	0.40	2.56
Total	11.30	5.62	16.92

	(Unit : Million Baht)		
	Consolidated and separate financial statement		
	As at December 31, 2022		
	Pay within		
	1 year	2 - 5 years	Total
Operating lease agreements - others	12.06	8.37	20.43
Service agreements	1.27	-	1.27
Total	13.33	8.37	21.70

The Group and the Company recognised rental expense derived from the operating leases for the years ended December 31, 2023 and 2022 amounting to Baht 13.74 million and Baht 18.40 million, respectively.

- 38.3 As at December 31, 2023 and 2022, the Company had bank guarantee issued by banks Baht 2.9 million and Baht 2.6 million, respectively.
- 38.4 The Company has entered into Accreting Investment Bill of Exchange agreement with a domestic commercial bank, which requires the Company to annually invest in the bill of exchange during 2023 - 2027.

As at December 31, 2023, the Group and the Company's commitments to pay the investment required under the agreement were as follows:

	(Unit : Million Baht)		
	Consolidated and separate financial statements		
	As at December 31, 2023		
	Pay within		
	1 year	2 - 4 years	Total
Bill of exchange agreement	60	180	240
Total	60	180	240

39. LITIGATION

As at December 31, 2023 and 2022, the Company have been sued in litigation cases of compensation of claims totaling approximately Baht 4 million and Baht 7 million, respectively, for being the insurer and the cases have yet been finalised. The Group and the Company have yet provided for any provision for loss on such cases since there is still uncertainty with respect to the outcome of the cases.

40. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group and the Company use the market approach to measure their assets that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiary endeavor to use relevant observable inputs as much as possible.

TFRS 13 “Fair Value Measurement” establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets

Level 2 - Use of other observable inputs for such assets whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

	(Unit : Thousand Baht)			
	Consolidated and separated financial statements			
	December 31, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative assets				
Cross currency swap contracts	-	85,019	-	85,019
Forward exchange contracts	-	36,645	-	36,645
Bond forward contracts	-	221,293	-	221,293
Investment at fair value through profit or loss				
Equity instruments	5,408	-	-	5,408
Investment at fair value through other comprehensive income				
Equity instruments	26,441,600	-	1,262,652	27,704,252
Debt instruments	3,499,563	70,206,385	2,201,465	75,907,413
Investment assets of the insured	-	152,252	-	152,252
Assets for which fair value are disclosed				
Investment at amortised cost				
Debt instruments	-	186,363,648	2,867,943	189,231,591
Investment property	-	-	168,055	168,055
Loans and accrued interest receivables				
Policy loans	-	-	11,061,832	11,061,832
Mortgage loans	-	-	1,785,279	1,785,279
Financial liabilities measured at fair value				
Derivative liabilities				
Cross currency swap contracts	-	13,234	-	13,234
Forward exchange contracts	-	1,014	-	1,014
Bond forward contracts	-	119,456	-	119,456

(Unit : Thousand Baht)

Consolidated and separated financial statements				
December 31, 2022				
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative assets				
Cross currency swap contracts	-	119,711	-	119,711
Forward exchange contracts	-	337,685	-	337,685
Investment at fair value through profit or loss				
Equity instruments	51,702	-	-	51,702
Investment at fair value through other comprehensive income				
Equity instruments	31,768,796	-	1,251,226	33,020,022
Debt instruments	3,097,387	69,708,996	2,128,907	74,935,290
Investment assets of the insured	-	80,177	-	80,177
Assets for which fair value are disclosed				
Investment at amortised cost				
Debt instruments	-	199,736,421	2,800,032	202,536,453
Investment property	-	-	35,467	35,467
Loans and accrued interest receivables				
Policy loans	-	-	10,980,632	10,980,632
Mortgage loans	-	-	2,065,138	2,065,138
Financial liabilities measured at fair value				
Derivative liabilities				
Cross currency swap contracts	-	18,539	-	18,539
Forward exchange contracts	-	484,456	-	484,456

Valuation techniques and inputs to Level 2 valuations

- a) The fair value of investments in debt securities at fair value through other comprehensive income and at amortised cost but not including unit trusts has been determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- b) The fair value of investments in unit trusts at fair value through other comprehensive income and investment assets of the insured have been determined by using the net asset value per unit as announced by the fund managers.
- c) For derivatives, their fair values have been determined by using fair values obtained from its counterparties, who are banks.

Valuation techniques and inputs to Level 3 valuations

- a) The fair value of investments in equity securities at fair value through other comprehensive income has been determined by using price to book value ratio from comparing with industry prices, dividend discount model and discounted cashflow model.
- b) The fair value of investments in debt securities at fair value through other comprehensive income and at amortised cost have been determined by using discounted cash flow model based on the reference interest rate as the discount rate.

- c) The fair value of investment property has been determined based on valuation performed by an independent appraiser. The fair value of the office building held for rent has been determined using the cost approach. The approach was estimated current replacement cost less accumulated depreciation and add with fair value of land.
- d) The fair value of policy loans is estimated by discounting expected future cash flow by the interest-free bonds.
- e) The fair value of mortgage loans is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions. Thus, carrying value presented in the financial statements is closely to fair value.

Reconciliation of fair value measurements of equity and debt financial assets through other comprehensive income and categorised of the fair value hierarchy within Level 3 is presented as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the year ended December 31, 2023	
	Equity securities	Debt securities
Balances - beginning of the year	1,251,226	2,128,907
Purchase	-	60,000
Gain recognised in profit or loss	-	(16,959)
Gain recognised in other comprehensive income	11,426	29,517
Balances - end of the year	<u>1,262,652</u>	<u>2,201,465</u>

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the year ended December 31, 2022	
	Equity securities	Debt securities
Balances - beginning of the year	1,089,951	2,569,155
Disposal	(621)	-
Maturity	-	(504,626)
Gain recognised in profit or loss	-	56,486
Gain recognised in other comprehensive income	161,896	7,892
Balances - end of the year	<u>1,251,226</u>	<u>2,128,907</u>

During the current period, there was no transfer within the fair value hierarchy.

Fair value of the following assets and liabilities resembles carrying value:

- Cash and cash equivalents
- Premium receivables
- Accrued investment income
- Amount due from reinsurance
- Deposits at banks with maturity date over 3 months
- Amount due to reinsurance

41. LOSS FROM EXPECTED CREDIT LOSS AND IMPAIRMENT LOSS (REVERSAL)

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the years ended December 31,	
	2023	2022
Loss From Expected Credit Loss (Reversal)		
Investments in securities	(60,748)	(74,757)
Loans and accrued interest receivables	3,490	24,492
Impairment loss		
Investments in securities	473,330	177,317
Loans and accrued interest receivables	6,211	175
Total	422,283	127,227

42. LIFE INSURANCE COMPANY RISK

The Group and the Company recognise the importance of risk management across the entity. To comply with the Group and the Company's risk management policy, the Group and the Company are required to manage risks by using Enterprise Risk Management (ERM) in order to minimise the impact on the Group and the Company's financial position and reputation.

42.1 Insurance risk

Insurance risk is the risk that arises from mortality rate, mobility rate, lapse rate, surrender rate, or deviations from assumptions used in premiums, underwriting, and calculating insurance reserves, which may cause a negative impact on the Company's performance. Insurance fraud is also a major factor that has an impact on the insurance business. It increases the cost of business operation and also affects the insureds who want to use insurance as a tool to manage their risks. For example, the insureds or other individuals may collude with medical personnel or hospitals to keep the insureds hospitalized for longer than necessary according to medical standards to benefit from the claims for compensation under the life insurance contract. To appropriately manage insurance risks, the Company established a product development team to conceptualize and develop products that meet the needs of target customers, determined appropriate insurance premium rates that are in line with business strategies under the Company's risk management policy framework, enhanced the employees' potential to estimate the cost of losses and compensation for damages, and set insurance reserves and risk-based capital to be sufficient and higher than regulatory requirements to ensure that the Company can handle the risks that may arise in the future. The Company also regularly reviews product pricing to reflect current costs and monitors the risks by using early warning system, sensitivity test, and stress test

(a) Product development and pricing risk

Product development and premium rate risk is the risk from errors in product development process and the risk that premium rates may not be enough to cover contractual obligations.

The Company manages these risks by setting up a product development team to create ideas, develop products to meet target customers' needs, and set appropriate

premium rates that correspond with the Company's operating strategy under the Company's risk management policies. Also, the Company regularly reviews product pricing, new product design, and assumptions used in product testing before getting approvals from product development teams.

(b) Underwriting risk

Underwriting risk is the risk of inappropriate risk assessment in the underwriting process or the value of claims exceeding the assumptions made. The Company has a risk management process that establishes guidelines for underwriting both health-related and non-health-related risk factors that are in accordance with standards. For example, age, which is a growing risk factor as the average age of the population increases, gender, occupation, lifestyle, medical development, and changing social conditions are also considered factors in underwriting decisions. Moreover, to reduce the risk of paying unexpectedly large claims and increase the potential of insurance, the Company considers transferring the insurance risk to reliable reinsurers with stable financial strength.

(c) Insurance reserve risk

Insurance reserve risk is the risk that the reserves that the Company recognised in financial statements may not be sufficient to cover contractual obligations to policyowners. The Company evaluates the adequacy of insurance reserves at the end of each reporting period, including the sensitivity analysis of important assumptions, especially interest rates.

In addition, the Company focuses on the quality control process of the insurance policies that are still in force by reviewing the assumptions used in insurance reserves' calculations to ensure that the insurance reserve are sufficient to meet their contractual obligations.

(d) Concentration risk

Concentration risk is the risk that the Company may be affected significantly by any single event. The Company manages concentration risk by distributing its life insurance products among a wide range of customer groups throughout regions. Events that may affect the Company due to concentration of its products include:

- Changes in the mortality rate trend of the population as modern medical technology increases the lifespan of the population, resulting in higher benefit payments for pension products.
- Changes in interest rates are the risks caused by a significant change in interest rates which affect the change in the company's assets and liabilities, and negatively affect products that offer guaranteed benefits. The risk depends on the offered guaranteed benefits with the current interest rate.

The following tables show the concentration of insurance contract liabilities by types of contracts.

(Unit : Thousand Baht)

Consolidated and separate financial statements												
Insurance contract liabilities - Gross of reinsurance												
December 31, 2023						December 31, 2022						
Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Unit linked products	Group insurance and riders	Total	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Unit linked products	Group insurance and riders	Total	
Reserves for long-term insurance contracts	247,200,751	20,180,622	6,848,369	691	-	274,230,433	270,286,678	12,296,388	6,311,967	461	-	288,895,494
Claim reserves	-	-	-	-	516,836	516,836	-	-	-	-	497,336	497,336
Total	247,200,751	20,180,622	6,848,369	691	516,836	274,747,269	270,286,678	12,296,388	6,311,967	461	497,336	289,392,830

(Unit : Thousand Baht)

Consolidated and separate financial statements												
Insurance contract liabilities - Gross of reinsurance												
December 31, 2023						December 31, 2022						
Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Unit linked products	Group insurance and riders	Total	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Unit linked products	Group insurance and riders	Total	
Reserves for long-term insurance contracts	247,200,751	20,180,622	6,848,369	691	-	274,230,433	270,286,678	12,296,388	6,311,967	461	-	288,895,494
Claim reserves	-	-	-	-	392,940	392,940	-	-	-	-	376,386	376,386
Total	247,200,751	20,180,622	6,848,369	691	392,940	274,623,373	270,286,678	12,296,388	6,311,967	461	376,386	289,271,880

42.2 Interest rate risk

Interest rate risk can harm the Company's income or shareholder's value due to fluctuations in interest rates. This risk is particularly significant for the Company's deposits at financial institutions, investments in securities, and loans. To mitigate this risk, the Company employs a robust risk management framework that considers both investment risks and the suitability of expected returns. Moreover, the Company is equipped to conduct gap analysis, which identifies discrepancies in the maturities of its assets and liabilities and assesses the impact of potential interest rate changes on its financial position.

42.3 Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations when they are due. That is, the Company is unable to convert its assets into cash and/or cannot raise sufficient capital in a timely manner to meet its obligations when due, both in normal situation and crisis. The Company manages liquidity risk by maintaining sufficient levels of cash and cash equivalents to support its operations. It has also developed a cash flow management plan, a capital management plan, and analysis of liquidity ratios to control liquidity risk. This ensures that the Company can meet its financial obligations and/or manage liquidity effectively.

(Unit : Thousand Baht)				
Consolidated and separate financial statements				
December 31, 2023				
	0 - 5 years	5 - 10 years	Over 10 years	Total
Assets				
Reinsurance assets	459,602	-	-	459,602
Investment in securities ⁽¹⁾	127,911,049	94,189,873	150,257,398	372,358,320
Total assets	<u>128,370,651</u>	<u>94,189,873</u>	<u>150,257,398</u>	<u>372,817,922</u>
Liabilities				
Reserves for long-term insurance contracts ⁽²⁾	90,790,451	94,947,187	198,546,860	384,284,498
Claim reserves	392,939	-	-	392,939
Total liabilities	<u>91,183,390</u>	<u>94,947,187</u>	<u>198,546,860</u>	<u>384,677,437</u>

(1) Total principal amount and interest

(2) Amount before discount

(Unit : Thousand Baht)				
Consolidated and separate financial statements				
December 31, 2022				
	0 - 5 years	5 - 10 years	Over 10 years	Total
Assets				
Reinsurance assets	495,015	-	-	495,015
Investment in securities ⁽¹⁾	132,279,018	101,445,263	147,723,850	381,448,131
Total assets	<u>132,774,033</u>	<u>101,445,263</u>	<u>147,723,850</u>	<u>381,943,146</u>
Liabilities				
Reserves for long-term insurance contracts ⁽²⁾	119,511,539	84,360,300	191,824,005	395,695,844
Claim reserves	497,336	-	-	497,336
Total liabilities	<u>120,008,875</u>	<u>84,360,300</u>	<u>191,824,005</u>	<u>396,193,180</u>

(1) Total principal amount and interest

(2) Amount before discount

42.4 The sensitivity of insurance risk

Reserves for long-term insurance contracts

The Company calculates reserves for long-term insurance contracts using the Net Level Premium Valuation (“NPV”) method with lock-in assumptions, meaning that reserves for long-term insurance contracts are not affected by changes in mortality rates, lapse rates, and discount rates. However, liabilities adequacy tests are performed at the end of each reporting period by comparing the NPV reserve with the reserve calculated using the Gross Premiums Valuation (“GPV”) method, which uses current assumptions, and since most of the Company’s products are benefit-guaranteed products, the factor that has the greatest impact on the calculation of reserves for long-term insurance contracts under GPV method is the discount rate, which is the risk-free rate plus the illiquidity premium. An increase in the risk-free rate will therefore cause the GPV reserve to decrease and to be lower than the NPV reserve, and the Company does not need to recognise the additional expense in the statement of profit and loss. On the contrary, a decrease in the risk-free rate will cause the GPV reserve to increase and in the event that the GPV reserve exceeds the NPV reserve, the Company has to recognise the difference as an additional expense in profit or loss due to liabilities adequacy test.

As at December 31, 2023 and 2022, the Company has no additional LAT reserve because the Company’s reserves for long-term insurance contracts prepared under the NPV method are adequate, and in the event of a 0.25% decrease in the interest rate in relation to reserves for long-term insurance contracts as at December 31, 2023 and 2022, the Company would have no additional reserves for long-term insurance contracts required.

Loss reserves

Loss reserve is set aside for the costs of claims incurred but not reported (IBNR) as at end of the reporting period, based on an actuarial method. The key assumption affecting this reserve is the expected inflation rate of future healthcare services, which may cause estimated losses to be lower than the estimated loss in the future. However, comparison of the loss reserve to the life policy reserve shows its proportion lower than 1%. Changes in the loss reserve assumptions will not materially affect profit or loss. Therefore, the Company did not perform sensitivity testing for the risk associated with the loss reserve.

43. FINANCIAL INSTRUMENTS

43.1 Financial risk management

The Company financial instruments, as defined under Thai Accounting Standard No. 32 “Financial Instruments: Presentations”, principally comprise cash and cash equivalents, premiums receivable, reinsurance assets / liabilities, loans, and investments. The financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The concentration of credit risk with respect to loans and premium receivables is expected to be low due to the large number of customers and borrowers and their dispersion across different industries and geographic regions in Thailand. The maximum exposure to credit risk is the carrying value of such assets as presented in statement of financial position.

There is an insignificant risk from policy loans since the sum that the Company has lent to insured parties is less than cash value of their policies with the Company. The maximum value of the risk arising from mortgage loans is the amount of the loan less the value which the Company is able to derive from the assets placed as collateral.

Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may affect the Company’s financial position.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates.

The Company’s exposure to interest rate risk relates primarily to its deposits at financial institutions, investments in securities, and loans.

As at December 31, 2023 and 2022, financial assets classified by types of interest rate are summarised in the table below:

	(Unit : Thousand Baht)		
	Consolidated financial statements		
	December 31, 2023		
	No interest	Floating interest rate	Fixed interest rate
Cash equivalents	3,182,154	242,982	12,658,691
Investments in securities			
Government and state enterprise securities	-	-	163,114,952
Private enterprise debt securities	1,035,427	-	81,779,997
Foreign debt securities	7,933,899	-	7,465,144
Loans			
Policy loans	-	-	9,810,188
Mortgage loans	-	-	1,889,205
Other loans	-	-	53
Total	12,151,480	242,982	276,718,230

(Unit : Thousand Baht)

Consolidated financial statements

December 31, 2022

	No interest	Floating interest rate	Fixed interest rate
Cash equivalents	1,569,358	1,218,577	9,893,149
Investments in securities			
Government and state enterprise securities	-	-	164,592,548
Private enterprise debt securities	822,412	-	94,614,722
Foreign debt securities	8,627,127	-	7,020,116
Loans			
Policy loans	-	-	8,480,202
Mortgage loans	-	-	2,165,613
Other loans	-	-	53
Total	11,018,897	1,218,577	286,766,403

(Unit : Thousand Baht)

Separate financial statements

December 31, 2023

	No interest	Floating interest rate	Fixed interest rate
Cash equivalents	3,173,670	233,289	12,658,691
Investments in securities			
Government and state enterprise securities	-	-	163,114,952
Private enterprise debt securities	1,035,427	-	81,779,997
Foreign debt securities	7,933,899	-	7,465,144
Loans			
Policy loans	-	-	9,810,188
Mortgage loans	-	-	1,889,205
Other loans	-	-	53
Total	12,142,996	233,289	276,718,230

(Unit : Thousand Baht)

Separate financial statements

December 31, 2022

	No interest	Floating interest rate	Fixed interest rate
Cash equivalents	1,561,590	1,210,714	9,893,149
Investments in securities			
Government and state enterprise securities	-	-	164,592,548
Private enterprise debt securities	822,412	-	94,614,722
Foreign debt securities	8,627,127	-	7,020,116
Loans			
Policy loans	-	-	8,480,202
Mortgage loans	-	-	2,165,613
Other loans	-	-	53
Total	11,011,129	1,210,714	286,766,403

As at December 31, 2023 and 2022, the financial assets that carry fixed interest rates are further classified based on the maturity date or the repricing date (if this occurs before the maturity date) as follows:

(Unit : Thousand Baht)					
Consolidated and separate financial statements					
December 31, 2023					
	Within 1 year	1 - 5 years	Over 5 years	Total	Average interest rate (% p.a.)
Cash equivalents	12,658,691	-	-	12,658,691	2.05
Investments in securities					
Government and state enterprise securities	6,697,223	13,893,929	142,523,800	163,114,952	3.50
Private enterprises debt securities	14,219,155	32,102,847	35,457,995	81,779,997	3.89
Foreign debt securities	1,039,007	3,237,920	3,188,217	7,465,144	4.51
Loans					
Mortgage loans	607,590	1,044,379	237,236	1,889,205	6.27
Other loans	-	-	53	53	6.00
Total	35,221,666	50,279,075	181,407,301	266,908,042	

(Unit : Thousand Baht)					
Consolidated and separate financial statements					
December 31, 2022					
	Within 1 year	1 - 5 years	Over 5 years	Total	Average interest rate (% p.a.)
Cash equivalents	9,893,149	-	-	9,893,149	0.86
Investments in securities					
Government and state enterprise securities	5,462,118	16,173,195	142,957,235	164,592,548	3.52
Private enterprises debt securities	13,600,895	39,597,932	41,415,895	94,614,722	3.82
Foreign debt securities	1,925,083	4,198,505	896,528	7,020,116	4.32
Loans					
Mortgage loans	145,386	1,801,087	219,140	2,165,613	6.20
Other loans	-	-	53	53	6.00
Total	31,026,631	61,770,719	185,488,851	278,286,201	

Foreign currency risk

The Company has significant exposure to foreign currency risk in respect of its investments in bonds and unit trusts which are denominated in foreign currencies. The Company utilises cross currency swap and forward exchange contracts to manage the risk.

As at December 31, 2023 and 2022, the balances of financial assets denominated in foreign currencies are summarised below:

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	As at December 31,		As at December 31,		As at December 31,	
	2023	2022	2023	2022	2023	2022
	(Million units)		(Million units)		(Baht per 1 foreign currency unit)	
US dollar	352.3	520.5	277.74	433.83	34.80	35.06
Yen	846.5	846.5	889.38	759.38	0.25	0.27
Euro	37.7	39.1	33.30	31.58	37.62	36.87
LAK	40,824.0	40,824.0	-	-	0.0019	0.0025
Singapore dollar	62.4	38.6	57.98	34.18	25.92	25.42

As at December 31, 2023 and 2022, cross currency swap and forward exchange contracts outstanding are summarised below:

Foreign currency	Long position		Contractual exchange rates		Maturity date	
	as at December 31,					
	2023	2022	2023	2022	2023	2022
	(Million units)		(Baht per 1 foreign currency unit)			
US dollar	284.6	433.8	30.27 - 38.01	29.25 - 38.01	Jan. 2024 - Mar. 2032	Jan. 2023 - Mar. 2032
Yen	889.4	759.4	0.2426 - 0.2643	0.2590 - 0.2929	Jan. 2024 - Dec. 2024	Jan. 2023 - Dec. 2023
Euro	34.6	31.6	37.738 - 38.491	36.37 - 38.27	Jan. 2024 - Jun. 2028	Jan. 2023 - Jun. 2028
Singapore dollar	58.0	34.2	25.803 - 26.986	25.39 - 26.54	Jan. 2024 - Jun. 2024	Jan. 2023 - Mar. 2023

43.2 Fair value of financial instruments

The estimated fair value of significant financial instruments, in comparison with the related amounts carried in the statement of financial position, is as follows:

	(Unit : Thousand Baht)	
	Consolidated financial statements	
	As at December 31, 2023	
	Carrying amount	Fair value
Financial assets at fair value		
Cash and cash equivalents	16,083,827	16,083,827
Investments in securities		
Investment at fair value through profit or loss	5,408	5,408
Investment at fair value through other comprehensive income	103,611,665	103,611,665
Derivative		
Forward exchange contracts	85,019	85,019
Bond forward contracts	36,645	36,645
Cross currency swap contracts	221,293	221,293

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>As at December 31, 2023</u>	
	<u>Carrying amount</u>	<u>Fair value</u>
Assets for which fair value are disclosed		
Investments in securities		
Investment at amortised cost	185,422,005	189,231,591
Loans and accrued interest receivables		
Policy loans	9,810,188	11,061,832
Mortgage loans	1,797,080	1,785,279
Investment property	125,372	168,055
Liabilities measured at fair value		
Derivative		
Forward exchange contracts	13,234	13,234
Bond forward contracts	1,014	1,014
Cross currency swap contracts	119,456	119,456
(Unit : Thousand Baht)		
	<u>Consolidated financial statements</u>	
	<u>As at December 31, 2022</u>	
	<u>Carrying amount</u>	<u>Fair value</u>
Financial assets at fair value		
Cash and cash equivalents	12,681,084	12,681,084
Investments in securities		
Investment at fair value through profit or loss	51,702	51,702
Investment at fair value through other comprehensive income	107,955,312	107,955,312
Derivative		
Forward exchange contracts	119,711	119,711
Cross currency swap contracts	337,685	337,685
Assets for which fair value are disclosed		
Investments in securities		
Investment at amortised cost	200,741,635	202,536,453
Loans and accrued interest receivables		
Policy loans	9,649,773	10,980,632
Mortgage loans	2,076,413	2,065,138
Investment property	13,487	35,465
Liabilities measured at fair value		
Derivative		
Forward exchange contracts	18,539	18,539
Cross currency swap contracts	484,456	484,456

	(Unit : Thousand Baht)	
	Separate financial statements	
	As at December 31, 2023	
	Carrying amount	Fair value
Financial assets at fair value		
Cash and cash equivalents	16,065,650	16,065,650
Investments in securities		
Investment at fair value through profit or loss	5,408	5,408
Investment at fair value through other comprehensive income	103,611,665	103,611,665
Derivative		
Forward exchange contracts	85,019	85,019
Bond forward contracts	36,645	36,645
Cross currency swap contracts	221,293	221,293
Assets for which fair value are disclosed		
Investments in securities		
Investment at amortised cost	185,422,005	189,231,591
Loans and accrued interest receivables		
Policy loans	9,810,188	11,061,832
Mortgage loans	1,797,080	1,785,279
Investment property	125,372	168,055
Liabilities measured at fair value		
Derivative		
Forward exchange contracts	13,234	13,234
Bond forward contracts	1,014	1,014
Cross currency swap contracts	119,456	119,456

	(Unit : Thousand Baht)	
	Separate financial statements	
	As at December 31, 2022	
	Carrying amount	Fair value
Financial assets at fair value		
Cash and cash equivalents	12,665,453	12,665,453
Investments in securities		
Investment at fair value through profit or loss	51,702	51,702
Investment at fair value through other comprehensive income	107,955,312	107,955,312
Derivative		
Forward exchange contracts	119,711	119,711
Cross currency swap contracts	337,685	337,685
Assets for which fair value are disclosed		
Investments in securities		
Investment at amortised cost	200,741,635	202,536,453
Loans and accrued interest receivables		
Policy loans	9,649,773	10,980,632
Mortgage loans	2,076,413	2,065,138
Investment property	13,487	35,465
Liabilities measured at fair value		
Derivative		
Forward exchange contracts	18,539	18,539
Cross currency swap contracts	484,456	484,456

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- 1) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, their carrying amounts in the statement of financial position approximate their fair value.
- 2) For investments in equity securities and unit trusts, their fair values are generally derived from quoted market prices, or have been determined by using the net asset value per unit as announced by the fund managers, by using price to book value ratio from comparing with industry prices, dividend discount model and discounted cashflow model.
- 3) For investments in debts securities at fair value through other comprehensive income and at amortised cost but not including unit trusts, their fair values are generally derived from quoted market prices, or have been determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies, by using discounted cash flow model based on the reference interest rate as a discount rate.
- 4) For derivatives, their fair values have been determined by using fair values obtained from its counterparties, who are banks.
- 5) For policy loans, their fair values are estimated by discounting expected future cash flow by the interest rate of interest-free bonds.
- 6) For mortgage loans, their fair values are estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions. Thus, carrying value presented in the financial statements is close to fair value.

44. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure, to preserve the Company's ability to continue its business as a going concern and to maintain risk-based capital in accordance with Declarations of the OIC.

45. EVENT AFTER THE REPORTING PERIOD

On February 21, 2024, the Company's Board of Directors' meeting approved the dividend payment of Baht 0.20 per share to the Company's ordinary shareholders. The payment of dividend was approved by the Office of Insurance Commission.

46. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Board of Directors on February 21, 2024.