

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

Interim Financial Statements

***Three-month and nine-month periods ended
September 30, 2022***



บริษัท ดีลอยท์ ทูเช่ โทมัทสึ ไชยยศ
สอบบัญชี จำกัด
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**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS
BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED**

We have reviewed the consolidated statement of financial position of Bangkok Life Assurance Public Company Limited and its subsidiary and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at September 30, 2022, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2022, and the related consolidated and separate statements of changes in equity, and cash flows for the nine-month period ended September 30, 2022, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Nantawat Sumraunhant

Nantawat Sumraunhant
Certified Public Accountant (Thailand)
Registration No. 7731

BANGKOK
November 11, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.



BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		(Unaudited but reviewed) September 30, 2022	(Audited) December 31, 2021	(Unaudited but reviewed) September 30, 2022	(Audited) December 31, 2021
ASSETS					
Cash and cash equivalents	4	10,209,212	7,636,769	10,192,661	7,621,955
Premium receivables	5	2,547,847	1,647,622	2,547,847	1,647,622
Accrued investment income		2,606,748	1,599,447	2,606,748	1,599,447
Reinsurance assets	6, 17	483,277	693,336	483,277	693,336
Amount due from reinsurance	7	1,190,231	1,094,300	1,190,231	1,094,300
Derivative assets	8	81,644	190,377	81,644	190,377
Investment assets					
Investments in securities	9, 27, 28	311,151,050	318,939,305	311,151,050	318,939,305
Investments in a subsidiary	10	-	-	23,760	23,760
Loans and accrued interest receivables	11	11,718,171	12,129,089	11,718,171	12,129,089
Investment property	12	13,755	14,556	13,755	14,556
Investment assets of the insured	13	61,103	35,862	61,103	35,862
Premises and equipment	14	2,202,818	2,263,055	2,202,810	2,263,036
Goodwill		4,955	4,955	-	-
Intangible assets		138,928	121,271	138,925	121,266
Deferred tax assets	15	1,635,910	411,768	1,635,910	411,768
Other assets	16	471,069	361,118	456,485	349,694
TOTAL ASSETS		344,516,718	347,142,830	344,504,377	347,135,373

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2022

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		(Unaudited but reviewed) September 30, 2022	(Audited) December 31, 2021	(Unaudited but reviewed) September 30, 2022	(Audited) December 31, 2021
LIABILITIES AND EQUITY					
LIABILITIES					
Insurance contract liabilities	17	298,440,153	295,479,972	298,440,153	295,479,972
Amount due to reinsurance	18	1,084,232	1,185,267	1,084,232	1,185,267
Derivative liabilities	8	1,620,401	846,697	1,620,401	846,697
Income tax payable		56,771	57,685	56,771	57,685
Employee benefit obligations	19	213,154	198,818	212,339	198,003
Other liabilities	20	1,589,904	1,408,249	1,582,173	1,402,861
Total liabilities		303,004,615	299,176,688	302,996,069	299,170,485
Equity					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of					
Baht 1 each					
		1,708,000	1,708,000	1,708,000	1,708,000
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					
Statutory reserve					
		170,800	170,800	170,800	170,800
General reserve					
		400,000	400,000	400,000	400,000
Unappropriated					
		35,385,968	33,951,235	35,382,458	33,950,241
Other components of owners' equity					
Revaluation surplus on investment at fair value					
through other comprehensive income					
- net of income taxes					
		195,904	8,275,803	195,904	8,275,803
Revaluation surplus on derivatives					
cash flow hedges - net of income taxes					
		290,587	99,485	290,587	99,485
Equity attributable to equity holders of the Company		41,511,818	47,965,882	41,508,308	47,964,888
Non-controlling interests of the subsidiary		285	260	-	-
Total equity		41,512,103	47,966,142	41,508,308	47,964,888
TOTAL LIABILITIES AND EQUITY		344,516,718	347,142,830	344,504,377	347,135,373

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022
“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Revenues					
Gross written premium	21, 26	10,436,537	9,719,168	10,436,537	9,719,168
<u>Less</u> Premium ceded to reinsurers	21, 26	(213,775)	(244,735)	(213,775)	(244,735)
Net premium written		10,222,762	9,474,433	10,222,762	9,474,433
<u>Add</u> Unearned premium reserves (increase) decrease from prior period	21	28,822	48,971	28,822	48,971
Net earned premium		10,251,584	9,523,404	10,251,584	9,523,404
Fee and commission income	21, 26	87,481	87,620	87,481	87,620
Net investment income	26	3,229,467	3,161,890	3,229,467	3,161,890
Gain on investment	9	37,771	327,733	37,771	327,733
Gain on revaluation	23	91,476	277,702	91,476	277,702
Other income	26	27,901	32,629	22,859	27,116
Total revenues		<u>13,725,680</u>	<u>13,410,978</u>	<u>13,720,638</u>	<u>13,405,465</u>
Expenses					
Life policy reserves increased from prior period	21	2,327,254	1,543,220	2,327,254	1,543,220
Benefit payments under life policies and claims	21, 26	9,135,671	9,429,308	9,135,671	9,429,308
<u>Less</u> Benefit payments under life policies and claims refundable from reinsurance	21, 26	(172,693)	(232,693)	(172,693)	(232,693)
Commissions and brokerages expenses	21, 26	648,562	685,568	646,493	682,833
Other underwriting expenses	21	260,042	131,415	260,042	131,414
Operating expenses	22, 26	427,076	424,794	426,075	423,873
Expected credit loss and impairment loss	25	4,799	43,590	4,799	43,590
Total expenses		<u>12,630,711</u>	<u>12,025,202</u>	<u>12,627,641</u>	<u>12,021,545</u>
Profits before income tax expenses		<u>1,094,969</u>	<u>1,385,776</u>	<u>1,092,997</u>	<u>1,383,920</u>
Income tax expenses	15	(152,537)	(205,268)	(152,273)	(205,268)
Net profit for the periods		<u>942,432</u>	<u>1,180,508</u>	<u>940,724</u>	<u>1,178,652</u>
Profit for the periods attributable to					
Equity holders of the Company		942,415	1,180,489	940,724	1,178,652
Non-controlling interests of the subsidiary		17	19		
		<u>942,432</u>	<u>1,180,508</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2022
 “UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Net profit for the periods		942,432	1,180,508	940,724	1,178,652
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Loss on remeasuring investment at fair value through other comprehensive income		(1,608,849)	(1,756,529)	(1,608,849)	(1,756,529)
Reversal of gains realised on the disposal of investment at fair value through other comprehensive income		(219,877)	(56,770)	(219,877)	(56,770)
Gain (loss) on remeasuring cash flow hedge derivatives at fair value		229,191	(83,428)	229,191	(83,428)
Income taxes relating to other comprehensive income	15	(81,062)	379,346	(81,062)	379,346
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		(1,680,597)	(1,517,381)	(1,680,597)	(1,517,381)
Other comprehensive income (loss) for the periods - net of income taxes		(1,680,597)	(1,517,381)	(1,680,597)	(1,517,381)
Total comprehensive income (loss) for the periods		(738,165)	(336,873)	(739,873)	(338,729)
Total comprehensive income for the periods attributable to					
Equity holders of the Company		(738,182)	(336,892)	(739,873)	(338,729)
Non-controlling interests of the subsidiary		17	19		
		(738,165)	(336,873)		
Earnings per share	29				
Basic earnings per share		0.55	0.69	0.55	0.69

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022
“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Revenues					
Gross written premium	21, 26	26,989,828	27,721,507	26,989,993	27,721,593
<u>Less</u> Premium ceded to reinsurers	21, 26	(701,975)	(1,081,694)	(701,975)	(1,081,694)
Net premium written		26,287,853	26,639,813	26,288,018	26,639,899
<u>Less</u> Unearned premium reserves increased from prior period	21	(336,005)	(193,414)	(336,005)	(193,414)
Net earned premium		25,951,848	26,446,399	25,952,013	26,446,485
Fee and commission income	21, 26	337,892	442,749	337,892	442,749
Net investment income	26	9,306,702	9,170,014	9,306,702	9,170,014
Gain on investment	9	670,912	683,243	670,912	683,243
Gain on revaluation	23	262,116	469,756	262,116	469,756
Other income	26	83,786	94,403	70,970	80,805
Total revenues		<u>36,613,256</u>	<u>37,306,564</u>	<u>36,600,605</u>	<u>37,293,052</u>
Expenses					
Life policy reserves increased from prior period	21	4,141,517	7,859,542	4,141,517	7,859,542
Benefit payments under life policies and claims	21, 26	25,983,998	22,961,266	25,983,998	22,961,266
<u>Less</u> Benefit payments under life policies and claims refundable from reinsurance	21, 26	(528,322)	(634,689)	(528,322)	(634,689)
Commissions and brokerages expenses	21, 26	1,888,589	2,010,296	1,882,048	2,003,127
Other underwriting expenses	21	565,244	410,062	565,250	409,971
Operating expenses	22, 26	1,168,727	1,178,731	1,165,416	1,176,096
(Reversal) expected credit loss and impairment loss	25	(56,149)	86,262	(56,149)	86,262
Total expenses		<u>33,163,604</u>	<u>33,871,470</u>	<u>33,153,758</u>	<u>33,861,575</u>
Profits before income tax expenses		<u>3,449,652</u>	<u>3,435,094</u>	<u>3,446,847</u>	<u>3,431,477</u>
Income tax expenses	15	(517,433)	(513,424)	(517,169)	(513,424)
Net profit for the periods		<u>2,932,219</u>	<u>2,921,670</u>	<u>2,929,678</u>	<u>2,918,053</u>
Profit for the periods attributable to					
Equity holders of the Company		2,932,194	2,921,633	2,929,678	2,918,053
Non-controlling interests of the subsidiary		25	37		
		<u>2,932,219</u>	<u>2,921,670</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022
“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Net profit for the periods		2,932,219	2,921,670	2,929,678	2,918,053
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Loss on remeasuring investment at fair value through other comprehensive income		(8,568,091)	(1,235,080)	(8,568,091)	(1,235,080)
Reversal of gains realized on the disposal of investment at fair value through other comprehensive income		(1,030,572)	(8,760)	(1,030,572)	(8,760)
Gains (loss) on remeasuring cash flow hedge derivatives at fair value		238,878	(197,834)	238,878	(197,834)
Income taxes relating to other comprehensive income	15	1,470,988	255,430	1,470,988	255,430
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		(7,888,797)	(1,186,244)	(7,888,797)	(1,186,244)
Other comprehensive income (loss) for the periods - net of income taxes		(7,888,797)	(1,186,244)	(7,888,797)	(1,186,244)
Total comprehensive income (loss) for the periods		(4,956,578)	1,735,426	(4,959,119)	1,731,809
Total comprehensive income for the periods attributable to					
Equity holders of the Company		(4,956,603)	1,735,389	(4,959,119)	1,731,809
Non-controlling interests of the subsidiary		25	37		
		(4,956,578)	1,735,426		
Earnings per share	29				
Basic earnings per share		1.72	1.71	1.72	1.71

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

Consolidated financial statement											
Equity attributable to equity holders of the Company											
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Surplus on derivatives investments - net of income taxes	Surplus on remeasuring investment at fair value through other comprehensive income - net of income taxes	Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total	Other component of equity	
			Appropriated	General reserve						Unappropriated	Legal reserve
Balance as at January 1, 2021	1,707,566	3,360,993	170,800	400,000	31,157,822	208,559	46,098,163	226	46,098,389		
Dividend paid	-	-	-	-	(392,152)	-	(392,152)	-	(392,152)		
Profit for the period	-	-	-	-	2,921,633	-	2,921,633	37	2,921,670		
Other comprehensive loss for the period	-	-	-	-	-	-	-	-	-		
Loss on remeasuring of investment at fair value through other comprehensive income - net of income taxes	-	-	-	-	-	(1,027,977)	(1,027,977)	-	(1,027,977)		
Loss on remeasuring cash flow hedge derivatives fair value - net of income taxes	-	-	-	-	-	(158,267)	(158,267)	-	(158,267)		
Total comprehensive income (loss) for the period	-	-	-	-	2,921,633	(1,027,977)	1,735,389	37	1,735,426		
Balance as at September 30, 2021	1,707,566	3,360,993	170,800	400,000	33,687,303	50,292	47,441,400	263	47,441,663		

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Consolidated financial statement										
	Equity attributable to equity holders of the Company										
	Issued and paid-up share capital	Retained earnings			Surplus on derivatives cash flow hedges - net of income taxes	Surplus on re-measuring investment at fair value through other comprehensive income - net of income taxes			Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total
		Legal reserve	Appropriated	General reserve		Unappropriated	Surplus on re-measuring investment at fair value through other comprehensive income - net of income taxes	Surplus on re-measuring investment at fair value through other comprehensive income - net of income taxes			
Balance as at January 1, 2022	1,707,566	170,800	400,000	33,951,235	99,485	8,275,803	47,966,142	260	47,966,142		
Dividend paid	-	-	-	(1,497,461)	-	-	(1,497,461)	-	(1,497,461)		
Profit for the period	-	-	-	2,932,194	-	-	2,932,194	25	2,932,219		
Other comprehensive gain (loss) for the period	-	-	-	-	-	-	-	-	-		
Loss on re-measuring of investment at fair value through other comprehensive income - net of income taxes	-	-	-	-	-	(8,079,899)	(8,079,899)	-	(8,079,899)		
Gain on re-measuring cash flow hedge derivatives at fair value - net of income taxes	-	-	-	-	191,102	-	191,102	-	191,102		
Total comprehensive income (loss) for the period	-	-	-	2,932,194	191,102	(8,079,899)	(4,956,603)	25	(4,956,578)		
Balance as at September 30, 2022	1,707,566	170,800	400,000	35,385,968	290,587	195,904	41,511,818	285	41,512,103		

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See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2021

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Separate financial statements										
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other component of equity				Total
				Appropriated		Unappropriated	Surplus on derivatives investments		Surplus on re-measuring investment at fair value through other comprehensive income - net of income taxes		
				Legal reserve	General reserve			- net of income taxes	investments	derivatives	income - net of income taxes
Balance as at January 1, 2021		1,707,566	3,360,993	170,800	400,000	31,160,035		208,559		9,092,423	46,100,376
Dividend paid	30	-	-	-	-	(392,152)		-		-	(392,152)
Profit for the period		-	-	-	-	2,918,053		-		-	2,918,053
Other comprehensive loss for the period		-	-	-	-	-		-		-	-
Loss on re-measuring investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-		-		(1,027,977)	(1,027,977)
Loss on re-measuring cash flow hedge derivatives fair value - net of income taxes		-	-	-	-	-		(158,267)		-	(158,267)
Total comprehensive income (loss) for the period		-	-	-	-	2,918,053		(158,267)		(1,027,977)	1,731,809
Balance as at September 30, 2021		1,707,566	3,360,993	170,800	400,000	33,685,936		50,292		8,064,446	47,440,033

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022

“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

Separate financial statements

	Note	Retained earnings				Other components of equity			Total
		Issued and paid-up share capital	Premium on share capital	Appropriated		Surplus on derivatives cash flow hedges - net of income taxes	Surplus on investment at fair value through other comprehensive income	Surplus on remeasuring	
				Legal reserve	General reserve				
Balance as at January 1, 2022		1,707,566	3,360,993	170,800	400,000	33,950,241	99,485	8,275,803	47,964,888
Dividend paid	30	-	-	-	-	(1,497,461)	-	-	(1,497,461)
Profit for the period		-	-	-	-	2,929,678	-	-	2,929,678
Other comprehensive gain (loss) for the period		-	-	-	-	-	-	-	-
Loss on remeasuring investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	-	(8,079,899)	(8,079,899)
Gain on remeasuring cash flow hedge derivatives at fair value - net of income taxes		-	-	-	-	-	191,102	-	191,102
Total comprehensive income (loss) for the period		-	-	-	-	2,929,678	191,102	(8,079,899)	(4,959,119)
Balance as at September 30, 2022		1,707,566	3,360,993	170,800	400,000	35,382,458	290,587	195,904	41,508,308

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2022
“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Note	Consolidated		Separate	
		2022	2021	2022	2021
Cash flows provided by operating activities					
Gross premium		26,438,680	26,873,672	26,438,845	26,873,758
Cash payments from reinsurance		(369,498)	(573,314)	(369,498)	(573,314)
Interest income		6,610,148	6,767,198	6,610,148	6,767,198
Dividend income		1,662,803	1,457,007	1,662,803	1,457,007
Gain on investments		550,944	766,238	550,943	766,238
Other income		80,454	88,835	70,898	78,722
Benefit payments under life policies and loss					
incurred on direct insurance		(27,046,331)	(23,219,909)	(27,046,331)	(23,219,909)
Commissions and brokerages on direct insurance		(1,970,241)	(2,131,402)	(1,964,021)	(2,125,107)
Other underwriting expenses		(591,578)	(352,617)	(591,584)	(352,527)
Operating expenses		(1,002,186)	(1,025,411)	(1,000,745)	(1,026,321)
Corporate income taxes		(323,376)	11,791	(271,236)	11,791
Cash received - financial assets		14,756,924	12,939,132	14,756,923	12,939,132
Cash payments - financial assets		(14,688,311)	(19,945,653)	(14,740,450)	(19,945,653)
Net cash provided by operating activities		4,108,432	1,655,567	4,106,695	1,651,015
Cash flows used in investing activity					
Net cash flows for purchases and disposals of					
premises and equipment		(38,528)	(176,916)	(38,528)	(176,916)
Net cash used in investing activity		(38,528)	(176,916)	(38,528)	(176,916)
Cash flows used in financing activity					
Dividend paid		(1,497,461)	(392,153)	(1,497,461)	(392,153)
Net cash used in financing activity		(1,497,461)	(392,153)	(1,497,461)	(392,153)
Net increase in cash and cash equivalents		2,572,443	1,086,498	2,570,706	1,081,946
Cash and cash equivalents at beginning of periods		7,636,769	8,072,221	7,621,955	8,061,451
Cash and cash equivalents at the end of periods	4	10,209,212	9,158,719	10,192,661	9,143,397

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2022
“UNAUDITED”**

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.

CORONAVIRUS DISEASE 2019 PANDEMIC

The Coronavirus disease 2019 (“COVID-19”) pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. Nevertheless, the Company’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS FOR PREPARATION AND PRESENTATION OF CONSOLIDATED AND SEPARATE INTERIM FINANCIAL STATEMENTS

- 2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements. However, the Company has presented line items in the consolidated and separate statements of financial position, the consolidated and separate statements of profit or loss and other comprehensive income, statements of changes in owners’ equity and statements of cash flows in the same format as that used in its preparation of the annual financial statements and in accordance with the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of life insurance companies date March 4, 2016, which has been effective since January 1, 2016 and No. 2 B.E. 2562 (2019) dated April 4, 2019, which has been effective since January 1, 2019.
- 2.2 The consolidated and separate statements of financial position as at December 31, 2021, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2022 are not necessarily an indication nor anticipation of the operating results for the full year.

- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and nine-month periods ended September 30, 2022 should be read in conjunction with the audited financial statements for the year ended December 31, 2021.

These consolidated and separate interim financial statements in Thai language are the official statutory financial statements of the Company. The consolidated and separate interim financial statements in English language have been translated from the consolidated and separate interim financial statements in Thai language.

The preparation of consolidated and separate interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

- 2.5 Material intercompany transactions between the Company and its subsidiary have been eliminated from the consolidated interim financial statements. The consolidated interim financial statements for the three-month and nine-month periods ended September 30, 2022 have included the subsidiary' interim financial statements for the three-month and nine-month periods ended September 30, 2022 which were reviewed.

The consolidated interim financial statements include the interim 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	
			September 30, 2022	December 31, 2021
			%	%
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99

The Company 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 amount of its returns.

Subsidiary' interim financial statements are fully consolidated in the consolidated interim financial statements, being the date on the Company obtains control, and continued to be consolidated until the date when such control ceases.

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

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 in the consolidated statement of profit or loss and other comprehensive income and within equity in the consolidated statements of financial position.

2.6 Separate interim financial statements

The separate interim financial statements, which present investments in subsidiary under the cost method, have been prepared solely for the benefit of the public.

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

During the period, the Group has 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, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and accounting requirements for interest rate reform - Phrase 2. The adoption of these financial reporting standards does not have any significant impact on the Group's interim financial statements.

2.8 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On August 19, 2022, Thai Financial Reporting Standard No.17 "Insurance Contracts" has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2025 onwards.

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

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and separate interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2021.

4. CASH AND CASH EQUIVALENT

As at September 30, 2022 and December 31, 2021 cash and cash equivalent consisted of the following:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	September 30,	December 31,	September 30,	December 31,
	2022	2021	2022	2021
Cash on hand	2,178	3,480	2,177	3,479
Deposits at banks with no fixed maturity date	2,831,860	2,281,948	2,815,310	2,267,135
Short-term investments in promissory notes	7,375,174	5,351,341	7,375,174	5,351,341
Cash and cash equivalents	10,209,212	7,636,769	10,192,661	7,621,955

As at September 30, 2022, interest rates on savings accounts and promissory notes are in the range of 0.125% to 0.70 % per annum (as at December 31, 2021: 0.13% to 0.50% per annum).

5. PREMIUM RECEIVABLES

As at September 30, 2022 and December 31, 2021, 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	
	Due from direct insurance	
	September 30, 2022	December 31, 2021
Not yet due	2,491,800	1,585,647
Not over 30 days	46,211	40,261
Over 30 days to 60 days	4,174	3,145
Over 60 days to 90 days	2,351	16,140
Over 90 days	3,311	2,429
Premium receivables	<u>2,547,847</u>	<u>1,647,622</u>

For premium receivables due from agents and brokers, the Company has determined criteria in collections from those debtors. For overdue premium receivables, the Company has 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.

6. REINSURANCE ASSETS

As at September 30, 2022 and December 31, 2021, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2022	December 31, 2021
Reserves recoverable from reinsurances		
Claim reserves	136,218	207,240
Unearned premium reserves	347,059	486,096
Reinsurance assets	<u>483,277</u>	<u>693,336</u>

7. AMOUNT DUE FROM REINSURANCE

As at September 30, 2022 and December 31, 2021, amount due from reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2022	December 31, 2021
Amount due from reinsurers	1,190,231	1,094,300
Amount due from reinsurance	1,190,231	1,094,300

8. DERIVATIVE ASSETS AND LIABILITIES

As at September 30, 2022 and December 31, 2021, derivatives classified by objective are as follows:

Contract type and objective	Number of contracts	Notional amount (Thousand units)	September 30, 2022		For the nine-month period ended September 30, 2022
			Assets (Thousand Baht)	Liabilities (Thousand Baht)	Fair value gains on derivatives (Thousand Baht)
Derivatives - not apply hedge accounting					
Hedge of net investment in foreign currencies	101	923,403	18,209	265,254	20,698
Derivatives - apply hedge accounting					
Cash flow hedge	62	341,920	63,435	1,355,147	363,234
Total derivative assets and liabilities			81,644	1,620,401	
Contract type and objective	Number of contracts	Notional amount (Thousand units)	December 31, 2021		For the year ended December 31, 2021
			Assets (Thousand Baht)	Liabilities (Thousand Baht)	Fair value gains on derivatives (Thousand Baht)
Derivatives - not apply hedge accounting					
Hedge of net investment in foreign currencies	143	863,737	18,454	105,943	2,045
Derivatives - apply hedge accounting					
Cash flow hedge	98	484,170	171,923	740,754	124,356
Total derivative assets and liabilities			190,377	846,697	

As at September 30, 2022 and December 31, 2021, derivative assets and liabilities consisted of the following:

Contract type	Consolidated and separate financial statements		
	September 30, 2022		
	Notional amount (Thousand units)	Fair value amount	
Assets (Thousand Baht)		Liabilities (Thousand Baht)	
Cross currency swap contracts			
US dollar	331,920	5,914	1,355,147
Euro	10,000	57,521	-
Forward exchange contracts			
Yen	739,375	15,523	459
US dollar	112,741	1,589	211,500
Singapore dollar	41,850	-	38,445
Euro	29,437	1,097	14,850
Total derivatives	1,265,323	81,644	1,620,401

Contract type	Consolidated and separate financial statements		
	December 31, 2021		
	Notional amount (Thousand Unit)	Fair value amount	
Assets (Thousand Baht)		Liabilities (Thousand Baht)	
Cross currency swap contracts			
US dollar	474,170	157,005	740,754
Euro	10,000	14,918	-
Forward exchange contracts			
Yen	639,375	2,491	981
US dollar	118,510	2,725	50,821
Singapore dollar	70,906	-	44,117
Euro	34,946	13,238	10,024
Total derivatives	1,347,907	190,377	846,697

9. INVESTMENTS IN SECURITIES

9.1 Investments in securities

As at September 30, 2022 and December 31, 2021, investment in securities consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	September 30, 2022		December 31, 2021	
	Cost	Fair value	Cost	Fair value
Investment at fair value through profit or loss				
Equity securities	50,097	41,260	52,534	39,104
Total	50,097	41,260	52,534	39,104
<u>(Less)</u> Unrealised losses	(8,837)	-	(13,430)	-
Total investment at fair value through profit or loss	41,260	41,260	39,104	39,104
Investment at fair value through other comprehensive income				
Government and state enterprise securities	33,473,896	33,932,378	31,213,988	35,039,048
Private enterprises debt securities	31,288,785	31,739,001	30,171,679	31,915,447
Equity securities	31,642,908	31,468,761	31,585,986	33,159,576
Foreign debt securities	10,526,440	11,511,056	11,615,633	14,443,807
Foreign equity securities	360,765	168,634	335,972	209,711
Total	107,292,794	108,819,830	104,923,258	114,767,589
<u>Add</u> Unrealised gains	1,527,036	-	9,844,331	-
Total investment at fair value through other comprehensive income	108,819,830	108,819,830	114,767,589	114,767,589
		<u>Amortised cost</u>		<u>Amortised cost</u>
Investment at amortised cost				
Government and state enterprise securities		132,338,918		132,045,615
Private enterprises debt securities		65,199,752		67,507,068
Foreign debt securities		4,971,866		4,849,281
Total		202,510,536		204,401,964
<u>Less</u> Allowance for expected credit loss		(220,576)		(269,352)
Total investment at amortised cost		202,289,960		204,132,612
Total investments in securities		311,151,050		318,939,305

As at September 30, 2022, the Company has allowance for impairment loss and allowance for expected credit loss for investment in securities of Baht 515 million and Baht 251 million, respectively.

As at December 31, 2021, the Company has allowance for impairment loss and allowance for expected credit loss for investment in securities of Baht 515 million and Baht 320 million, respectively.

9.2 Allowance for expected credit loss

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	September 30, 2022		December 31, 2021	
	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 not significantly increased in credit risk (Stage 1)	65,780,712	(30,490)	66,862,295	(50,476)
Total	65,780,712	(30,490)	66,862,295	(50,476)

(Unit : Thousand Baht)

	Consolidated and separate financial statements		
	September 30, 2022		
	Gross amount	Allowance for expected credit loss	Net Amount
Investment at amortised cost			
Debt securities with not significantly increased in credit risk (Stage 1)	202,185,651	(54,040)	202,131,611
Debt securities credit-impaired (Stage 3)	324,885	(166,536)	158,349
Total	202,510,536	(220,576)	202,289,960

(Unit : Thousand Baht)

	Consolidated and separate financial statements		
	December 31, 2021		
	Gross amount	Allowance for expected credit loss	Net Amount
Investment at amortised cost			
Debt securities with not significantly increased in credit risk (Stage 1)	204,077,079	(102,816)	203,974,263
Debt securities credit-impaired (Stage 3)	324,885	(166,536)	158,349
Total	204,401,964	(269,352)	204,132,612

9.3 Investments in structured notes

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

- (1) As at September 30, 2022 and December 31, 2021, the Company has investments of Baht 403 million and Baht 928 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 4 years and 1 - 5 years, respectively, and the notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets.
- (2) As at September 30, 2022 and December 31, 2021, the Company has investments of Baht 1,847 million and Baht 1,641 million, respectively, in bills of exchange, which were issued in foreign currency by branches of foreign commercial banks, having remaining maturity lives of 3-4 years and 4-5 years, respectively. The bills contain conditions whereby the redemption of the bills is based on the credit event of the reference assets.

9.4 Investments subject to restriction

As at September 30, 2022 and December 31, 2021, the Company has placed government and state enterprise bonds with cost or amortised cost of Baht 70,133 million and Baht 66,246 million, respectively, with the Registrar as securities and reserves as described in Notes 27 and 28.

9.5 Gains on investments

Gains on investments for the three-month and nine-month periods ended September 30, 2022 and 2021 consisted of the following:

	(Unit : Thousand Baht)			
	<u>Consolidated and separate financial statements</u>			
	<u>For the three-month</u>		<u>For the nine-month</u>	
	<u>periods ended</u>		<u>periods ended</u>	
<u>September 30,</u>		<u>September 30,</u>		
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Gain on sales of investment				
at fair value through profit and loss	-	-	32	6,440
Gains on sales of investment at amortised cost	-	-	12,885	-
Gains on sales of investment				
at fair value through other comprehensive				
income	37,771	327,733	657,995	676,803
Total gains on investments	<u>37,771</u>	<u>327,733</u>	<u>670,912</u>	<u>683,243</u>

10. INVESTMENTS IN A SUBSIDIARY

As at September 30, 2022 and December 31, 2021, detail of investments in a subsidiary, as presented in the separate interim financial statements, is as follows:

Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost	
			September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
			(Thousand Baht)	(Thousand Baht)	%	%	(Thousand Baht)	(Thousand Baht)
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760
Total investments in a subsidiary							23,760	23,760

11. LOANS AND ACCRUED INTEREST RECEIVABLES

As at September 30, 2022 and December 31, 2021, the balances of loans and accrued interest receivables, classified by overdue periods, are as follows:

(Unit : Thousand Baht)

Overdue periods	Consolidated and separate financial statements			
	September 30, 2022			
	Loans and accrued interest receivables			
	Policy loans	Mortgage loans	Other loans	Total
Not yet due	9,598,991	2,053,847	-	11,652,838
Overdue:				
Less than 3 months	-	2,191	-	2,191
3 - 6 months	-	5,978	-	5,978
6 - 12 months	-	11,412	-	11,412
Over 12 months	-	130,073	55	130,128
Total	9,598,991	2,203,501	55	11,802,547
Less Allowance for expected credit loss	-	(84,376)	-	(84,376)
Loans and accrued interest receivables	9,598,991	2,119,125	55	11,718,171

(Unit : Thousand Baht)

Overdue periods	Consolidated and separate financial statements			
	December 31, 2021			
	Loans and accrued interest receivables			
	Policy loans	Mortgage loans	Other loans	Total
Not yet due	9,652,703	2,388,129	-	12,040,832
Overdue:				
Less than 3 months	-	21,275	-	21,275
3 - 6 months	-	1,840	-	1,840
6 - 12 months	-	34,785	-	34,785
Over 12 months	-	102,236	55	102,291
Total	9,652,703	2,548,265	55	12,201,023
Less Allowance for expected credit loss	-	(71,934)	-	(71,934)
Loans and accrued interest receivables	9,652,703	2,476,331	55	12,129,089

(Unit : Thousand Baht)

Consolidated and separate financial statements			
September 30, 2022			
Loans and accrued interest receivables			
Stages	Mortgage loans	Other loans	Total
Loans with not significantly increased in credit risk (Stage 1)	2,056,038	-	2,056,038
Loans with significantly increased in credit risk (Stage 2)	17,390	-	17,390
Loans with credit impaired (Stage 3)	130,073	55	130,128
Total	2,203,501	55	2,203,556
<u>Less</u> Allowance for expected credit loss	(84,376)	-	(84,376)
Total	2,119,125	55	2,119,180

(Unit : Thousand Baht)

Consolidated and separate financial statements			
December 31, 2021			
Loans and accrued interest receivables			
Stages	Mortgage loans	Other loans	Total
Loans with not significantly increased in credit risk (Stage 1)	2,409,404	-	2,409,404
Loans with significantly increased in credit risk (Stage 2)	36,625	-	36,625
Loans with credit impaired (Stage 3)	102,236	55	102,291
Total	2,548,265	55	2,548,320
<u>Less</u> Allowance for expected credit loss	(71,934)	-	(71,934)
Total	2,476,331	55	2,476,386

Policy loans represent loans granted to the policyholders in an amount not exceeding the cash value of the policy. The loans carry interest rate at 4.00% - 8.00% 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 0.1 million for personal guarantee loans. The interest rate is charged at the rates of 6.00% per annum. As at September 30, 2022 and December 31, 2021, 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 5.00% - 6.00% per annum. As at September 30, 2022 and December 31, 2021, loans to employees under the mortgage loans amounted to Baht 8 million and Baht 9 million, respectively.

12. INVESTMENT PROPERTY

Carrying amounts of investment property as at September 30, 2022 and December 31, 2021, are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the nine-month period ended September 30, 2022	For the year ended December 31, 2021
Net carrying value - beginning of the period/year	14,556	15,621
Depreciation for period/year	(801)	(1,065)
Net carrying value - end of the period/year	13,755	14,556

13. INVESTMENT ASSETS OF THE INSURED

Fair value of investment assets of the insured as at September 30, 2022 and December 31, 2021 are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2022	December 31, 2021
Investment in debt securities	58,407	34,885
Investment in equity securities	2,696	977
Total	61,103	35,862

14. PREMISES AND EQUIPMENT

Movements of premises and equipment for the nine-month period ended September 30, 2022 are as follows:

	(Unit : Thousand Baht)						
	Consolidated financial statements						
	For the nine-month period ended September 30, 2022						
	Office						
	Land	Buildings and buildings improvements	Condominium	furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at January 1, 2022	791,346	1,095,091	3,359	356,327	15,095	1,837	2,263,055
Additions - at cost	-	7,986	-	16,872	-	13,791	38,649
Disposal/write-off - net carrying value	-	(3)	-	(47)	-	-	(50)
Transfer in (out)	-	8,805	-	5,620	-	(14,425)	-
Depreciation for the period	-	(29,212)	(1,371)	(63,089)	(5,164)	-	(98,836)
Net carrying value as at September 30, 2022	791,346	1,082,667	1,988	315,683	9,931	1,203	2,202,818

(Unit : Thousand Baht)

Separate financial statements							
For the nine-month period ended September 30, 2022							
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at January 1, 2022	791,346	1,095,093	3,357	356,308	15,095	1,837	2,263,036
Additions - at cost	-	7,986	-	16,872	-	13,791	38,649
Disposal/write-off - net carrying value	-	(3)	-	(47)	-	-	(50)
Transfer in (out)	-	8,805	-	5,620	-	(14,425)	-
Depreciation for the period	-	(29,212)	(1,371)	(63,078)	(5,164)	-	(98,825)
Net carrying value as at September 30, 2022	<u>791,346</u>	<u>1,082,669</u>	<u>1,986</u>	<u>315,675</u>	<u>9,931</u>	<u>1,203</u>	<u>2,202,810</u>

15. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSE

15.1 Deferred tax assets/liabilities

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

(Unit : Thousand Baht)						
Consolidated and separate financial statements						
	September 30, 2022	December 31, 2021	Change in deferred tax assets/liabilities reported profit or loss in the for the three-month periods ended		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the three-month periods ended	
	2022	2021	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
Deferred tax assets						
Reserves for long-term insurance contracts	1,723,784	1,881,093	(55,469)	(66,445)	-	-
Claim reserves	21,940	19,702	1,816	1,942	-	-
Provisions for long-term employee benefits	42,468	39,600	1,239	1,258	-	-
Allowance for expected credit loss and allowance for impairment loss	185,073	196,338	959	(6,461)	-	-
Total deferred tax assets	<u>1,973,265</u>	<u>2,136,733</u>	<u>(51,455)</u>	<u>(69,706)</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities						
Investment at fair value through other comprehensive income	260,569	1,699,685	23,259	14,911	35,223	(362,661)
Cash flow hedge	76,786	25,280	3,730	(380)	45,839	(16,685)
Others	-	-	(1,187)	-	-	-
Total deferred tax liabilities	<u>337,355</u>	<u>1,724,965</u>	<u>25,802</u>	<u>14,531</u>	<u>81,062</u>	<u>(379,346)</u>
Deferred tax assets/liabilities - net	<u>1,635,910</u>	<u>411,768</u>	<u>(77,257)</u>	<u>(84,237)</u>	<u>(81,062)</u>	<u>379,346</u>

(Unit : Thousand Baht)

Consolidated and separate financial statements

	September 30,		December 31,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the nine-month periods ended	
	2022	2021	2022	2021	September 30	September 30
	2022	2021	2022	2021	2022	2021
Deferred tax assets						
Reserves for long-term insurance contracts	1,723,784	1,881,093	(157,309)	(160,294)	-	-
Claim reserves	21,940	19,702	2,238	4,247	-	-
Provisions for long-term employee benefits	42,468	39,600	2,868	4,393	-	-
Allowance for expected credit loss and allowance for impairment loss	185,073	196,338	(11,265)	2,073	-	-
Others	-	-	-	(113,953)	-	-
Total deferred tax assets	1,973,265	2,136,733	(163,468)	(263,534)	-	-
Deferred tax liabilities						
Investment at fair value through other comprehensive income	260,569	1,699,685	79,648	104,001	(1,518,764)	(215,864)
Cash flow hedge	76,786	25,280	3,730	6,477	47,776	(39,566)
Total deferred tax liabilities	337,355	1,724,965	83,378	110,478	(1,470,988)	(255,430)
Deferred tax assets/liabilities - net	1,635,910	411,768	(246,846)	(374,012)	1,470,988	255,430

15.2 Income tax expenses

Income tax expenses for the three-month and nine-month periods ended September 30, 2022 and 2021 were as follows:

	(Unit : Thousand Baht)			
	Consolidated			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2022	2021	2022	2021
Current income tax:				
Corporate income tax	76,850	121,031	269,249	139,412
Adjustment in respect of income tax of previous year	(1,570)	-	1,338	-
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	77,257	84,237	246,846	374,012
Income tax expenses reported in profits or losses	<u>152,537</u>	<u>205,268</u>	<u>517,433</u>	<u>513,424</u>

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2022	2021	2022	2021
Current income tax:				
Corporate income tax	76,586	121,031	268,985	139,412
Adjustment in respect of income tax of previous year	(1,570)	-	1,338	-
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	77,257	84,237	246,846	374,012
Income tax expenses reported in profits or losses	<u>152,273</u>	<u>205,268</u>	<u>517,169</u>	<u>513,424</u>

Reconciliation between accounting profits and income tax expense for the three-month and nine-month periods ended September 30, 2022 and 2021 were as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2022	2021	2022	2021
Accounting profit before income tax expenses	1,094,969	1,385,776	3,449,652	3,435,094
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	218,864	276,784	689,634	686,295
Adjustment in respect of corporate income tax of previous year	(1,570)	-	1,338	-
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(64,757)	(71,516)	(173,539)	(172,871)
Income tax expenses recognised in profits or losses	<u>152,537</u>	<u>205,268</u>	<u>517,443</u>	<u>513,424</u>

(Unit : Thousand Baht)

	Separate financial statements			
	For the three-month periods ended		For the nine-month periods ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Accounting profit before income tax expenses	1,092,997	1,383,920	3,446,847	3,431,477
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	218,600	276,784	689,370	686,295
Adjustment in respect of corporate income tax of previous year	(1,570)	-	1,338	-
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(64,757)	(71,516)	(173,539)	(172,871)
Income tax expenses recognised in profits or losses	152,273	205,268	517,169	513,424

16. OTHER ASSETS

As at September 30, 2022 and December 31, 2021, other assets consisted of the following:

(Unit : Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Prepaid income tax	174,823	174,823	174,823	174,823
Deposits	16,886	9,923	16,886	9,923
Receivable from sales of investments	120,172	203	120,172	203
Prepaid expenses	21,316	38,864	21,316	38,864
Others	137,872	137,305	123,288	125,881
Total other assets	471,069	361,118	456,485	349,694

17. INSURANCE CONTRACT LIABILITIES

As at September 30, 2022 and December 31, 2021, insurance contract liabilities consisted of the following:

(Unit : Thousand Baht)

	Consolidated and separate financial statements					
	September 30, 2022			December 31, 2021		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	291,913,104	-	291,913,104	287,771,587	-	287,771,587
Claim reserves						
Reserves for reported claims	309,467	(136,218)	173,249	279,446	(207,240)	72,206
Reserves for claims incurred but not yet reported	109,703	-	109,703	98,512	-	98,512
Premium reserves						
Unearned premium reserves	1,784,978	(347,059)	1,437,919	1,588,010	(486,096)	1,101,914
Unpaid policy benefits	443,833	-	443,833	347,815	-	347,815
Other insurance liabilities	3,879,068	-	3,879,068	5,394,602	-	5,394,602
Total insurance contract liabilities	298,440,153	(483,277)	297,956,876	295,479,972	(693,336)	294,786,636

17.1 Reserves for long-term insurance contracts

As at September 30, 2022 and December 31, 2021, reserves for long-term insurance contracts consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the nine-month period ended September 30, 2022	For the year ended December 31, 2021
Balances - beginning of the period/year	287,771,587	282,407,305
Reserve increased for new businesses and in force policies	23,141,953	30,004,656
Reserve decreased for benefits payment lapses and surrender, etc.	(19,000,436)	(24,640,374)
Balances - ending of the period/year	<u>291,913,104</u>	<u>287,771,587</u>

17.2 Claim reserves

As at September 30, 2022 and December 31, 2021, claim reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the nine-month period ended September 30, 2022	For the year ended December 31, 2021
Balances - beginning of the period/year	377,958	262,551
Claims incurred in the current period/year	2,043,571	2,477,891
Claims paid during the period/year	(2,002,359)	(2,362,484)
Balances - ending of the period/year	<u>419,170</u>	<u>377,958</u>

17.3 Unearned premium reserves

As at September 30, 2022 and December 31, 2021, unearned premium reserves consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the nine-month period ended September 30, 2022	For the year ended December 31, 2021
Balances - beginning of the period/year	1,588,010	1,482,840
Premium written for the period/year	3,211,887	4,213,165
Premium earned for the period/year	(3,014,919)	(4,107,995)
Balances - ending of the period/year	<u>1,784,978</u>	<u>1,588,010</u>

17.4 Unpaid policy benefits

As at September 30, 2022 and December 31, 2021, unpaid policy benefits consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2022	December 31, 2021
Death benefit	135,216	93,174
Maturity payment	274,657	217,164
Benefit payment	33,056	36,341
Surrender	904	1,136
Total unpaid policy benefits	<u>443,833</u>	<u>347,815</u>

17.5 Other insurance liabilities

As at September 30, 2022 and December 31, 2021, other insurance liabilities consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2022	December 31, 2021
Deposits from insurance contracts	3,486,949	5,119,918
Premiums received in advance	251,490	157,840
Payable to policyholders on exempted premiums	78,912	80,740
Carrying amount of unit linked products	61,717	36,104
Total other insurance liabilities	<u>3,879,068</u>	<u>5,394,602</u>

18. AMOUNT DUE TO REINSURANCE

As at September 30, 2022 and December 31, 2021, amount due to reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	September 30, 2022	December 31, 2021
Amount due to reinsurers	<u>1,084,232</u>	<u>1,185,267</u>
Total amount due to reinsurance	<u>1,084,232</u>	<u>1,185,267</u>

19. EMPLOYEE BENEFIT OBLIGATIONS

As at September 30, 2022 and December 31, 2021, employee benefit obligations consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30,	December 31,	September 30,	December 31,
	2022	2021	2022	2021
Post-employment benefits obligations	193,622	171,422	192,873	170,673
Other long-term employee benefits obligation	19,532	27,396	19,466	27,330
Total employee benefit obligations	<u>213,154</u>	<u>198,818</u>	<u>212,339</u>	<u>198,003</u>

20. OTHER LIABILITIES

As at September 30, 2022 and December 31, 2021, other liabilities consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30,	December 31,	September 30,	December 31,
	2022	2021	2022	2021
Accrued commission expenses	437,842	519,494	436,660	518,634
Accrued expenses	329,859	324,797	329,821	324,498
Premium received for policies not yet approved	82,358	74,913	82,358	74,913
Amounts received awaiting transfer	232,952	101,469	232,952	101,469
Specific business tax payable	137,928	153,739	137,928	153,739
Payable from purchases of investments	84,071	-	84,071	-
Withholding tax payable	53,637	34,582	53,609	34,545
Short-term employee benefit payables	118,242	111,614	118,242	111,353
Others	113,015	87,641	106,532	83,710
Total other liabilities	<u>1,589,904</u>	<u>1,408,249</u>	<u>1,582,173</u>	<u>1,402,861</u>

21. OPERATING SEGMENT

The Company 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 Company is operating its core business in a single segment (i.e. life insurance business) and in a single geographic area (i.e. Thailand). Hence, all items as presented in this segment information are consistent to the Company’s internal reports that are regularly reviewed by the chief operating decision 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.

Underwriting information classified by insurance categories for the three-month periods ended September 30, 2022 and 2021 is as follows:

(Unit : Thousand Baht)

Consolidated financial statements							
For the three-month period ended September 30, 2022							
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Investment life insurance products	Personal accident	Others	Total
Underwriting income							
Premium written	6,503,720	3,819,061	100,746	1,688	11,322	-	10,436,537
Less Premium ceded to reinsurers	(213,775)	-	-	-	-	-	(213,775)
Net premium written	6,289,945	3,819,061	100,746	1,688	11,322	-	10,222,762
Add (less) Unearned premium reserve (increased) decreased from prior period	29,101	-	-	-	(279)	-	28,822
Net earned premium	6,319,046	3,819,061	100,746	1,688	11,043	-	10,251,584
Fee and commission income	78,456	-	-	9,025	-	-	87,481
Total underwriting income	6,397,502	3,819,061	100,746	10,713	11,043	-	10,339,065
Underwriting expenses							
Life policy reserves increased (decreased) from prior period	(1,073,492)	3,273,063	127,590	93	-	-	2,327,254
Benefit payments under life policies and claims - net refundable from reinsurance	8,838,950	94,609	22,049	-	7,370	-	8,962,978
Commissions and brokerage expenses	506,601	125,933	4,097	9,375	487	2,069	648,562
Other underwriting expenses	215,654	41,908	1,235	1,108	137	-	260,042
Total underwriting expenses	8,487,713	3,535,513	154,971	10,576	7,994	2,069	12,198,836

(Unit : Thousand Baht)

Consolidated financial statements						
For the three-month period ended September 30, 2021						
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income						
Premium written	6,864,558	2,741,496	102,239	10,875	-	9,719,168
Less Premium ceded	(244,735)	-	-	-	-	(244,735)
Net premium written	6,619,823	2,741,496	102,239	10,875	-	9,474,433
Add Unearned premium reserve decreased from prior period	48,677	-	-	294	-	48,971
Net earned premium	6,668,500	2,741,496	102,239	11,169	-	9,523,404
Fee and commission income	87,620	-	-	-	-	87,620
Total underwriting income	6,756,120	2,741,496	102,239	11,169	-	9,611,024
Underwriting expenses						
Life policy reserves increased (decreased) from prior period	(966,076)	2,404,472	104,824	-	-	1,543,220
Benefit payments under life policies and claims net refundable from reinsurance	9,166,107	6,739	22,938	831	-	9,196,615
Commissions and brokerage expenses	591,716	86,686	4,060	371	2,735	685,568
Other underwriting expenses	97,872	32,279	1,144	120	-	131,415
Total underwriting expenses	8,889,619	2,530,176	132,966	1,322	2,735	11,556,818

(Unit : Thousand Baht)

Consolidated financial statements							
For the nine-month period ended September 30, 2022							
Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Investment Life Insurance Products	Personal accident	Others	Total	
Underwriting income							
Premium written	20,889,134	5,771,783	291,698	3,571	33,642	-	26,989,828
<u>Less</u> Premium ceded to reinsurers	(701,975)	-	-	-	-	-	(701,975)
Net premium written	20,187,159	5,771,783	291,698	3,571	33,642	-	26,287,853
<u>Less</u> Unearned premium reserve increased from prior period	(335,489)	-	-	-	(516)	-	(336,005)
Net earned premium	19,851,670	5,771,783	291,698	3,571	33,126	-	25,951,848
Fee and commission income	317,174	-	-	20,718	-	-	337,892
Total underwriting income	20,168,844	5,771,783	291,698	24,289	33,126	-	26,289,740
Underwriting expenses							
Life policy reserves							
Increased (decreased) from prior period	(1,127,663)	4,922,429	346,522	229	-	-	4,141,517
Benefit payments under life policies and claims - net refundable from reinsurance							
Commissions and brokerage expenses	25,052,329	293,638	99,391	-	10,318	-	25,455,676
Other underwriting expenses	1,577,170	267,722	12,783	22,943	1,430	6,541	1,888,589
Other underwriting expenses	500,024	60,575	3,061	1,242	348	(6)	565,244
Total underwriting expenses	26,001,860	5,544,364	461,757	24,414	12,096	6,535	32,051,026

(Unit : Thousand Baht)

Consolidated financial statements						
For the nine-month period ended September 30, 2021						
Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total	
Underwriting income						
Premium written	23,301,822	4,094,793	291,355	33,537	-	27,721,507
<u>Less</u> Premium ceded	(1,081,694)	-	-	-	-	(1,081,694)
Net premium written	22,220,128	4,094,793	291,355	33,537	-	26,639,813
<u>Add (less)</u> Unearned premium reserve (increased) decreased from prior period	(193,447)	-	-	33	-	(193,414)
Net earned premium	22,026,681	4,094,793	291,355	33,570	-	26,446,399
Fee and commission income	442,749	-	-	-	-	442,749
Total underwriting income	22,469,430	4,094,793	291,355	33,570	-	26,889,148
Underwriting expenses						
Life policy reserves increased from prior period						
Benefit payments under life policies and claims net refundable from reinsurance	4,035,585	3,518,861	305,096	-	-	7,859,542
Commissions and brokerage expenses	22,236,134	14,247	72,365	3,831	-	22,326,577
Other underwriting expenses	1,787,871	201,354	12,809	1,093	7,169	2,010,296
Other underwriting expenses	356,980	49,095	3,494	402	91	410,062
Total underwriting expenses	28,416,570	3,783,557	393,764	5,326	7,260	32,606,477

22. OPERATING EXPENSES

For the three-month and nine-month periods ended September 30, 2022 and 2021, operating expenses consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2022	2021	2022	2021
Personnel expenses	229,403	238,231	669,848	694,462
Premises and equipment expenses	53,284	54,405	148,457	134,677
Taxes and duties	544	1,008	3,161	2,211
Other operating expenses	143,845	131,150	347,261	347,381
Total operating expenses	427,076	424,794	1,168,727	1,178,731

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2022	2021	2022	2021
Personnel expenses	228,451	237,386	666,548	691,944
Property, plant and equipment expenses	53,204	54,325	148,217	134,437
Taxes and duties	544	1,008	3,161	2,211
Other operating expenses	143,876	131,154	347,490	347,504
Total operating expenses	426,075	423,873	1,165,416	1,176,096

23. GAIN ON REVALUATION

For the three-month and nine-month periods ended September 30, 2022 and 2021, gain on revaluation consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2022	2021	2022	2021
Unrealised gains (losses) on remeasuring investment at fair value through profit or loss	(14,772)	728	4,593	5,727
Unrealized losses on foreign exchange forward contracts	(364,537)	(305,438)	(548,727)	(646,434)
Gains on foreign exchange rate	459,978	584,316	787,597	1,078,082
Gains (losses) on revaluation fair value of forward contracts	10,807	(1,904)	18,653	32,381
Total gain on revaluation	91,476	277,702	262,116	469,756

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company and subsidiary 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 the 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 endeavor to use relevant observable inputs as much as possible.

TFRS 13 “Fair Value Measurement” establishes a fair value hierarchy categorizing 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 September 30, 2022 and December 31, 2021, the Company and subsidiary had the following assets that were measured at fair value using different fair value hierarchy as follows:

	(Unit : Thousand Baht)			
	Consolidated and separated financial statements			
	As at September 30, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative assets				
Cross currency swap contracts	-	63,435	-	63,435
Forward exchange contracts	-	18,209	-	18,209
Investment at fair value through profit or loss				
Equity instruments	41,260	-	-	41,260
Investment at fair value through other comprehensive income				
Equity instruments	31,677,575	-	1,251,226	32,928,801
Debt instruments	3,551,205	70,089,724	2,250,100	75,891,029
Assets for which fair value are disclosed				
Investment at amortised cost				
Debt instruments	-	192,342,891	2,617,685	194,960,576
Investment property	-	-	35,596	35,596
Loans and accrued interest receivables				
Policy loans	-	-	11,080,768	11,080,768
Mortgage loans	-	-	2,112,995	2,112,995
Financial liabilities measured at fair value				
Derivative liabilities				
Cross currency swap contracts	-	1,355,147	-	1,355,147
Forward exchange contracts	-	265,254	-	265,254

(Unit : Thousand Baht)

Consolidated and separated financial statements

December 31, 2021

	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative assets				
Cross currency swap contracts	-	171,923	-	171,923
Forward exchange contracts	-	18,454	-	18,454
Investment at fair value through profit or loss				
Equity instruments	39,104	-	-	39,104
Investment at fair value through other comprehensive income				
Equity instruments	33,590,504	-	1,089,951	34,680,455
Debt instruments	5,047,988	72,469,991	2,569,155	80,087,134
Assets for which fair value are disclosed				
Investment at amortised cost				
Debt instruments	-	217,149,483	3,148,106	220,297,589
Investment property	-	-	35,987	35,987
Loans and accrued interest receivables				
Policy loans	-	-	11,277,872	11,277,872
Mortgage loans	-	-	2,468,244	2,468,244
Financial liabilities measured at fair value				
Derivative liabilities				
Cross currency swap contracts	-	740,754	-	740,754
Forward exchange contracts	-	105,943	-	105,943

Valuation techniques and inputs to Level 2 valuations

- a) The fair value of investments in debt instruments at fair value through other comprehensive income 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 has 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 instruments at fair value through other comprehensive income has been determined by using price to book value ratio by comparing with other investment in the same industry and dividend discount model.
- b) The fair value of investments in debt instruments at fair value through other comprehensive income and at amortised cost are determined by using discounted cash flow method based on the reference interest rate as a 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.

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

25. (REVERSAL) EXPECTED CREDIT LOSS AND IMPAIRMENT LOSS

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	For the three-month		For the nine-month	
	periods ended September 30,		periods ended September 30,	
	2022	2021	2022	2021
(Reversal) expected credit loss				
Investments in securities	1,456	41,705	(68,766)	84,961
Loans and accrued interest receivables	3,343	1,885	12,442	1,301
Impairment loss				
Others	-	-	175	-
Total	4,799	43,590	(56,149)	86,262

26. 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 between the Company and its related parties are summarised below.

Name of related parties	Type of business	Relationship with the Company
Bangkok Bank Pcl.	Banking	Related by way of common shareholders
Bangkok Insurance Pcl.	Insurance	Shareholding and related by way of common directors
Sorachai Vivatn Co., Ltd.	Property development	Related by way of common shareholders
Bumrungrad Hospital Pcl.	Health care services	Related by way of common shareholders
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
Asia Warehouse Co., Ltd.	Rental of assets	Shareholding by the major shareholder of the Company
BBL Asset Management Co., Ltd.	Asset management	Shareholding and related by way of common directors
Bualuang Securities Pcl.	Securities	Subsidiary of the major shareholder of the Company
BLA Insurance Broker Co., Ltd	Insurance broker	Subsidiary
I-Direct Insurance Broker Co., Ltd.	Life Insurance broker	Related by way of common shareholders
Bang Pa-In Golf Co., Ltd.	Services	Related by way of common shareholders

During the three-month and nine-month periods ended September 30, 2022 and 2021, the Company and subsidiary had significant business transactions with related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Company and those parties are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements				Pricing policy
	For the three-month periods ended		For the nine-month periods ended		
	September 30,		September 30,		
	2022	2021	2022	2021	
Related parties					
Premium written	4,091	2,298	7,742	8,991	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	36,203	66,230	160,312	197,254	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,649	1,875	5,082	5,721	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	98,759	98,841	216,460	238,167	The declared amount
Rental and service income	4,063	3,389	9,896	9,187	Normal commercial rate on contracts
Brokerage income from securities trading	16,868	21,120	54,210	63,986	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(239,341)	360,828	(500,526)	779,333	Normal commercial terms on contracts
Commission and brokerage	317,344	272,857	765,837	681,655	Normal commercial terms for percentage of premium written
Claim payment and diagnose charge	9,150	5,975	19,589	22,740	Normal commercial terms for underwriting
Bank charges	55,348	50,731	145,925	141,937	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	1,144	2,221	2,681	2,913	Normal commercial terms for underwriting
Building space rental and services	1,035	934	3,078	2,865	Rate on agreements
Other services	1,562	2,210	4,308	4,689	Normal commercial terms for services

(Unit : Thousand Baht)

	Separate financial statements				Pricing policy
	For the three-month periods ended		For the nine-month periods ended		
	September 30,		September 30,		
	2022	2021	2022	2021	
Subsidiaries					
Written Premium	-	-	165	86	Normal commercial terms for underwriting
Rental and service income	104	104	302	302	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties					
Written premium	4,091	2,298	7,742	8,991	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	36,203	66,230	160,307	197,250	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	1,649	1,875	5,082	5,721	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	98,759	98,841	216,460	238,167	The declared amount
Brokerage income from securities trading	16,868	21,120	54,210	63,986	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(239,341)	360,828	(500,526)	779,333	Normal commercial terms on contracts
Commission and brokerage	317,344	272,857	765,837	681,655	Normal commercial terms for percentage of premium written
Claim payment and diagnose charge	9,150	5,975	19,589	22,740	Normal commercial terms for underwriting
Bank charges	55,325	50,709	145,855	141,868	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	1,144	2,221	2,674	2,905	Normal commercial terms for underwriting
Building space rental and services	1,035	934	3,078	2,865	Rate on agreements
Other services	848	-	1,924	16	Normal commercial terms for services

For the three-month and nine-month periods ended September 30, 2022 and 2021, the premium generated from the Bancassurance distribution channel represented approximately 64.97% and 59.91% of total net premium written, respectively (for the three-month and nine-month periods ended September 30, 2021: approximately 62.10% and 59.78% of total net premium written, respectively).

As at September 30, 2022 and December 31, 2021, the balance of the accounts between the Company and those related companies are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	September 30, 2022	December 31, 2021	September 30, 2022	December 31, 2021
Subsidiary				
Other liabilities				
Deposits	-	-	66	66
Total other liabilities	-	-	66	66
Related parties				
Deposit at financial institution (included in cash and cash equivalents)	2,081,628	1,540,657	2,065,700	1,525,949
Investment assets				
Investment in securities	10,284,656	9,657,319	10,284,656	9,657,319
Loans	121,788	134,705	121,788	134,705
Total investments assets	10,406,444	9,792,024	10,406,444	9,792,024
Forward and swap foreign exchange contract receivables	6,321,358	7,758,534	6,321,358	7,758,534
Other assets	9,157	7,841	2,989	2,603
Outstanding claims	3,477	7,871	3,477	7,871
Forward and swap foreign exchange contract payables	6,684,804	7,918,973	6,684,804	7,918,973
Other liabilities	211,604	164,117	205,423	160,471

Directors and key management's benefits

During the three-month and nine-month periods ended September 30, 2022 and 2021, employee benefit expenses to directors and key management are as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2022	2021	2022	2021
Short-term employee benefits	13.39	14.80	48.46	48.41
Long-term employee benefits	0.64	0.54	1.91	1.62
Total directors and key management's benefits	14.03	15.34	50.37	50.03

27. ASSETS PLACED WITH THE REGISTRAR

As at September 30, 2022 and December 31, 2021, the following securities have been placed securities with the Registrar in accordance with the Life Insurance Act are as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	September 30, 2022		December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
State enterprise bonds	22,828	22,229	22,891	25,969

28. ASSETS RESERVED WITH THE REGISTRAR

As at September 30, 2022 and December 31, 2021, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act are as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	September 30, 2022		December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Government bonds	66,910,845	64,215,584	63,024,086	72,255,995
State enterprise bonds	3,199,807	3,332,570	3,198,750	3,473,504
Total	70,110,652	67,548,154	66,222,836	75,729,499

29. EARNINGS PER SHARE

Basic earnings per share for the three-month periods ended September 30, 2022 and 2021 were as follows:

	Consolidated financial statement		Separate financial statement	
	For the three-month periods ended		For the three-month periods ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Net profits (Thousand Baht)	942,415	1,180,489	940,724	1,178,652
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)	0.55	0.69	0.55	0.69

Basic earnings per share for the nine-month periods ended September 30, 2022 and 2021 were as follows:

	Consolidated financial statement		Separate financial statement	
	For the nine-month periods ended		For the nine-month periods ended	
	September 30,		September 30,	
	2022	2021	2022	2021
Net profits (Thousand Baht)	2,932,194	2,921,633	2,929,678	2,918,053
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)	1.72	1.71	1.72	1.71

* Earnings per share for equity holders of the Company.

30. DIVIDENDS PAID

Dividends declared during the nine-month periods ended September 30, 2022 and 2021 consisted of the following:

	<u>Approved by</u>	<u>Total dividend (Million Baht)</u>	<u>Dividend per share (Baht)</u>
Annual dividend for 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 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 2022		1,497	0.88
Annual dividend for 2020	Annual General Meeting of the Shareholders on April 28, 2021 and the OIC on April 26, 2021	392	0.23
Total dividend paid for the period 2021		392	0.23

31. COMMITMENTS

- 31.1 As at September 30, 2022 and December 31, 2021, the Company has commitments to pay contingent liabilities from the building construction agreement with local companies amounting to Baht 26.44 million and Baht 31.44 million, respectively.
- 31.2 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 to 5 years for leases of building space and are generally between 1 to 5 years for leases of motor vehicles and equipment. Such agreements are non-cancellable.

As at September 30, 2022 and December 31, 2021, the Company and subsidiary have future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit : Million Baht)		
	<u>Consolidated and separate financial statements</u>		
	<u>September 30, 2022</u>		
	<u>Pay within</u>		
	<u>1 year</u>	<u>1 - 5 years</u>	<u>Total</u>
Operating lease agreements - Others	12.90	9.4	22.30
Service agreements	7.48	-	7.48
Total	20.38	9.4	29.78
	(Unit : Million Baht)		
	<u>Consolidated and separate financial statement</u>		
	<u>December 31, 2021</u>		
	<u>Pay within</u>		
	<u>1 year</u>	<u>1 - 5 years</u>	<u>Total</u>
Operating lease agreements - Others	17.19	15.96	33.15
Service agreements	1.60	-	1.60
Total	18.79	15.96	34.75

The Company and subsidiary recognised rental expense derived from the operating leases for the three-month and nine-month periods ended September 30, 2022 amounting to Baht 4.18 million and Baht 14.54 million, respectively (for the three-month and nine-month periods ended September 30, 2021 amounting to Baht 5.77 million and Baht 17.74 million, respectively).

31.3 As at September 30, 2022 and December 31, 2021, the Company had bank guarantee issued by banks Baht 2.7 million and Baht 2.7 million, respectively.

32. LITIGATION

As at September 30, 2022 and December 31, 2021, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 7 million and Baht 6 million, respectively, for being the insurer and the cases have yet been finalised. The Company has not yet provided for any provision for loss on such cases since there is still uncertainty with respect to the outcome of the cases.

33. RECLASSIFICATIONS

Certain items in the statements of financial position as at December 31, 2021 has been reclassified to conform to the classification used in the current year's financial statements but there is no effect to previously reported net profit or shareholders' equity. The reclassifications are as follows:

Items	Previous presentation	Current presentation	Consolidated Financial Statements (Thousand Baht)	Separate Financial Statements (Thousand Baht)
Statement of financial position as at December 31, 2021				
Computer software	Other assets	Intangible assets	57,843	57,843
Computer software	Premises and equipment	Intangible assets	20,220	20,220

The consolidated and separate statements of cash flows for the nine-month period ended September 30, 2021 have been reclassified to conform to the above reclassifications.

34. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised for issuance by the Board of Directors on November 11, 2022.