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

Interim Financial Statements

***Three-month and six-month periods ended
June 30, 2022***



บริษัท ดีลอยท์ ทูเช่ โทมัทสึ จำกัด
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 June 30, 2022, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2022, and the related consolidated and separate statements of changes in equity, and cash flows for the six-month period ended June 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
Certified Public Accountant (Thailand)
Registration No. 7731

BANGKOK
August 10, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.



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

(UNIT : THOUSAND BAHT)

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-----------|--------------------------------------|----------------------|----------------------------------|----------------------|
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| | | June 30, 2022 | December 31, 2021 | June 30, 2022 | December 31, 2021 |
| ASSETS | | | | | |
| Cash and cash equivalents | 4 | 8,219,921 | 7,636,769 | 8,204,293 | 7,621,955 |
| Premium receivables | 5 | 1,894,855 | 1,647,622 | 1,894,855 | 1,647,622 |
| Accrued investment income | | 1,547,823 | 1,599,447 | 1,547,823 | 1,599,447 |
| Reinsurance assets | 6, 17 | 519,382 | 693,336 | 519,382 | 693,336 |
| Amount due from reinsurance | 7 | 1,331,696 | 1,094,300 | 1,331,696 | 1,094,300 |
| Derivative assets | 8 | 87,109 | 190,377 | 87,109 | 190,377 |
| Investment assets | | | | | |
| Investments in securities | 9, 27, 28 | 313,851,167 | 318,939,305 | 313,851,167 | 318,939,305 |
| Investments in a subsidiary | 10 | - | - | 23,760 | 23,760 |
| Loans and accrued interest receivables | 11 | 11,781,789 | 12,129,089 | 11,781,789 | 12,129,089 |
| Investment property | 12 | 14,024 | 14,556 | 14,024 | 14,556 |
| Investment assets of the insured | 13 | 48,355 | 35,862 | 48,355 | 35,862 |
| Premises and equipment | 14 | 2,224,570 | 2,263,055 | 2,224,558 | 2,263,036 |
| Goodwill | | 4,955 | 4,955 | - | - |
| Intangible assets | | 130,686 | 121,271 | 130,682 | 121,266 |
| Deferred tax assets | 15 | 1,794,229 | 411,768 | 1,794,229 | 411,768 |
| Other assets | 16 | 509,246 | 361,118 | 496,090 | 349,694 |
| TOTAL ASSETS | | 343,959,807 | 347,142,830 | 343,949,812 | 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 JUNE 30, 2022

(UNIT : THOUSAND BAHT)

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|---|-----------------------------------|---|-----------------------------------|
| | | (Unaudited but reviewed) June 30, 2022 | (Audited) December 31, 2021 | (Unaudited but reviewed) June 30, 2022 | (Audited) December 31, 2021 |
| LIABILITIES AND EQUITY | | | | | |
| LIABILITIES | | | | | |
| Insurance contract liabilities | 17 | 296,508,588 | 295,479,972 | 296,508,587 | 295,479,972 |
| Amount due to reinsurance | 18 | 1,258,347 | 1,185,267 | 1,258,347 | 1,185,267 |
| Derivative liabilities | 8 | 1,789,117 | 846,697 | 1,789,117 | 846,697 |
| Income tax payable | | 133,213 | 57,685 | 133,213 | 57,685 |
| Employee benefit obligations | 19 | 206,959 | 198,818 | 206,144 | 198,003 |
| Other liabilities | 20 | 1,267,884 | 1,408,249 | 1,260,792 | 1,402,861 |
| Total liabilities | | 301,164,108 | 299,176,688 | 301,156,200 | 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 | | | | | |
| | | 34,988,984 | 33,951,235 | 34,987,165 | 33,950,241 |
| Other components of owners' equity | | | | | |
| Revaluation surplus on investment at fair value | | | | | |
| through other comprehensive income | | | | | |
| - net of income taxes | | | | | |
| | | 2,059,854 | 8,275,803 | 2,059,854 | 8,275,803 |
| Revaluation surplus on derivatives | | | | | |
| cash flow hedges - net of income taxes | | | | | |
| | | 107,234 | 99,485 | 107,234 | 99,485 |
| Equity attributable to equity holders of the Company | | 42,795,431 | 47,965,882 | 42,793,612 | 47,964,888 |
| Non-controlling interests of the subsidiary | | 268 | 260 | - | - |
| Total equity | | 42,795,699 | 47,966,142 | 42,793,612 | 47,964,888 |
| TOTAL LIABILITIES AND EQUITY | | 343,959,807 | 347,142,830 | 343,949,812 | 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 JUNE 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 | 7,482,145 | 8,012,834 | 7,482,154 | 8,012,834 |
| <u>Less</u> Premium ceded to reinsurers | 21, 26 | (149,376) | (250,571) | (149,376) | (250,571) |
| Net premium written | | 7,332,769 | 7,762,263 | 7,332,778 | 7,762,263 |
| <u>(Less) add</u> Unearned premium reserves (increase) decrease from prior period | 21 | (38,279) | 8,217 | (38,279) | 8,217 |
| Net earned premium | | 7,294,490 | 7,770,480 | 7,294,499 | 7,770,480 |
| Fee and commission income | 21, 26 | 71,924 | 74,081 | 71,925 | 74,081 |
| Net investment income | 26 | 3,107,330 | 3,001,771 | 3,107,330 | 3,001,771 |
| Gain on investment | 9 | 346,527 | 213,462 | 346,527 | 213,462 |
| Gain on revaluation | 23 | 186,418 | 81,801 | 186,418 | 81,801 |
| Other income | 26 | 27,795 | 28,395 | 24,065 | 24,302 |
| Total revenues | | <u>11,034,484</u> | <u>11,169,990</u> | <u>11,030,764</u> | <u>11,165,897</u> |
| Expenses | | | | | |
| Life policy reserves increased from prior period | 21 | 693,982 | 2,786,955 | 693,982 | 2,786,955 |
| Benefit payments under life policies and claims | 21, 26 | 8,111,669 | 6,478,258 | 8,111,669 | 6,478,258 |
| <u>Less</u> Benefit payments under life policies and claims refundable from reinsurance | 21, 26 | (184,882) | (210,352) | (184,882) | (210,352) |
| Commissions and brokerages expenses | 21, 26 | 543,479 | 657,176 | 541,209 | 654,931 |
| Other underwriting expenses | 21 | 132,826 | 151,655 | 132,827 | 151,655 |
| Operating expenses | 22, 26 | 388,478 | 390,977 | 387,432 | 390,078 |
| (Reversal) expected credit loss and impairment loss | 25 | (60,033) | 44,626 | (60,033) | 44,626 |
| Total expenses | | <u>9,625,519</u> | <u>10,299,295</u> | <u>9,622,204</u> | <u>10,296,151</u> |
| Profits before income tax expenses | | <u>1,408,965</u> | <u>870,695</u> | <u>1,408,560</u> | <u>869,746</u> |
| Income tax expenses | 15 | (219,844) | (119,281) | (219,844) | (119,281) |
| Net profit for the periods | | <u>1,189,121</u> | <u>751,414</u> | <u>1,188,716</u> | <u>750,465</u> |
| Profit for the periods attributable to | | | | | |
| Equity holders of the Company | | 1,189,117 | 751,405 | 1,188,716 | 750,465 |
| Non-controlling interests of the subsidiary | | 4 | 9 | | |
| | | <u>1,189,121</u> | <u>751,414</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 JUNE 30, 2022
 "UNAUDITED BUT REVIEWED"

(UNIT : THOUSAND BAHT)

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|--------------------------------------|-----------|----------------------------------|-----------|
| | | 2022 | 2021 | 2022 | 2021 |
| Net profit for the periods | | 1,189,121 | 751,414 | 1,188,716 | 750,465 |
| Other comprehensive income | | | | | |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods | | | | | |
| Gains (loss) on remeasuring investment at fair value through other comprehensive income | | (4,592,060) | 456,656 | (4,592,060) | 456,656 |
| Reversal of (gains) losses realised on the disposal of investment at fair value through other comprehensive income | | (468,270) | 275,876 | (468,270) | 275,876 |
| Loss on remeasuring cash flow hedge derivatives at fair value | | (140,416) | (1,556) | (140,416) | (1,556) |
| Income taxes relating to other comprehensive income | 15 | 1,040,149 | (179,095) | 1,040,149 | (179,095) |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes | | (4,160,597) | 551,881 | (4,160,597) | 551,881 |
| Other comprehensive income (loss) for the periods - net of income taxes | | (4,160,597) | 551,881 | (4,160,597) | 551,881 |
| Total comprehensive income (loss) for the periods | | (2,971,476) | 1,303,295 | (2,971,881) | 1,302,346 |
| Total comprehensive income for the periods attributable to | | | | | |
| Equity holders of the Company | | (2,971,480) | 1,303,286 | (2,971,881) | 1,302,346 |
| Non-controlling interests of the subsidiary | | 4 | 9 | | |
| | | (2,971,476) | 1,303,295 | | |
| Earnings per share | 29 | | | | |
| Basic earnings per share | | 0.70 | 0.44 | 0.70 | 0.44 |

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 SIX-MONTH PERIOD ENDED JUNE 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 | 16,553,291 | 18,002,339 | 16,553,456 | 18,002,425 |
| <u>Less</u> Premium ceded to reinsurers | 21, 26 | (488,200) | (836,959) | (488,200) | (836,959) |
| Net premium written | | 16,065,091 | 17,165,380 | 16,065,256 | 17,165,466 |
| <u>Less</u> Unearned premium reserves increased from prior period | 21 | (364,827) | (242,385) | (364,827) | (242,385) |
| Net earned premium | | 15,700,264 | 16,922,995 | 15,700,429 | 16,923,081 |
| Fee and commission income | 21, 26 | 250,411 | 355,129 | 250,411 | 355,129 |
| Net investment income | 26 | 6,077,235 | 6,008,124 | 6,077,235 | 6,008,124 |
| Gain on investment | 9 | 633,141 | 355,510 | 633,141 | 355,510 |
| Gain on revaluation | 23 | 170,640 | 192,054 | 170,640 | 192,054 |
| Other income | 26 | 55,885 | 61,774 | 48,111 | 53,689 |
| Total revenues | | <u>22,887,576</u> | <u>23,895,586</u> | <u>22,879,967</u> | <u>23,887,587</u> |
| Expenses | | | | | |
| Life policy reserves increased from prior period | 21 | 1,814,263 | 6,316,322 | 1,814,263 | 6,316,322 |
| Benefit payments under life policies and claims | 21, 26 | 16,848,327 | 13,531,958 | 16,848,327 | 13,531,958 |
| <u>Less</u> Benefit payments under life policies and claims refundable from reinsurance | 21, 26 | (355,629) | (401,996) | (355,629) | (401,996) |
| Commissions and brokerages expenses | 21, 26 | 1,240,027 | 1,324,728 | 1,235,555 | 1,320,294 |
| Other underwriting expenses | 21 | 305,202 | 278,647 | 305,208 | 278,557 |
| Operating expenses | 22, 26 | 741,651 | 753,937 | 739,341 | 752,223 |
| (Reversal) expected credit loss and impairment loss | 25 | (60,948) | 42,672 | (60,948) | 42,672 |
| Total expenses | | <u>20,532,893</u> | <u>21,846,268</u> | <u>20,526,117</u> | <u>21,840,030</u> |
| Profits before income tax expenses | | <u>2,354,683</u> | <u>2,049,318</u> | <u>2,353,850</u> | <u>2,047,557</u> |
| Income tax expenses | 15 | (364,896) | (308,156) | (364,896) | (308,156) |
| Net profit for the periods | | <u>1,989,787</u> | <u>1,741,162</u> | <u>1,988,954</u> | <u>1,739,401</u> |
| Profit for the periods attributable to | | | | | |
| Equity holders of the Company | | 1,989,779 | 1,741,144 | 1,988,954 | 1,739,401 |
| Non-controlling interests of the subsidiary | | 8 | 18 | | |
| | | <u>1,989,787</u> | <u>1,741,162</u> | | |

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

(UNIT : THOUSAND BAHT)

| | Notes | Consolidated financial statements | | Separate financial statements | |
|--|-------|--------------------------------------|-----------|----------------------------------|-----------|
| | | 2022 | 2021 | 2022 | 2021 |
| Net profit for the periods | | 1,989,787 | 1,741,162 | 1,988,954 | 1,739,401 |
| Other comprehensive income | | | | | |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods | | | | | |
| Gains (loss) on remeasuring investment at fair value through other comprehensive income | | (6,959,242) | 521,449 | (6,959,242) | 521,449 |
| Reversal of (gains) losses realized on the disposal of investment at fair value through other comprehensive income | | (810,695) | 48,010 | (810,695) | 48,010 |
| Gains (loss) on remeasuring cash flow hedge derivatives at fair value | | 9,687 | (114,406) | 9,687 | (114,406) |
| Income taxes relating to other comprehensive income | 15 | 1,552,050 | (123,916) | 1,552,050 | (123,916) |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes | | (6,208,200) | 331,137 | (6,208,200) | 331,137 |
| Other comprehensive income (loss) for the periods - net of income taxes | | (6,208,200) | 331,137 | (6,208,200) | 331,137 |
| Total comprehensive income (loss) for the periods | | (4,218,413) | 2,072,299 | (4,219,246) | 2,070,538 |
| Total comprehensive income for the periods attributable to | | | | | |
| Equity holders of the Company | | (4,218,421) | 2,072,281 | (4,219,246) | 2,070,538 |
| Non-controlling interests of the subsidiary | | 8 | 18 | | |
| | | (4,218,413) | 2,072,299 | | |
| Earnings per share | 29 | | | | |
| Basic earnings per share | | 1.17 | 1.02 | 1.16 | 1.02 |

See the condensed notes to the interim financial statements

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

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021

“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

| | | Consolidated financial statement | | | | | | | | | |
|--|------|--|--------------------------|-------------------|-----------------|------------------------|--|--|--|--|------------|
| | | Equity attributable to equity holders of the Company | | | | | Other components of equity | | | | |
| | Note | Issued and paid-up share capital | Premium on share capital | Retained earnings | | Unappropriated reserve | 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 |
| | | | | Appropriated | General reserve | | | | | | |
| Balance as at January 1, 2021 | | 1,707,566 | 3,360,993 | 170,800 | 400,000 | 31,157,822 | 208,559 | 9,092,423 | 46,098,163 | 226 | 46,098,389 |
| Dividend paid | 30 | - | - | - | - | (392,152) | - | - | (392,152) | - | (392,152) |
| Profit for the period | | - | - | - | - | 1,741,144 | - | - | 1,741,144 | 18 | 1,741,162 |
| Other comprehensive income (loss) for the period | | - | - | - | - | - | - | - | - | - | - |
| Gain on remeasuring of investment at fair value through other comprehensive income - net of income taxes | | - | - | - | - | - | - | 422,662 | 422,662 | - | 422,662 |
| Loss on remeasuring cash flow hedge derivatives fair value - net of income taxes | | - | - | - | - | - | (91,525) | - | (91,525) | - | (91,525) |
| Total comprehensive income (loss) for the period | | - | - | - | - | 1,741,144 | (91,525) | 422,662 | 2,072,281 | 18 | 2,072,299 |
| Balance as at June 30, 2021 | | 1,707,566 | 3,360,993 | 170,800 | 400,000 | 32,506,814 | 117,034 | 9,515,085 | 47,778,292 | 244 | 47,778,536 |

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 SIX-MONTH PERIOD ENDED JUNE 30, 2022

“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

| | Consolidated financial statement | | | | | | | | | | |
|--|--|----------------------------------|--------------------------|-------------------|--|----------------|---|--|------------------------|-------------|-------|
| | Equity attributable to equity holders of the Company | | | | | | | | | | Total |
| | Note | Issued and paid-up share capital | Premium on share capital | Retained earnings | | | Other component of equity | | | | |
| | | | | Appropriated | | Unappropriated | Surplus on derivatives | | Surplus on remeasuring | | |
| Legal reserve | | | | General reserve | cash flow hedges - net of income taxes | | investment at fair value through other comprehensive income - net of income taxes | Equity attributable to non-controlling interests of the subsidiaries | | | |
| Balance as at January 1, 2022 | 1,707,566 | 3,360,993 | 170,800 | 400,000 | 33,951,235 | 99,485 | 8,275,803 | 47,965,882 | 260 | 47,966,142 | |
| Dividend paid | - | - | - | - | (952,030) | - | - | (952,030) | - | (952,030) | |
| Profit for the period | - | - | - | - | 1,989,779 | - | - | 1,989,779 | 8 | 1,989,787 | |
| Other comprehensive gain (loss) for the period | - | - | - | - | - | - | - | - | - | - | |
| Loss on remeasuring of investment at fair value through other comprehensive income - net of income taxes | - | - | - | - | - | - | (6,215,949) | (6,215,949) | - | (6,215,949) | |
| Gain on remeasuring cash flow hedge derivatives at fair value - net of income taxes | - | - | - | - | - | 7,749 | - | 7,749 | - | 7,749 | |
| Total comprehensive income (loss) for the period | - | - | - | - | 1,989,779 | 7,749 | (6,215,949) | (4,218,421) | 8 | (4,218,413) | |
| Balance as at June 30, 2022 | 1,707,566 | 3,360,993 | 170,800 | 400,000 | 34,988,984 | 107,234 | 2,059,854 | 42,795,431 | 268 | 42,795,699 | |

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2021
“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

| | Separate financial statements | | | | | | | | | | |
|--|--|-----------------------------|-------------------|--------------|--------------------|----------------|---|--|------------------------------|------------------------------|------------|
| | Issued and paid-up share capital | Premium on share capital | Retained earnings | | | Unappropriated | Surplus on derivatives investments - net of income taxes | Surplus on | | | Total |
| | | | Legal reserve | Appropriated | General reserve | | | remeasuring investment at fair value through other comprehensive income - net of income taxes | income - net of income taxes | | |
| Note | share capital | share capital | Legal reserve | Appropriated | General reserve | Unappropriated | - net of income taxes | income - net of income taxes | income - net of income taxes | income - net of income taxes | Total |
| | 1,707,566 | 3,360,993 | 170,800 | 400,000 | 31,160,035 | 208,559 | 9,092,423 | 46,100,376 | | | (392,152) |
| 30 | - | - | - | - | (392,152) | - | - | - | - | - | 1,739,401 |
| Balance as at January 1, 2021 | - | - | - | - | - | - | - | - | - | - | - |
| Dividend paid | - | - | - | - | - | - | - | - | - | - | - |
| Profit for the period | - | - | - | - | - | - | - | - | - | - | - |
| Other comprehensive income (loss) for the period | - | - | - | - | - | - | - | - | - | - | - |
| Gain on remeasuring investment at fair value through other comprehensive income - net of income taxes | - | - | - | - | - | - | - | - | - | - | 422,662 |
| Loss on remeasuring cash flow hedge derivatives fair value - net of income taxes | - | - | - | - | - | - | - | - | - | - | (91,525) |
| Total comprehensive income (loss) for the period | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at June 30, 2021 | 1,707,566 | 3,360,993 | 170,800 | 400,000 | 32,507,284 | 117,034 | 9,515,085 | 2,070,538 | 47,778,762 | 47,778,762 | 47,778,762 |

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 SIX-MONTH PERIOD ENDED JUNE 30, 2022

“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

| | Separate financial statements | | | | | | | | | | |
|--|-------------------------------|--|-----------------------------|-------------------|--------------------|------------|----------------------------|--|--|-------|-----------------------|
| | Note | Issued and paid-up share capital | Premium on share capital | Retained earnings | | | Other components of equity | | | Total | |
| | | | | Legal reserve | Appropriated | | Unappropriated | Surplus on derivatives cash flow hedges - net of income taxes | Surplus on remeasuring investment at fair value through other comprehensive income | | - net of income taxes |
| | | | | | 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 | - | - | - | - | (952,030) | - | - | (952,030) | | |
| Profit for the period | | - | - | - | - | 1,988,954 | - | - | 1,988,954 | | |
| Other comprehensive gain (loss) for the period | | - | - | - | - | - | - | - | - | | |
| Loss on remeasuring investment at fair value through other comprehensive income - net of income taxes | | - | - | - | - | - | - | (6,215,949) | (6,215,949) | | |
| Gain on remeasuring cash flow hedge derivatives at fair value - net of income taxes | | - | - | - | - | - | 7,749 | - | 7,749 | | |
| Total comprehensive income (loss) for the period | | - | - | - | - | 1,988,954 | 7,749 | (6,215,949) | (4,219,246) | | |
| Balance as at June 30, 2022 | | 1,707,566 | 3,360,993 | 170,800 | 400,000 | 34,987,165 | 107,234 | 2,059,854 | 42,793,612 | | |

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2022

“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|--------------------------------------|-------------------|----------------------------------|-------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| Cash flows provided by operating activities | | | | | |
| Gross premium | | 16,479,442 | 17,844,536 | 16,479,606 | 17,844,622 |
| Cash payments from reinsurance | | (249,206) | (204,750) | (249,206) | (204,750) |
| Interest income | | 5,010,224 | 5,118,630 | 5,010,224 | 5,118,630 |
| Dividend income | | 1,126,356 | 923,509 | 1,126,356 | 923,509 |
| Gain on investments | | 537,402 | 519,806 | 537,402 | 519,806 |
| Other income | | 54,170 | 59,029 | 48,050 | 53,750 |
| Benefit payments under life policies and loss incurred on direct insurance | | (17,642,135) | (13,725,746) | (17,642,135) | (13,725,746) |
| Commissions and brokerages on direct insurance | | (1,378,157) | (1,402,300) | (1,374,033) | (1,398,420) |
| Other underwriting expenses | | (355,656) | (227,695) | (355,662) | (227,604) |
| Operating expenses | | (805,621) | (738,616) | (804,658) | (743,071) |
| Corporate income taxes | | (168,073) | (68,403) | (115,933) | (68,403) |
| Cash received - financial assets | | 5,004,044 | 9,547,592 | 5,004,044 | 9,547,592 |
| Cash payments - financial assets | | (6,050,958) | (14,440,579) | (6,103,099) | (14,440,579) |
| Net cash provided by operating activities | | <u>1,561,832</u> | <u>3,205,013</u> | <u>1,560,956</u> | <u>3,199,336</u> |
| Cash flows used in investing activity | | | | | |
| Net cash flows for purchases and disposals of premises and equipment | | (26,650) | (133,569) | (26,588) | (133,569) |
| Net cash used in investing activity | | <u>(26,650)</u> | <u>(133,569)</u> | <u>(26,588)</u> | <u>(133,569)</u> |
| Cash flows used in financing activity | | | | | |
| Dividend paid | | (952,030) | (392,152) | (952,030) | (392,152) |
| Net cash used in financing activity | | <u>(952,030)</u> | <u>(392,152)</u> | <u>(952,030)</u> | <u>(392,152)</u> |
| Net increase in cash and cash equivalents | | 583,152 | 2,679,292 | 582,338 | 2,673,615 |
| 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 | <u>8,219,921</u> | <u>10,751,513</u> | <u>8,204,293</u> | <u>10,735,066</u> |

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 SIX-MONTH PERIODS ENDED JUNE 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 six-month periods ended June 31, 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 six-month periods ended June 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 six-month periods ended June 30, 2022 have included the subsidiary' interim financial statements for the three-month and six-month periods ended June 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 | |
|--------------------------------------|--------------------|--------------------------|----------------------------|--------------|
| | | | June 30, | December 31, |
| | | | 2022 | 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.

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 June 30, 2022 and December 31, 2021 cash and cash equivalent consisted of the following:

| | Consolidated | | (Unit: Thousand Baht) Separate | |
|---|----------------------|----------------------|-----------------------------------|----------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | June 30, 2022 | December 31, 2021 | June 30, 2022 | December 31, 2021 |
| Cash on hand | 2,238 | 3,480 | 2,237 | 3,479 |
| Deposits at banks with no fixed maturity date | 1,945,704 | 2,281,948 | 1,930,077 | 2,267,135 |
| Short-term investments in promissory notes | 6,271,979 | 5,351,341 | 6,271,979 | 5,351,341 |
| Cash and cash equivalents | 8,219,921 | 7,636,769 | 8,204,293 | 7,621,955 |

As at June 30, 2022, interest rates on saving accounts and promissory notes are in the range of 0.13% - 0.50% per annum (as at December 31, 2021: 0.13% - 0.50% per annum).

5. PREMIUM RECEIVABLES

As at June 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 | |
| | June 30, 2022 | December 31, 2021 |
| Not yet due | 1,778,333 | 1,585,647 |
| Not over 30 days | 45,170 | 40,261 |
| Over 30 days to 60 days | 20,698 | 3,145 |
| Over 60 days to 90 days | 41,067 | 16,140 |
| Over 90 days | 9,587 | 2,429 |
| Premium receivables | <u>1,894,855</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 June 30, 2022 and December 31, 2021, reinsurance assets consisted of the following:

| | (Unit : Thousand Baht) | |
|--|---|----------------------|
| | Consolidated and separate financial statements | |
| | June 30, 2022 | December 31, 2021 |
| Reserves recoverable from reinsurances | | |
| Claim reserves | 132,946 | 207,240 |
| Unearned premium reserves | 386,436 | 486,096 |
| Reinsurance assets | <u>519,382</u> | <u>693,336</u> |

7. AMOUNT DUE FROM REINSURANCE

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

| | (Unit : Thousand Baht) Consolidated and separate financial statements | |
|-----------------------------|---|----------------------|
| | June 30, 2022 | December 31, 2021 |
| Amount due from reinsurers | 1,331,696 | 1,094,300 |
| Amount due from reinsurance | 1,331,696 | 1,094,300 |

8. DERIVATIVE ASSETS AND LIABILITIES

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

| Contract type and objective | Number of contracts | Notional amount (Thousand units) | June 30, 2022 | | For the six-month period ended June 30, 2022 |
|--|------------------------|--|---------------------------|--------------------------------|---|
| | | | Fair value | | Fair value gains on derivatives (Thousand Baht) |
| | | | Assets (Thousand Baht) | Liabilities (Thousand Baht) | |
| Derivatives - not apply hedge accounting | | | | | |
| Hedge of net investment in foreign currencies | 112 | 940,329 | 28,410 | 245,576 | 9,891 |
| Derivatives - apply hedge accounting | | | | | |
| Cash flow hedge | 110 | 527,720 | 58,699 | 1,543,541 | 134,043 |
| Total derivative assets and liabilities | | | 87,109 | 1,789,117 | |

| Contract type and objective | Number of contracts | Notional amount (Thousand units) | December 31, 2021 | | For the year ended December 31, 2021 |
|--|------------------------|--|---------------------------|--------------------------------|---|
| | | | Fair value | | Fair value gains on derivatives (Thousand Baht) |
| | | | Assets (Thousand Baht) | Liabilities (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 June 30, 2022 and December 31, 2021, derivative assets and liabilities consisted of the following:

| Contract type | Consolidated and separate financial statements | | |
|-------------------------------|--|--------------------------------|-----------|
| | June 30, 2022 | | |
| | Notional amount (Thousand units) | Fair value amount | |
| Assets (Thousand Baht) | | Liabilities (Thousand Baht) | |
| Cross currency swap contracts | | | |
| US dollar | 517,720 | 25,530 | 1,543,541 |
| Euro | 10,000 | 33,169 | - |
| Forward exchange contracts | | | |
| Yen | 739,375 | 17,962 | 246 |
| US dollar | 113,181 | - | 176,863 |
| Singapore dollar | 58,473 | - | 59,642 |
| Euro | 29,300 | 10,448 | 8,825 |
| Total derivatives | 1,468,049 | 87,109 | 1,789,117 |

| 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 June 30, 2022 and December 31, 2021, investment in securities consisted of the following:

| | (Unit: Thousand Baht) | | | |
|--|--|-----------------------|-------------------|-----------------------|
| | Consolidated and separate financial statements | | | |
| | June 30, 2022 | | December 31, 2021 | |
| | Cost | Fair value | Cost | Fair value |
| Investment at fair value through profit or loss | | | | |
| Equity securities | 50,097 | 56,032 | 52,534 | 39,104 |
| Total | 50,097 | 56,032 | 52,534 | 39,104 |
| <u>Add (less) Unrealised gains (losses)</u> | 5,935 | - | (13,430) | - |
| Total investment at fair value through profit or loss | 56,032 | 56,032 | 39,104 | 39,104 |
| Investment at fair value through other comprehensive income | | | | |
| Government and state enterprise securities | 32,161,080 | 33,108,163 | 31,213,988 | 35,039,048 |
| Private enterprises debt securities | 29,950,624 | 30,536,303 | 30,171,679 | 31,915,447 |
| Equity securities | 31,648,548 | 31,471,488 | 31,585,986 | 33,159,576 |
| Foreign debt securities | 11,024,352 | 12,479,153 | 11,615,633 | 14,443,807 |
| Foreign equity securities | 360,765 | 172,177 | 335,972 | 209,711 |
| Total | 105,145,369 | 107,767,284 | 104,923,258 | 114,767,589 |
| <u>Add Unrealised gains</u> | 2,621,915 | - | 9,844,331 | - |
| Total investment at fair value through other comprehensive income | 107,767,284 | 107,767,284 | 114,767,589 | 114,767,589 |
| | | <u>Amortised cost</u> | | <u>Amortised cost</u> |
| Investment at amortised cost | | | | |
| Government and state enterprise securities | | 130,915,346 | | 132,045,615 |
| Private enterprises debt securities | | 70,441,965 | | 67,507,068 |
| Foreign debt securities | | 4,891,420 | | 4,849,281 |
| Total | | 206,248,731 | | 204,401,964 |
| <u>Less Allowance for expected credit loss</u> | | (220,880) | | (269,352) |
| Total investment at amortised cost | | 206,027,851 | | 204,132,612 |
| Total investments in securities | | 313,851,167 | | 318,939,305 |

As at June 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 249 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 | | | |
|---|--|---|-------------------|---|
| | June 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) | 63,591,856 | (28,730) | 66,862,295 | (50,476) |
| Total | 63,591,856 | (28,730) | 66,862,295 | (50,476) |

(Unit : Thousand Baht)

| | Consolidated and separate financial statements | | |
|---|--|------------------------------------|--------------------|
| | June 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) | 205,923,846 | (54,344) | 205,869,502 |
| Debt securities credit-impaired (Stage 3) | 324,885 | (166,536) | 158,349 |
| Total | 206,248,731 | (220,880) | 206,027,851 |

(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 June 30, 2022 and December 31, 2021, the Company has investments of Baht 395 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 June 30, 2022 and December 31, 2021, the Company has investments of Baht 1,721 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 - 5 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 June 30, 2022 and December 31, 2021, the Company has placed government and state enterprise bonds with cost or amortised cost of Baht 66,184 million and Baht 66,247 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 six-month periods ended June 30, 2022 and 2021 consisted of the following:

| | (Unit : Thousand Baht) | | | |
|---|---|----------------|---|----------------|
| | <u>Consolidated and separate financial statements</u> | | | |
| | <u>For the three-month periods ended June 30,</u> | | <u>For the six-month periods ended June 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 | - | 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 | 346,495 | 213,462 | 620,224 | 349,070 |
| Total gains on investments | <u>346,527</u> | <u>213,462</u> | <u>633,141</u> | <u>355,510</u> |

10. INVESTMENTS IN A SUBSIDIARY

As at June 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 | |
|--------------------------------------|------------------|--------------------------|----------------------------|-------------------|-------------------------|-------------------|-----------------|-------------------|
| | | | June 30, 2022 | December 31, 2021 | June 30, 2022 | December 31, 2021 | June 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 June 30, 2022 and December 31, 2021, the balances of loans and accrued interest income, classified by overdue periods, are as follows:

(Unit : Thousand Baht)

| Overdue periods | Consolidated and separate financial statements | | | |
|---|--|----------------|-------------|------------|
| | June 30, 2022 | | | |
| | Loans and accrued interest receivables | | | |
| | Policy loans | Mortgage loans | Other loans | Total |
| Not yet due | 9,518,194 | 2,183,377 | - | 11,701,571 |
| Overdue: | | | | |
| Less than 3 months | - | 15,599 | - | 15,599 |
| 3 - 6 months | - | 1,628 | - | 1,628 |
| 6 - 12 months | - | 15,711 | - | 15,711 |
| Over 12 months | - | 128,258 | 55 | 128,313 |
| Total | 9,518,194 | 2,344,573 | 55 | 11,862,822 |
| Less Allowance for expected credit loss | - | (81,033) | - | (81,033) |
| Loans and accrued interest receivables | 9,518,194 | 2,263,540 | 55 | 11,781,789 |

(Unit : Thousand Baht)

| Overdue periods | Consolidated and separate financial statements | | | |
|---|--|----------------|-------------|------------|
| | December 31, 2021 | | | |
| | Loans and accrued interest income | | | |
| | 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 | | | |
| June 30, 2022 | | | |
| Loans and accrued interest receivables | | | |
| Stages | Mortgage loans | Other loans | Total |
| Loans with not significantly increased in credit risk (Stage 1) | 2,198,976 | - | 2,198,976 |
| Loans with significantly increased in credit risk (Stage 2) | 17,339 | - | 17,339 |
| Loans with credit impaired (Stage 3) | 128,258 | 55 | 128,313 |
| Total | 2,344,573 | 55 | 2,344,628 |
| <u>Less</u> Allowance for expected credit loss | (81,033) | - | (81,033) |
| Total | 2,263,540 | 55 | 2,263,595 |

| (Unit : Thousand Baht) | | | |
|---|----------------|-------------|-----------|
| Consolidated and separate financial statements | | | |
| December 31, 2021 | | | |
| Loans and accrued interest income | | | |
| 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 June 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 June 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 June 30, 2022 and December 31, 2021, are as follows:

| | (Unit : Thousand Baht) | |
|---|--|--|
| | Consolidated and separate financial statements | |
| | For the six-month period ended June 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 | (532) | (1,065) |
| Net carrying value - end of the period/year | 14,024 | 14,556 |

13. INVESTMENT ASSETS OF THE INSURED

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

| | (Unit : Thousand Baht) | |
|---------------------------------|---|-------------------|
| | Consolidated and separate financial statements | |
| | June 30, 2022 | December 31, 2021 |
| Investment in debt securities | 46,543 | 34,885 |
| Investment in equity securities | 1,812 | 977 |
| Total | 48,355 | 35,862 |

14. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the six-month period ended June 30, 2022 are as follows:

| | (Unit : Thousand Baht) | | | | | | |
|--|--|--------------|--|-------------------|-----------------------------|---------|-----------|
| | Consolidated financial statements | | | | | | |
| | For the six-month period ended June 30, 2022 | | | | | | |
| | Office | | | | | | |
| | Buildings and buildings | Condominium | furniture, fixture and equipment | Motor vehicles | Construction in progress | Total | |
| | Land | improvements | | | | | |
| Net carrying value as at January 1, 2022 | 791,346 | 1,095,090 | 3,359 | 356,327 | 15,096 | 1,837 | 2,263,055 |
| Additions - at cost | - | 2,533 | - | 12,673 | - | 11,460 | 26,666 |
| Disposal/write-off - net carrying value | - | (3) | - | (14) | - | - | (17) |
| Transfer in (out) | - | 1,675 | - | 1,522 | - | (3,197) | - |
| Depreciation for the period | - | (19,107) | (910) | (41,685) | (3,432) | - | (65,134) |
| Net carrying value as at June 30, 2022 | 791,346 | 1,080,188 | 2,449 | 328,823 | 11,664 | 10,100 | 2,224,570 |

(Unit : Thousand Baht)

| Separate financial statements | | | | | | | |
|--|-------------------------|--------------|---|-----------|----------------|--------------------------|-----------|
| For the six-month period ended June 30, 2022 | | | | | | | |
| | Buildings and buildings | | Office furniture, fixture and equipment | | Motor vehicles | Construction in progress | Total |
| | Land | improvements | Condominium | equipment | vehicles | 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 | - | 2,533 | - | 12,673 | - | 11,460 | 26,666 |
| Disposal/write-off - net carrying value | - | (3) | - | (14) | - | - | (17) |
| Transfer in (out) | - | 1,675 | - | 1,522 | - | (3,197) | - |
| Depreciation for the period | - | (19,107) | (910) | (41,678) | (3,432) | - | (65,127) |
| Net carrying value as at June 30, 2022 | 791,346 | 1,080,191 | 2,447 | 328,811 | 11,663 | 10,100 | 2,224,558 |

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 | | | | | | |
| | | | Change in deferred tax assets/liabilities reported in the statements of comprehensive income 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 | |
| | June 30, 2022 | December 31, 2021 | periods ended June 30 2022 | periods ended June 30 2021 | June 30 2022 | June 30 2021 |
| Deferred tax assets | | | | | | |
| Reserves for long-term insurance contracts | 1,779,253 | 1,881,093 | (48,710) | (44,790) | - | - |
| Claim reserves | 20,124 | 19,702 | 3,638 | 3,693 | - | - |
| Provisions for long-term employee benefits | 41,229 | 39,600 | (87) | 1,568 | - | - |
| Allowance for expected credit loss and allowance for impairment loss | 184,114 | 196,338 | (12,006) | 34,647 | - | - |
| Others | - | - | - | (19,448) | - | - |
| Total deferred tax assets | 2,024,720 | 2,136,733 | (57,165) | (24,330) | - | - |
| Deferred tax liabilities | | | | | | |
| Investment at fair value through other comprehensive income | 202,087 | 1,699,685 | 35,099 | 74,079 | (1,012,065) | 179,406 |
| Cash flow hedge | 27,217 | 25,280 | (1,898) | 2,491 | (28,084) | (311) |
| Others | 1,187 | - | 1,187 | - | - | - |
| Total deferred tax liabilities | 230,491 | 1,724,965 | 34,388 | 76,570 | (1,040,149) | 179,095 |
| Deferred tax assets/liabilities - net | 1,794,229 | 411,768 | (91,553) | (100,900) | 1,040,149 | (179,095) |

(Unit : Thousand Baht)

Consolidated and separate financial statements

| | June 30, 2022 | December 31, 2021 | Change in deferred tax assets/liabilities reported profit or loss in the for the six-month periods ended June 30 | | Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the six-month periods ended June 30 | |
|---|------------------|----------------------|--|------------------|---|------------------|
| | | | 2022 | 2021 | 2022 | 2021 |
| | | | | | | |
| Deferred tax assets | | | | | | |
| Reserves for long-term insurance contracts | 1,779,253 | 1,881,093 | (101,840) | (93,849) | - | - |
| Claim reserves | 20,124 | 19,702 | 422 | 2,305 | - | - |
| Provisions for long-term employee benefits | 41,229 | 39,600 | 1,629 | 3,135 | - | - |
| Allowance for expected credit loss and allowance for impairment loss | 184,114 | 196,338 | (12,224) | 8,534 | - | - |
| Others | - | - | - | (113,953) | - | - |
| Total deferred tax assets | 2,024,720 | 2,136,733 | (112,013) | (193,828) | - | - |
| Deferred tax liabilities | | | | | | |
| Investment at fair value through other comprehensive income | 202,087 | 1,699,685 | 56,389 | 89,090 | (1,553,987) | 146,797 |
| Cash flow hedge | 27,217 | 25,280 | - | 6,857 | 1,937 | (22,881) |
| Others | 1,187 | - | 1,187 | - | - | - |
| Total deferred tax liabilities | 230,491 | 1,724,965 | 57,576 | 95,947 | (1,552,050) | 123,916 |
| Deferred tax assets/liabilities - net | 1,794,229 | 411,768 | (169,589) | (289,775) | 1,552,050 | (123,916) |

15.2 Income tax expenses

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

| | (Unit : Thousand Baht) | | | |
|--|--|----------------|---|----------------|
| | Consolidated and separate financial statements | | | |
| | For the three-month periods ended June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Current income tax: | | | | |
| Corporate income tax | 125,383 | 18,381 | 192,399 | 18,381 |
| Adjustment in respect of income tax of previous year | 2,908 | - | 2,908 | - |
| Deferred tax: | | | | |
| Deferred tax relating to origination and reversal of temporary differences | 91,553 | 100,900 | 169,589 | 289,775 |
| Income tax expenses reported in profits or losses | <u>219,844</u> | <u>119,281</u> | <u>364,896</u> | <u>308,156</u> |

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

| | (Unit : Thousand Baht) | | | |
|--|---|-----------------|---|------------------|
| | Consolidated financial statements | | | |
| | For the three-month periods ended June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Accounting profit before income tax expenses | <u>1,408,965</u> | <u>870,695</u> | <u>2,354,683</u> | <u>2,049,318</u> |
| Applicable corporate income tax rates | 20% | 20% | 20% | 20% |
| Income tax expenses at the applicable tax rates | 281,712 | 173,949 | 470,770 | 409,511 |
| Adjustment in respect of corporate income tax of previous year | 2,908 | - | 2,908 | - |
| Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits | <u>(64,776)</u> | <u>(54,668)</u> | <u>(108,782)</u> | <u>(101,355)</u> |
| Income tax expenses recognised in profits or losses | <u>219,844</u> | <u>119,281</u> | <u>364,896</u> | <u>308,156</u> |

| | (Unit : Thousand Baht) | | | |
|--|---|-----------------|---|------------------|
| | Separate financial statements | | | |
| | For the three-month periods ended June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Accounting profit before income tax expenses | <u>1,408,560</u> | <u>869,746</u> | <u>2,353,850</u> | <u>2,047,557</u> |
| Applicable corporate income tax rates | 20% | 20% | 20% | 20% |
| Income tax expenses at the applicable tax rates | 281,712 | 173,949 | 470,770 | 409,511 |
| Adjustment in respect of corporate income tax of previous year | 2,908 | - | 2,908 | - |
| Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits | <u>(64,776)</u> | <u>(54,668)</u> | <u>(108,782)</u> | <u>(101,355)</u> |
| Income tax expenses recognised in profits or losses | <u>219,844</u> | <u>119,281</u> | <u>364,896</u> | <u>308,156</u> |

16. OTHER ASSETS

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

| | (Unit : Thousand Baht) | | | |
|--------------------------------------|------------------------|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | June 30, 2022 | December 31, 2021 | June 30, 2022 | December 31, 2021 |
| Prepaid income tax | 174,823 | 174,823 | 174,823 | 174,823 |
| Deposits | 9,174 | 9,923 | 9,174 | 9,923 |
| Receivable from sales of investments | 95,942 | 203 | 95,942 | 203 |
| Prepaid expenses | 38,139 | 38,864 | 38,139 | 38,864 |
| Others | 191,168 | 137,305 | 178,012 | 125,881 |
| Total other assets | 509,246 | 361,118 | 496,090 | 349,694 |

17. INSURANCE CONTRACT LIABILITIES

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

| | (Unit : Thousand Baht) | | | | | |
|--|--|-------------------------------|--------------------|--------------------------------------|-------------------------------|--------------------|
| | Consolidated and separate financial statements | | | | | |
| | June 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 | 289,585,852 | - | 289,585,852 | 287,771,587 | - | 287,771,587 |
| Claim reserves | | | | | | |
| Reserves for reported claims | 278,177 | (132,946) | 145,231 | 279,446 | (207,240) | 72,206 |
| Reserves for claims incurred but not yet reported | 100,622 | - | 100,622 | 98,512 | - | 98,512 |
| Premium reserves | | | | | | |
| Unearned premium reserves | 1,853,177 | (386,436) | 1,466,741 | 1,588,010 | (486,096) | 1,101,914 |
| Unpaid policy benefits | 430,693 | - | 430,693 | 347,815 | - | 347,815 |
| Other insurance liabilities | 4,260,067 | - | 4,260,067 | 5,394,602 | - | 5,394,602 |
| Total insurance contract liabilities | 296,508,588 | (519,382) | 295,989,206 | 295,479,972 | (693,336) | 294,786,636 |

17.1 Reserves for long-term insurance contracts

As at June 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 six-month period ended June 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 | 13,679,972 | 30,004,656 |
| Reserve decreased for benefits payment lapses and surrender, etc. | (11,865,707) | (24,640,374) |
| Balances - ending of the period/year | <u>289,585,852</u> | <u>287,771,587</u> |

17.2 Claim reserves

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

| | (Unit : Thousand Baht) | |
|--|---|---|
| | Consolidated and separate financial statements | |
| | For the six-month period ended June 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 | 1,334,424 | 2,477,891 |
| Claims paid during the period/year | (1,333,583) | (2,362,484) |
| Balances - ending of the period/year | <u>378,799</u> | <u>377,958</u> |

17.3 Unearned premium reserves

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

| | (Unit : Thousand Baht) | |
|---|---|---|
| | Consolidated and separate financial statements | |
| | For the six-month period ended June 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 | 2,265,589 | 4,213,165 |
| Premium earned for the period/year | (2,000,422) | (4,107,995) |
| Balances - ending of the period/year | <u>1,853,177</u> | <u>1,588,010</u> |

17.4 Unpaid policy benefits

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

| | (Unit : Thousand Baht) | |
|------------------------------|---|--------------------------|
| | <u>Consolidated and separate financial statements</u> | |
| | <u>June 30, 2022</u> | <u>December 31, 2021</u> |
| Death benefit | 128,034 | 93,174 |
| Maturity payment | 265,832 | 217,164 |
| Benefit payment | 35,756 | 36,341 |
| Surrender | 1,071 | 1,136 |
| Total unpaid policy benefits | <u>430,693</u> | <u>347,815</u> |

17.5 Other insurance liabilities

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

| | (Unit : Thousand Baht) | |
|---|---|--------------------------|
| | <u>Consolidated and separate financial statements</u> | |
| | <u>June 30, 2022</u> | <u>December 31, 2021</u> |
| Deposits from insurance contracts | 3,952,948 | 5,119,918 |
| Premiums received in advance | 180,823 | 157,840 |
| Payable to policyholders on exempted premiums | 77,774 | 80,740 |
| Carrying amount of unit linked products | 48,522 | 36,104 |
| Total other insurance liabilities | <u>4,260,067</u> | <u>5,394,602</u> |

18. AMOUNT DUE TO REINSURANCE

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

| | (Unit : Thousand Baht) | |
|---------------------------------|---|--------------------------|
| | <u>Consolidated and separate financial statements</u> | |
| | <u>June 30, 2022</u> | <u>December 31, 2021</u> |
| Amount due to reinsurers | <u>1,258,347</u> | <u>1,185,267</u> |
| Total amount due to reinsurance | <u>1,258,347</u> | <u>1,185,267</u> |

19. EMPLOYEE BENEFIT OBLIGATIONS

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

| | (Unit : Thousand Baht) | | | |
|--|------------------------|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | June 30, 2022 | December 31, 2021 | June 30, 2022 | December 31, 2021 |
| Post-employment benefits obligations | 186,222 | 171,422 | 185,473 | 170,673 |
| Other long-term employee benefits obligation | 20,737 | 27,396 | 20,671 | 27,330 |
| Total employee benefit obligations | <u>206,959</u> | <u>198,818</u> | <u>206,144</u> | <u>198,003</u> |

20. OTHER LIABILITIES

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

| | (Unit : Thousand Baht) | | | |
|--|------------------------|----------------------|----------------------|----------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | June 30, 2022 | December 31, 2021 | June 30, 2022 | December 31, 2021 |
| Accrued commission expenses | 381,364 | 519,494 | 380,155 | 518,634 |
| Accrued expenses | 251,911 | 324,797 | 251,886 | 324,498 |
| Premium received for policies not yet approved | 81,771 | 74,913 | 81,771 | 74,913 |
| Amounts received awaiting transfer | 205,257 | 101,469 | 205,257 | 101,469 |
| Specific business tax payable | 152,344 | 153,739 | 152,344 | 153,739 |
| Payable from purchases of investments | 4,163 | - | 4,163 | - |
| Withholding tax payable | 14,682 | 34,582 | 14,645 | 34,545 |
| Short-term employee benefit payables | 78,591 | 111,614 | 78,591 | 111,353 |
| Others | 97,801 | 87,641 | 91,980 | 83,710 |
| Total other liabilities | <u>1,267,884</u> | <u>1,408,249</u> | <u>1,260,792</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 June 30, 2022 and 2021 is as follows:

(Unit : Thousand Baht)

| Consolidated financial statements | | | | | | | |
|---|---|---|------------------------------------|-------------------|---------------|--------------|------------------|
| For the three-month period ended June 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 | 6,151,310 | 1,238,568 | 79,710 | 1,137 | 11,420 | - | 7,482,145 |
| Less Premium ceded to reinsurers | (149,376) | - | - | - | - | - | (149,376) |
| Net premium written | 6,001,934 | 1,238,568 | 79,710 | 1,137 | 11,420 | - | 7,332,769 |
| Less Unearned premium reserve increased from prior period | (37,516) | - | - | - | (763) | - | (38,279) |
| Net earned premium | 5,964,418 | 1,238,568 | 79,710 | 1,137 | 10,657 | - | 7,294,490 |
| Fee and commission income | 64,045 | - | - | 7,879 | - | - | 71,924 |
| Total underwriting income | 6,028,463 | 1,238,568 | 79,710 | 9,016 | 10,657 | - | 7,366,414 |
| Underwriting expenses | | | | | | | |
| Life policy reserves increased from prior period | (475,721) | 1,049,034 | 120,581 | 88 | - | - | 693,982 |
| Benefit payments under life policies and claims - net refundable from reinsurance | 7,779,773 | 104,186 | 41,816 | - | 1,012 | - | 7,926,787 |
| Commissions and brokerage expenses | 461,477 | 65,223 | 4,633 | 9,351 | 525 | 2,270 | 543,479 |
| Other underwriting expenses | 121,195 | 10,812 | 604 | 131 | 84 | - | 132,826 |
| Total underwriting expenses | 7,886,724 | 1,229,255 | 167,634 | 9,570 | 1,621 | 2,270 | 9,297,074 |

(Unit : Thousand Baht)

| Consolidated financial statements | | | | | | |
|---|---|---|-------------------|---------------|--------------|------------------|
| For the three-month period ended June 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 | 6,646,277 | 1,252,119 | 102,922 | 11,516 | - | 8,012,834 |
| Less Premium ceded | (250,571) | - | - | - | - | (250,571) |
| Net premium written | 6,395,706 | 1,252,119 | 102,922 | 11,516 | - | 7,762,263 |
| Add (Less) Unearned premium reserve (increased) decreased from prior period | 8,499 | - | - | (282) | - | 8,217 |
| Net earned premium | 6,404,205 | 1,252,119 | 102,922 | 11,234 | - | 7,770,480 |
| Fee and commission income | 74,081 | - | - | - | - | 74,081 |
| Total underwriting income | 6,478,286 | 1,252,119 | 102,922 | 11,234 | - | 7,844,561 |
| Underwriting expenses | | | | | | |
| Life policy reserves increased from prior period | 1,845,116 | 819,259 | 122,580 | - | - | 2,786,955 |
| Benefit payments under life policies and claims - net refundable from reinsurance | 6,251,879 | 4,280 | 11,530 | 217 | - | 6,267,906 |
| Commissions and brokerage expenses | 591,452 | 59,129 | 4,282 | 68 | 2,245 | 657,176 |
| Other underwriting expenses | 134,283 | 15,759 | 1,448 | 164 | 1 | 151,655 |
| Total underwriting expenses | 8,822,730 | 898,427 | 139,840 | 449 | 2,246 | 9,863,692 |

(Unit : Thousand Baht)

| Consolidated financial statements | | | | | | | |
|---|--|---|---|------------------------------------|-------------------|--------------|-------------------|
| For the six-month period ended June 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 | 14,385,414 | 1,952,722 | 190,952 | 1,883 | 22,320 | - | 16,553,291 |
| Less Premium ceded to reinsurers | (488,200) | - | - | - | - | - | (488,200) |
| Net premium written | 13,897,214 | 1,952,722 | 190,952 | 1,883 | 22,320 | - | 16,065,091 |
| Less Unearned premium reserve increased from prior period | (364,590) | - | - | - | (237) | - | (364,827) |
| Net earned premium | 13,532,624 | 1,952,722 | 190,952 | 1,883 | 22,083 | - | 15,700,264 |
| Fee and commission income | 238,718 | - | - | 11,693 | - | - | 250,411 |
| Total underwriting income | 13,771,342 | 1,952,722 | 190,952 | 13,576 | 22,083 | - | 15,950,675 |
| Underwriting expenses | | | | | | | |
| Life policy reserves increased from prior period | (54,171) | 1,649,366 | 218,932 | 136 | - | - | 1,814,263 |
| Benefit payments under life policies and claims - net refundable from reinsurance | 16,213,379 | 199,029 | 77,342 | - | 2,948 | - | 16,492,698 |
| Commissions and brokerage expenses | 1,070,569 | 141,789 | 8,686 | 13,568 | 943 | 4,472 | 1,240,027 |
| Other underwriting expenses | 284,370 | 18,667 | 1,826 | 134 | 211 | (6) | 305,202 |
| Total underwriting expenses | 17,514,147 | 2,008,851 | 306,786 | 13,838 | 4,102 | 4,466 | 19,852,190 |

(Unit : Thousand Baht)

| Consolidated financial statements | | | | | | |
|---|--|---|---|-------------------|--------------|-------------------|
| For the six-month period ended June 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 | 16,437,264 | 1,353,297 | 189,116 | 22,662 | - | 18,002,339 |
| Less Premium ceded | (836,959) | - | - | - | - | (836,959) |
| Net premium written | 15,600,305 | 1,353,297 | 189,116 | 22,662 | - | 17,165,380 |
| Less Unearned premium reserve increased from prior period | (242,124) | - | - | (261) | - | (242,385) |
| Net earned premium | 15,358,181 | 1,353,297 | 189,116 | 22,401 | - | 16,922,995 |
| Fee and commission income | 355,129 | - | - | - | - | 355,129 |
| Total underwriting income | 15,713,310 | 1,353,297 | 189,116 | 22,401 | - | 17,278,124 |
| Underwriting expenses | | | | | | |
| Life policy reserves increased from prior period | 5,001,661 | 1,114,389 | 200,272 | - | - | 6,316,322 |
| Benefit payments under life policies and claims - net refundable from reinsurance | 13,070,027 | 7,508 | 49,427 | 3,000 | - | 13,129,962 |
| Commissions and brokerage expenses | 1,196,155 | 114,668 | 8,749 | 722 | 4,434 | 1,324,728 |
| Other underwriting expenses | 259,108 | 16,816 | 2,350 | 282 | 91 | 278,647 |
| Total underwriting expenses | 19,526,951 | 1,253,381 | 260,798 | 4,004 | 4,525 | 21,049,659 |

22. OPERATING EXPENSES

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

| | (Unit : Thousand Baht) | | | |
|--|---|----------------|---|----------------|
| | Consolidated financial statements | | | |
| | For the three-month periods ended June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Personnel expenses | 231,795 | 228,449 | 440,445 | 456,231 |
| Property, plant and equipment expenses | 50,984 | 42,016 | 95,173 | 80,272 |
| Taxes and duties | 1,859 | 708 | 2,617 | 1,203 |
| Other operating expenses | 103,840 | 119,804 | 203,416 | 216,231 |
| Total operating expenses | <u>388,478</u> | <u>390,977</u> | <u>741,651</u> | <u>753,937</u> |

| | (Unit : Thousand Baht) | | | |
|--|---|----------------|---|----------------|
| | Separate financial statements | | | |
| | For the three-month periods ended June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Personnel expenses | 230,814 | 227,630 | 438,097 | 454,558 |
| Property, plant and equipment expenses | 50,904 | 41,937 | 95,013 | 80,112 |
| Taxes and duties | 1,859 | 708 | 2,617 | 1,203 |
| Other operating expenses | 103,855 | 119,803 | 203,614 | 216,350 |
| Total operating expenses | <u>387,432</u> | <u>390,078</u> | <u>739,341</u> | <u>752,223</u> |

23. GAIN ON REVALUATION

For the three-month and six-month periods ended June 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 June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Unrealised gain on remeasuring investment at fair value through profit or loss | 11,370 | 89 | 19,365 | 4,997 |
| Unrealized losses on foreign exchange forward contracts | (249,305) | (152,590) | (184,190) | (340,995) |
| Gains on foreign exchange rate | 425,999 | 221,848 | 327,619 | 493,767 |
| Gains (losses) on revaluation fair value of forward contracts | (1,646) | 12,454 | 7,846 | 34,285 |
| Total gain on revaluation | <u>186,418</u> | <u>81,801</u> | <u>170,640</u> | <u>192,054</u> |

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.

IFRS 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 June 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 June 30, 2022 | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | |
| Derivative assets | | | | |
| Cross currency swap contracts | - | 58,699 | - | 58,699 |
| Forward exchange contracts | - | 28,410 | - | 28,410 |
| Investment at fair value through profit or loss | | | | |
| Equity instruments | 56,032 | - | - | 56,032 |
| Investment at fair value through other comprehensive income | | | | |
| Equity instruments | 31,712,377 | - | 1,251,226 | 32,963,603 |
| Debt instruments | 4,424,483 | 68,263,435 | 2,115,763 | 74,803,681 |
| Assets for which fair value are disclosed | | | | |
| Investment at amortised cost | | | | |
| Debt instruments | - | 198,695,729 | 2,634,021 | 201,329,750 |
| Investment property | - | - | 35,728 | 35,728 |
| Loans and accrued interest receivables | | | | |
| Policy loans | - | - | 11,088,173 | 11,088,173 |
| Mortgage loans | - | - | 2,255,798 | 2,255,798 |
| Financial liabilities measured at fair value | | | | |
| Derivative liabilities | | | | |
| Cross currency swap contracts | - | 1,543,541 | - | 1,543,541 |
| Forward exchange contracts | - | 245,576 | - | 245,576 |

(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 periods ended June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| (Reversal) expected credit loss | | | | |
| Investments in securities | (67,821) | 42,603 | (70,222) | 43,256 |
| Loans and accrued interest receivables | 7,788 | 2,023 | 9,099 | (584) |
| Impairment loss | | | | |
| Others | - | - | 175 | - |
| Total | (60,033) | 44,626 | (60,948) | 42,672 |

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 six-month periods ended June 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 June 30, | | For the six-month periods ended June 30, | | |
| | 2022 | 2021 | 2022 | 2021 | |
| Related parties | | | | | |
| Premium written | 1,406 | 5,356 | 3,651 | 6,693 | Normal commercial terms for underwriting |
| Interest income - deposits at banks, promissory notes and debentures | 64,895 | 107,987 | 124,109 | 131,024 | Same rates as those offered by financial institutions and related companies to general customers |
| Interest income - mortgage loans | 1,688 | 1,908 | 3,433 | 3,846 | Same rates as the Company charged to general borrowers who mortgage assets as collateral |
| Dividend income | 87,335 | 77,836 | 117,701 | 139,326 | The declared amount |
| Rental and service income | 2,678 | 2,710 | 5,833 | 5,798 | Normal commercial rate on contracts |
| Brokerage income from securities trading | 24,174 | 20,413 | 37,342 | 42,866 | Normal commercial terms for securities brokerage |
| Gain (loss) on forward and swap foreign exchange contracts | (323,592) | 177,255 | (261,185) | 418,505 | Normal commercial terms on contracts |
| Commission and brokerage | 165,522 | 200,058 | 448,493 | 408,798 | Normal commercial terms for percentage of premium written |
| Claim payment and diagnose charge | 4,508 | 9,019 | 10,439 | 16,765 | Normal commercial terms for underwriting |
| Bank charges | 45,306 | 47,156 | 90,577 | 91,206 | Same rates as those charged by financial institutions and related companies to general customers |
| Insurance premium | 1,053 | 333 | 1,537 | 692 | Normal commercial terms for underwriting |
| Building space rental and services | 1,413 | 940 | 2,043 | 1,931 | Rate on agreements |
| Other services | 1,432 | 1,473 | 2,746 | 2,479 | Normal commercial terms for services |

(Unit : Thousand Baht)

| | Separate financial statements | | | | Pricing policy |
|--|--|---------|--|---------|--|
| | For the three-month periods ended June 30, | | For the six-month periods ended June 30, | | |
| | 2022 | 2021 | 2022 | 2021 | |
| Subsidiaries | | | | | |
| Written Premium | 9 | - | 165 | - | Normal commercial terms for underwriting |
| Rental and service income | 94 | - | 198 | 86 | Rate on agreements as those charged by rental and service fees per square meter per month |
| Related parties | | | | | |
| Written premium | 1,406 | 5,356 | 3,651 | 6,693 | Normal commercial terms for underwriting |
| Interest income - deposits at banks, promissory notes and debentures | 64,890 | 107,983 | 124,104 | 131,020 | Same rates as those offered by financial institutions and related companies to general customers |
| Interest income - mortgage loans | 1,688 | 1,908 | 3,433 | 3,846 | Same rates as the Company charged to general borrowers who mortgage assets as collateral |
| Dividend income | 87,335 | 77,836 | 117,701 | 139,326 | The declared amount |
| Brokerage income from securities trading | 24,174 | 20,413 | 37,342 | 42,866 | Normal commercial terms for securities brokerage |
| Gain (loss) on forward and swap foreign exchange contracts | (323,592) | 177,255 | (261,185) | 418,505 | Normal commercial terms on contracts |
| Commission and brokerage | 165,522 | 200,058 | 448,493 | 408,798 | Normal commercial terms for percentage of premium written |
| Claim payment and diagnose charge | 4,508 | 9,019 | 10,439 | 16,765 | Normal commercial terms for underwriting |
| Bank charges | 45,283 | 47,136 | 90,530 | 91,159 | Same rates as those charged by financial institutions and related companies to general customers |
| Insurance premium | 1,053 | 332 | 1,530 | 684 | Normal commercial terms for underwriting |
| Building space rental and services | 1,413 | 940 | 2,043 | 1,931 | Rate on agreements |
| Other services | 323 | - | 646 | 16 | Normal commercial terms for services |

For the three-month and six-month periods ended June 30, 2022 and 2021, the premium generated from the Bancassurance distribution channel represented approximately 56.18% and 56.72% of total net premium written, respectively (for the three-month and six-month periods ended June 30, 2021: approximately 57.62% and 58.51% of total net premium written, respectively).

As at June 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 | |
| | June 30, 2022 | December 31, 2021 | June 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) | 1,101,881 | 1,540,657 | 1,086,876 | 1,525,949 |
| Investment assets | | | | |
| Investment in securities | 11,099,353 | 9,657,319 | 11,099,353 | 9,657,319 |
| Loans | 126,139 | 134,705 | 126,139 | 134,705 |
| Total investments assets | 11,225,492 | 9,792,024 | 11,225,492 | 9,792,024 |
| Forward and swap foreign exchange contract receivables | 7,314,852 | 7,758,534 | 7,314,852 | 7,758,534 |
| Other assets | 6,200 | 7,841 | 1,261 | 2,603 |
| Outstanding claims | 2,776 | 7,871 | 2,776 | 7,871 |
| Forward and swap foreign exchange contract payables | 7,702,406 | 7,918,973 | 7,702,406 | 7,918,973 |
| Other liabilities | 149,150 | 164,117 | 143,459 | 160,471 |

Directors and key management's benefits

During the three-month and six-month periods ended June 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 June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Short-term employee benefits | 13.27 | 16.81 | 35.07 | 33.61 |
| Long-term employee benefits | 0.63 | 0.54 | 1.27 | 1.08 |
| Total directors and key management's benefits | 13.90 | 17.35 | 36.34 | 34.69 |

27. ASSETS PLACED WITH THE REGISTRAR

As at June 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 | | | |
|------------------------|--|------------|-------------------|------------|
| | June 30, 2022 | | December 31, 2021 | |
| | Carrying value | Fair value | Carrying value | Fair value |
| State enterprise bonds | 22,849 | 21,935 | 22,891 | 25,969 |

28. ASSETS RESERVED WITH THE REGISTRAR

As at June 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 | | | |
|------------------------|--|------------|-------------------|------------|
| | June 30, 2022 | | December 31, 2021 | |
| | Carrying value | Fair value | Carrying value | Fair value |
| Government bonds | 62,961,800 | 62,011,019 | 63,024,086 | 72,255,995 |
| State enterprise bonds | 3,199,803 | 3,356,355 | 3,198,750 | 3,473,504 |
| Total | 66,161,603 | 65,367,374 | 66,222,836 | 75,729,499 |

29. EARNINGS PER SHARE

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

| | Consolidated financial statement | | Separate financial statement | |
|--|--|-----------|--|-----------|
| | For the three-month periods ended June 30, | | For the three-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Net profits (Thousand Baht) | 1,189,117 | 751,405 | 1,188,716 | 750,465 |
| 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) | 0.70 | 0.44 | 0.70 | 0.44 |

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

| | Consolidated financial statement | | Separate financial statement | |
|--|--|-----------|--|-----------|
| | For the six-month periods ended June 30, | | For the six-month periods ended June 30, | |
| | 2022 | 2021 | 2022 | 2021 |
| Net profits (Thousand Baht) | 1,989,779 | 1,741,144 | 1,988,954 | 1,739,401 |
| 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) | 1.17 | 1.02 | 1.16 | 1.02 |

* Earnings per share for equity holders of the Company.

30. DIVIDENDS PAID

Dividends declared during the six-month periods ended June 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 |
| Total dividend paid for the period 2022 | | 952 | 0.56 |
| 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 June 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 27.17 million and Baht 31.44 million, respectively.

31.2 The Company and subsidiary 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 June 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>June 30, 2022</u> | | |
| | <u>Pay within</u> | | |
| | <u>1 year</u> | <u>1 - 5 years</u> | <u>Total</u> |
| Operating lease agreements - Others | 14.92 | 10.42 | 25.34 |
| Service agreements | 12.38 | - | 12.38 |
| Total | 27.30 | 10.42 | 37.72 |
| | (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 recognized rental expense derived from the operating leases for the three-month and six-month periods ended June 30, 2022 amounting to Baht 5.01 million and Baht 10.36 million, respectively (for the three-month and six-month periods ended June 30, 2021 amounting to Baht 6.26 million and Baht 11.97 million, respectively)

31.3 As at June 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 June 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 six-month period ended June 30, 2021 have been reclassified to conform to the above reclassifications.

34. EVENTS AFTER THE REPORTING PERIOD

At the Company's Board of Directors' meeting held on August 10, 2022, the Board of Directors passed a resolution to approve a dividend payment of Baht 0.32 per share. However, the payment of dividend must be approved by the Office of Insurance Commission.

35. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised for issuance by the Board of Directors on August 10, 2022.