

**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 subsidiaries and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at June 30, 2020, and the related consolidated and separate statements of profit or loss and other comprehensive income three-month and six-month periods ended June 30, 2020, changes in shareholders' equity, and cash flows for the six-month period ended June 30, 2020, 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".

Emphasis of Matter

We draw attention to Note 2.7 to the interim financial statements that the Group has adopted the accounting guidelines for financial instruments and disclosures on insurance business which becomes effective for fiscal years beginning on or after January 1, 2020. The Group elected to recognize the cumulative effect of initially applying such accounting guidelines as an adjustment to the beginning balance of retained earnings and other components of equity of the reporting period. Our conclusion is not qualified in respect of this matter.

BANGKOK
August 13, 2020

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2020

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		(Unaudited	(Audited)	(Unaudited	(Audited)
		but reviewed)		but reviewed)	
		June 30,	December 31,	June 30,	December 31,
	2020	2019	2020	2019	
ASSETS					
Cash and cash equivalents	4	14,129,314	13,441,883	14,049,914	13,367,366
Premium receivables	5	2,030,776	1,800,658	2,030,776	1,800,658
Accrued investment income		1,592,846	1,684,133	1,592,433	1,684,133
Reinsurance assets	6, 17	719,222	549,701	719,222	549,701
Amount due from reinsurances	7	968,861	1,044,316	968,861	1,044,316
Derivative assets	8	917,953	998,121	917,953	998,121
Investment assets					
Investments in securities	9	306,280,903	300,136,746	306,280,903	300,136,746
Investments in subsidiaries	10	-	-	56,409	56,409
Loans and accrued interest receivables	12	12,916,910	11,221,668	12,916,910	11,221,668
Investment property	13	16,154	16,686	16,154	16,686
Property, plant and equipment	14	1,776,810	1,425,696	1,776,757	1,425,472
Goodwill		4,955	4,955	-	-
Intangible assets		17,809	3,932	17,797	3,932
Deferred tax assets	15	957,631	920,739	957,631	920,739
Other assets	16	632,440	430,840	601,331	395,501
TOTAL ASSETS		<u>342,962,584</u>	<u>333,680,074</u>	<u>342,903,051</u>	<u>333,621,448</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2020

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS (Unaudited but reviewed) June 30, 2020	FINANCIAL STATEMENTS (Audited) December 31, 2019	FINANCIAL STATEMENTS (Unaudited but reviewed) June 30, 2020	FINANCIAL STATEMENTS (Audited) December 31, 2019
LIABILITIES AND EQUITY					
Liabilities					
Insurance contract liabilities	17	295,445,947	286,641,828	295,445,936	286,641,817
Amount due to reinsurances	18	1,211,283	1,128,743	1,211,283	1,128,743
Derivative liabilities	8	116,629	118,273	116,629	118,273
Income tax payable		-	90,826	-	90,826
Employee benefit obligations	19	230,673	213,860	229,713	211,877
Other liabilities	20	1,178,658	1,226,094	1,169,439	1,215,357
Total liabilities		<u>298,183,190</u>	<u>289,419,624</u>	<u>298,173,000</u>	<u>289,406,893</u>
Equity					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of					
Baht 1 each					
		<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>	<u>1,708,000</u>
Issued and paid-up share capital					
1,707,566,000 ordinary shares of					
Baht 1 each, fully paid-up					
		1,707,566	1,707,566	1,707,566	1,707,566
Premium on share capital		3,360,993	3,360,993	3,360,993	3,360,993
Retained earnings					
Appropriated					
Legal reserve					
		170,800	170,800	170,800	170,800
General reserve					
		400,000	400,000	400,000	400,000
Unappropriated					
		30,918,463	31,055,142	30,903,274	31,039,624
Other component of equity					
Revaluation surplus on investment at fair value through					
other comprehensive income - net of income taxes					
		8,018,219	7,535,572	8,018,219	7,535,572
Revaluation surplus on derivatives					
investments - net of income taxes					
		169,199	-	169,199	-
Exchange rate differences on translation of					
financial statements in foreign currency					
		(2,753)	(4,781)	-	-
Equity attributable to equity holders of the Company		<u>44,742,487</u>	<u>44,225,292</u>	<u>44,730,051</u>	<u>44,214,555</u>
Non-controlling interests of the subsidiaries		36,907	35,158	-	-
Total equity		<u>44,779,394</u>	<u>44,260,450</u>	<u>44,730,051</u>	<u>44,214,555</u>
TOTAL LIABILITIES AND EQUITY		<u>342,962,584</u>	<u>333,680,074</u>	<u>342,903,051</u>	<u>333,621,448</u>

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2020
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2020	2019	2020	2019
Continuing operations					
Revenues					
Gross written premium	21, 26	6,838,513	7,088,781	6,838,513	7,088,781
<u>Less</u> Premium ceded to reinsurers	21, 26	(244,172)	(301,318)	(244,172)	(301,318)
Net premium written		6,594,341	6,787,463	6,594,341	6,787,463
<u>Add</u> Unearned premium reserves decreased from prior period	21	82,887	202,188	82,887	202,188
Net earned premium		6,677,228	6,989,651	6,677,228	6,989,651
Fee and commission income	21	89,196	109,781	89,196	109,780
Net investment income	26	3,093,647	3,241,739	3,093,647	3,241,739
Gain on investment	9	138,404	67,981	138,404	67,981
Fair value gain (loss)	23	(307,830)	129,623	(307,830)	129,623
Other income	26	25,693	55,187	21,972	49,577
Total revenues		<u>9,716,338</u>	<u>10,593,962</u>	<u>9,712,617</u>	<u>10,588,351</u>
Expenses					
Life policy reserves increased from prior period	21	2,335,266	2,601,062	2,335,266	2,601,062
Benefit payments under life policies and claims	21, 26	5,667,249	5,819,097	5,667,249	5,819,097
<u>Less</u> Benefit payments under life policies and claims refundable from reinsurance	21, 26	(199,338)	(177,756)	(199,338)	(177,756)
Commissions and brokerages expenses	21, 26	547,988	680,949	545,538	678,323
Other underwriting expenses	21	94,958	79,720	94,957	79,719
Operating expenses	22, 26	386,534	427,583	384,953	425,965
Expected credit loss	25	189,989	-	189,989	-
Total expenses		<u>9,022,646</u>	<u>9,430,655</u>	<u>9,018,614</u>	<u>9,426,410</u>
Profit before income tax expense		<u>693,692</u>	<u>1,163,307</u>	<u>694,003</u>	<u>1,161,941</u>
Income tax expenses	15	(63,060)	(146,885)	(63,060)	(146,885)
Profit for the periods from continuing operations		<u>630,632</u>	<u>1,016,422</u>	<u>630,943</u>	<u>1,015,056</u>
Discontinued operation					
Gain (loss) for the periods from discontinued operation - net of tax income	11	213	(228)	-	-
Profit for the periods		<u>630,845</u>	<u>1,016,194</u>	<u>630,943</u>	<u>1,015,056</u>
Profit for the periods attributable to					
Equity holders of the Company					
From continuing operations		630,637	1,016,408	630,943	1,015,056
From discontinued operation		111	(118)	-	-
		<u>630,748</u>	<u>1,016,290</u>		
Non-controlling interests of the subsidiaries					
From continuing operations		(5)	14		
From discontinued operation		102	(110)		
		<u>97</u>	<u>(96)</u>		
		<u>630,845</u>	<u>1,016,194</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2020
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2020	2019	2020	2019
Profit for the periods		630,845	1,016,194	630,943	1,015,056
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Gains on remeasuring investment at fair value through other comprehensive income		4,941,802	2,535,647	4,941,802	2,535,647
Reversal of gains realised on the disposal of investment at fair value through other comprehensive income		(36,881)	(21,252)	(36,881)	(21,252)
Gains on remeasuring cash flow hedge derivatives fair value		52,389	-	52,389	-
Foreign exchange differences on translation of financial statements in foreign currency		(5,491)	3,973	-	-
Income taxes relating to other comprehensive income	15	(991,258)	(495,680)	(991,258)	(495,680)
Total other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		3,960,561	2,022,688	3,966,052	2,018,715
Other comprehensive income for the periods - net of income taxes		3,960,561	2,022,688	3,966,052	2,018,715
Total comprehensive income for the periods		4,591,406	3,038,882	4,596,995	3,033,771
Total comprehensive income (loss) for the periods attributable to					
Equity holders of the Company		4,593,944	3,037,071	4,596,995	3,033,771
Non-controlling interests of the subsidiaries		(2,538)	1,811		
		4,591,406	3,038,882		
Earnings (losses) per share	29				
Basic earnings (losses) per share					
From continuing operations		0.369	0.595		
From discontinued operation	11	0.001	(0.001)		
Basic earnings per share for the period		0.370	0.594	0.369	0.594

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2020	2019	2020	2019
Continuing operations					
Revenues					
Gross written premium	21, 26	16,895,435	17,603,485	16,895,435	17,603,541
<u>Less</u> Premium ceded to reinsurers	21, 26	(831,686)	(769,095)	(831,686)	(769,095)
Net premium written		16,063,749	16,834,390	16,063,749	16,834,446
<u>Less</u> Unearned premium reserves increased from prior period	21	(176,576)	(33,228)	(176,576)	(33,228)
Net earned premium		15,887,173	16,801,162	15,887,173	16,801,218
Fee and commission income	21	269,538	227,832	269,538	227,831
Net investment income	26	6,256,696	6,317,611	6,256,696	6,317,611
Gain (loss) on investment	9	1,348,153	(10,184)	1,348,153	(10,184)
Fair value gain	23	284,502	254,670	284,502	254,670
Other income	26	59,508	106,910	51,451	96,693
Total revenues		<u>24,105,570</u>	<u>23,698,001</u>	<u>24,097,513</u>	<u>23,687,839</u>
Expenses					
Life policy reserves increased (decreased) from prior year	21	8,540,514	(3,912,845)	8,540,514	(3,912,845)
Benefit payments under life policies and claims	21, 26	12,638,068	22,802,539	12,638,068	22,802,539
<u>Less</u> Benefit payments under life policies and claims refundable from reinsurance	21, 26	(436,544)	(491,045)	(436,544)	(491,045)
Commissions and brokerages expenses	21, 26	1,266,444	1,538,426	1,261,674	1,533,510
Other underwriting expenses	21	212,889	289,090	212,889	289,082
Operating expenses	22, 26	749,698	798,449	746,210	795,277
Expected credit loss	25	220,124	-	220,124	-
Total expenses		<u>23,191,193</u>	<u>21,024,614</u>	<u>23,182,935</u>	<u>21,016,518</u>
Profit before income tax expense		<u>914,377</u>	<u>2,673,387</u>	<u>914,578</u>	<u>2,671,321</u>
Income tax expenses	15	(52,993)	(370,331)	(52,993)	(370,331)
Profit for the periods from continuing operations		<u>861,384</u>	<u>2,303,056</u>	<u>861,585</u>	<u>2,300,990</u>
Discontinued operation					
Loss for the periods from discontinued operation - net of tax income	11	(251)	(1,901)	-	-
Profit for the periods		<u>861,133</u>	<u>2,301,155</u>	<u>861,585</u>	<u>2,300,990</u>
Profit for the periods attributable to					
Equity holders of the Company					
From continuing operations		861,386	2,303,035	861,585	2,300,990
From discontinued operation		(130)	(988)		
		<u>861,256</u>	<u>2,302,047</u>		
Non-controlling interests of the subsidiaries					
From continuing operations		(2)	21		
From discontinued operation		(121)	(913)		
		<u>(123)</u>	<u>(892)</u>		
		<u>861,133</u>	<u>2,301,155</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Notes	CONSOLIDATED		SEPARATE	
		2020	2019	2020	2019
Profit for the periods		861,133	2,301,155	861,585	2,300,990
Other comprehensive income					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Gains (losses) on remeasuring investment at fair value through other comprehensive income		(186,832)	5,611,312	(186,832)	5,611,312
Reversal of (gains) losses realised on the disposal of investment at fair value through other comprehensive income		(671,427)	8,213	(671,427)	8,213
Losses on remeasuring cash flow hedge derivatives fair value		(529,051)	-	(529,051)	-
Foreign exchange differences on translation of financial statements in foreign currency		3,900	285	-	-
Income taxes relating to other comprehensive income	15	278,554	(1,116,706)	278,554	(1,116,706)
Total other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods - net of income taxes		(1,104,856)	4,503,104	(1,108,756)	4,502,819
Other comprehensive income (loss) for the periods - net of income taxes		(1,104,856)	4,503,104	(1,108,756)	4,502,819
Total comprehensive income (loss) for the periods		(243,723)	6,804,259	(247,171)	6,803,809
Total comprehensive income (loss) for the periods attributable to					
Equity holders of the Company		(245,472)	6,805,015	(247,171)	6,803,809
Non-controlling interests of the subsidiaries		1,749	(756)		
		(243,723)	6,804,259		
Earnings (losses) per share	29				
Basic earnings (losses) per share					
From continuing operations		0.505	1.349		
From discontinued operation	11	(0.001)	(0.001)		
Basic earnings per share for the period		0.504	1.348	0.505	1.347

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, 2020

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

Consolidated financial statement											
Equity attributable to equity holders of the Company											
	Note	Retained earnings					Other component of equity			Total	
		Issued and paid-up share capital	Premium on share capital	Appropriated		Unappropriated	Surplus on remeasuring available-for-sale investments - net of income taxes	Exchange rate differences on translation of financial statements in foreign currency	Total equity attributable to equity holders of the Company		Equity attributable to non-controlling interests of the subsidiaries
				Legal reserve	General reserve						
Balance as at January 1, 2019		1,707,566	3,360,993	170,800	400,000	27,908,092	4,961,857	(4,700)	38,504,608	3,548	38,508,156
Dividend paid	30	-	-	-	-	(681,931)	-	-	(681,931)	-	(681,931)
Change in non-controlling interests		-	-	-	-	-	-	-	-	35,062	35,062
Profit (loss) for the period		-	-	-	-	2,302,047	-	-	2,302,047	(892)	2,301,155
Other comprehensive income											
Gain on remeasuring of available-for-sale investments - net of income taxes		-	-	-	-	-	4,502,819	-	4,502,819	-	4,502,819
Exchange rate differences on translation of financial statements in foreign currency		-	-	-	-	-	-	149	149	136	285
Total comprehensive income (loss) for the period		-	-	-	-	2,302,047	4,502,819	149	6,805,015	(756)	6,804,259
Balance as at June 30, 2019		<u>1,707,566</u>	<u>3,360,993</u>	<u>170,800</u>	<u>400,000</u>	<u>29,528,208</u>	<u>9,464,676</u>	<u>(4,551)</u>	<u>44,627,692</u>	<u>37,854</u>	<u>44,665,546</u>

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, 2020
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

Consolidated financial statement													
Equity attributable to equity holders of the Company													
	Note	Retained earnings					Other component of equity			Total equity attributable to equity holders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total	
		Issued and paid-up share capital	Premium on share capital	Appropriated		Unappropriated	Surplus on derivatives investments - net of income taxes	Surplus on					Exchange rate differences on translation of financial statements in foreign currency
				Legal reserve	General reserve			remeasuring investment at fair value through other comprehensive income - net of income taxes	income - net of income taxes				
Balance as at January 1, 2020 - as previously presented		1,707,566	3,360,993	170,800	400,000	31,055,142	-	7,535,572	(4,781)	44,225,292	35,158	44,260,450	
Adjustment from accounting guidelines for financial instruments and disclosures on insurance business adoption													
Change in accounting value from reclassification	3.4	-	-	-	-	(966,927)	-	966,927	-	-	-	-	
Change in accounting value from revaluation	3.4	-	-	-	-	(31,008)	592,440	201,235	-	762,667	-	762,667	
Balance as at January 1, 2020 - adjusted		1,707,566	3,360,993	170,800	400,000	30,057,207	592,440	8,703,734	(4,781)	44,987,959	35,158	45,023,117	
Profit (loss) for the period		-	-	-	-	861,256	-	-	-	861,256	(123)	861,133	
Other comprehensive income (loss) for the period													
Loss on remeasuring of investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	-	(685,515)	-	(685,515)	-	(685,515)	
Loss on remeasuring cash flow hedge derivatives fair value - net of income taxes		-	-	-	-	-	(423,241)	-	-	(423,241)	-	(423,241)	
Exchange rate differences on translation of financial statements in foreign currency		-	-	-	-	-	-	-	2,028	2,028	1,872	3,900	
Total comprehensive income (loss) for the period		-	-	-	-	861,256	(423,241)	(685,515)	2,028	(245,472)	1,749	(243,723)	
Balance as at June 30, 2020		1,707,566	3,360,993	170,800	400,000	30,918,463	169,199	8,018,219	(2,753)	44,742,487	36,907	44,779,394	

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, 2020
“UNAUDITED BUT REVIEWED”

(Unit : Thousand Baht)

		Separate financial statements					Other component of equity	
				Retained earnings		Surplus on remeasuring available-for-sale investments - net		
				Appropriated		of income taxes	Total	
Note	Issued and paid-up share capital	Premium on share capital	Legal reserve	General reserve	Unappropriated	of income taxes	Total	
Balance as at January 1, 2019	1,707,566	3,360,993	170,800	400,000	27,894,514	4,961,857	38,495,730	
Dividend paid	-	-	-	-	(681,931)	-	(681,931)	
Profit for the period	-	-	-	-	2,300,990	-	2,300,990	
Other comprehensive income								
Profit on remeasuring available-for-sale investments - net of income taxes	-	-	-	-	-	4,502,819	4,502,819	
Total comprehensive income for the period	-	-	-	-	2,300,990	4,502,819	6,803,809	
Balance as at June 30, 2019	1,707,566	3,360,993	170,800	400,000	29,513,573	9,464,676	44,617,608	

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, 2020
“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

Note	Separate financial statements								
	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other component of equity			Total
			Appropriated		Unappropriated	Surplus on derivatives investments - net of income taxes	Surplus on remeasuring investment at fair value through other comprehensive income - net of income taxes		
			Legal reserve	General reserve			income - net of income taxes	income - net of income taxes	
Balance as at January 1, 2020 - as previously presented	1,707,566	3,360,993	170,800	400,000	31,039,624	-	7,535,572	44,214,555	
Adjustment from accounting guidelines for financial instruments and disclosures on insurance business adoption									
Change in accounting value from reclassification	3.4	-	-	-	(966,927)	-	966,927	-	
Change in accounting value from revaluation	3.4	-	-	-	(31,008)	592,440	201,235	762,667	
Balance as at January 1, 2020 - adjusted	1,707,566	3,360,993	170,800	400,000	30,041,689	592,440	8,703,734	44,977,222	
Profit for the period	-	-	-	-	861,585	-	-	861,585	
Other comprehensive income (loss) for the period									
Loss on remeasuring investment at fair value through other comprehensive income - net of income taxes	-	-	-	-	-	-	(685,515)	(685,515)	
Loss on remeasuring derivatives investments - net of income taxes	-	-	-	-	-	(423,241)	-	(423,241)	
Total comprehensive income (loss) for the period	-	-	-	-	861,585	(423,241)	(685,515)	(247,171)	
Balance as at June 30, 2020	1,707,566	3,360,993	170,800	400,000	30,903,274	169,199	8,018,219	44,730,051	

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

“UNAUDITED BUT REVIEWED”

(Unit: Thousand Baht)

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2020	2019	2020	2019
Cash flows provided by (used in) operating activities					
Gross premium		16,546,812	17,211,965	16,546,812	17,212,021
Cash payments from reinsurance		(548,125)	(311,296)	(548,125)	(311,296)
Interest income		5,140,830	5,221,272	5,140,265	5,221,261
Dividend income		1,154,587	1,006,305	1,154,587	1,006,305
Other investment income		1,389,340	368,531	1,389,340	368,531
Other income		65,023	92,475	51,448	76,515
Benefit and claim on direct insurance		(12,167,187)	(22,448,376)	(12,167,187)	(22,448,376)
Commissions and brokerages					
on direct insurance		(1,374,015)	(1,740,244)	(1,368,834)	(1,735,075)
Other underwriting expenses		(315,688)	(301,444)	(315,688)	(301,436)
Operating expenses		(789,895)	(771,620)	(782,110)	(766,544)
Corporate income taxes		(189,459)	(22,014)	(189,442)	(22,014)
Investments in securities		-	(4,594,832)	-	(4,590,905)
Loans		-	169,139	-	169,139
Other investments		-	3,009,866	-	3,009,866
Cash received - financial assets		22,377,081	-	22,377,081	-
Cash payments - financial assets		(30,206,847)	-	(30,206,847)	-
Net cash provided by (used in) operating activities		<u>1,082,457</u>	<u>(3,110,273)</u>	<u>1,081,300</u>	<u>(3,112,008)</u>
Cash flows used in investing activities					
Net cash flows for purchases and disposals					
of property, plant and equipment		(398,797)	(47,817)	(398,752)	(47,834)
Cash received from return of investment in a subsidiary		-	-	-	38,101
Net cash used in investing activities		<u>(398,797)</u>	<u>(47,817)</u>	<u>(398,752)</u>	<u>(9,733)</u>
Cash flows used in financing activity					
Dividend paid		-	(681,931)	-	(681,931)
Net cash used in financing activity		<u>-</u>	<u>(681,931)</u>	<u>-</u>	<u>(681,931)</u>
Non-controlling interests of the subsidiaries		-	34,302	-	-
Exchange differences on translation of					
financial statements in foreign currency		3,771	1,086	-	-
Net increase (decreased) in cash and cash equivalents		<u>687,431</u>	<u>(3,804,633)</u>	<u>682,548</u>	<u>(3,803,672)</u>
Cash and cash equivalents at beginning of periods		13,441,883	9,825,592	13,367,366	9,745,784
Cash and cash equivalents at end of periods	4	<u><u>14,129,314</u></u>	<u><u>6,020,959</u></u>	<u><u>14,049,914</u></u>	<u><u>5,942,112</u></u>

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2020
“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. 23/115-121, Soi Sun Wichai, Rama 9 Road, Bangkapi Sub-district, Huaykwang District, Bangkok.

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, 2019, 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 30, 2020 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, 2020 should be read in conjunction with the audited financial statements for the year ended December 31, 2019.

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 subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and six-month periods ended June 30, 2020 have included the subsidiaries' interim financial statements for the three-month and six-month periods ended June 30, 2020 which were reviewed.

The consolidated interim financial statements include the interim financial statements of Bangkok Life Assurance Public Company Limited and the following subsidiaries:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			As at	
			June 30, 2020	December 31, 2019
			%	%
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99
Bangkok Life Assurance (Cambodia) Public Limited Company ⁽¹⁾	Life Insurance	Cambodia	52	52

- ⁽¹⁾ On June 15, 2018, the Extraordinary Meeting of Shareholder of Bangkok Life Assurance (Cambodia) Public Company Limited which is a subsidiary of the Company has passed a resolution to cease its operation and proceed with the voluntary liquidation (see Note 11).

On May 13, 2020, the Board of Directors passed a resolution to approve sale of investment in a subsidiary, Bangkok Life Assurance (Cambodia) Public Limited Company. However, the sale of such investment must be approved by the Ministry of Economy and Finance of Cambodia.

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.

Subsidiaries' 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 subsidiaries 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 subsidiaries 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 subsidiaries 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 and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2020. 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 provision of interpretations and accounting guidance to users of standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements, except:

Thai Financial Reporting Standard No. 4 "Insurance Contracts" ("TFRS 4")

The Federation of Accounting Professions issued Thai Financial Reporting Standard No. 4 "Insurance Contracts", which has been announced in the Royal Gazette on September 24, 2019 and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards. This revised financial reporting standard determines the option for insurance industry to temporary exempt from applying Thai Financial Reporting Standard No. 9 "Financial Instruments" and Thai Financial Reporting Standard No. 7 "Financial Instruments: Disclosures" if an entity meets the criteria required by such revised Thai Financial Reporting Standard. An entity can elect to apply the accounting guidelines for financial instruments and disclosures on insurance business for the financial statements for the period beginning on or after January 1, 2020 until the period beginning on or after January 1, 2024 or before Thai Financial Reporting Standard No. 17 "Insurance Contracts" becomes effective. If an entity elects to adopt this exemption, the entity is required to disclose how the entity meets criteria for such temporary exemption.

The Company's management has assessed eligibility to apply such temporary exemption and concluded that the Company is eligible to apply such temporary exemption. Because the Company has not previously applied TFRS 9 and has activities that are predominantly connected with insurance. The amount of its insurance liabilities is significant compared with its total amount of liabilities and the percentage of its liabilities connected with insurance relative to its total amount of liabilities is greater than 90 percent.

Therefore, the Company's management elects to apply the accounting guidelines for financial instruments and disclosures on insurance business. As a result, the Company's management has not yet apply Thai Financial Reporting Standard No. 9 "Financial Instruments" and Thai Financial Reporting Standard No. 7 "Financial Instruments: Disclosures" for the period beginning on January 1, 2020.

The accounting guidelines for financial instruments and disclosures on insurance business

The Federation of Accounting Professions issued the accounting guidelines for financial instruments and disclosures on insurance business, which has been announced in the Royal Gazette on March 26, 2020 and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards.

The accounting guidelines make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

3. ACCOUNTING POLICIES

The 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, 2019, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 2.7 related to the accounting guidelines for financial instruments and disclosures on insurance business. Accounting policies which significantly changed are as follows:

3.1 Classification and measurement

The Group has been classified financial assets and liabilities based on the accounting guidelines for financial instruments and disclosures on insurance business as following:

General investment has been classified as Investment at fair value through other comprehensive income (FVTOCI). Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will be classified to profit or loss on disposal of the equity investments. Dividends on these investments in equity instruments are recognized in profit or loss. The Group has designated all investments in equity instruments that are not held for trading as FVTOCI on initial application of the accounting guidelines.

Loans and accrued interest receivables have been measured at amortized cost.

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

3.2 Expected credit loss

The expected credit loss model requires The Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

3.3 Hedge accounting

The Group designates certain derivatives as following

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

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

3.4 Reclassification of financial assets and liabilities due to first time adoption of the accounting guidelines for financial instruments and disclosures on insurance business

The Group elected to recognize a cumulative effect of initially applying such accounting guidelines as an adjustment to the beginning balance of retained earnings and component of equity of the reporting period.

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Unappropriated Retained Earnings	Surplus on derivatives investments - net of income taxes	Surplus on remeasuring investment at fair value through other comprehensive income - net of income taxes
As at January 1, 2020 - as previously presented	31,055,142	-	7,535,572
Derivatives investments - net of income taxes	91,952	592,440	-
Impairment of investment assets - net of income taxes	(122,960)	-	-
Impairment of investment assets	-	-	31,362
Reclassification from general investment to investment at fair value through other comprehensive income - net of income taxes	-	-	169,873
Exchange loss from debt securities which was previously classified as equity securities - net of income taxes	(966,927)	-	966,927
As at January 1, 2020 - adjusted	30,057,207	592,440	8,703,734

	(Unit: Thousand Baht)		
	Separate financial statements		
	Unappropriated Retained Earnings	Surplus on derivatives investments - net of income taxes	Surplus on remeasuring investment at fair value through other comprehensive income - net of income taxes
As at January 1, 2020 - as previously presented	31,039,624	-	7,535,572
Derivatives investments - net of income taxes	91,952	592,440	-
Impairment of investment assets - net of income taxes	(122,960)	-	-
Impairment of investment assets	-	-	31,362
Reclassification from general investment to investment at fair value through other comprehensive income - net of income taxes	-	-	169,873
Exchange loss from debt securities which was previously classified as equity securities - net of income taxes	(966,927)	-	966,927
As at January 1, 2020 - adjusted	<u>30,041,689</u>	<u>592,440</u>	<u>8,703,734</u>

4. CASH AND CASH EQUIVALENT

As at June 30, 2020 and December 31, 2019, the Company and subsidiaries have cash and cash equivalent as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Cash on hand	6,968	7,169	6,968	7,168
Deposits at banks with no fixed maturity date	2,356,818	2,152,644	2,277,418	2,078,128
Short-term investments in promissory notes	11,765,528	11,282,070	11,765,528	11,282,070
Cash and cash equivalents	<u>14,129,314</u>	<u>13,441,883</u>	<u>14,049,914</u>	<u>13,367,366</u>

As at June 30, 2020, interest rates on saving accounts and promissory notes are in the range of 0.13% - 0.63% per annum (December 31, 2019: 0.38% - 1.38% per annum).

5. PREMIUM RECEIVABLES

As at June 30, 2020 and December 31, 2019, 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, 2020	December 31, 2019
Not yet due	1,844,317	1,740,698
Not over 30 days	128,178	24,275
Over 30 days to 60 days	42,578	33,611
Over 60 days to 90 days	9,775	830
Over 90 days	5,928	1,244
Premium receivables	<u>2,030,776</u>	<u>1,800,658</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, 2020 and December 31, 2019, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2020	December 31, 2019
Reserves recoverable from reinsurances		
Claim reserves	108,083	76,315
Unearned premium reserves	611,139	473,386
Reinsurance assets	<u>719,222</u>	<u>549,701</u>

7. AMOUNT DUE FROM REINSURANCE

As at June 30, 2020 and December 31, 2019, amount due from reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2020	December 31, 2019
Amount due from reinsurers	968,861	1,044,316
Amount due from reinsurance	968,861	1,044,316

8. DERIVATIVE ASSETS AND LIABILITIES

As at June 30, 2020 and December 31, 2019, derivatives classified by objective are as follows:

Derivatives - not apply hedge accounting

Contract type and objective	Number of contracts	Notional amount (Thousand Unit)	June 30, 2020		For the six-month period ended June 30, 2020
			Assets (Thousand Baht)	Liabilities (Thousand Baht)	Fair value gains (losses) on derivatives (Thousand Baht)
Hedge of net investment in foreign currencies	51	419,764	34,067	21,005	(2,628)
Cash flow hedge	1	150,000	4,921	-	4,921
			38,988	21,005	2,293

Derivatives - apply hedge accounting

Contract type and objective	Number of contracts	Notional amount (Thousand Unit)	June 30, 2020		For the six-month period ended June 30, 2020
			Assets (Thousand Baht)	Liabilities (Thousand Baht)	Fair value gains on derivatives (Thousand Baht)
Cash flow hedge	104	545,170	878,965	95,624	211,499
			878,965	95,624	

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	December 31, 2019	
	Fair value	
	Assets	Liabilities
Derivatives for hedging risks		
Cash flow hedge	1,598,446	8,827
Hedge of net investment in foreign currencies	145,718	-
Total derivatives	<u>1,744,164</u>	<u>8,827</u>

As at June 30, 2020 and December 31, 2019, derivative assets and liabilities consisted of the following:

	Consolidated and separate financial statements		
	June 30, 2020		
		Fair value amount	
	Notional amount	Assets	Liabilities
Contract type	(Thousand Unit)	(Thousand Baht)	(Thousand Baht)
Cross currency swap contracts			
US dollar	535,170	822,393	95,624
Euro	10,000	56,572	-
Forward contracts			
Baht	150,000	4,921	-
Forward exchange contracts			
Yen	285,775	-	2,572
US dollar	47,000	22,251	9,728
Singapore dollar	62,279	5,751	4,163
Euro	24,710	6,065	4,542
Total derivative	<u>1,114,934</u>	<u>917,953</u>	<u>116,629</u>

	Consolidated and separate financial statements		
	December 31, 2019		
		Fair value amount	
	Notional amount	Assets	Liabilities
Contract type	(Thousand Unit)	(Thousand Baht)	(Thousand Baht)
Cross currency swap contracts			
US dollar	516,800	886,013	78,799
Euro	10,000	41,854	-
Forward exchange contracts			
Yen	1,327,910	5,649	-
US dollar	71,020	8,053	3,747
Singapore dollar	112,852	560	35,727
Euro	33,010	55,992	-
Total derivatives	<u>2,071,592</u>	<u>998,121</u>	<u>118,273</u>

9. INVESTMENTS IN SECURITIES

9.1 Investments in securities

As at June 30, 2020 and December 31, 2019, investment in securities consisted of the following:

		(Unit: Thousand Baht)	
		Consolidated and separate financial statements	
		As at June 30, 2020	
		Cost	Fair value
Investment at fair value through profit or loss			
Equity securities		33,349	14,256
Total		33,349	14,256
<u>Less</u> Unrealised losses		(19,093)	-
Total investment at fair value through profit or loss		14,256	14,256
Investment at fair value through other comprehensive income			
Government and state enterprise securities		35,176,013	41,295,771
Private enterprises debt securities		31,689,527	33,424,897
Equity securities		31,793,259	33,411,479
Foreign debt securities		9,987,395	9,665,456
Foreign equity securities		176,080	53,801
Total		108,822,274	117,851,404
<u>Add</u> Unrealised gains		9,029,130	-
Total investment at fair value through other comprehensive income		117,851,404	117,851,404
		Amortised cost	
Investment at amortised cost			
Government and state enterprise securities			118,240,199
Private enterprises debt securities			64,254,601
Foreign debt securities			6,214,508
Total			188,709,308
<u>Less</u> Allowance for expected credit loss			(294,065)
Total investment at amortised cost			188,415,243
Investments in securities			306,280,903

During the first quarter of 2020, the Company reclassified investment at amortised cost to investment at fair value through other comprehensive income in order to support the fluctuation of interest rate. The amortised cost as at reclassification date was in the amount of Baht 36,606 million and the fair value at reclassification date was in the amount of Baht 45,759 million.

		(Unit : Thousand Baht)	
		Consolidated and separate financial statements	
		As at December 31, 2019	
		Cost	Fair value
Held-for-trading investments			
Equity securities		33,349	20,856
Total		33,349	20,856
<u>Less</u> Unrealised losses		(12,493)	-
Total held-for-trading investments		20,856	20,856
Available-for-sale investments			
Government and state enterprise securities		1,962,740	2,168,147
Private enterprises debt securities		25,787,235	28,299,445
Equity securities		32,294,227	38,304,837
Foreign debt securities		1,400,266	1,211,495
Foreign equity securities		9,285,118	10,120,465
Total		70,729,586	80,104,389
<u>Add</u> Unrealised gains		9,374,803	-
Total available-for-sale investments		80,104,389	80,104,389
		Amortised cost	
Held-to-maturity investments			
Government and state enterprise securities			140,407,255
Private enterprises debt securities			73,022,083
Foreign debt securities			6,550,825
Total held-to-maturity investments			219,980,163
General investments			
Equity securities			31,338
Total general investments			31,338
Investments in securities			300,136,746

9.2 Allowance for expected credit loss

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2020	
	Allowance for expected credit loss through other comprehensive income	
	Fair value	
Investment at fair value through other comprehensive income		
Debt securities with not significantly increased in credit risk (Stage 1)	74,924,348	(34,276)
Debt securities with significantly increased in credit risk (Stage 2)	100,468	(2,544)
Total	<u>75,024,816</u>	<u>(36,820)</u>

	(Unit : Thousand Baht)		
	Consolidated and separate financial statements		
	June 30, 2020		
	Allowance for expected credit loss		
	Gross Amount	for expected credit loss	Net Amount
Investment at amortised cost			
Debt securities with not significantly increased in credit risk (Stage 1)	188,309,308	(92,585)	188,216,723
Debt securities credit-impaired (Stage 3)	400,000	(201,480)	198,520
Total	<u>188,709,308</u>	<u>(294,065)</u>	<u>188,415,243</u>

9.3 Investments in structured notes

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

- (a) As at December 31, 2019, the Company has investments of Baht 600 million, respectively, in promissory notes and bills of exchange, which were issued by local banks and branches of foreign commercial banks, having remaining lives of 1 - 9 years, and containing conditions whereby the issuer has call option or has rights to call for additional deposits and bearing interest rate referring to the yield rate on government bond (CMT Index). (As at June 30, 2020: Nil)
- (b) As at December 31, 2019, the Company has investments of Baht 600 million, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 1 years, and bearing interest rate referring to the yield rate on government bond (CMT Index). (As at June 30, 2020: Nil)
- (c) As at June 30, 2020 and December 31, 2019, the Company has investments of Baht 1,902 million and Baht 3,614 million, respectively, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining lives of 1 - 6 years and 1 - 9 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.

- (d) As at December 31, 2019, the Company has investments of Baht 983 million, in promissory notes and bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 14 years. The bank has placed government bonds equivalent to 70% - 80% of the face values of the issued promissory notes and bills of exchange as collateral and such notes and bills contain conditions whereby the redemption of the notes and bills is based on the credit event of the reference assets (As at June 30, 2020: Nil).
- (e) As at December 31, 2019, the Company has investments of Baht 466 million, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 12 years. The bills contain conditions whereby the banks have the right to early redemption and the redemption of the bills is based on the credit event of the reference assets (As at June 30, 2020: Nil).
- (f) As at June 30, 2020 and December 31, 2019, the Company has investments of Baht 1,468 million and Baht 1,464 million, respectively, in bills of exchange, which were issued by branches of foreign commercial banks, having remaining maturity lives of 5 - 7 years and 6 - 7 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, 2020 and December 31, 2019, the Company has placed government and state enterprise bonds with cost or amortised cost of Baht 59,120 million and Baht 64,127 million, respectively, with the Registrar as securities and reserves as described in Notes 27 and 28.

9.5 Gains (losses) on investments

Gains (losses) on investments for the three-month and six-month periods ended June 30, 2020 and 2019 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,	
	2020	2019	2020	2019
Losses on sales of investment at fair value through profit and loss	-	-	-	(94)
Gains (losses) on sales of investment at fair value through other comprehensive income	138,404	67,980	1,348,153	(10,096)
Gains on sales of investment at amortised cost	-	1	-	6
Total gains (losses) on investments	138,404	67,981	1,348,153	(10,184)

10. INVESTMENTS IN SUBSIDIARIES

As at June 30, 2020 and December 31, 2019, detail of investments in subsidiaries, as presented in the separate interim financial statements, is as follows:

(Unit : Thousand Baht)

Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost	
			June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
					%	%		
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760
Bangkok Life Assurance (Cambodia) Public Limited Company ⁽³⁾	Life insurance	Cambodia	153,598	153,598	52 ⁽²⁾	52 ⁽²⁾	85,329	85,329
<u>Less</u> Allowance for doubtful accounts ⁽¹⁾			-	-			(52,680)	(52,680)
Total investments in subsidiaries			<u>177,598</u>	<u>177,598</u>			<u>56,409</u>	<u>56,409</u>

⁽¹⁾ On June 15, 2018, the Extraordinary Meeting of Shareholder of Bangkok Life Assurance (Cambodia) Public Limited Company which is a subsidiary of the Company has passed a resolution to cease its operation and proceed with the voluntary liquidation (see Note 11).

⁽²⁾ As stated in "Memorandum and Article of Company"

⁽³⁾ On May 13, 2020, the Board of Directors passed a resolution to approve sale of investment in a subsidiary, Bangkok Life Assurance (Cambodia) Public Limited Company. However, the sale of such investment must be approved by the Ministry of Economy and Finance of Cambodia.

11. DISCONTINUED OPERATION

On June 15, 2018, the Extraordinary Meeting of Shareholder of Bangkok Life Assurance (Cambodia) Public Limited Company which is a subsidiary of the Company has passed a resolution to cease its operation and proceed with the voluntary liquidation. The Company classified net loss from Bangkok Life Assurance (Cambodia) Public Limited Company as net loss from discontinued operation.

The consolidated statement of financial position as at June 30, 2020 and December 31, 2019 include assets from discontinued operation in total amount of Baht 87 million and Baht 84 million, respectively, in which most of balances are cash and cash equivalents and deposit.

The consolidated statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2020 and 2019 for discontinued operations are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements	
	2020	2019
For the three-month periods ended June 30, Discontinued operation		
Revenue	978	17
Expenses	(762)	(245)
Earnings (loss) before income tax expense	<u>216</u>	<u>(228)</u>
Income tax expense	(3)	-
Earnings (loss) for the period from discontinued operation, net of income tax	<u>213</u>	<u>(228)</u>
Earnings (loss) per share*		
Basic earning (loss) per share (Baht)	<u>0.001</u>	<u>(0.001)</u>

* Earnings (loss) per share from discontinued operation for equity holders of the Company

	(Unit : Thousand Baht)	
	Consolidated	
	financial statements	
	2020	2019
For the six-month periods ended June 30,		
Discontinued operation		
Revenue	977	27
Expenses	(1,211)	(1,928)
Loss before income tax expense	(234)	(1,901)
Income tax expense	(17)	-
Loss for the period from discontinued operation, net of income tax	(251)	(1,901)
Losses per share*		
Basic losses per share (Baht)	(0.001)	(0.001)

* Losses per share from discontinued operation for equity holders of the Company

12. LOANS AND ACCRUED INTEREST INCOME

As at June 30, 2020 and December 31, 2019, the balances of loans and accrued interest income, classified by overdue periods, are as follows:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	June 30, 2020			
	Loans and accrued interest income			
Overdue periods	Policy loans	Mortgage loans	Other loans	Total
Not yet due	9,859,304	2,997,719	95	12,857,118
Overdue:				
Less than 3 months	-	13,182	-	13,182
3 - 6 months	-	1,342	-	1,342
6 - 12 months	-	66,831	-	66,831
Over 12 months	-	39,399	55	39,454
Total	9,859,304	3,118,473	150	12,977,927
<u>Less</u> Allowance for expected credit loss	-	(61,017)	-	(61,017)
Loans and accrued interest receivables - net	9,859,304	3,057,456	150	12,916,910

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	December 31, 2019			
	Loans and accrued interest income			
Overdue periods	Policy loans	Mortgage loans	Other loans	Total
Not yet due	9,471,230	1,641,493	153	11,112,876
Overdue:				
Less than 3 months	-	37,766	-	37,766
3 - 6 months	-	43,617	-	43,617
6 - 12 months	-	9,396	-	9,396
Over 12 months	-	36,035	55	36,090
Total	9,471,230	1,768,307	208	11,239,745
<u>Less</u> Allowance for doubtful accounts	-	(18,077)	-	(18,077)
Loans and accrued interest receivables - net	9,471,230	1,750,230	208	11,221,668

(Unit : Thousand Baht)

Stages	Consolidated and separate financial statements		
	June 30, 2020		
	Loans and accrued interest income		
	Mortgage loans	Other loans	Total
Loans with not significantly increased in credit risk (Stage 1)	3,010,901	95	3,010,996
Loans with significantly increased in credit risk (Stage 2)	68,173	-	68,173
Loans with credit impaired (Stage 3)	39,399	55	39,454
Total	3,118,473	150	3,118,623
<u>Less</u> Allowance for expected credit loss	(61,017)	-	(61,017)
Total	3,057,456	150	3,057,606

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, 2020 and December 31, 2019, loans to employees amounted to Baht 0.15 million and Baht 0.21 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, 2020 and December 31, 2019, loans to employees under the mortgage loans amounted to Baht 17 million and Baht 18 million, respectively.

13. INVESTMENT PROPERTY

As at June 30, 2020 and December 31, 2019, the Company has movement in the investment property as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements	
	For the six-month period ended June 30, 2020	For the year ended December 31, 2019
Net carrying value - beginning of the period/year	16,686	17,752
Depreciation for period/year	(532)	(1,066)
Net carrying value - end of the period/year	16,154	16,686

14. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment for the six-month period ended June 30, 2020 are as follows:

(Unit : Thousand Baht)

Consolidated financial statements							
For the six-month period ended June 30, 2020							
	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total	
	Land						
Net carrying value as at							
January 1, 2020	791,346	335,746	7,019	101,345	21,420	168,820	1,425,696
Additions - at cost	-	731	-	47,757	2,249	348,067	398,804
Disposals/Write-off - net carrying value	-	-	-	(2)	-	-	(2)
Exchange rate differences on translation of financial statements in foreign currency	-	-	-	7	-	-	7
Transfer in (out)	-	396	-	68	-	(464)	-
Depreciation charges for the period	-	(15,501)	(916)	(27,932)	(3,138)	-	(47,487)
Impairment	-	-	-	(208)	-	-	(208)
Net carrying value as at June 30, 2020	<u>791,346</u>	<u>321,372</u>	<u>6,103</u>	<u>121,035</u>	<u>20,531</u>	<u>516,423</u>	<u>1,776,810</u>

(Unit : Thousand Baht)

Separate financial statements							
For the six-month period ended June 30, 2020							
	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total	
	Land						
Net carrying value as at							
January 1, 2020	791,346	335,749	7,017	101,121	21,419	168,820	1,425,472
Additions - at cost	-	731	-	47,711	2,249	348,067	398,758
Disposals/Write-off - net carrying value	-	-	-	(2)	-	-	(2)
Transfer in (out)	-	396	-	68	-	(464)	-
Depreciation charges for the period	-	(15,501)	(916)	(27,916)	(3,138)	-	(47,471)
Net carrying value as at June 30, 2020	<u>791,346</u>	<u>321,375</u>	<u>6,101</u>	<u>120,982</u>	<u>20,530</u>	<u>516,423</u>	<u>1,776,757</u>

15. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSE

15.1 Deferred tax assets/liabilities

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

(Unit : Thousand Baht)

	Consolidated and separate financial statements						
	June 30, 2020	January 1, 2020	December 31, 2019	Change in deferred tax assets/liabilities reported profit or loss for the three-month periods ended June 30,		Change in deferred tax assets/liabilities reported in the statements of comprehensive income for the three-month periods ended June 30,	
				2020	2019	2020	2019
	2020	2020	2019	2020	2019	2020	2019
Deferred tax assets							
Reserves for long-term insurance contracts	2,320,584	2,421,923	2,421,923	(45,316)	(53,201)	-	-
Claim reserves	10,417	16,577	16,577	(6,245)	(1,311)	-	-
Provisions for long-term employee benefits	44,586	41,019	41,019	1,783	8,338	-	-
Allowance for expected credit loss	71,016	34,356	-	30,634	-	-	-
Others	27,481	10,536	14,151	(45,034)	(5,787)	-	-
Total deferred tax assets	2,474,084	2,524,411	2,493,670	(64,178)	(51,961)	-	-
Deferred tax liabilities							
Available-for-sale investments	-	-	1,572,931	-	87,645	-	495,680
Investment at fair value through other comprehensive income	1,473,695	1,615,400	-	16,485	-	980,780	-
Cash flow hedge	42,758	171,098	-	(11,760)	-	10,478	-
Total deferred tax liabilities	1,516,453	1,786,498	1,572,931	4,725	87,645	991,258	495,680
Deferred tax assets/ liabilities - net	957,631	737,913	920,739	(68,903)	(139,606)	(991,258)	(495,680)

(Unit : Thousand Baht)

Consolidated and separate financial statements							
	June 30, 2020	January 1, 2020	December 31, 2019	Change in deferred tax assets/liabilities reported profit or loss 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,	
				2020	2019	2020	2019
Deferred tax assets							
Reserves for long-term insurance contracts	2,320,584	2,421,923	2,421,923	(101,339)	(218,676)	-	-
Claim reserves	10,417	16,577	16,577	(6,160)	(2,291)	-	-
Provisions for long-term employee benefits	44,586	41,019	41,019	3,567	9,899	-	-
Allowance for expected credit loss	71,016	34,356	-	36,660	-	-	-
Others	27,481	10,536	14,151	16,945	10,762	-	-
Total deferred tax assets	2,474,084	2,524,411	2,493,670	(50,327)	(200,306)	-	-
Deferred tax liabilities							
Available-for-sale investments	-	-	1,572,931	-	162,746	-	1,116,706
Investment at fair value through other comprehensive income	1,473,695	1,615,400	-	31,039	-	(172,744)	-
Cash flow hedge	42,758	171,098	-	(22,530)	-	(105,810)	-
Total deferred tax liabilities	1,516,453	1,786,498	1,572,931	8,509	162,746	(278,554)	1,116,706
Deferred tax assets/ liabilities - net	957,631	737,913	920,739	(58,836)	(363,052)	278,554	(1,116,706)

15.2 Income tax expenses

Income tax expenses for the three-month and six-month periods ended June 30, 2020 and 2019 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,	
	2020	2019	2020	2019
Current income tax:				
Adjustment in respect of income tax of previous year	(5,843)	7,279	(5,843)	7,279
Deferred tax:				
Relating to origination and reversal of temporary differences	68,903	139,606	58,836	363,052
Income tax income reported in profits or losses	63,060	146,885	59,993	370,331

Reconciliation between accounting profits and income tax expense for the three-month and six-month periods ended June 30, 2020 and 2019 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Accounting profit before income tax expenses	693,692	1,163,307	914,377	2,673,387
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	138,801	232,388	182,916	534,264
Adjustment in respect of income tax of previous year	(5,842)	7,279	(5,842)	7,279
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(69,899)	(92,782)	(124,081)	(171,212)
Income tax expenses recognised in profits or losses	63,060	146,885	52,993	370,331

(Unit : Thousand Baht)

	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Accounting profit before income tax expenses	694,003	1,161,941	914,578	2,671,321
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	138,801	232,388	182,916	534,264
Adjustment in respect of income tax of previous year	(5,842)	7,279	(5,842)	7,279
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(69,899)	(92,782)	(124,081)	(171,212)
Income tax expenses recognised in profits or losses	63,060	146,885	52,993	370,331

16. OTHER ASSETS

As at June 30, 2020 and December 31, 2019, other assets consisted of the follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Prepaid income tax	205,375	100,917	205,375	100,917
Prepaid rental expenses	4,911	10,824	4,911	10,824
Deposits	92,752	98,054	71,241	77,194
Receivable from sales of investments	40,064	81,250	40,064	81,250
Prepaid expenses	30,144	14,716	30,143	14,716
Others	259,194	125,079	249,597	110,600
Total other assets	632,440	430,840	601,331	395,501

17. INSURANCE CONTRACT LIABILITIES

As at June 30, 2020 and December 31, 2019, insurance contract liabilities consisted of the follows:

(Unit : Thousand Baht)

	Consolidated financial statements					
	June 30, 2020			December 31, 2019		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	286,029,049	-	286,029,049	277,488,536	-	277,488,536
Claim reserves						
Reserves for reported claims	144,090	(108,083)	36,007	151,578	(76,314)	75,264
Reserves for claims incurred but not yet reported	52,087	-	52,087	82,884	-	82,884
Premium reserves						
Unearned premium reserves	1,765,962	(611,139)	1,154,823	1,451,634	(473,387)	978,247
Unpaid policy benefits	228,835	-	228,835	191,174	-	191,174
Other insurance liabilities	7,225,924	-	7,225,924	7,276,022	-	7,276,022
Total insurance contract liabilities	<u>295,445,947</u>	<u>(719,222)</u>	<u>294,726,725</u>	<u>286,641,828</u>	<u>(549,701)</u>	<u>286,092,127</u>

(Unit : Thousand Baht)

	Separate financial statements					
	June 30, 2020			December 31, 2019		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	286,029,038	-	286,029,038	277,488,525	-	277,488,525
Claims reserves						
Reserves for reported claims	144,090	(108,083)	36,007	151,578	(76,314)	75,264
Reserves for claims incurred but not yet reported	52,087	-	52,087	82,884	-	82,884
Premium reserves						
Unearned premium reserves	1,765,962	(611,139)	1,154,823	1,451,634	(473,387)	978,247
Unpaid policy benefits	228,835	-	228,835	191,174	-	191,174
Other insurance liabilities	7,225,924	-	7,225,924	7,276,022	-	7,276,022
Total insurance contract liabilities	<u>295,445,936</u>	<u>(719,222)</u>	<u>294,726,714</u>	<u>286,641,817</u>	<u>(549,701)</u>	<u>286,092,116</u>

From January 1, 2020, the Company revised assumption for reserves for long-term insurance contracts for Provision Adverse Deviation (PAD) from 4% to 5% of Net premium valuation (NPV) reserve in order to support the fluctuation of interest rate longevity. The Company recorded the cumulative effect from the change in PAD reserves for long-term insurance contracts as at December 31, 2019 which changed from 4% to 5% in the amount of Baht 2,668 million in the statements of profit or loss for the six-month period ended June 30, 2020.

17.1 Reserves for long-term insurance contracts

As at June 30, 2020 and December 31, 2019, reserves for long-term insurance contracts consisted of the follows:

	Consolidated financial statements		(Unit : Thousand Baht) Separate financial statements	
	For the six-month period ended June 30, 2020	For the year ended December 31, 2019	For the six -month period ended June 30, 2020	For the year ended December 31, 2019
Balances - beginning of the period/year	277,488,536	273,908,194	277,488,525	273,908,102
Reserve increased for new businesses and inforce policies	16,372,572	29,754,084	16,372,572	29,754,165
Reserve decreased for benefits payment lapses and surrender, etc.	(7,832,059)	(26,173,742)	(7,832,059)	(26,173,742)
Balances - end of the period/year	<u>286,029,049</u>	<u>277,488,536</u>	<u>286,029,038</u>	<u>277,488,525</u>

17.2 Claim reserves

As at June 30, 2020 and December 31, 2019, claim reserves consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	For the six - month period ended June 30, 2020	For the year ended December 31, 2019
Balances - beginning of the period/year	234,462	265,652
Claims incurred in the current period/year	1,072,801	2,244,800
Claims paid during the period/year	(1,111,086)	(2,275,990)
Balances - end of the period/year	<u>196,177</u>	<u>234,462</u>

17.3 Unearned premium reserves

As at June 30, 2020 and December 31, 2019, unearned premium reserves consisted of the following:

	(Unit : Thousand Baht) Consolidated and separate financial statements	
	For the six -month period ended June 30, 2020	For the year ended December 31, 2019
Balances - beginning of the period/year	1,451,634	1,322,760
Premium written for the period/year	2,324,292	3,834,755
Premium earned for the period/year	(2,009,964)	(3,705,881)
Balances - end of the period/year	<u>1,765,962</u>	<u>1,451,634</u>

17.4 Unpaid policy benefits

As at June 30, 2020 and December 31, 2019, unpaid policy benefits consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2020	December 31, 2019
Death benefit	74,398	64,284
Maturity payment	134,922	103,384
Benefit payment	17,748	21,735
Surrender	1,767	1,771
Total unpaid policy benefits	<u>228,835</u>	<u>191,174</u>

17.5 Other insurance liabilities

As at June 30, 2020 and December 31, 2019, other insurance liabilities consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2020	December 31, 2019
Deposits from insurance contracts	6,825,848	6,903,089
Premiums received in advance	322,424	293,294
Payable to policyholders on exempted premiums	77,652	79,639
Total other insurance liabilities	<u>7,225,924</u>	<u>7,276,022</u>

18. AMOUNT DUE TO REINSURANCE

As at June 30, 2020 and December 31, 2019, amount due to reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2020	December 31, 2019
Amount due to reinsurers	1,211,283	1,128,743
Total amount due to reinsurance	<u>1,211,283</u>	<u>1,128,743</u>

19. EMPLOYEE BENEFIT OBLIGATIONS

As at June 30, 2020 and December 31, 2019, employee benefit obligations consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Post-employment benefits obligations	200,156	185,863	199,249	183,925
Other long-term employee benefits obligation	30,517	27,997	30,464	27,952
Total employee benefit obligations	<u>230,673</u>	<u>213,860</u>	<u>229,713</u>	<u>211,877</u>

20. OTHER LIABILITIES

As at June 30, 2020 and December 31, 2019, other liabilities consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Accrued commission expenses	407,930	515,501	406,871	514,031
Accrued expenses	198,408	284,318	197,395	283,912
Premium received for policies not yet approved	20,192	46,867	20,192	46,867
Amounts received awaiting transfer	166,017	68,047	166,017	68,047
Specific Business Tax payable	155,904	148,716	155,904	148,716
Payable from purchases of investments	63,595	32,721	63,595	32,721
Withholding tax payable	21,303	38,557	21,492	38,472
Short-term employee benefit payables	100,758	25,231	100,235	25,231
Collateral under derivatives agreements	-	35,500	-	35,500
Others	44,551	30,636	37,738	21,860
Total other liabilities	<u>1,178,658</u>	<u>1,226,094</u>	<u>1,169,439</u>	<u>1,215,357</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 and six-month periods ended June 30, 2020 and 2019 is as follows:

(Unit : Thousand Baht)

Consolidated financial statements					
For the three-month period ended June 30, 2020					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Gross written premium	6,663,516	163,645	11,352	-	6,838,513
<u>Less</u> Premium ceded to reinsurers	(244,172)	-	-	-	(244,172)
Net premium written	6,419,344	163,645	11,352	-	6,594,341
<u>Add (less)</u> Unearned premium reserve (increased) decrease from prior period	82,962	-	(75)	-	82,887
Net earned premium	6,502,306	163,645	11,277	-	6,677,228
Fee and commission income	89,196	-	-	-	89,196
Total underwriting income	6,591,502	163,645	11,277	-	6,766,424
Underwriting expenses					
Life policy reserves increased from prior period	2,207,919	127,347	-	-	2,335,266
Benefit payments under life policies and claims net refundable from reinsurance	5,449,798	17,188	925	-	5,467,911
Commissions and brokerage expenses	539,637	5,592	310	2,449	547,988
Other underwriting expenses	92,872	1,945	141	-	94,958
Total underwriting expenses	8,290,226	152,072	1,376	2,449	8,446,123

(Unit : Thousand Baht)

Consolidated financial statements					
For the three-month period ended June 30, 2019					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Gross written premium	6,943,263	133,797	11,721	-	7,088,781
<u>Less</u> Premium ceded to reinsurers	(301,318)	-	-	-	(301,318)
Net premium written	6,641,945	133,797	11,721	-	6,787,463
<u>Add (less)</u> Unearned premium reserve (increased) decrease from prior period	203,119	-	(931)	-	202,188
Net earned premium	6,845,064	133,797	10,790	-	6,989,651
Fee and commission income	109,781	-	-	-	109,781
Total underwriting income	6,954,845	133,797	10,790	-	7,099,432
Underwriting expenses					
Life policy reserves increased from prior period	2,478,578	122,484	-	-	2,601,062
Benefit payments under life policies and claims net refundable from reinsurance	5,619,777	19,726	1,838	-	5,641,341
Commissions and brokerage expenses	667,218	10,729	376	2,626	680,949
Other underwriting expenses	78,837	784	99	-	79,720
Total underwriting expenses	8,844,410	153,723	2,313	2,626	9,003,072

(Unit : Thousand Baht)

Consolidated financial statements					
For the six-month period ended June 30, 2020					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	16,647,060	225,885	22,490	-	16,895,435
<u>Less</u> Premium ceded	(831,686)	-	-	-	(831,686)
Net premium written	15,815,374	225,885	22,490	-	16,063,749
<u>Add (less)</u> Unearned premium reserve (increased) decreased from prior period	(176,716)	-	140	-	(176,576)
Net earned premium	15,638,658	225,885	22,630	-	15,887,173
Fee and commission income	269,538	-	-	-	269,538
Total underwriting income	15,908,196	225,885	22,630	-	16,156,711
Underwriting expenses					
Life policy reserves increased (decrease) from prior period	8,321,823	218,691	-	-	8,540,514
Benefit payments under life policies and claims net refundable from reinsurance	12,157,725	38,788	5,011	-	12,201,524
Commissions and brokerage expenses	1,250,315	10,945	415	4,769	1,266,444
Other underwriting expenses	210,029	2,600	260	-	212,889
Total underwriting expenses	21,939,892	271,024	5,686	4,769	22,221,371

(Unit : Thousand Baht)

Consolidated financial statements					
For the six-month period ended June 30, 2019					
	Traditional products - no participating dividend	Life annuity products - no participating dividend	Personal accident	Others	Total
Underwriting income					
Premium written	17,214,702	366,316	22,467	-	17,603,485
<u>Less</u> Premium ceded	(769,095)	-	-	-	(769,095)
Net premium written	16,445,607	366,316	22,467	-	16,834,390
<u>Less</u> Unearned premium reserve increased from prior period	(31,964)	-	(1,264)	-	(33,228)
Net earned premium	16,413,643	366,316	21,203	-	16,801,162
Fee and commission income	227,832	-	-	-	227,832
Total underwriting income	16,641,475	366,316	21,203	-	17,028,994
Underwriting expenses					
Life policy reserves increased (decrease) from prior period	(4,143,097)	230,252	-	-	(3,912,845)
Benefit payments under life policies and claims net refundable from reinsurance	22,271,681	35,801	4,012	-	22,311,494
Commissions and brokerage expenses	1,511,028	21,820	662	4,916	1,538,426
Other underwriting expenses	284,018	4,786	278	8	289,090
Total underwriting expenses	19,923,630	292,659	4,952	4,924	20,226,165

22. OPERATING EXPENSES

For the three-month and six-month periods ended June 30, 2020 and 2019, 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,	
	2020	2019	2020	2019
Personnel expenses	242,751	218,833	445,760	435,128
Property, plant and equipment expenses	45,384	38,679	88,706	82,904
Taxes and duties	374	2,618	1,255	3,377
Other operating expenses	98,025	167,453	213,977	277,040
Total operating expenses	<u>386,534</u>	<u>427,583</u>	<u>749,698</u>	<u>798,449</u>

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Personnel expenses	241,275	217,362	442,505	432,166
Property, plant and equipment expenses	45,275	38,574	88,492	82,694
Taxes and duties	374	2,618	1,255	3,377
Other operating expenses	98,029	167,411	213,958	277,040
Total operating expenses	<u>384,953</u>	<u>425,965</u>	<u>746,210</u>	<u>795,277</u>

23. FAIR VALUE GAIN (LOSS)

For the three-month and six-month periods ended June 30, 2020 and 2019, fair value gain (loss) 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,	
	2020	2019	2020	2019
Unrealised gain (loss) on remeasuring investment at fair value through profit or loss	3,432	(812)	(6,600)	(270)
Unrealised gains (losses) on foreign exchange forward contracts	114,758	152,364	(279,761)	280,914
Gains (losses) on foreign exchange rate	(426,020)	(21,929)	570,863	(25,974)
Total fair value gains (losses)	<u>(307,830)</u>	<u>129,623</u>	<u>284,502</u>	<u>254,670</u>

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company and subsidiaries 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 and its subsidiaries endeavor to use relevant observable inputs as much as possible.

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

- Level 1 - Use of quoted market prices in an observable active market for such assets
- Level 2 - Use of other observable inputs for such assets whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

As at June 30, 2020 and December 31, 2019, the Company and subsidiaries had the following assets that were measured at fair value using different fair value hierarchy as follows:

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	As at June 30, 2020			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative assets				
Cross currency swap contracts	-	878,965	-	878,965
Forward exchange contracts	-	34,067	-	34,067
Forward contracts	-	4,921	-	4,921
Investment at fair value through profit or loss				
Equity instruments	14,256	-	-	14,256
Investment at fair value through other comprehensive income				
Equity instruments	34,505,146	-	243,689	34,748,835
Debt instruments	3,249,203	76,483,506	3,369,860	83,102,569
Financial liabilities measured at fair value				
Derivative liabilities				
Cross currency swap contracts	-	95,624	-	95,624
Forward exchange contracts	-	21,005	-	21,005

	(Unit : Thousand Baht)			
	Consolidated and separated financial statements			
	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held-for-trading investments				
Equity instruments	20,856	-	-	20,856
Available-for-sale investments				
Equity instruments	44,026,206	6,061,380	-	50,087,586
Debt instruments	-	30,016,803	-	30,016,803

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) The fair value of derivative assets and derivative liabilities at fair value through profit or loss and other comprehensive income has been determined by using exchange rates and discounted cash flow method based on interest rate as a discount rate.

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 from compare industry prices.
- b) The fair value of investments in debt instruments at fair value through other comprehensive income are determined by using discounted cash flow method based on the reference interest rate as a discount rate.

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

As at June 30, 2020 and December 31, 2019, the Company and subsidiaries had the following assets which fair value were disclosed as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2020	December 31, 2019
Investment at amortised cost		
Debt instruments	219,405,544	260,293,865
Derivative assets		
Cross currency swap contracts	-	1,598,446
Forward exchange contracts	-	145,718
Loans and accrued interest receivables		
Policy loans	11,699,375	11,014,242
Mortgage loans	3,051,781	1,750,064
Derivative liabilities		
Cross currency swap contracts	-	8,827

Fair value of the following assets resemble carrying value

- Cash and cash equivalents
- Premium receivables

25. EXPECTED CREDIT 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,	
	2020	2019	2020	2019
Expected Credit Loss				
Investments in securities	188,132	-	204,360	-
Loans and accrued interest receivables	1,857	-	15,764	-
Total	189,989	-	220,124	-

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
Thaire Life Assurance Pcl.	Life assurance	Related by way of common directors
Bumrungrad Hospital Pcl.	Health care services	Related by way of common shareholders
Rajburi Sugar Co., Ltd.	Industry	Related by way of common directors
Narai Ruamphiphat Co., Ltd.	Property development	Shareholding by an individual related to the major shareholder of the Company
Bangkok Business Building (1987) Co., Ltd.	Rental of assets	Related by way of common shareholders
Tris Corporation Ltd.	Services	Related by way of common directors
Union Textile Industries Pcl.	Industry	Related by way of common shareholders
Indorama Ventures Public Company Limited	Petrochemical	Related by way of common directors
Asia warehouse Co., Ltd.	Rental of assets	Shareholding by the major shareholder of the Company
Ek-Chai Distribution System Co., Ltd.	Commercial	Related by way of common directors
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
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Services	Related by way of common shareholders
I-Direct Insurance Broker Co., Ltd.	Life Insurance broker	Related by way of common shareholders
Bangkok Life Assurance (Cambodia) Public Limited Company	Life assurance	Subsidiary

During the three-month and six-month periods ended June 30, 2020 and 2019, the Company and subsidiaries 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,		
	2020	2019	2020	2019	
Related parties					
Premium written	2,357	4,464	2,456	7,392	Normal commercial terms for underwriting
Premium ceded to reinsurers	105,620	84,696	348,966	224,532	Normal commercial terms for reinsurance
Fee and commission income	37,128	-	104,896	-	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	103,560	103,566	205,977	205,983	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	2,360	1,590	3,885	2,328	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	140,081	84,406	227,947	210,263	The declared amount
Rental and service income	2,920	3,148	6,041	6,421	Normal commercial rate on contracts
Brokerage income from securities trading	14,601	18,080	31,542	35,582	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(158,196)	96,628	121,432	192,860	Normal commercial terms on contracts
Commission and brokerage	170,074	310,042	437,141	720,552	Normal commercial terms for percentage of premium written
Claim refundable from reinsurance	88,157	69,641	198,546	180,202	Normal commercial terms for underwriting
Claim payment and diagnose charge	4,890	4,623	10,851	8,771	Normal commercial terms for underwriting
Bank charges	37,058	38,120	78,891	78,521	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	627	505	1,948	1,022	Normal commercial terms for underwriting
Building space rental and services	16,825	18,333	33,967	36,560	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month
Other services	928	2,352	2,469	4,111	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,		
	2020	2019	2020	2019	
Subsidiaries					
Written premium	-	-	-	56	Normal commercial terms for underwriting
Rental and service income	133	143	273	288	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties					
Written premium	2,357	4,464	2,456	7,392	Normal commercial terms for underwriting
Premium ceded to reinsurers	105,620	84,696	348,966	224,532	Normal commercial terms for reinsurance
Fee and commission income	37,128	-	104,896	-	Normal commercial terms for reinsurance
Interest income - deposits at banks, promissory notes and debentures	103,556	103,556	205,973	205,973	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	2,360	1,590	3,885	2,328	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	140,081	84,406	227,947	210,263	The declared amount
Brokerage income from securities trading	14,601	18,080	31,542	35,582	Normal commercial terms for securities brokerage
Gain (loss) on forward and swap foreign exchange contracts	(158,196)	96,628	121,432	192,860	Normal commercial terms on contracts
Commission and brokerage	170,074	310,042	437,141	720,552	Normal commercial terms for percentage of premium written
Claim refundable from reinsurance	88,157	69,641	198,546	180,202	Normal commercial terms for underwriting
Claim payment and diagnose charge	4,890	4,623	10,851	8,771	Normal commercial terms for underwriting
Bank charges	37,042	38,332	78,854	78,714	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	619	506	1,940	1,015	Normal commercial terms for underwriting
Building space rental and services	16,825	18,333	33,967	36,560	Head office building: Rental fee of approximately Baht 90 per square meter per month and service fee of Baht 29 per square meter per month for long-term agreement and approximately Baht 44 and Baht 138 per square meter per month and service fees approximately Baht 91 and Baht 307 per square meter per month. Branch office buildings: Rental fees of approximately Baht 100, Baht 150, Baht 188 and Baht 315 per square meter per month and service fees of approximately Baht 342 and Baht 200 per square meter per month.
Other services	13	60	207	343	Normal commercial terms for services

For the three-month and six-month periods ended June 30, 2020, the premium generated from the Bancassurance distribution channel represented approximately 52.84% and 56.27% of total net premium written, respectively. (For the three-month and six-month periods ended June 30, 2019 : approximately 55.43% and 59.03% of total net premium written, respectively)

As at June 30, 2020 and December 31, 2019, the balance of the accounts between the Company and those related companies are as follows:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Subsidiaries				
Other liabilities				
Deposits	-	-	66	66
Accrued expenses	-	-	-	-
Total other liabilities	-	-	66	66
Related parties				
Deposit at financial institution (included in cash and cash equivalents)	1,630,528	1,454,931	1,617,166	1,443,806
Investments assets				
Investment at fair value through other comprehensive income - cost				
Domestic equity securities	4,093,792	-	4,093,792	-
Domestic units trust	3,620,321	-	3,620,321	-
Foreign equity securities	11,167	-	11,167	-
Private enterprise debt securities	455,000	-	455,000	-
Total - cost	8,180,280	-	8,180,280	-
Add Unrealised gains	994,057	-	994,057	-
Total Investment at fair value through other comprehensive income	9,174,337	-	9,174,337	-
Investment at amortised cost				
Private enterprise debt securities	2,490,000	-	2,490,000	-
Foreign debt securities	5,861,718	-	5,861,718	-
Total	8,351,718	-	8,351,718	-
Less Allowance for expected credit loss	(4,216)	-	(4,216)	-
Total Investment at amortised cost	8,347,502	-	8,347,502	-
Loans	173,980	-	173,980	-
Total investments assets	17,695,819	-	17,695,819	-
Investments assets				
Available-for-sale investments - cost				
Domestic equity securities	-	3,075,507	-	3,075,507
Domestic units trust	-	3,473,723	-	3,473,723
Total available-for-sale investment- cost	-	6,549,230	-	6,549,230
Add Unrealised gains	-	1,931,899	-	1,931,899
Total available-for-sale investments - fair value	-	8,481,129	-	8,481,129
Held-to-maturity investments - cost/amortised cost				
Private enterprise debt securities	-	2,945,000	-	2,945,000
Foreign debt securities	-	5,869,412	-	5,869,412
Total held-to-maturity investment - cost/amortised cost	-	8,814,412	-	8,814,412
General investments - foreign equity securities	-	11,167	-	11,167

Loans	<u>-</u>	<u>72,996</u>	<u>-</u>	<u>72,996</u>
Total investments assets	<u>-</u>	<u>17,379,704</u>	<u>-</u>	<u>17,379,704</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
Related parties (continued)				
Amount due from reinsurance	318,654	305,912	318,654	305,912
Forward and swap foreign exchange contract receivable	4,827,126	7,399,499	4,827,126	7,399,499
Other assets				
Deposits	9,490	9,631	9,490	9,631
Accrued income	2,866	6,659	-	-
Prepaid rental expenses	4,911	10,824	4,911	10,824
Prepaid expense	1,150	47	1,150	47
Total other assets	<u>18,417</u>	<u>27,161</u>	<u>15,551</u>	<u>20,502</u>
Amount due to reinsurance	332,858	326,522	332,858	326,522
Outstanding claims	4,184	1,386	4,184	1,386
Forward and swap foreign exchange contract payable	5,123,067	7,341,284	5,123,067	7,341,284
Other liabilities				
Accrued commission	164,990	157,807	164,990	157,807
Accrued premium	7,326	8,740	-	-
Accrued rental and service expense	33	8	33	8
Total other liabilities	<u>172,349</u>	<u>166,555</u>	<u>165,023</u>	<u>157,815</u>

Directors and key management's benefits

During the three-month and six-month periods ended June 30, 2020 and 2019, employee benefit expenses to directors and key management are as follows:

	(Unit : Thousand Baht)			
	Consolidated financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Short-term employee benefits	20.81	17.92	36.02	36.93
Long-term employee benefits	0.74	0.39	1.48	0.78
Total directors and key management's benefits	<u>21.55</u>	<u>18.31</u>	<u>37.50</u>	<u>37.71</u>

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2020	2019	2020	2019
Short-term employee benefits	20.81	17.92	36.02	36.93
Long-term employee benefits	0.74	0.38	1.48	0.76
Total directors and key management's benefits	<u>21.55</u>	<u>18.30</u>	<u>37.50</u>	<u>37.69</u>

27. ASSETS PLACED WITH THE REGISTRAR

As at June 30, 2020 and December 31, 2019, the following securities have been placed securities with the Registrar in accordance with the Life Insurance Act.

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	June 30, 2020		December 31, 2019	
	Book value	Fair value	Book value	Fair value
State enterprise bonds	23,012	30,155	23,051	30,319

28. ASSETS RESERVED WITH THE REGISTRAR

As at June 30, 2020 and December 31, 2019, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	June 30, 2020		December 31, 2019	
	Book value	Fair value	Book value	Fair value
Government bonds	55,247,764	72,986,853	59,503,696	79,720,334
State enterprise bonds	3,849,301	4,342,874	4,599,986	5,097,301
Total	59,097,065	77,329,727	64,103,682	84,817,635

29. EARNINGS PER SHARE

Basic earnings per share for the three-month periods ended June 30, 2020 and 2019 were as follows:

	Consolidated financial statement					
	For the three-month periods ended June 30,					
	Continuing operations		Discontinued operation		Total	
	2020	2019	2020	2019	2020	2019
Net profits (losses) (Thousand Baht)	630,637	1,016,408	111	(118)	630,748	1,016,290
Number of share capital (Thousand shares)	1,707,566	1,707,566	1,707,566	1,707,566	1,707,566	1,707,566
Basic earnings (losses) per share (Baht per share)	0.369	0.595	0.001	(0.001)	0.370	0.594

	Separate financial statement	
	For the three-month period ended June 30,	
	2020	2019
Net profits (Thousand Baht)	630,943	1,015,056
Number of share capital (Thousand shares)	1,707,566	1,707,566
Basic earnings per share (Baht per share)	0.369	0.594

* Earnings per share for equity holders of the Company.

Basic earnings per share for the six-month periods ended June 30, 2020 and 2019 were as follows:

	Consolidated financial statement					
	For the six-month periods ended June 30,					
	Continuing operations		Discontinued operation		Total	
	2020	2019	2020	2019	2020	2019
Net profits (losses) (Thousand Baht)	861,386	2,303,035	(130)	(988)	861,256	2,302,047
Number of share capital (Thousand shares)	1,707,566	1,707,566	1,707,566	1,707,566	1,707,566	1,707,566
Basic earnings (losses) per share (Thousand Baht)	0.505	1.349	(0.001)	(0.001)	0.504	1.348

	Separate financial statement	
	For the six-month periods ended June 30,	
	2020	2019
Net profits (Thousand Baht)	861,585	2,300,990
Number of share capital (Thousand shares)	1,707,566	1,707,566
Basic earnings per share (Thousand Baht)	0.505	1.347

* Earnings per share for equity holders of the Company.

30. DIVIDENDS PAID

Dividends declared during the six-month periods ended June 30, 2019 (during the six-month periods ended June 30, 2019: Nil) consisted of the following:

	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
Annual dividend for 2018	Annual General Meeting of the Shareholders on April 26, 2019 and the OIC on April 18, 2019	682	0.40
Total dividend paid for the period 2019		682	0.40

31. COMMITMENTS

31.1 As at June 30, 2020 and December 31, 2019, the Company has construction building agreement with local companies totaling of Baht 812 million and Baht 458.20 million, respectively. The Company has commitments to be paid according to the agreements amounting to Baht 342.74 million and Baht 336.32 million, respectively.

31.2 The Company and subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years for leases of building space and are generally between 1 and 5 years for leases of motor vehicles and equipment. Such agreements are non-cancellable.

As at June 30, 2020 and December 31, 2019, the Company and subsidiaries have future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit : Million Baht)		
	Consolidated and separate financial statements		
	June 30, 2020		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements - Related parties	7.02	2.74	9.76
Operating lease agreements - Other parties	21.09	15.13	36.22
Service agreements	19.94	8.78	28.72
Total	48.05	26.65	74.70

	(Unit : Million Baht)		
	Consolidated financial statements		
	December 31, 2019		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements - Related parties	10.63	1.24	11.87
Operating lease agreements - Other parties	15.59	11.10	26.69
Service agreements	7.65	-	7.65
Total	33.87	12.34	46.21

	(Unit : Million Baht)		
	Separate financial statements		
	December 31, 2019		
	Pay within		
	1 year	1 - 5 years	Total
Operating lease agreements - Related parties	10.63	1.24	11.87
Operating lease agreements - Other parties	15.53	11.10	26.63
Service agreements	7.65	-	7.65
Total	33.81	12.34	46.15

The Company and subsidiaries recognized rental expense derived from the operating leases for the three-month and six-month periods ended June 30, 2020 amounting to Baht 11.62 million and Baht 19.98 million, respectively. (June 30, 2019 amounting to Baht 10.48 million and Baht 21.41 million, respectively)

- 31.3 As at June 30, 2020 and December 31, 2019, the Company may need to deposit additional amounts in the future under the investment conditions as described in Note 9.3 (a), as summarised below.

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
Payable within	June 30, 2020	December 31, 2019
1 year	-	900,000

- 31.4 As at June 30, 2020 and December 31, 2019, the Company had bank guarantee issued by banks Baht 2.0 million and Baht 2.0 million, respectively.

32. LITIGATION

As at June 30, 2020 and December 31, 2019, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 6 million and Baht 8 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. RECLASSIFICATION

A reclassification has been made in the financial statements for the year ended December 31, 2019, to conform to the classification used in current period's financial statements. Such reclassifications have no effect to previously reported net profit, total comprehensive income and shareholders' equity. The reclassifications are as follows:

Items	Previous presentation	Current presentation	Consolidated Financial Statements (Thousand Baht)	Separate Financial Statements (Thousand Baht)
Accrued interest receivables from loans	Accrued investment income	Loans and accrued interest receivables	995,614	995,614

34. EVENTS AFTER THE REPORTING PERIOD

On July 10, 2020, the Annual General Meeting of shareholders acknowledge the payment of dividend of Baht 0.3208 per share to the Company's shareholders which was approved by the Office of Insurance Commission on July 2, 2020 and was paid on July 13, 2020.

35. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These consolidation and separate interim financial statements were authorised for issue by the Board of Directors on August 13, 2020.