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

Interim Financial Statements

***Three-month and six-month periods ended
June 30, 2023***



บริษัท ดีลอยท์ ทูเช่ โรดแมทสุ ไชโยยค
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**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

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

We have reviewed the consolidated statement of financial position of Bangkok Life Assurance Public Company Limited and its subsidiary and the separate statement of financial position of Bangkok Life Assurance Public Company Limited as at June 30, 2023, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2023, and the related consolidated and separate statements of changes in equity, and cash flows for the six-month period ended June 30, 2023, 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".

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301

BANGKOK
August 15, 2023

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.



BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2023

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
ASSETS					
Cash and cash equivalents	4	3,650,780	12,681,084	3,632,989	12,665,453
Premium receivables	5	1,649,316	1,567,142	1,649,316	1,567,142
Accrued investment income		1,485,782	1,555,750	1,485,782	1,555,750
Reinsurance assets	6, 17	516,815	495,015	516,815	495,015
Amount due from reinsurance	7	920,744	1,040,880	920,744	1,040,880
Derivative assets	8	175,447	457,396	175,447	457,396
Investment assets					
Investments in securities	9	303,673,253	308,748,649	303,673,253	308,748,649
Loans and accrued interest receivables	10	11,505,340	11,726,242	11,505,340	11,726,242
Investment property	11	12,958	13,487	12,958	13,487
Investments in a subsidiary	12	-	-	23,760	23,760
Investment assets of the insured	13	110,246	80,177	110,246	80,177
Premises and equipment	14	2,161,287	2,188,540	2,161,287	2,188,536
Goodwill		4,955	4,955	-	-
Intangible assets		118,163	136,162	118,163	136,160
Deferred tax assets	15	1,447,081	1,341,431	1,447,081	1,341,431
Other assets	16	451,432	574,014	438,498	561,754
TOTAL ASSETS		327,883,599	342,610,924	327,871,679	342,601,832

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2023

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		(Unaudited but reviewed) June 30, 2023	(Audited) December 31, 2022	(Unaudited but reviewed) June 30, 2023	(Audited) December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY					
LIABILITIES					
Insurance contract liabilities	17	279,898,140	294,756,842	279,898,140	294,756,842
Amount due to reinsurance	18	933,888	958,952	933,888	958,952
Derivative liabilities	8	835,791	502,995	835,791	502,995
Income tax payable		49,965	18,057	49,965	18,057
Employee benefit obligations	19	219,012	213,956	218,077	213,021
Other liabilities	20	1,248,275	1,376,805	1,240,808	1,371,638
Total liabilities		283,185,071	297,827,607	283,176,669	297,821,505
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
1,708,000,000 ordinary shares of Baht 1 each		1,708,000	1,708,000	1,708,000	1,708,000
Issued and paid-up shares capital					
1,707,566,000 ordinary shares of Baht 1 each, fully paid-up		1,707,566	1,707,566	1,707,566	1,707,566
Premium on share capital		3,360,993	3,360,993	3,360,993	3,360,993
Retained earnings					
Appropriated					
Legal reserve		170,800	170,800	170,800	170,800
General reserve		400,000	400,000	400,000	400,000
Unappropriated		36,738,356	35,670,135	36,735,121	35,667,423
Other component of shareholders' equity					
Revaluation surplus on investment through other comprehensive income - net of income taxes					
		2,147,995	3,169,089	2,147,995	3,169,089
Revaluation surplus on derivatives cash flow hedges - net of income taxes					
		172,535	304,456	172,535	304,456
Shareholders' equity attributable to equity holders of the Company		44,698,245	44,783,039	44,695,010	44,780,327
Non-controlling interests of the subsidiary		283	278	-	-
Total shareholders' equity		44,698,528	44,783,317	44,695,010	44,780,327
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		327,883,599	342,610,924	327,871,679	342,601,832

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023
“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Revenues					
Gross written premium	21, 26	7,059,792	7,482,145	7,059,792	7,482,154
<u>Less</u> Premium ceded to reinsurers	21	(161,991)	(149,376)	(161,991)	(149,376)
Net premium written		6,897,801	7,332,769	6,897,801	7,332,778
<u>Add (Less)</u> Unearned premium reserves decreased (increased) from prior period	21	153,651	(38,279)	153,651	(38,279)
Net earned premium		7,051,452	7,294,490	7,051,452	7,294,499
Fee and commission income	21	87,455	71,924	87,455	71,925
Net investment income	26	3,058,628	3,107,330	3,058,628	3,107,330
(Loss) gain on investment	9	(125,737)	346,527	(125,737)	346,527
Gain on revaluation	23	39,844	186,418	39,844	186,418
Other income	26	54,737	27,795	50,696	24,065
Total revenues		<u>10,166,379</u>	<u>11,034,484</u>	<u>10,162,338</u>	<u>11,030,764</u>
Expenses					
Life policy reserves (decreased) increased from prior period	21	(8,768,409)	693,982	(8,768,409)	693,982
Benefit payments under life policies and claims	21, 26	16,946,028	8,111,669	16,946,028	8,111,669
<u>Less</u> Benefit payments under life policies and claims refundable from reinsurance	21	(145,377)	(184,882)	(145,377)	(184,882)
Commissions and brokerages expenses	21, 26	553,139	543,479	550,544	541,209
Other underwriting expenses	21	149,832	132,826	149,832	132,827
Operating expenses	22, 26	428,431	388,478	427,338	387,432
Loss from expected credit loss and impairment loss (reversal)	25	73,952	(60,033)	73,952	(60,033)
Total expenses		<u>9,237,596</u>	<u>9,625,519</u>	<u>9,233,908</u>	<u>9,622,204</u>
Profits before income tax expenses		<u>928,783</u>	<u>1,408,965</u>	<u>928,430</u>	<u>1,408,560</u>
Income tax expenses	15	(139,712)	(219,844)	(139,712)	(219,844)
Net profit for the periods		<u>789,071</u>	<u>1,189,121</u>	<u>788,718</u>	<u>1,188,716</u>
Profit for the periods attributable to					
Shareholders' equity of the Company		789,068	1,189,117	788,718	1,188,716
Non-controlling interests of the subsidiary		3	4		
		<u>789,071</u>	<u>1,189,121</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
 FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023
 "UNAUDITED BUT REVIEWED"

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Net profit for the periods		789,071	1,189,121	788,718	1,188,716
Other comprehensive income (loss)					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Loss on remeasuring investment at fair value through other comprehensive income		(1,529,172)	(4,592,060)	(1,529,172)	(4,592,060)
Reversal of gains realised on the disposal of investment at fair value through other comprehensive income		(141,443)	(468,270)	(141,443)	(468,270)
Loss on remeasuring cash flow hedge derivatives at fair value		(88,177)	(140,416)	(88,177)	(140,416)
Income taxes relating to other comprehensive income	15	351,759	1,040,149	351,759	1,040,149
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		(1,407,033)	(4,160,597)	(1,407,033)	(4,160,597)
Other comprehensive loss for the periods - net of income taxes		(1,407,033)	(4,160,597)	(1,407,033)	(4,160,597)
Total comprehensive loss for the periods		(617,962)	(2,971,476)	(618,315)	(2,971,881)
Total comprehensive loss for the periods attributable to					
Shareholders' equity of the Company		(617,965)	(2,971,480)	(618,315)	(2,971,881)
Non-controlling interests of the subsidiary		3	4		
		(617,962)	(2,971,476)		
Earnings per share	29				
Basic earnings per share		0.46	0.70	0.46	0.70

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023
“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Notes	Consolidated		Separate	
		2023	2022	2023	2022
Revenues					
Gross written premium	21, 26	15,855,930	16,553,291	15,856,110	16,553,456
<u>Less</u> Premium ceded to reinsurers	21	(511,947)	(488,200)	(511,947)	(488,200)
Net premium written		15,343,983	16,065,091	15,344,163	16,065,256
<u>Less</u> Unearned premium reserves increased from prior period	21	(249,611)	(364,827)	(249,611)	(364,827)
Net earned premium		15,094,372	15,700,264	15,094,552	15,700,429
Fee and commission income	21	225,726	250,411	225,726	250,411
Net investment income	26	5,992,728	6,077,235	5,992,728	6,077,235
(Loss) gain on investment	9	(98,684)	633,141	(98,684)	633,141
(Loss) gain on revaluation	23	(21,175)	170,640	(21,175)	170,640
Other income	26	81,235	55,885	72,433	48,111
Total revenues		<u>21,274,202</u>	<u>22,887,576</u>	<u>21,265,580</u>	<u>22,879,967</u>
Expenses					
Life policy reserves (decreased) increased from prior period	21	(14,878,379)	1,814,263	(14,878,379)	1,814,263
Benefit payments under life policies and claims	21, 26	32,154,273	16,848,327	32,154,273	16,848,327
<u>Less</u> Benefit payments under life policies and claims refundable from reinsurance	21	(286,856)	(355,629)	(286,856)	(355,629)
Commissions and brokerages expenses	21, 26	1,195,634	1,240,027	1,190,483	1,235,555
Other underwriting expenses	21	355,815	305,202	355,815	305,208
Operating expenses	22, 26	822,602	741,651	819,816	739,341
Loss from expected credit loss and impairment loss (reversal)	25	76,154	(60,948)	76,154	(60,948)
Total expenses		<u>19,439,243</u>	<u>20,532,893</u>	<u>19,431,306</u>	<u>20,526,117</u>
Profits before income tax expenses		<u>1,834,959</u>	<u>2,354,683</u>	<u>1,834,274</u>	<u>2,353,850</u>
Income tax expenses	15	(289,746)	(364,896)	(289,589)	(364,896)
Net profit for the periods		<u>1,545,213</u>	<u>1,989,787</u>	<u>1,544,685</u>	<u>1,988,954</u>
Profit for the periods attributable to					
Shareholders' equity of the Company		1,545,208	1,989,779	1,544,685	1,988,954
Non-controlling interests of the subsidiary		5	8		
		<u>1,545,213</u>	<u>1,989,787</u>		

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023
 "UNAUDITED BUT REVIEWED"

(UNIT : THOUSAND BAHT)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Net profit for the periods		1,545,213	1,989,787	1,544,685	1,988,954
Other comprehensive income (loss)					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Loss on remeasuring investment at fair value through other comprehensive income		(920,502)	(6,959,242)	(920,502)	(6,959,242)
Reversal of gains realised on the disposal of investment at fair value through other comprehensive income		(355,866)	(810,695)	(355,866)	(810,695)
(Loss) gain on remeasuring cash flow hedge derivatives at fair value		(164,901)	9,687	(164,901)	9,687
Income taxes relating to other comprehensive income	15	288,254	1,552,050	288,254	1,552,050
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income taxes		(1,153,015)	(6,208,200)	(1,153,015)	(6,208,200)
Other comprehensive loss for the periods - net of income taxes		(1,153,015)	(6,208,200)	(1,153,015)	(6,208,200)
Total comprehensive income (loss) for the periods		392,198	(4,218,413)	391,670	(4,219,246)
Total comprehensive income (loss) for the periods attributable to					
Shareholders' equity of the Company		392,193	(4,218,421)	391,670	(4,219,246)
Non-controlling interests of the subsidiary		5	8		
		392,198	(4,218,413)		
Earnings per share	29				
Basic earnings per share		0.90	1.17	0.90	1.16

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED BUT REVIEWED”

(UNIT: THOUSAND BAHT)

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

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDER'S EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023
"UNAUDITED BUT REVIEWED"

(UNIT : THOUSAND BAHT)

		Consolidated financial statement									
		Shareholders' equity attributable to owner of the Company					Other component of shareholders' equity				
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings		Surplus on derivatives cash flow hedges - net of income taxes	Surplus on investment at fair value through other comprehensive income - net of income taxes	Total shareholders' equity attributable to owner of the Company	Shareholders' equity attributable to non-controlling interests of the subsidiary		Total
				Appropriated	General reserve				Legal reserve	Unappropriated	
Balance as at January 1, 2023		1,707,566	3,360,993	170,800	400,000	35,670,135	304,456	3,169,089	44,783,039	278	44,783,317
Dividend paid	30	-	-	-	-	(476,987)	-	-	(476,987)	-	(476,987)
Profit for the period		-	-	-	-	1,545,208	-	-	1,545,208	5	1,545,213
Other comprehensive loss for the period		-	-	-	-	-	-	(1,021,094)	(1,021,094)	-	(1,021,094)
Loss on remeasuring of investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	-	-	-	-	-
Loss on remeasuring cash flow hedge derivatives at fair value - net of income taxes		-	-	-	-	(131,921)	(131,921)	-	(131,921)	-	(131,921)
Total comprehensive income (loss) for the period		-	-	-	-	1,545,208	(131,921)	(1,021,094)	392,193	5	392,198
Balance as at June 30, 2023		1,707,566	3,360,993	170,800	400,000	36,738,356	172,535	2,147,995	44,698,245	283	44,698,528

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Separate financial statements									
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings			Other component of shareholders' equity			Total
				Appropriated		Unappropriated	Surplus on derivatives investments		Surplus on reinsuring investment at fair value through other comprehensive income	
				Legal reserve	General reserve		- net of income taxes	- net of income taxes		
Balance as at January 1, 2022		1,707,566	3,360,993	170,800	400,000	33,950,241	99,485	8,275,803	47,964,888	
Dividend paid	30	-	-	-	-	(952,030)	-	-	(952,030)	
Profit for the period		-	-	-	-	1,988,954	-	-	1,988,954	
Other comprehensive income (loss) for the period		-	-	-	-	-	-	-	-	
Loss on reinsurance investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	-	(6,215,949)	(6,215,949)	
Gain on reinsurance cash flow hedge derivatives fair value - net of income taxes		-	-	-	-	-	7,749	-	7,749	
Total comprehensive income (loss) for the period		-	-	-	-	1,988,954	7,749	(6,215,949)	(4,219,246)	
Balance as at June 30, 2022		1,707,566	3,360,993	170,800	400,000	34,987,165	107,234	2,059,854	42,793,612	

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Note	Separate financial statements							Other component of shareholders' equity			Total
		Issued and paid-up share capital	Premium on share capital	Retained earnings		Unappropriated	Surplus on derivatives cash flow hedges - net of income taxes	Surplus on investment at fair value through other comprehensive income	Surplus on derivatives cash flow hedges - net of income taxes	Surplus on investment at fair value through other comprehensive income		
				Appropriated	General reserve							
				Legal reserve								
Balance as at January 1, 2023		1,707,566	3,360,993	170,800	400,000	35,667,423	304,456	3,169,089		44,780,327		
Dividend paid	30	-	-	-	-	(476,987)	-	-	-	(476,987)		
Profit for the period		-	-	-	-	1,544,685	-	-	-	1,544,685		
Other comprehensive loss for the period		-	-	-	-	-	-	-	-	-		
Loss on remeasuring investment at fair value through other comprehensive income - net of income taxes		-	-	-	-	-	-	(1,021,094)	(1,021,094)	(1,021,094)		
Loss on remeasuring cash flow hedge derivatives at fair value - net of income taxes		-	-	-	-	-	(131,921)	-	(131,921)	(131,921)		
Total comprehensive income (loss) for the period		-	-	-	-	1,544,685	(131,921)	(1,021,094)	(1,021,094)	391,670		
Balance as at June 30, 2023		1,707,566	3,360,993	170,800	400,000	36,735,121	172,535	2,147,995		44,695,010		

See the condensed notes to the interim financial statements

BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023
“UNAUDITED BUT REVIEWED”

(UNIT : THOUSAND BAHT)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Cash flows from operating activities					
Gross premium		15,930,414	16,479,442	15,930,594	16,479,606
Cash payments from reinsurance		(390,569)	(249,206)	(390,569)	(249,206)
Interest income		6,324,065	5,010,224	6,324,065	5,010,224
Dividend income		905,224	1,126,356	905,224	1,126,356
Gain on investments		35,829	537,402	35,829	537,402
Other income		49,916	54,170	41,608	48,050
Benefit payments under life policies and loss incurred on direct insurance		(31,912,225)	(17,642,135)	(31,912,225)	(17,642,135)
Commissions and brokerages on direct insurance		(1,376,406)	(1,378,157)	(1,371,611)	(1,374,033)
Other underwriting expenses		(377,191)	(355,656)	(377,191)	(355,662)
Operating expenses		(858,219)	(805,621)	(857,203)	(804,658)
Corporate income taxes		(75,234)	(168,073)	(75,077)	(115,933)
Cash received - financial assets		10,793,466	5,004,044	10,793,466	5,004,044
Cash payments - financial assets		(7,588,722)	(6,050,958)	(7,588,722)	(6,103,099)
Net cash (used in) provided by operating activities		(8,539,652)	1,561,832	(8,541,812)	1,560,956
Cash flows from in investing activities					
Net cash flows for purchases and disposals of premises and equipment		(13,665)	(26,650)	(13,665)	(26,588)
Net cash used in investing activities		(13,665)	(26,650)	(13,665)	(26,588)
Cash flows from in financing activity					
Dividend paid		(476,987)	(952,030)	(476,987)	(952,030)
Net cash used in financing activity		(476,987)	(952,030)	(476,987)	(952,030)
Net (decrease) increase in cash and cash equivalents		(9,030,304)	583,152	(9,032,464)	582,338
Cash and cash equivalents at beginning of periods		12,681,084	7,636,769	12,665,453	7,621,955
Cash and cash equivalents at the end of periods	4	3,650,780	8,219,921	3,632,989	8,204,293

See the condensed notes to the interim financial statements

**BANGKOK LIFE ASSURANCE PUBLIC COMPANY LIMITED AND SUBSIDIARY
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023
“UNAUDITED”**

1. GENERAL INFORMATION AND THE COMPANY’S OPERATIONS

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

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 and in accordance with Thai accounting practices related to insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission (“OIC”), and in accordance with the format of financial statements specified in the Notification of the OIC regarding Criteria, Procedures, Terms and Conditions for preparation and submission of financial statements of life insurance companies dated February 8, 2023, which has been effective since January 1, 2023 onwards.
- 2.2 The consolidated and separate statements of financial position as at December 31, 2022, 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, 2023 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, 2023 should be read in conjunction with the audited financial statements for the year ended December 31, 2022.

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

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

- 2.5 Material intercompany transactions between the Company and its subsidiary have been eliminated from the consolidated interim financial statements. The consolidated interim financial statements for the three-month and six-month periods ended June 30, 2023 have included the subsidiary' interim financial statements for the three-month and six-month periods ended June 30, 2023 which were reviewed.

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			June 30,	December 31,
			2023	2022
			%	%
BLA Insurance Broker Company Limited	Insurance broker	Thailand	99	99

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

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

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

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

- 2.6 Separate interim financial statements

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

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

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

In addition, 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 November 30, 2022 which is effective the financial statements for the period beginning on or after January 1, 2023 onwards. The adoption of this accounting guideline does not have significant impact on the Group's interim financial statements.

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and separate interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2022.

4. CASH AND CASH EQUIVALENTS

As at June 30, 2023 and December 31, 2022, the Group and the Company have cash and cash equivalents as follows:

	Consolidated financial statements		(Unit : Thousand Baht) Separate financial statements	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Cash on hand	2,126	2,375	2,125	2,374
Deposits at banks with no fixed maturity date	2,488,654	2,785,560	2,470,864	2,769,930
Deposits at banks with fixed maturity date	-	5,000	-	5,000
Short-term investments in promissory notes	1,160,000	9,888,149	1,160,000	9,888,149
Cash and cash equivalents	<u>3,650,780</u>	<u>12,681,084</u>	<u>3,632,989</u>	<u>12,665,453</u>

As at June 30, 2023, interest rates on saving accounts and promissory notes are in the range of 0.15% - 1.50% per annum (as at December 31, 2022: 0.13% - 0.50% per annum).

5. PREMIUM RECEIVABLES

As at June 30, 2023 and December 31, 2022, the outstanding balances of premium receivables classified by overdue period, counted from the due dates, are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	Due from direct insurance	
	June 30, 2023	December 31, 2022
Not yet due	1,561,450	1,517,027
Not over 30 days	39,219	25,500
Over 30 days to 60 days	6,789	8,756
Over 60 days to 90 days	23,364	14,752
Over 90 days	18,494	1,107
Premium receivables	<u>1,649,316</u>	<u>1,567,142</u>

For premium receivables due from agents and brokers, the Group and the Company has determined criteria in collections from those debtors. For overdue premium receivables, the Group and 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 period granted by the Group and the Company's grace period, such premium receivables will be settled by granting an automatic premium loan where the policy has a cash surrender value guaranteed by the policy which is contingent upon its cash value.

6. REINSURANCE ASSETS

As at June 30, 2023 and December 31, 2022, reinsurance assets consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2023	December 31, 2022
Reserves recoverable from reinsurances		
Claim reserves	103,699	120,950
Unearned premium reserves	413,116	374,065
Reinsurance assets	<u>516,815</u>	<u>495,015</u>

7. AMOUNT DUE FROM REINSURANCE

As at June 30, 2023 and December 31, 2022, amount due from reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2023	December 31, 2022
Amount due from reinsurers	920,744	1,040,880
Amount due from reinsurance	<u>920,744</u>	<u>1,040,880</u>

8. DERIVATIVE ASSETS AND LIABILITIES

As at June 30, 2023 and December 31, 2022, derivatives classified by objective are as follows:

Contract type and objective	Number of contracts	Notional amount (Thousand units)	Consolidated and separate financial statements		
			June 30, 2023		For the six-month period ended
			Fair value		June 30, 2023
			Assets	Liabilities	Fair value gains on derivatives
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	
Derivatives - not apply hedge accounting					
Hedge of net investment in foreign currencies	119	1,028,184	6,448	213,647	39,587
Derivatives - apply hedge accounting					
Cash flow hedge	60	325,420	168,999	622,144	215,668
Total derivative assets and liabilities			175,447	835,791	

Contract type and objective	Number of contracts	Notional amount (Thousand units)	Consolidated and separate financial statements		
			December 31, 2022		For the year ended
			Fair value		December 31, 2022
			Assets	Liabilities	Fair value gains on derivatives
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	
Derivatives - not apply hedge accounting					
Hedge of net investment in foreign currencies	81	913,049	119,711	18,539	25,952
Derivatives - apply hedge accounting					
Cash flow hedge	63	345,920	337,685	484,456	380,569
Total derivative assets and liabilities			457,396	502,995	

As at June 30, 2023 and December 31, 2022, derivative assets and liabilities consisted of the following:

	Consolidated and separate financial statements		
	June 30, 2023		
	Notional amount (Thousand Unit)	Fair value amount	
Assets (Thousand Baht)		Liabilities (Thousand Baht)	
Forward exchange contracts			
Yen	859,375	5,759	-
US dollar	86,560	679	119,151
Singapore dollar	58,734	-	52,843
Euro	23,515	10	41,653
Cross currency swap contracts			
US dollar	315,420	129,428	622,144
Euro	10,000	39,571	-
Total derivatives	1,353,604	175,447	835,791

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

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

9. INVESTMENTS IN SECURITIES

9.1 Investments in securities

As at June 30, 2023 and December 31, 2022, investment in securities consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	June 30, 2023		December 31, 2022	
	Cost	Fair value	Cost	Fair value
Investment at fair value through profit or loss				
Equity securities	9,498	7,630	50,097	51,702
Total	9,498	7,630	50,097	51,702
(Less) add Unrealised (loss) gain	(1,868)	-	1,605	-
Total investment at fair value through profit or loss	7,630	7,630	51,702	51,702
Investment at fair value through other comprehensive income				
Government and state enterprise securities	31,227,272	33,407,634	31,576,387	33,397,067
Private enterprises debt securities	30,489,618	31,007,605	31,054,559	31,903,921
Equity securities	29,089,531	28,256,391	31,073,846	31,769,047
Foreign debt securities	11,466,659	12,353,303	10,416,620	10,789,856
Foreign equity securities	237,500	89,014	256,941	95,421
Total	102,510,580	105,113,947	104,378,353	107,955,312
Add Unrealised gains	3,408,918	-	4,296,251	-
Less Allowance for expected credit loss	(25,703)	-	(27,164)	-
Less Allowance for impairment	(779,848)	-	(692,128)	-
Total investment at fair value through other comprehensive income	105,113,947	105,113,947	107,955,312	107,955,312
		Amortized cost		Amortized cost
Investment at amortized cost				
Government and state enterprise securities		132,297,516		132,354,527
Private enterprises debt securities		62,039,581		63,739,329
Foreign debt securities		4,412,829		4,865,690
Deposits at banks with maturity date over 3 months		5,000		-
Total		198,754,926		200,959,546
Less Allowance for expected credit loss		(203,250)		(217,911)
Total investment at amortized cost		198,551,676		200,741,635
Total investments in securities		303,673,253		308,748,649

9.2 Allowance for expected credit loss

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	June 30, 2023		December 31, 2022	
	Fair value	Allowance for expected credit loss through other comprehensive income	Fair value	Allowance for expected credit loss through other comprehensive income
Investment at fair value through other comprehensive income				
Debt securities with not significantly increased in credit risk (Stage 1)	65,000,472	(25,703)	65,485,749	(27,164)
Total	65,000,472	(25,703)	65,485,749	(27,164)

(Unit : Thousand Baht)

	Consolidated and separate financial statements		
	June 30, 2023		
	Gross amount	Allowance for expected credit loss	Net Amount
Investment at amortized cost			
Debt securities with not significantly increased in credit risk (Stage 1)	198,430,041	(50,814)	198,379,227
Debt securities credit-impaired (Stage 3)	324,885	(152,436)	172,449
Total	198,754,926	(203,250)	198,551,676

(Unit : Thousand Baht)

	Consolidated and separate financial statements		
	December 31, 2022		
	Gross amount	Allowance for expected credit loss	Net Amount
Investment at amortized cost			
Debt securities with not significantly increased in credit risk (Stage 1)	200,634,661	(51,375)	200,583,286
Debt securities credit-impaired (Stage 3)	324,885	(166,536)	158,349
Total	200,959,546	(217,911)	200,741,635

9.3 Investments in structured notes

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

- (1) As at June 30, 2023 and December 31, 2022, the Company has investments in promissory notes and bills of exchange of Baht 401 million and Baht 405 million, respectively, which were issued by branches of foreign commercial banks, having remaining lives of 3 years and 4 years, respectively, and the conditions whereby the redemption of the respective notes and bills is based on the credit event of the reference assets.
- (2) As at June 30, 2023 and December 31, 2022, the Company has investments in bills of exchange of Baht 1,786 million and Baht 1,724 million, respectively, which were issued in foreign currency by branches of foreign commercial banks, having remaining maturity lives of 2 - 3 years and 3 - 4 years, respectively. The 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, 2023 and December 31, 2022, the Company has placed government and state enterprise bonds with cost or amortized cost of Baht 68,548 million and Baht 70,106 million, respectively, with the Registrar as securities and reserves as described in Notes 27 and 28.

9.5 Gains on investments

Gains on investments for the three-month and six-month periods ended June 30, 2023 and 2022 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,	
	2023	2022	2023	2022
Gain on sales of investment at fair value through profit and loss	-	32	4,622	32
Gain on sales of investment at amortized cost	-	-	-	12,885
(Loss) gain on sales of investment at fair value through other comprehensive income	(125,737)	346,495	(103,306)	620,224
Total (loss) gain on investments	(125,737)	346,527	(98,684)	633,141

10. LOANS AND ACCRUED INTEREST RECEIVABLES

As at June 30, 2023 and December 31, 2022, the balances of loans and accrued interest income, classified by overdue periods, are as follows:

Overdue periods	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	June 30, 2023			
	Loans and accrued interest income			
	Policy loans	Mortgage loans	Other loans	Total
Not yet due	9,569,565	1,881,613	-	11,451,178
Overdue:				
Less than 3 months	-	3,349	-	3,349
3 - 6 months	-	2,982	-	2,982
6 - 12 months	-	458	-	458
Over 12 months	-	142,089	55	142,144
Total	9,569,565	2,030,491	55	11,600,111
Less Allowance for expected credit loss	-	(94,771)	-	(94,771)
Loans and accrued interest income	9,569,565	1,935,720	55	11,505,340

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

(Unit : Thousand Baht)

Consolidated and separate financial statements

June 30, 2023

Loans and accrued interest income

Stages	Mortgage loans	Other loans	Total
Loans with not significantly increased in credit risk (Stage 1)	1,884,962	-	1,884,962
Loans with significantly increased in credit risk (Stage 2)	3,440	-	3,440
Loans with credit impaired (Stage 3)	142,089	55	142,144
Total	2,030,491	55	2,030,546
<u>Less</u> Allowance for expected credit loss	(94,771)	-	(94,771)
Total	1,935,720	55	1,935,775

(Unit : Thousand Baht)

Consolidated and separate financial statements

December 31, 2022

Loans and accrued interest income

Stages	Mortgage loans	Other loans	Total
Loans with not significantly increased in credit risk (Stage 1)	2,027,121	-	2,027,121
Loans with significantly increased in credit risk (Stage 2)	5,960	-	5,960
Loans with credit impaired (Stage 3)	139,759	55	139,814
Total	2,172,840	55	2,172,895
<u>Less</u> Allowance for expected credit loss	(96,426)	-	(96,426)
Total	2,076,414	55	2,076,469

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

Loans to employees under the employee welfare scheme are set for credit limit of Baht 0.10 million for personal guarantee loans. The interest rate is charged at the rates of 6% per annum. As at June 30, 2023 and December 31, 2022, loans to employees amounted to Baht 0.01 million and Baht 0.01 million, respectively.

Loans to employees under the mortgage loans are not to exceed 50 times the employee's monthly salary to each employee for secured loans. The loans carry interest of 5% - 6% per annum. As at June 30, 2023 and December 31, 2022, loans to employees under the mortgage loans amounted to Baht 7 million and Baht 7 million, respectively.

11. INVESTMENT PROPERTY

Carrying amounts of investment property as at June 30, 2023 and December 31, 2022, are as follows:

(Unit : Thousand Baht)

Consolidated and separate financial statements

	For the six-month period ended June 30, 2023	For the year ended December 31, 2022
Net carrying value - beginning of the period/year	13,487	14,556
Depreciation for period/year	(529)	(1,069)
Net carrying value - end of the period/year	12,958	13,487

12. INVESTMENTS IN A SUBSIDIARY

As at June 30, 2023 and December 31, 2022, detail of investments in a subsidiary, as presented in the separate interim financial statements, is as follows:

Company's name	Type of business	Country of incorporation	Issued and paid-up capital		Shareholding percentage		Cost		
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	
			(Thousand Baht)	(Thousand Baht)	%	%	(Thousand Baht)	(Thousand Baht)	
BLA Insurance Broker Company Limited	Insurance broker	Thailand	24,000	24,000	99	99	23,760	23,760	
Total investments in a subsidiary								23,760	23,760

13. INVESTMENT ASSETS OF THE INSURED

Fair value of investment assets of the insured as at June 30, 2023 and December 31, 2022 are as follows:

	(Unit : Thousand Baht)	
	June 30, 2023	December 31, 2022
Investment in debt securities	104,322	76,584
Investment in equity securities	5,924	3,593
Total	110,246	80,177

14. PREMISES AND EQUIPMENT

Movements of premises and equipment for the six-month period ended June 30, 2023 are as follows:

	(Unit : Thousand Baht)						
	Consolidated financial statements						
	For the six-month period ended June 30, 2023						
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at January 1, 2023	791,346	1,072,850	1,526	314,985	7,687	146	2,188,540
Additions - at cost	-	21	-	36,275	2,638	-	38,934
Disposal/write-off - net carrying value	(3,837)	(1)	-	(18)	(1,821)	-	(5,677)
Transfer in (out)	-	-	-	97	-	(97)	-
Depreciation for the period	-	(19,581)	(908)	(37,095)	(2,926)	-	(60,510)
Net carrying value as at June 30, 2023	787,509	1,053,289	618	314,244	5,578	49	2,161,287

	(Unit : Thousand Baht)						
	Separate financial statements						
	For the six-month period ended June 30, 2023						
	Land	Buildings and buildings improvements	Condominium	Office furniture, fixture and equipment	Motor vehicles	Construction in progress	Total
Net carrying value as at January 1, 2023	791,346	1,072,853	1,524	314,981	7,686	146	2,188,536
Additions - at cost	-	21	-	36,275	2,638	-	38,934
Disposal/write-off - net carrying value	(3,837)	(1)	-	(18)	(1,821)	-	(5,677)
Transfer in (out)	-	-	-	97	-	(97)	-
Depreciation for the period	-	(19,581)	(908)	(37,091)	(2,926)	-	(60,506)
Net carrying value as at June 30, 2023	787,509	1,053,292	616	314,244	5,577	49	2,161,287

15. DEFERRED TAX ASSETS/LIABILITIES AND INCOME TAX EXPENSE

15.1 Deferred tax assets/liabilities

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

(Unit : Thousand Baht)

	Consolidated and separate financial statements					
			Change in deferred tax assets/liabilities reported in profit or loss for the three-month periods ended		Change in deferred tax assets/liabilities reported in other comprehensive income for the three-month periods ended	
	June 30,	December 31,	June 30,		June 30,	
	2023	2022	2023	2022	2023	2022
Deferred tax assets						
Reserves for long-term insurance contracts	1,469,670	1,644,668	(92,209)	(48,710)	-	-
Claim reserves	20,745	16,877	(2,793)	3,638	-	-
Provisions for long-term employee benefits	43,615	42,604	(332)	(87)	-	-
Allowance for expected credit loss and allowance for impairment loss	235,738	221,749	14,791	(12,006)	-	-
Others	642	-	80	-	-	-
Total deferred tax assets	<u>1,770,410</u>	<u>1,925,898</u>	<u>(80,463)</u>	<u>(57,165)</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities						
Investment at fair value through other comprehensive income	272,278	502,842	12,082	35,099	(334,123)	(1,012,065)
Cash flow hedge	51,051	81,304	(1,249)	(1,898)	(17,636)	(28,084)
Others	-	321	-	1,187	-	-
Total deferred tax liabilities	<u>323,329</u>	<u>584,467</u>	<u>10,833</u>	<u>34,388</u>	<u>(351,759)</u>	<u>(1,040,149)</u>
Deferred tax assets/liabilities - net	<u>1,447,081</u>	<u>1,341,431</u>	<u>(91,296)</u>	<u>(91,553)</u>	<u>351,759</u>	<u>1,040,149</u>

(Unit : Thousand Baht)

	Consolidated and separate financial statements					
			Change in deferred tax assets/liabilities reported in profit or loss for the six-month periods ended		Change in deferred tax assets/liabilities reported in other comprehensive income for the six-month periods ended	
	June 30,	December 31,	June 30,		June 30,	
	2023	2022	2023	2022	2023	2022
Deferred tax assets						
Reserves for long-term insurance contracts	1,469,670	1,644,668	(174,998)	(101,840)	-	-
Claim reserves	20,745	16,877	3,868	422	-	-
Provisions for long-term employee benefits	43,615	42,604	1,011	1,629	-	-
Allowance for expected credit loss and allowance for impairment loss	235,738	221,749	13,989	(12,224)	-	-
Others	642	-	642	-	-	-
Total deferred tax assets	<u>1,770,410</u>	<u>1,925,898</u>	<u>(155,488)</u>	<u>(112,013)</u>	<u>-</u>	<u>-</u>
Deferred tax liabilities						
Investment at fair value through other comprehensive income	272,278	502,842	24,710	56,389	(255,274)	(1,553,987)
Cash flow hedge	51,051	81,304	2,727	-	(32,980)	1,937
Others	-	321	(321)	1,187	-	-
Total deferred tax liabilities	<u>323,329</u>	<u>584,467</u>	<u>27,116</u>	<u>57,576</u>	<u>(288,254)</u>	<u>(1,552,050)</u>
Deferred tax assets/liabilities - net	<u>1,447,081</u>	<u>1,341,431</u>	<u>(182,604)</u>	<u>(169,589)</u>	<u>288,254</u>	<u>1,552,050</u>

15.2 Income tax expenses

Income tax expenses for the three-month and six-month periods ended June 30, 2023 and 2022 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,	
	2023	2022	2023	2022
Current income tax:				
Corporate income tax	49,739	125,383	108,465	192,399
Adjustment in respect of income tax of previous year	(1,323)	2,908	(1,323)	2,908
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	91,296	91,553	182,604	169,589
Income tax expenses reported in profits or losses	<u>139,712</u>	<u>219,844</u>	<u>289,746</u>	<u>364,896</u>

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Current income tax:				
Corporate income tax	49,739	125,383	108,308	192,399
Adjustment in respect of income tax of previous year	(1,323)	2,908	(1,323)	2,908
Deferred tax:				
Deferred tax relating to origination and reversal of temporary differences	91,296	91,553	182,604	169,589
Income tax expenses reported in profits or losses	<u>139,712</u>	<u>219,844</u>	<u>289,589</u>	<u>364,896</u>

Reconciliation between accounting profits and income tax expense for the three-month and six-month periods ended June 30, 2023 and 2022 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,	
	2023	2022	2023	2022
Accounting profit before income tax expenses	928,783	1,408,965	1,834,959	2,354,683
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	185,757	281,712	366,992	470,770
Adjustment in respect of corporate income tax of previous year	(1,323)	2,908	(1,323)	2,908
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(44,722)	(64,776)	(75,923)	(108,782)
Income tax expenses recognised in profits or losses	<u>139,712</u>	<u>219,844</u>	<u>289,746</u>	<u>364,896</u>

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Accounting profit before income tax expenses	928,430	1,408,560	1,834,274	2,353,850
Applicable corporate income tax rates	20%	20%	20%	20%
Income tax expenses at the applicable tax rates	185,686	281,712	366,855	470,770
Adjustment in respect of corporate income tax of previous year	(1,323)	2,908	(1,323)	2,908
Net tax effect on income or expenses that are not taxable or not deductible in determining taxable profits	(44,651)	(64,776)	(75,943)	(108,782)
Income tax expenses recognised in profits or losses	<u>139,712</u>	<u>219,844</u>	<u>289,589</u>	<u>364,896</u>

16. OTHER ASSETS

As at June 30, 2023 and December 31, 2022, other assets consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Prepaid income tax	174,823	174,823	174,823	174,823
Deposits	8,764	8,861	8,764	8,861
Receivable from sales of investments	97,533	232,046	97,533	232,046
Prepaid expenses	33,266	21,720	33,266	21,720
Others	137,046	136,564	124,112	124,304
Total other assets	<u>451,432</u>	<u>574,014</u>	<u>438,498</u>	<u>561,754</u>

17. INSURANCE CONTRACT LIABILITIES

As at June 30, 2023 and December 31, 2022, insurance contract liabilities consisted of the following:

	(Unit : Thousand Baht)					
	Consolidated and separate financial statements					
	June 30, 2023			December 31, 2022		
	Insurance contract liabilities	Reinsurance of liabilities	Net	Insurance contract liabilities	Reinsurance of liabilities	Net
Reserves for long-term insurance contracts	274,017,114	-	274,017,114	288,895,494	-	288,895,494
Claim reserves						
Reserves for reported claims	461,980	(90,650)	371,330	384,331	(92,332)	291,999
Reserves for claims incurred but not yet reported	116,774	(13,049)	103,725	113,005	(28,618)	84,387
Premium reserves						
Unearned premium reserves	1,887,998	(413,116)	1,474,882	1,599,336	(374,065)	1,225,271
Unpaid policy benefits	453,757	-	453,757	434,498	-	434,498
Other insurance liabilities	<u>2,960,517</u>	<u>-</u>	<u>2,960,517</u>	<u>3,330,178</u>	<u>-</u>	<u>3,330,178</u>
Total insurance contract liabilities	<u>279,898,140</u>	<u>(516,815)</u>	<u>279,381,325</u>	<u>294,756,842</u>	<u>(495,015)</u>	<u>294,261,827</u>

17.1 Reserves for long-term insurance contracts

As at June 30, 2023 and December 31, 2022, reserves for long-term insurance contracts consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the six-month period ended June 30, 2023	For the year ended December 31, 2022
Balances - beginning of the period/year	288,895,494	287,771,587
Reserve increased for new businesses and in force policies	13,269,706	30,988,978
Reserve decreased for benefits payment lapses and surrender, etc.	<u>(28,148,086)</u>	<u>(29,865,071)</u>
Balances - end of the period/year	<u>274,017,114</u>	<u>288,895,494</u>

17.2 Claim reserves

As at June 30, 2023 and December 31, 2022, claim reserves consisted of the following:

	(Unit : Thousand Baht)	
	<u>Consolidated and separate financial statements</u>	
	For the six-month period ended June 30, 2023	For the year ended December 31, 2022
Balances - beginning of the period/year	497,336	377,958
Claims incurred in the current period/year	1,623,116	2,885,549
Claims paid during the period/year	(1,541,698)	(2,766,171)
Balances - end of the period/year	<u>578,754</u>	<u>497,336</u>

17.3 Unearned premium reserves

As at June 30, 2023 and December 31, 2022, unearned premium reserves consisted of the following:

	(Unit : Thousand Baht)	
	<u>Consolidated and separate financial statements</u>	
	For the six-month period ended June 30, 2023	For the year ended December 31, 2022
Balances - beginning of the period/year	1,599,336	1,588,010
Premium written for the period/year	2,328,990	3,794,684
Premium earned for the period/year	(2,040,328)	(3,783,358)
Balances - end of the period/year	<u>1,887,998</u>	<u>1,599,336</u>

17.4 Unpaid policy benefits

As at June 30, 2023 and December 31, 2022, unpaid policy benefits consisted of the following:

	(Unit : Thousand Baht)	
	<u>Consolidated and separate financial statements</u>	
	June 30, 2023	December 31, 2022
Death benefit	125,867	128,009
Maturity payment	288,327	272,278
Benefit payment	39,140	33,749
Surrender	423	462
Total unpaid policy benefits	<u>453,757</u>	<u>434,498</u>

17.5 Other insurance liabilities

As at June 30, 2023 and December 31, 2022, other insurance liabilities consisted of the following:

	(Unit : Thousand Baht)	
	<u>Consolidated and separate financial statements</u>	
	June 30, 2023	December 31, 2022
Deposits from insurance contracts	2,621,200	3,011,955
Premiums received in advance	150,998	157,629
Payable to policyholders on exempted premiums	77,484	78,360
Carrying amount of unit linked products	110,835	82,234
Total other insurance liabilities	<u>2,960,517</u>	<u>3,330,178</u>

18. AMOUNT DUE TO REINSURANCE

As at June 30, 2023 and December 31, 2022, amount due to reinsurance consisted of the following:

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	June 30, 2023	December 31, 2022
Amount due to reinsurers	933,888	958,952
Total amount due to reinsurance	933,888	958,952

19. EMPLOYEE BENEFIT OBLIGATIONS

As at June 30, 2023 and December 31, 2022, employee benefit obligations consisted of the following:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate financial statements	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Post-employment benefit obligations for severance pay	197,633	184,235	196,776	183,474
Other employment benefit obligation for long service awards	21,379	29,721	21,301	29,547
Total employee benefit obligations	219,012	213,956	218,077	213,021

20. OTHER LIABILITIES

As at June 30, 2023 and December 31, 2022, other liabilities consisted of the following:

	Consolidated		(Unit : Thousand Baht)	
	financial statements		Separate financial statements	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Accrued commission expenses	368,703	549,476	367,468	548,595
Accrued expenses	177,463	248,104	177,451	248,054
Premium received for policies not yet approved	79,927	51,263	79,927	51,263
Amounts received awaiting transfer	196,504	113,233	196,504	113,233
Specific business tax payable	151,860	154,841	151,860	154,841
Payable from purchases of investments	99,414	45,315	99,414	45,315
Withholding tax payable	12,656	16,867	12,604	16,827
Short-term employee benefit payables	84,587	112,970	84,587	112,970
Others	77,161	84,736	70,993	80,540
Total other liabilities	1,248,275	1,376,805	1,240,808	1,371,638

21. OPERATING SEGMENT

The Group presented operating segment information in the same manner as that reported to the Office of Insurance Commission (“OIC”) on the report of underwriting information reported by insurance categories since the management considered that the Group is operating its core business in a single segment (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.

Information of operating segment as per mentioned above for the three-month and six-month periods ended June 30, 2023 and 2022 is as follows:

(Unit : Thousand Baht)

Consolidated financial statements							
For the three-month period ended June 30, 2023							
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products	Investment Life Insurance Products	Personal accident	Others	Total
Underwriting income							
Premium written	5,211,035	1,727,377	105,258	3,007	13,115	-	7,059,792
Less Premium ceded to reinsurers	(161,991)	-	-	-	-	-	(161,991)
Net premium written	5,049,044	1,727,377	105,258	3,007	13,115	-	6,897,801
Add (Less) Unearned premium reserve decreased (increased) from prior period	154,190	-	-	-	(539)	-	153,651
Net earned premium	5,203,234	1,727,377	105,258	3,007	12,576	-	7,051,452
Fee and commission income	77,188	-	-	10,267	-	-	87,455
Total underwriting income	5,280,422	1,727,377	105,258	13,274	12,576	-	7,138,907
Underwriting expenses							
Life policy reserves (decreased) increased from prior period	(10,318,425)	1,477,544	72,428	44	-	-	(8,768,409)
Benefit payments under life policies and claims net refundable from reinsurance	16,626,333	117,112	56,082	-	1,124	-	16,800,651
Commissions and brokerage expenses	454,598	79,748	6,383	9,204	611	2,595	553,139
Other underwriting expenses	130,778	17,823	1,087	11	133	-	149,832
Total underwriting expenses	6,893,284	1,692,227	135,980	9,259	1,868	2,595	8,735,213

(Unit : Thousand Baht)

Consolidated financial statements							
For the three-month period ended June 30, 2022							
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products	Investment Life Insurance Products	Personal accident	Others	Total
Underwriting income							
Premium written	6,151,310	1,238,568	79,710	1,137	11,420	-	7,482,145
Less Premium ceded to reinsurers	(149,376)	-	-	-	-	-	(149,376)
Net premium written	6,001,934	1,238,568	79,710	1,137	11,420	-	7,332,769
Less Unearned premium reserve increased from prior period	(37,516)	-	-	-	(763)	-	(38,279)
Net earned premium	5,964,418	1,238,568	79,710	1,137	10,657	-	7,294,490
Fee and commission income	64,045	-	-	7,879	-	-	71,924
Total underwriting income	6,028,463	1,238,568	79,710	9,016	10,657	-	7,366,414
Underwriting expenses							
Life policy reserves (decreased) increased from prior period	(475,721)	1,049,034	120,581	88	-	-	693,982
Benefit payments under life policies and claims net refundable from reinsurance	7,779,773	104,186	41,816	-	1,012	-	7,926,787
Commissions and brokerage expenses	461,477	65,223	4,633	9,351	525	2,270	543,479
Other underwriting expenses	121,195	10,812	604	131	84	-	132,826
Total underwriting expenses	7,886,724	1,229,255	167,634	9,570	1,621	2,270	9,297,074

(Unit : Thousand Baht)

Consolidated financial statements							
For the six-month period ended June 30, 2023							
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products	Investment Life Insurance Products	Personal accident	Others	Total
Underwriting income							
Premium written	12,258,165	3,385,704	181,107	5,910	25,044	-	15,855,930
Less Premium ceded to reinsurers	(511,947)	-	-	-	-	-	(511,947)
Net premium written	11,746,218	3,385,704	181,107	5,910	25,044	-	15,343,983
Less Unearned premium reserve increased from prior period	(249,181)	-	-	-	(430)	-	(249,611)
Net earned premium	11,497,037	3,385,704	181,107	5,910	24,614	-	15,094,372
Fee and commission income	207,622	-	-	18,104	-	-	225,726
Total underwriting income	11,704,659	3,385,704	181,107	24,014	24,614	-	15,320,098
Underwriting expenses							
Life policy reserves (decreased) increased from prior period	(17,937,009)	2,923,803	134,726	101	-	-	(14,878,379)
Benefit payments under life policies and claims net refundable from reinsurance	31,550,024	211,083	103,431	-	2,879	-	31,867,417
Commissions and brokerage expenses	974,806	187,787	10,492	16,301	1,098	5,150	1,195,634
Other underwriting expenses	318,556	35,100	1,878	25	256	-	355,815
Total underwriting expenses	14,906,377	3,357,773	250,527	16,427	4,233	5,150	18,540,487

(Unit : Thousand Baht)

Consolidated financial statements							
For the six-month period ended June 30, 2022							
	Traditional products - no participating dividend	Traditional products - participating dividend	Life annuity products	Investment Life Insurance Products	Personal accident	Others	Total
Underwriting income							
Premium written	14,385,414	1,952,722	190,952	1,883	22,320	-	16,553,291
Less Premium ceded to reinsurers	(488,200)	-	-	-	-	-	(488,200)
Net premium written	13,897,214	1,952,722	190,952	1,883	22,320	-	16,065,091
Less Unearned premium reserve increased from prior period	(364,590)	-	-	-	(237)	-	(364,827)
Net earned premium	13,532,624	1,952,722	190,952	1,883	22,083	-	15,700,264
Fee and commission income	238,718	-	-	11,693	-	-	250,411
Total underwriting income	13,771,342	1,952,722	190,952	13,576	22,083	-	15,950,675
Underwriting expenses							
Life policy reserves (decreased) increased from prior period	(54,171)	1,649,366	218,932	136	-	-	1,814,263
Benefit payments under life policies and claims net refundable from reinsurance	16,213,379	199,029	77,342	-	2,948	-	16,492,698
Commissions and brokerage expenses	1,070,569	141,789	8,686	13,568	943	4,472	1,240,027
Other underwriting expenses	284,370	18,667	1,826	134	211	(6)	305,202
Total underwriting expenses	17,514,147	2,008,851	306,786	13,838	4,102	4,466	19,852,190

22. OPERATING EXPENSES

For the three-month and six-month periods ended June 30, 2023 and 2022, 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,	
	2023	2022	2023	2022
Personnel expenses	238,627	231,795	483,843	440,445
Premises and equipment expenses	49,848	50,984	101,431	95,173
Taxes and duties	521	1,859	1,274	2,617
Other operating expenses	139,435	103,840	236,054	203,416
Total operating expenses	428,431	388,478	822,602	741,651

	(Unit : Thousand Baht)			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Personnel expenses	237,607	230,814	480,997	438,097
Premises plant and equipment expenses	49,772	50,904	101,275	95,013
Taxes and duties	521	1,859	1,274	2,617
Other operating expenses	139,438	103,855	236,270	203,614
Total operating expenses	427,338	387,432	819,816	739,341

23. GAIN (LOSS) ON REVALUATION

For the three-month and six-month periods ended June 30, 2023 and 2022, gain (loss) on revaluation consisted of the following:

	(Unit : Thousand Baht)			
	Consolidated and separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Unrealised (loss) gain on remeasuring investment at fair value through profit or loss	(2,269)	11,370	(2,173)	19,365
Unrealised losses on foreign exchange forward contracts	(244,685)	(249,305)	(240,731)	(184,190)
Gains on foreign exchange rate	293,047	425,999	208,094	327,619
(Loss) gain on revaluation fair value of forward contracts	(6,249)	(1,646)	13,635	7,846
Total gain (loss) on revaluation	39,844	186,418	(21,175)	170,640

24. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Fair value hierarchy

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

TFRS 13 “Fair Value Measurement” establishes a fair value hierarchy 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 and liabilities whether directly or indirectly

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

As at June 30, 2023 and December 31, 2022, the Company and subsidiary had the following assets and liabilities 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, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Derivative assets				
Cross currency swap contracts	-	168,999	-	168,999
Forward exchange contracts	-	6,448	-	6,448
Investment at fair value through profit or loss				
Equity instruments	7,630	-	-	7,630
Investment at fair value through other comprehensive income				
Equity instruments	28,354,354	-	1,262,652	29,617,006
Debt instruments	3,568,267	69,741,293	2,187,381	75,496,941
Investment assets of the insured	-	110,246	-	110,246
Assets for which fair value are disclosed				
Investment at amortized cost				
Debt instruments	-	201,399,902	2,935,286	204,335,188
Deposits at banks with maturity date over 3 months	5,000	-	-	5,000
Investment property	-	-	35,207	35,207
Loans and accrued interest receivables				
Policy loans	-	-	11,039,287	11,039,287
Mortgage loans	-	-	1,924,184	1,924,184
Financial liabilities measured at fair value				
Derivative liabilities				
Cross currency swap contracts	-	622,144	-	622,144
Forward exchange contracts	-	213,647	-	213,647

(Unit : Thousand Baht)

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

Valuation techniques and inputs to Level 2 valuations

- a) The fair value of investments in debt instruments at fair value through other comprehensive income and at amortized cost, but not included unit trusts have 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 fixed deposit at financial institution resembles carrying value.
- c) The fair value of investments in unit trusts at fair value through other comprehensive income and investment assets of the insured have been determined by using the net asset value per unit as announced by the fund managers.
- d) For derivatives, their fair values have been determined by using fair values obtained from its counterparties, who are banks.

Valuation techniques and inputs to Level 3 valuations

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

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

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

	(Unit : Thousand Baht)	
	Consolidated and separate financial statements	
	For the six-month period ended June 30, 2023	
	Equity instruments	Debt instruments
Balances - beginning of the period	1,251,226	2,128,907
Gain recognised in profit or loss	-	51,617
Gain recognised in other comprehensive income	11,426	6,857
Balances - end of the period	<u>1,262,652</u>	<u>2,187,381</u>

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

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

Fair value of the following assets and liabilities resemble carrying value

- Cash and cash equivalents
- Premium receivables
- Accrued investment income
- Amount due from reinsurance
- Amount due to reinsurance

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

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Loss from Expected Credit Loss (Reversal)				
Investments in securities	(12,692)	(67,821)	(16,122)	(70,222)
Loans and accrued interest income	(1,076)	7,788	(1,655)	9,099
Impairment loss				
Investments in securities	87,720	-	87,720	-
Others	-	-	6,211	175
Total	<u>73,952</u>	<u>(60,033)</u>	<u>76,154</u>	<u>(60,948)</u>

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 is summarised below.

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

During the three-month and six-month periods ended June 30, 2023 and 2022, the Group and the Company had significant business transactions with its related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course business between the Group and 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,		
	2023	2022	2023	2022	
Related parties					
Premium written	1,242	3,377	9,417	5,622	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	49,907	64,895	95,233	124,109	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	-	1,688	-	3,433	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	132,744	87,172	167,048	117,383	The declared amount
Other income from investment	350	163	618	318	Normal commercial terms on contracts
Fee and service income	4,127	3,787	8,980	7,933	Rate on agreements
Brokerage income from securities trading	15,751	24,174	32,581	37,342	Normal commercial terms for securities brokerage
Loss on forward and swap foreign exchange contracts	(180,648)	(323,592)	(203,582)	(261,185)	Normal commercial terms on contracts
Commission and brokerage	272,200	165,522	608,838	448,493	At a mutually agreed percentage of premium written
Claim payment and diagnosis charge	11,621	4,508	18,837	10,439	Normal commercial terms for underwriting
Bank charges	40,930	45,306	84,896	90,577	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	88	1,053	2,782	1,537	Normal commercial terms for underwriting
Building space rental and services	574	1,413	712	2,043	Rate on agreements
Other services	804	753	1,377	1,076	Normal commercial terms on contracts

(Unit : Thousand Baht)

	Separate financial statements				Pricing policy
	For the three-month periods ended June 30,		For the six-month periods ended June 30,		
	2023	2022	2023	2022	
Subsidiaries					
Written Premium	-	9	180	165	Normal commercial terms for underwriting
Rental and service income	109	94	215	198	Rate on agreements as those charged by rental and service fees per square meter per month
Related parties					
Written premium	1,242	3,377	9,417	5,622	Normal commercial terms for underwriting
Interest income - deposits at banks, promissory notes and debentures	49,889	64,890	95,215	124,104	Same rates as those offered by financial institutions and related companies to general customers
Interest income - mortgage loans	-	1,688	-	3,433	Same rates as the Company charged to general borrowers who mortgage assets as collateral
Dividend income	132,744	87,172	167,048	117,383	The declared amount
Other income from investment	350	163	618	318	Normal commercial terms on contracts
Brokerage income from securities trading	15,751	24,174	32,581	37,342	Normal commercial terms for securities brokerage
Loss on forward and swap foreign exchange contracts	(180,648)	(323,592)	(203,582)	(261,185)	Normal commercial terms on contracts
Commission and brokerage	272,200	165,522	608,838	448,493	At a mutually agreed percentage of premium written
Claim payment and diagnosis charge	11,621	4,508	18,837	10,439	Normal commercial terms for underwriting
Bank charges	40,904	45,283	84,841	90,530	Same rates as those charged by financial institutions and related companies to general customers
Insurance premium	88	1,053	2,782	1,530	Normal commercial terms for underwriting
Building space rental and services	574	1,413	712	2,043	Rate on agreements
Other services	804	753	1,377	1,076	Normal commercial terms on contracts

For the three-month and six-month periods ended June 30, 2023, the premium generated from the Bancassurance distribution channel represented approximately 54.61% and 54.72% of total net premium written, respectively (for the three-month and six-month periods ended June 30, 2022: approximately 56.18% and 56.72% of total net premium written, respectively).

As at June 30, 2023 and December 31, 2022, the balance of the accounts between the Company and those related companies are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Subsidiary				
Other liabilities				
Deposits	-	-	66	66
Accrued expenses	-	-	52	-
Total other liabilities	-	-	118	66
Related parties				
Deposit at financial institution (included in cash and cash equivalents)	1,571,645	1,569,213	1,554,476	1,554,204
Investment assets				
Investment in securities	12,516,226	11,164,304	12,516,226	11,164,304
Forward and swap foreign exchange contract receivables	5,069,329	5,290,219	5,069,329	5,290,219
Premium receivables	1,016	1,150	1,016	1,150
Other assets	8,068	8,205	3,416	2,208
Outstanding claims	3,161	2,801	3,161	2,801
Forward and swap foreign exchange contract payables	5,284,437	5,206,271	5,284,437	5,206,271
Other liabilities	173,847	238,132	168,139	234,191

Directors and key management's benefits

During the three-month and six-month periods ended June 30, 2023 and 2022, employee benefit expenses to directors and key management are as follows:

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Short-term employee benefits	15.83	13.27	45.41	35.07
Long-term employee benefits	0.76	0.63	1.52	1.27
Total directors and key management's benefits	16.59	13.90	46.93	36.34

27. ASSETS PLACED WITH THE REGISTRAR

As at June 30, 2023 and December 31, 2022, the following assets have been placed as securities with the Registrar in accordance with the Life Insurance Act.

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	June 30, 2023		December 31, 2022	
	Cost/ Amortized cost	Fair value	Cost/ Amortized cost	Fair value
State enterprise bonds	22,849	24,752	22,888	23,867

28. ASSETS RESERVED WITH THE REGISTRAR

As at June 30, 2023 and December 31, 2022, the following securities have been placed as reserves with the Registrar in accordance with the Life Insurance Act.

(Unit : Thousand Baht)

	Consolidated and separate financial statements			
	June 30, 2023		December 31, 2022	
	Cost/ Amortized cost	Fair value	Cost/ Amortized cost	Fair value
Government bonds	66,825,011	71,086,949	66,883,064	68,540,947
State enterprise bonds	1,699,909	1,745,371	3,199,837	3,324,029
Total	68,524,920	72,832,320	70,082,901	71,864,976

29. EARNINGS PER SHARE

Basic earnings per share for the three-month periods ended June 30, 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	For the three-month period ended		For the three-month period ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Net profits (Thousand Baht)	789,068	1,189,117	788,718	1,188,716
Number of share capital (Thousand shares)	1,707,566	1,707,566	1,707,566	1,707,566
Basic earnings per share *(Baht per share)	0.46	0.70	0.46	0.70

Basic earnings per share for the six-month periods ended June 30, 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	For the six-month period ended		For the six-month period ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Net profits (Thousand Baht)	1,545,208	1,989,779	1,544,685	1,988,954
Number of share capital (Thousand shares)	1,707,566	1,707,566	1,707,566	1,707,566
Basic earnings per share *(Baht per share)	0.90	1.17	0.90	1.16

* Earnings per share for equity holders of the Company.

30. DIVIDENDS PAID

Dividends declared during the six-month periods ended June 30, 2023 and 2022 consisted of the following:

	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
Annual dividend for 2022	Annual General Meeting of the Shareholders on April 20, 2023 and the OIC on April 12, 2023	477	0.28
Total dividend paid during the period 2023		477	0.28
Annual dividend for 2021	Annual General Meeting of the Shareholders on April 27, 2022 and the OIC on April 8, 2022	952	0.56
Total dividend paid during the period 2022		952	0.56

31. COMMITMENTS

31.1 As at June 30, 2023 and December 31, 2022, the Company has commitments to pay contingent liabilities from the construction building agreement with local companies amounting to Baht 7.79 million and Baht 18.96 million, respectively.

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

As at June 30, 2023 and December 31, 2022, the Group and the Company have future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	(Unit : Million Baht)		
	<u>Consolidated and separate financial statements</u>		
	<u>as at June 30, 2023</u>		
	<u>Pay within</u>		
	<u>1 year</u>	<u>1 - 5 years</u>	<u>Total</u>
Operating lease agreements - Others	10.27	5.76	16.03
Service agreements	14.34	0.60	14.94
Total	<u>24.61</u>	<u>6.36</u>	<u>30.97</u>

	(Unit : Million Baht)		
	<u>Consolidated and separate financial statements</u>		
	<u>as at December 31, 2022</u>		
	<u>Pay within</u>		
	<u>1 year</u>	<u>1 - 5 years</u>	<u>Total</u>
Operating lease agreements - Others	12.06	8.37	20.43
Service agreements	1.27	-	1.27
Total	<u>13.33</u>	<u>8.37</u>	<u>21.70</u>

The Group and the Company recognised rental expense derived from the operating leases for the three-month and six-month periods ended June 30, 2023 amounting to Baht 3.67 million and Baht 7.56 million, respectively (for the three-month and six-month periods ended June 30, 2022 amounting to Baht 5.01 million and Baht 10.36 million, respectively).

31.3 As at June 30, 2023 and December 31, 2022, the Company had bank guarantee issued by banks Baht 2.6 million and Baht 2.6 million, respectively.

32. LITIGATION

As at June 30, 2023 and December 31, 2022, the Company has been sued in litigation cases of compensation of claims totaling approximately Baht 6 million and Baht 7 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. EVENT AFTER THE REPORTING PERIOD

On August 15, 2023, the Company's Board of Directors' meeting approved the dividend payment of Baht 0.28 per share to the Company's ordinary shareholders. The payment of dividend was approved by the Office of Insurance Commission.

34. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issuance by the Board of Directors on August 15, 2023.