

Thaire Life Assurance Public Company Limited
Review report and interim financial information
For the three-month period ended
31 March 2022

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thaire Life Assurance Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of Thaire Life Assurance Public Company Limited as at 31 March 2022, the statements of income, comprehensive income, changes in owners' equity and cash flows, in which the equity method is applied, for the three-month period then ended, as well as the condensed notes to the interim financial statements. I have also reviewed the separate financial information of Thaire Life Assurance Public Company Limited for the same period (collectively called "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my 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 me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok: 9 May 2022

Thaire Life Assurance Public Company Limited

Statements of financial position

As at 31 March 2022 and 31 December 2021

(Unit: Baht)

	Note	Financial statements		Separate financial statements	
		in which the equity method is applied			
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash and cash equivalents	3	108,606,561	155,794,785	108,606,561	155,794,785
Accrued investment income		18,942,916	16,939,216	18,942,916	16,939,216
Reinsurance assets	4	4,792,946	8,705,740	4,792,946	8,705,740
Reinsurance receivables	5	169,860,171	135,045,599	169,860,171	135,045,599
Investment assets					
Investments in securities	6.1	2,197,059,914	2,189,992,120	2,197,059,914	2,189,992,120
Loans and interest receivables	7	31,150	162,491	31,150	162,491
Investments in an associate	8	11,422,559	11,890,593	18,910,900	18,910,900
Premises and equipment	9	52,686,833	54,444,454	52,686,833	54,444,454
Intangible assets	10	37,633,167	38,728,414	37,633,167	38,728,414
Deferred tax assets	11.1	62,970,313	67,669,668	61,472,645	66,265,607
Other assets					
Deferred commission expenses		109,988,570	111,403,396	109,988,570	111,403,396
Others		12,334,725	6,753,480	12,334,725	6,753,480
Total assets		2,786,329,825	2,797,529,956	2,792,320,498	2,803,146,202

The accompanying notes are an integral part of the financial statements.

Thaire Life Assurance Public Company Limited

Statements of financial position (continued)

As at 31 March 2022 and 31 December 2021

(Unit: Baht)

	Financial statements				
	Note	in which the equity method is applied		Separate financial statements	
		31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	31 March 2022 (Unaudited but reviewed)	31 December 2021 (Audited)
Liabilities and owners' equity					
Liabilities					
Insurance contract liabilities	12	1,016,667,152	1,148,574,575	1,016,667,152	1,148,574,575
Due to reinsurers	13	189,746,894	146,020,331	189,746,894	146,020,331
Income tax payable		13,489,170	3,187,403	13,489,170	3,187,403
Lease liabilities		579,100	766,238	579,100	766,238
Employee benefit obligations		18,732,699	18,018,244	18,732,699	18,018,244
Other liabilities					
Accrued expenses		2,959,236	3,398,496	2,959,236	3,398,496
Deferred commission income		71,894	65,458	71,894	65,458
Others		9,286,230	8,427,276	9,286,230	8,427,276
Total liabilities		1,251,532,375	1,328,458,021	1,251,532,375	1,328,458,021
Owners' equity					
Share capital					
Registered, issued and paid-up					
600,000,000 ordinary shares of Baht 1 each		600,000,000	600,000,000	600,000,000	600,000,000
Share premium		79,162,825	79,162,825	79,162,825	79,162,825
Retained earnings					
Appropriated - statutory reserve		60,000,000	60,000,000	60,000,000	60,000,000
Unappropriated		867,967,604	797,944,982	869,551,957	799,645,587
Other component of owners' equity		(72,332,979)	(68,035,872)	(67,926,659)	(64,120,231)
Total owners' equity		1,534,797,450	1,469,071,935	1,540,788,123	1,474,688,181
Total liabilities and owners' equity		2,786,329,825	2,797,529,956	2,792,320,498	2,803,146,202
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited**Statements of income****For the three-month periods ended 31 March 2022 and 2021**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2022	2021	2022	2021
Revenues					
Reinsurance premium written		669,909,572	479,906,878	669,909,572	479,906,878
Less: Reinsurance premium ceded		(5,940,170)	(4,871,248)	(5,940,170)	(4,871,248)
Net reinsurance premium written		663,969,402	475,035,630	663,969,402	475,035,630
Add: Unearned premium reserves decreased					
from prior period		28,717,142	49,448,356	28,717,142	49,448,356
Net earned premium		692,686,544	524,483,986	692,686,544	524,483,986
Commission income		873,251	1,013,813	873,251	1,013,813
Net investment revenue		12,337,397	15,119,399	12,337,397	15,119,399
Gains on investments		3,197,856	3,143,053	3,197,856	3,143,053
Fair value gains (losses)		(1,146)	88,082	(1,146)	88,082
Share of profit (loss) from investment in an associate					
under the equity method	8.3	145,315	(409,872)	-	-
Other income		332,238	301,071	332,238	301,071
Total revenues		709,571,455	543,739,532	709,426,140	544,149,404
Expenses					
Long-term insurance policy reserves decreased		(16,156,546)	(10,533,184)	(16,156,546)	(10,533,184)
Gross benefits and claims		464,565,289	352,010,638	464,565,289	352,010,638
Add (less): claims paid (recovered) from reinsurers		2,430,976	(571,678)	2,430,976	(571,678)
Commission expenses		129,520,948	136,806,539	129,520,948	136,806,539
Other underwriting expenses		14,852,345	12,197,815	14,852,345	12,197,815
Operating expenses		28,095,296	21,242,596	28,095,296	21,242,596
Finance costs		10,919	22,147	10,919	22,147
Expected credit losses (revesal)		32,730	(44,450)	32,730	(44,450)
Total expenses		623,351,957	511,130,423	623,351,957	511,130,423
Profits before income tax expenses		86,219,498	32,609,109	86,074,183	33,018,981
Income tax expenses	11.2	(16,099,694)	(4,515,025)	(16,070,631)	(4,597,000)
Net profits		70,119,804	28,094,084	70,003,552	28,421,981
Earnings per share	15				
Basic earnings per share					
Net profits		0.12	0.05	0.12	0.05

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited**Statements of comprehensive income****For the three-month periods ended 31 March 2022 and 2021**

(Unit: Baht)

Note	Financial statements		Separate financial statements	
	in which the equity method is applied		2022	2021
	2022	2021	2022	2021
Net profits	70,119,804	28,094,084	70,003,552	28,421,981
Other comprehensive income (loss)				
Items to be reclassified to statements of income in subsequent periods:				
Translation adjustments of the financial statements				
in foreign currency of an associate	(613,349)	386,095	-	-
Gains (losses) on revaluation of available-for-sale investments				
measured at fair value through other comprehensive income	(4,758,035)	10,245,533	(4,758,035)	10,245,533
Add (less): Income taxes	1,074,277	(2,126,326)	951,607	(2,049,107)
Items to be reclassified to statements of income in subsequent periods				
- net of income taxes	(4,297,107)	8,505,302	(3,806,428)	8,196,426
Items not to be reclassified to statements of income in subsequent periods:				
Actuarial gains (losses)	(121,478)	2,659,207	(121,478)	2,659,207
Add (less): Income taxes	24,296	(531,841)	24,296	(531,841)
Items not to be reclassified to statements of income in subsequent periods				
- net of income taxes	(97,182)	2,127,366	(97,182)	2,127,366
Other comprehensive income (loss) for the periods	(4,394,289)	10,632,668	(3,903,610)	10,323,792
Total comprehensive income for the periods	65,725,515	38,726,752	66,099,942	38,745,773

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of cash flows

For the three-month periods ended 31 March 2022 and 2021

(Unit: Baht)

	Financial statements		Separate financial statements	
	in which the equity method is applied			
	2022	2021	2022	2021
Cash flows from (used in) operating activities				
Cash received from (paid for) reinsurance	(8,671,960)	1,152,849	(8,671,960)	1,152,849
Interest income	3,881,027	3,609,786	3,881,027	3,609,786
Dividend income	6,663,759	10,288,725	6,663,759	10,288,725
Other investment revenues	909,735	684,611	909,735	684,611
Other income	263,238	7,274,835	263,238	7,274,835
Other underwriting expenses	(14,818,948)	(12,300,477)	(14,818,948)	(12,300,477)
Operating expenses	(25,445,443)	(21,202,483)	(25,445,443)	(21,202,483)
Income tax expenses	(175,695)	(514,032)	(175,695)	(514,032)
Cash received on financial assets	637,769,238	307,033,310	637,769,238	307,033,310
Cash paid for financial assets	(646,893,411)	(300,299,996)	(646,893,411)	(300,299,996)
Net cash used in by operating activities	(46,518,460)	(4,272,872)	(46,518,460)	(4,272,872)
Cash flows from (used in) investing activities				
Purchases of equipment	(404,937)	(25,792)	(404,937)	(25,792)
Purchases of intangible assets	(98,734)	(9,998,539)	(98,734)	(9,998,539)
Net cash used in investing activities	(503,671)	(10,024,331)	(503,671)	(10,024,331)
Cash flows from (used in) financing activities				
Repayment of lease liabilities	(198,057)	(198,057)	(198,057)	(198,057)
Net cash used in financing activities	(198,057)	(198,057)	(198,057)	(198,057)
Net decrease in cash and cash equivalents	(47,220,188)	(14,495,260)	(47,220,188)	(14,495,260)
Cash and cash equivalents at beginning of the periods	155,794,785	41,134,866	155,794,785	41,134,866
Increase in expected credit losses	31,964	23,796	31,964	23,796
Cash and cash equivalents at end of the periods	108,606,561	26,663,402	108,606,561	26,663,402

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of changes in owners' equity

For the three-month periods ended 31 March 2022 and 2021

(Unit: Baht)

	Financial statements in which the equity method is applied							
	Issued and paid-up share capital	Share premium	Retained earnings		Other components of owners' equity			Total owners' equity
			Appropriated - statutory reserve	Unappropriated	Revaluation deficit on available-for-sale investments measured at fair value through other comprehensive income - net of income taxes	Translation adjustments of the financial statements in foreign currency of an associate - net of income taxes	Total other components of owners' equity	
Balance as at 1 January 2021	600,000,000	79,162,825	60,000,000	782,250,161	(94,285,611)	(3,131,335)	(97,416,946)	1,423,996,040
Net profit	-	-	-	28,094,084	-	-	-	28,094,084
Other comprehensive income for the period	-	-	-	2,127,366	8,196,426	308,876	8,505,302	10,632,668
Total comprehensive income for the period	-	-	-	30,221,450	8,196,426	308,876	8,505,302	38,726,752
Balance as at 31 March 2021	600,000,000	79,162,825	60,000,000	812,471,611	(86,089,185)	(2,822,459)	(88,911,644)	1,462,722,792
Balance as at 1 January 2022	600,000,000	79,162,825	60,000,000	797,944,982	(64,120,231)	(3,915,641)	(68,035,872)	1,469,071,935
Net profit	-	-	-	70,119,804	-	-	-	70,119,804
Other comprehensive loss for the period	-	-	-	(97,182)	(3,806,428)	(490,679)	(4,297,107)	(4,394,289)
Total comprehensive income (loss) for the period	-	-	-	70,022,622	(3,806,428)	(490,679)	(4,297,107)	65,725,515
Balance as at 31 March 2022	600,000,000	79,162,825	60,000,000	867,967,604	(67,926,659)	(4,406,320)	(72,332,979)	1,534,797,450
	-	-	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited

Statements of changes in owners' equity (continued)

For the three-month periods ended 31 March 2022 and 2021

(Unit: Baht)

	Separate financial statements				Other component of owners' equity	
	Issued and paid-up share capital	Share permium	Retained earnings Appropriated - statutory reserve	Unappropriated	Revaluation deficit on available-for-sale investments measured at fair value through other comprehensive income - net of income taxes	Total owners' equity
Balance as at 1 January 2021	600,000,000	79,162,825	60,000,000	783,996,204	(94,285,611)	1,428,873,418
Net profit	-	-	-	28,421,981	-	28,421,981
Other comprehensive income for the period	-	-	-	2,127,366	8,196,426	10,323,792
Total comprehensive income for the period	-	-	-	30,549,347	8,196,426	38,745,773
Balance as at 31 March 2021	<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>814,545,551</u>	<u>(86,089,185)</u>	<u>1,467,619,191</u>
Balance as at 1 January 2022	600,000,000	79,162,825	60,000,000	799,645,587	(64,120,231)	1,474,688,181
Net profit	-	-	-	70,003,552	-	70,003,552
Other comprehensive loss for the period	-	-	-	(97,182)	(3,806,428)	(3,903,610)
Total comprehensive income (loss) for the period	-	-	-	69,906,370	(3,806,428)	66,099,942
Balance as at 31 March 2022	<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>869,551,957</u>	<u>(67,926,659)</u>	<u>1,540,788,123</u>
	-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Thaire Life Assurance Public Company Limited
Table of contents of notes to interim financial statements
For the three-month periods ended 31 March 2022 and 2021

Note	Contents	Page
1.	General information.....	1
2.	Basis for preparation of financial statements	1
3.	Cash and cash equivalents	2
4.	Reinsurance assets.....	3
5.	Reinsurance receivables	3
6.	Investments in securities	4
7.	Loans and interest receivables	6
8.	Investment in an associate	6
9.	Premises and equipment.....	9
10.	Intangible assets	9
11.	Deferred tax assets and income tax expenses	10
12.	Insurance contract liabilities	12
13.	Due to reinsurers.....	14
14.	Segment information	15
15.	Earnings per share	17
16.	Related party transactions.....	18
17.	Assets subject to restrictions	21
18.	Commitments	22
19.	Financial Instrument	22
20.	Events after the reporting period	23
21.	Approval of interim financial information	23

Thaire Life Assurance Public Company Limited

Notes to interim financial statements

For the three-month periods ended 31 March 2022 and 2021

1. General information

1.1 Corporate information

Thaire Life Assurance Public Company Limited (“the Company”) is a public company, incorporated under Thai laws, domiciled in Thailand and listed on the Stock Exchange of Thailand since 9 October 2013. Its major shareholder is Thai Reinsurance Public Company Limited, a public company incorporated under Thai laws, domiciled in Thailand and listed on the Stock Exchange of Thailand. As at 31 March 2022 and 31 December 2021, the major shareholder held 10.10%, of the issued and paid-up share capital of the Company. The Company is principally engaged in the provision of life reinsurance services. The registered office of the Company is located at No. 48/15 Soi Ratchadapisek 20, Ratchadapisek Road, Samsenok Sub-district, Huaykwang District, Bangkok.

1.2 Coronavirus 2019 pandemic

The Coronavirus 2019 (COVID-19) pandemic has caused an economic slowdown and has an impact on businesses and industries in various sectors either directly or indirectly. This situation may bring uncertainties and have an impact on the environment in which the business operates. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues (if any) as the situation has evolved.

2. Basis for preparation of financial statements

2.1 Basis for preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting whereby the Company choose to present condensed interim financial statements. However, the Company presented each line item in the statements of financial position, income, comprehensive income, changes in owners’ equity and cash flows in the same full format as that used in its annual financial statements, and in accordance with the format of financial statements specified in 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 (No.2) dated 4 April 2019.

This interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language are the official statutory financial statements of the Company. The interim financial information in English language have been translated from such financial statements in Thai language.

2.2 New financial reporting standards

The revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Company's financial statements.

However, the Company applied the temporary exemption for the adoption of Thai Financial Reporting Standard 9 (TFRS 9): Financial Instruments and Thai Financial Reporting Standard 7 (TFRS 7): Disclosure of Information relating to Financial Instruments, which were revised in Thai Financial Reporting Standard 4: Insurance Contracts allowing the extension of the exemption period for the adoption of such TFRS 9 and TFRS 4 whereby the exemption period will end for the financial statements having the fiscal period starts on or after 1 January 2024 or when Thai Financial Reporting Standard 17: Insurances Contracts becomes effective.

2.3 Significant accounting policies

The revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022, do not have any significant impact on the Company's financial statements.

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2022	31 December 2021
Cash	6	5
Deposits at banks with no fixed maturity date	98,826	152,052
Deposits at other financial institutions	9,848	3,844
Total	108,680	155,901
Less: Allowance for expected credit losses	(73)	(106)
Cash and cash equivalents - net	108,607	155,795

(Unaudited but reviewed)

4. Reinsurance assets

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2022	31 December 2021
Insurance reserves refundable from reinsurers		
Long-term insurance policy reserves	3,073	2,991
Loss reserves		
Claims incurred but not yet reported	-	4,342
Unearned premium reserves	1,720	1,373
Total reinsurance assets	4,793	8,706

5. Reinsurance receivables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2022	31 December 2021
Amounts deposited on reinsurance	47,600	64,184
Amounts due from reinsurers	122,260	70,862
Total reinsurance receivables	169,860	135,046

6. Investments in securities

6.1 Classified by types of investments

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	31 March 2022		31 December 2021	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Trading investments measured at fair value through profit or loss				
Debt securities:				
Unit trusts	20,553	20,554	-	-
Total	20,553	20,554	-	-
Add: Unrealised gain	1	-	-	-
Trading investments measured at fair value through profit or loss - net	20,554	20,554	-	-
Available-for-sale investments measured at fair value through other comprehensive income				
Debt securities:				
Unit trusts	379,746	323,897	378,465	327,711
Equity securities:				
Common stocks	403,215	404,209	407,498	403,906
Unit trusts	375,271	305,444	351,177	283,524
Total	1,158,232	1,033,550	1,137,140	1,015,141
Less: Unrealised loss	(84,908)	-	(80,150)	-
Less: Allowance for impairment	(39,774)	-	(41,849)	-
Available-for-sale investments measured at fair value through other comprehensive income - net	1,033,550	1,033,550	1,015,141	1,015,141
Held-to-maturity investments measured at amortised cost				
Debt securities:				
Government and state enterprise securities	589,750	606,257	642,639	659,611
Private enterprise debt securities	488,854	488,825	472,796	476,044
Deposits at financial institutions which mature over 3 months	65,000	65,000	60,000	60,000
Total	1,143,604	1,160,082	1,175,435	1,195,655
Less: Allowance for expected credit losses	(648)	-	(584)	-
Held-to-maturity investments measured at amortised cost - net	1,142,956	1,160,082	1,174,851	1,195,655
Investments in securities - net	2,197,060	2,214,186	2,189,992	2,210,796

(Unaudited but reviewed)

6.2 Classified by stage of credit risk

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 March 2022		
	Gross carrying value	Allowance for expected credit losses	Net carrying value
Held-to-maturity investments measured at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	1,143,604	(648)	1,142,956
Total	1,143,604	(648)	1,142,956

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2021		
	Gross carrying value	Allowance for expected credit losses	Net carrying value
Held-to-maturity investments measured at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	1,175,435	(584)	1,174,851
Total	1,175,435	(584)	1,174,851

6.3 Investments subject to restriction

As at 31 March 2022 and 31 December 2021, the Company placed some investments as securities with the Registrar as described in Note 17 to the interim financial statements.

7. Loans and interest receivables

The outstanding balances of loans and interest receivables were due from employees in accordance with the Company's employee welfare plan whereby interest rate has been charged at the rate of not lower than 1.00% and not higher than MLR-3% per annum. The MLR is reference to that announced by commercial banks, depending on types of loans granted. The whole amounts of the outstanding balances were classified as not yet due and no interest was outstanding at the end of the reporting periods.

As at 31 March 2022 and 31 December 2021, the balances of loans and interest receivables, classified by stage of credit risk, were as follows:

Staging	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2022	31 December 2021
	Mortgaged loans	Mortgaged loans
Stage 1 - Loans without a significant increase of credit risk	31	162
Loans and interest receivables	31	162

8. Investment in an associate

8.1 Details of an associate

Company's name	Nature of business	Country of incorporation	Shareholding percentage held by the Company			
			Issued and paid-up share capital			
			31 March 2022	31 December 2021	31 March 2022	31 December 2021
			(Thousand Baht)	(Thousand Baht)	(%)	(%)
TKI Life Insurance Company Limited	Life insurance	Laos	66,118	66,118	32.50	32.50

(Unit: Thousand Baht)

Company's name	Financial statements in which the equity method is applied		Separate financial statements					
	Investment value under equity method		Cost		Allowance for impairment		Investment value under cost method	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021	31 March 2022	31 December 2021	31 March 2022	31 December 2021
TKI Life Insurance Company Limited	11,423	11,891	21,684	21,684	(2,773)	(2,773)	18,911	18,911

8.2 Financial information of an associate**Summarised information about financial position**

(Unit: Thousand Baht)

	TKI Life Insurance Company Limited	
	31 March 2022	31 December 2021
Total assets	42,280	42,048
Total liabilities	(7,133)	(5,462)
Net assets	35,147	36,586
Shareholding percentage (%)	32.50	32.50
Carrying amount of an associate under equity method	11,423	11,891

Summarised information of statements of comprehensive income

(Unit: Thousand Baht)

	TKI Life Insurance Company Limited	
	For the three-month periods ended	
	31 March	
	2022	2021
Total revenues	2,481	1,640
Loss for the periods	(104)	(1,202)
Total comprehensive loss for the periods	(104)	(1,202)

8.3 Share of profit (loss) and other comprehensive income or loss, and dividend income

During the periods, the Company recognised shares of gain (loss) and other comprehensive income from investment in an associate in the financial statements, in which the equity method is applied, and recognised dividends received from an associate in the separate financial statements as below.

Associate	Financial statements in which the equity method is applied				(Unit: Thousand Baht) Separate financial statements	
	Share of gain (loss) from investment in an associate for the three-month periods ended		Share of other comprehensive income or loss from investment in an associate for the three-month periods ended		Dividends received during the three-month periods ended	
	31 March		31 March		31 March	
	2022	2021	2022	2021	2022	2021
TKI Life Insurance Company Limited	145	(410)	-	-	-	-

As at 31 March 2022 and 31 December 2021, the Company presented investment in an associate under the equity method in the financial statements, in which the equity method is applied, based on the financial information for the periods then ended, as prepared by the associate's management. However, the Company obtained the 2021 financial statements of TKI Life Insurance Company Limited, which were audited by the associate's auditor and the auditor expressed an unqualified opinion under their report dated 28 February 2022. Such audited financial statements presented financial information that were not significantly different from the financial information prepared by the associate's management used for equity-accounting in that year.

(Unaudited but reviewed)

9. Premises and equipment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements					
	For the three-month period ended 31 March 2022					
	Land	Building	Furniture, fixtures and equipment	Computers	Right-of-use assets	Total
Net book value as at						
1 January 2022	17,640	24,993	2,837	8,253	721	54,444
Acquisition during the period						
- at cost	-	-	-	246	-	246
Depreciation charged for the period	-	(545)	(355)	(923)	(180)	(2,003)
Net book value as at 31 March 2022	<u>17,640</u>	<u>24,448</u>	<u>2,482</u>	<u>7,576</u>	<u>541</u>	<u>52,687</u>

10. Intangible assets

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	For the three-month period ended 31 March 2022		
	Computer softwares	Computer softwares under development	Total
Net book value as at 1 January 2022	27,580	11,148	38,728
Acquisition during the period - at cost	-	78	78
Amortisation charged for the period	(1,173)	-	(1,173)
Net book value as at 31 March 2022	<u>26,407</u>	<u>11,226</u>	<u>37,633</u>

11. Deferred tax assets and income tax expenses

11.1 Deferred tax assets

As at 31 March 2022 and 31 December 2021, the components of deferred tax assets were as follows:

	(Unit: Thousand Baht)							
	Financial statements				Financial statements		Separate financial	
	in which the equity		Separate financial		in which the equity		statements	
	method is applied		statements		method is applied		statements	
				Changes in deferred tax		Changes in deferred tax		
				assets for		assets for		
				the three-month periods		the three-month periods		
				ended 31 March		ended 31 March		
				2022		2021		
				2022		2021		
Deferred tax assets								
(liabilities) arose from:								
Premium reserves	15,363	-	15,363	-	15,363	10,152	15,363	10,152
Loss reserves	13,019	29,643	13,019	29,643	(16,624)	(2,949)	(16,624)	(2,949)
Commission payable on reinsurance	23,746	28,302	23,746	28,302	(4,556)	(25,662)	(4,556)	(25,662)
Employee benefit obligations	3,747	3,604	3,747	3,604	143	(425)	143	(425)
Unrealised losses on available-for-sale investments	16,982	16,030	16,982	16,030	952	(2,049)	952	(2,049)
Deferred commission - net	(21,983)	(22,268)	(21,983)	(22,268)	285	1,063	285	1,063
Allowance for impairment on investment	8,099	8,507	8,654	9,062	(408)	(476)	(408)	(476)
Others	3,997	3,852	1,945	1,893	145	106	52	102
Deferred tax assets	<u>62,970</u>	<u>67,670</u>	<u>61,473</u>	<u>66,266</u>				
Total changes					<u>(4,700)</u>	<u>(20,240)</u>	<u>(4,793)</u>	<u>(20,244)</u>
Recognition of changes in:								
- Statements of income					(5,798)	(17,581)	(5,769)	(17,663)
- Statements of comprehensive income					1,098	(2,659)	976	(2,581)
Total changes					<u>(4,700)</u>	<u>(20,240)</u>	<u>(4,793)</u>	<u>(20,244)</u>

11.2 Income tax expenses

Income tax expenses for the three-month periods ended 31 March 2022 and 2021 were made up as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2022	2021	2022	2021
Current income taxes:				
Interim corporate income tax charge	(10,302)	13,066	(10,302)	13,066
Deferred income taxes:				
Relating to origination and reversal of temporary differences	(5,798)	(17,581)	(5,769)	(17,663)
Income tax expenses reported in the statements of income	<u>(16,100)</u>	<u>(4,515)</u>	<u>(16,071)</u>	<u>(4,597)</u>

Reconciliations between income tax expenses and the product of accounting profits for the three-month periods ended 31 March 2022 and 2021 and the applicable tax rate were as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the three-month periods ended 31 March		For the three-month periods ended 31 March	
	2022	2021	2022	2021
Accounting profits before income tax expenses	<u>86,219</u>	<u>32,609</u>	<u>86,074</u>	<u>33,019</u>
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(17,244)	(6,522)	(17,215)	(6,604)
Tax effects of:				
Non-taxable revenues	1,011	1,864	1,011	1,864
Exempted expenses	(1)	-	(1)	-
Additional allowances as tax-deductible expenses	151	162	151	162
Others	(17)	(19)	(17)	(19)
Total	<u>1,144</u>	<u>2,007</u>	<u>1,144</u>	<u>2,007</u>
Income tax expenses reported in statements of income	<u>(16,100)</u>	<u>(4,515)</u>	<u>(16,071)</u>	<u>(4,597)</u>

(Unaudited but reviewed)

12. Insurance contract liabilities

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 March 2022		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Long-term insurance policy reserves	486,616	(3,073)	483,543
Loss reserves			
Claims incurred and reported	300	-	300
Claims incurred but not yet reported	57,612	-	57,612
Premium reserves			
Unearned premium reserves	464,957	(1,720)	463,237
Unpaid policy benefits	7,182	-	7,182
Total	<u>1,016,667</u>	<u>(4,793)</u>	<u>1,011,874</u>

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2021		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Long-term insurance policy reserves	502,690	(2,990)	499,700
Loss reserves			
Claims incurred and reported	331	-	331
Claims incurred but not yet reported	141,647	(4,342)	137,305
Premium reserves			
Unearned premium reserves	493,327	(1,373)	491,954
Unpaid policy benefits	10,579	-	10,579
Total	<u>1,148,574</u>	<u>(8,705)</u>	<u>1,139,869</u>

(Unaudited but reviewed)

12.1 Long-term insurance policy reserves

(Unit: Thousand Baht)

Financial statements
in which the equity method is applied
and Separate financial statements

	For the three-month period ended 31 March 2022	For the year ended 31 December 2021
Beginning balances	502,690	508,605
Reserves increased from new policies and enforced policies	20,739	56,315
Insurance policy reserves decreased from benefit paid for lapse, surrender and others	(22,257)	(59,322)
Assumptions changes	(14,556)	(2,908)
Ending balances	<u>486,616</u>	<u>502,690</u>

12.2 Loss reserves

(Unit: Thousand Baht)

Financial statements
in which the equity method is applied
and Separate financial statements

	For the three-month period ended 31 March 2022	For the year ended 31 December 2021
Beginning balances	141,978	28,979
Claims incurred for the periods	418,688	1,250,620
Changes in loss reserves	(64,919)	148,746
Changes in assumptions for calculating loss reserves	(19,116)	(35,723)
Claims paid during the periods	(418,719)	(1,250,644)
Ending balances	<u>57,912</u>	<u>141,978</u>

(Unaudited but reviewed)

12.3 Unearned premium reserves

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the three-month period ended 31 March 2022	For the year ended 31 December 2021
Beginning balances	493,327	326,778
Premium written for the periods	456,831	2,046,965
Premium earned during the periods	(485,201)	(1,880,416)
Ending balances	<u>464,957</u>	<u>493,327</u>

13. Due to reinsurers

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2022	31 December 2021
Amounts due to reinsurers	<u>189,747</u>	<u>146,020</u>
Total due to reinsurers	<u>189,747</u>	<u>146,020</u>

14. Segment information

14.1 Operating segment information reporting

Operating segment information for the three-month periods ended 31 March 2022 and 2021 can be classified by type of products as follows:

	(Unit: Thousand Baht)		
	Financial statements in which the equity method is applied		
	For the three-month period ended 31 March 2022		
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	368,691	301,219	669,910
Less: Reinsurance premium ceded	(5,746)	(194)	(5,940)
Net reinsurance premium written	362,945	301,025	663,970
Add: Unearned premium reserves decreased from prior period	3,015	25,702	28,717
Net earned premium	365,960	326,727	692,687
Underwriting expenses			
Long-term insurance policy reserves decreased	(1,144)	(15,012)	(16,156)
Net benefits and claims	253,234	213,762	466,996
Commissions and brokerages expenses - net	76,342	52,306	128,648
Other underwriting expenses	8,174	6,678	14,852
Total underwriting expenses	336,606	257,734	594,340
Profit from underwriting	29,354	68,993	98,347
Operating expenses			(28,106)
Expected credit losses			(33)
Profit from operation			70,208
Share of profit from investment in an associate			145
Net investment revenue			15,534
Other income			333
Profit before income tax expenses			86,220
Income tax expenses			(16,100)
Net profit			70,120

(Unaudited but reviewed)

(Unit: Thousand Baht)

Financial statements in which the equity method is applied

For the three-month period ended 31 March 2021

	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	246,216	233,691	479,907
Less: Reinsurance premium ceded	(4,697)	(174)	(4,871)
Net reinsurance premium written	241,519	233,517	475,036
Add: Unearned premium reserves decreased from prior period	12,662	36,786	49,448
Net earned premium	254,181	270,303	524,484
Underwriting expenses			
Long-term insurance policy reserves decreased	(2,446)	(8,087)	(10,533)
Net benefits and claims	178,008	173,431	351,439
Commissions and brokerages expenses - net	67,749	68,043	135,792
Other underwriting expenses	6,258	5,940	12,198
Total underwriting expenses	249,569	239,327	488,896
Profit from underwriting	4,612	30,976	35,588
Operating expenses			(21,265)
Reversal of expected credit losses			44
Profit from operation			14,367
Share of loss from investment in an associate			(410)
Net investment revenue			18,351
Other income			301
Profit before income tax expenses			32,609
Income tax expenses			(4,515)
Net profit			28,094

14.2 Geographic information

The Company operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

14.3 Major customers

During the three-month periods ended 31 March 2022 and 2021, the Company had reinsurance premium written from each life insurance company for the amount equal to or higher than 10% of total reinsurance premium written as follows:

(Unit: Million Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the three-month periods ended 31 March	
	2022	2021
Reinsurance premium written	423	301

15. Earnings per share

Basic earnings per share is calculated by dividing net profits by the weighted average number of ordinary shares in issue during the periods.

16. Related party transactions

16.1 Nature of relationship

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	Relationship with the Company
TKI Life Insurance Company Limited	An associate whereby the Company holds 32.50% of its shares
Thai Reinsurance Plc.	Related by way of having a common director and being the Company's shareholder
Bangkok Life Assurance Plc.	Related by way of having a common director and being the Company's shareholder
The Navakij Insurance Plc.	Related by way of having a common director and being the Company's shareholder
Thaire Services Co., Ltd.	The Company's major shareholder is the ultimate parent company of this party
South East Life Insurance Plc.	Related by way of having a common director ⁽¹⁾ and being the Company's shareholder
Muang Thai Life Assurance Plc.	Related by way of having a common director ⁽²⁾
Thaire Actuarial Consulting Co., Ltd.	The Company's major shareholder is the ultimate parent company of this party
EMCS Thai Co., Ltd.	Related by way of having a common director and a shareholder
Thaire Innovation Co., Ltd.	The Company's major shareholder is the ultimate parent company of this party
The Falcon Insurance Plc.	Related by way of having a common director and being the Company's shareholder

⁽¹⁾ This Company has had one common director with this entity since 19 February 2021, the date on which the Meeting of the Company's Board of Directors had a resolution to appoint such common director.

⁽²⁾ The Company has had one common director with this entity since 29 June 2021, the date on which the Meeting of the Board of Directors of Muang Thai Life Assurance Plc had a resolution to appoint such common director.

16.2 Significant related party transactions

During the three-month periods ended 31 March 2022 and 2021, the Company had significant business transactions with its associate and related parties. Such transactions, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company and those related parties were as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		Pricing policy
	For the three-month periods ended 31 March		
	2022	2021	
<u>Transactions with an associate</u>			
<i>Revenues</i>			
Service revenues ⁽¹⁾	69	148	Mutually agreed rates
Reinsurance premium written	23	339	According to terms of reinsurance contracts
<i>Expenses</i>			
Claim expenses	16	53	According to the ratios as specified in the reinsurance contracts
Commission expenses	3	69	According to terms of reinsurance contracts
<u>Transactions with related parties</u>			
<i>Revenues</i>			
Reinsurance premium written	441,837	100,421	According to terms of reinsurance contracts
Commission income	53	30	According to terms of reinsurance contracts
Claims refundable	74	2	According to the ratios as specified in the reinsurance contracts
<i>Expenses</i>			
Reinsurance premium ceded	180	59	According to terms of reinsurance contracts
Claim expenses	381,383	87,829	According to the ratios as specified in the reinsurance contracts
Commission expenses	91,672	42,169	According to terms of reinsurance contracts
Service fee expenses ⁽²⁾	2,023	1,847	Mutually agreed rates

⁽¹⁾ Including in "Other income" in statements of income

⁽²⁾ Including in "Operating expenses" in statements of income

16.3 Outstanding balances

As at 31 March 2022 and 31 December 2021, the Company had the outstanding balances with its related parties as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and Separate financial statements	
	31 March 2022	31 December 2021
Associate		
Other receivables ⁽¹⁾	69	-
Amounts due from reinsurers ⁽³⁾	20	19
Deferred commissions expenses	13	31
Loss reserves ⁽⁴⁾	13	45
Related parties		
Insurance reserves refundable from reinsurers ⁽²⁾	206	200
Amounts due from reinsurers ⁽³⁾	76,356	43,534
Amounts deposited on reinsurance ⁽³⁾	39,762	56,346
Deferred commissions expenses	75,298	75,654
Loss reserves ⁽⁴⁾	55,058	116,781
Amounts due to reinsurers ⁽⁵⁾	108,403	36,546
Deferred commissions income	3	3

⁽¹⁾ Included in "Other assets" in statements of financial position

⁽²⁾ Included in "Reinsurance assets" in statements of financial position

⁽³⁾ Included in "Reinsurance receivables" in statements of financial position

⁽⁴⁾ Included in "Insurance contract liabilities" in statements of financial position

⁽⁵⁾ Included in "Due to reinsurers" in statements of financial position

16.4 Directors' and key management's remuneration

During the three-month periods ended 31 March 2022 and 2021, the Company had salaries, bonuses, meeting allowances and post-employment benefits of its directors and key management personnel recognised as expenses, as follows:

	(Unit: Thousand Baht)	
	For the three-month periods	
	ended 31 March	
	2022	2021
Short-term benefits	13,722	9,124
post-employment benefits	1,095	998
Total	14,817	10,122

17. Assets subject to restrictions

As at 31 March 2022 and 31 December 2021, the Company had the following assets placed and reserved with the Registrar of the Office of Insurance Commission in accordance with the Life Insurance Act.

	(Unit: Million Baht)			
	Financial statements in which the equity method is			
	applied and Separate financial statements			
	31 March 2022		31 December 2021	
	Cost	Fair value	Cost	Fair value
Assets placed				
Government bonds	21.0	23.2	21.0	22.4
Assets reserved as insurance reserves				
Government and state enterprise bonds	235.0	240.7	235.0	241.5
Private enterprise debt securities	54.0	55.6	54.0	56.0
Deposits at financial institutions	30.0	30.0	30.0	30.0

18. Commitments

18.1 Service commitments

As at 31 March 2022 and 31 December 2021, the Company had outstanding service commitments and future minimum service fees amounting to Baht 5.9 million.

19. Financial Instrument

19.1 Fair value of financial instrument

Since most of the Company's financial instruments, which consist of cash and cash equivalents, deposits at financial institutions, accrued investment income, loans and interest receivables, other assets and lease liabilities, are classified as short-term and/or carry interest rates that are close to market rates, their fair values are therefore estimated to approximate their carrying values as presented in statements of financial position, except for those held-to-maturity investments measured at amortised cost whose fair value was different from their carrying values and they were compared as follows.

	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied and Separate financial statements			
	31 March 2022		31 December 2021	
	Carrying value	Fair value	Carrying value	Fair value
Held-to-maturity investments measured at amortised cost				
Government and state enterprise securities	589,696	606,257	642,590	659,611
Private enterprise debt securities	488,323	488,825	472,321	476,044
Deposits at financial institutions with a maturity period of longer than 3 months	64,937	65,000	59,940	60,000
	<u>1,142,956</u>	<u>1,160,082</u>	<u>1,174,851</u>	<u>1,195,655</u>

19.2 Fair value hierarchy

As of 31 March 2022 and 31 December 2021, the Company had the following financial assets that were measured at fair value, using different levels of inputs as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements				Carrying value
	31 March 2022				
	Fair value				
	Level 1	Level 2	Level 3	Total	
Trading investments measured at fair value through profit or loss	-	20,554	-	20,554	20,554
Available-for-sale investments measured at fair value through other comprehensive income	707,168	323,897	2,485	1,033,550	1,033,550

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements				Carrying value
	31 December 2021				
	Fair value				
	Level 1	Level 2	Level 3	Total	
Available-for-sale investments measured at fair value through other comprehensive income	685,994	327,711	1,436	1,015,141	1,015,141

During the current period, the Company does not change the valuation technique and assumptions used in the valuation of financial assets, and there were no transfers within the fair value hierarchy.

20. Events after the reporting period

On 22 April 2022, the Annual General Meeting of the Company's shareholders resolved to approve the payment of dividend from 2021 operating results to shareholders at Baht 0.12 per share or a total of Baht 72 million. The Company was already approved by the Office of Insurance Commission to pay such dividends to shareholders.

21. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 9 May 2022.