

Thaire Life Assurance Public Company Limited
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2021

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 30 June 2021, the statements of income, comprehensive income, in which the equity method is applied, for the three-month and six-month periods then ended, and the statements of changes in owners' equity and cash flows, in which the equity method is applied, for the six-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: 10 August 2021

Thaire Life Assurance Public Company Limited

Statements of financial position

As at 30 June 2021 and 31 December 2020

(Unit: Baht)

	Note	Financial statements		Separate financial statements	
		in which the equity method is applied			
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Cash and cash equivalents	3	13,971,704	41,134,866	13,971,704	41,134,866
Accrued investment income		15,730,641	14,386,288	15,730,641	14,386,288
Reinsurance assets	4	3,856,463	3,372,998	3,856,463	3,372,998
Reinsurance receivables	5	410,544,328	433,896,203	410,544,328	433,896,203
Investment assets					
Investments in securities	6	1,965,257,545	1,924,821,674	1,965,257,545	1,924,821,674
Loans and interest receivables	7	399,077	633,103	399,077	633,103
Investments in an associate	8	12,556,472	12,814,178	18,910,900	18,910,900
Premises and equipment	9	58,059,933	51,069,455	58,059,933	51,069,455
Intangible assets	10	40,474,873	37,920,025	40,474,873	37,920,025
Deferred tax assets	11.1	61,688,361	85,884,833	60,417,475	84,665,489
Other assets					
Deferred commission expenses		112,331,129	80,760,917	112,331,129	80,760,917
Others		23,833,274	13,409,224	23,833,274	13,409,224
Total assets		2,718,703,800	2,700,103,764	2,723,787,342	2,704,981,142

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

Thaire Life Assurance Public Company Limited

Statements of financial position (continued)

As at 30 June 2021 and 31 December 2020

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and owners' equity					
Liabilities					
Insurance contract liabilities	12	1,123,601,569	864,361,657	1,123,601,569	864,361,657
Due to reinsurers	13	151,499,294	346,731,212	151,499,294	346,731,212
Income tax payable		-	29,540,236	-	29,540,236
Lease liabilities		1,131,941	1,486,503	1,131,941	1,486,503
Employee benefit obligations		16,478,411	17,180,397	16,478,411	17,180,397
Other liabilities					
Accrued expenses		4,983,122	3,281,189	4,983,122	3,281,189
Deferred commission income		57,847	50,595	57,847	50,595
Others		7,238,237	13,475,935	7,238,237	13,475,935
Total liabilities		1,304,990,421	1,276,107,724	1,304,990,421	1,276,107,724
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		764,874,214	782,250,161	767,269,469	783,996,204
Other component of owners' equity		(90,323,660)	(97,416,946)	(87,635,373)	(94,285,611)
Total owners' equity		1,413,713,379	1,423,996,040	1,418,796,921	1,428,873,418
Total liabilities and owners' equity		2,718,703,800	2,700,103,764	2,723,787,342	2,704,981,142
		-	-	-	-

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 30 June 2021 and 2020**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Revenues					
Reinsurance premium written		970,368,206	724,562,535	970,368,206	724,562,535
Less: Reinsurance premium ceded		(5,238,641)	(4,105,073)	(5,238,641)	(4,105,073)
Net reinsurance premium written		965,129,565	720,457,462	965,129,565	720,457,462
Less: Unearned premium reserves increased					
from prior period		(252,591,837)	(138,931,845)	(252,591,837)	(138,931,845)
Net earned premium		712,537,728	581,525,617	712,537,728	581,525,617
Commission income		805,472	488,597	805,472	488,597
Net investment revenue		22,061,415	20,625,590	22,061,415	20,625,590
Gains (losses) on investments		4,129,744	(4,031,687)	4,129,744	(4,031,687)
Fair value losses		(21,335)	(34,236)	(21,335)	(34,236)
Share of loss from investment in an associate					
under the equity method	8.3	(401,644)	(686,075)	-	-
Other income		282,309	226,496	282,309	226,496
Total revenues		739,393,689	598,114,302	739,795,333	598,800,377
Expenses					
Long-term insurance policy reserves increased		15,395,677	9,401,596	15,395,677	9,401,596
Gross benefits and claims		509,910,538	403,784,751	509,910,538	403,784,751
Less: claims recovered from reinsurers		(10,056,054)	(1,016,082)	(10,056,054)	(1,016,082)
Commission expenses		144,104,981	150,523,685	144,104,981	150,523,685
Other underwriting expenses		12,986,765	9,083,317	12,986,765	9,083,317
Operating expenses		24,625,237	21,873,306	24,625,237	21,873,306
Finance costs		19,405	30,124	19,405	30,124
Expected credit losses		177,399	6,085	177,399	6,085
Total expenses		697,163,948	593,686,782	697,163,948	593,686,782
Profits before income tax expenses		42,229,741	4,427,520	42,631,385	5,113,595
Income tax revenues (expenses)	11.2	(5,166,923)	1,924,330	(5,247,252)	1,787,115
Net profit		37,062,818	6,351,850	37,384,133	6,900,710
Earnings per share	15				
Basic earnings per share					
Net profit		0.06	0.01	0.06	0.01

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 30 June 2021 and 2020

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Net profit	<u>37,062,818</u>	<u>6,351,850</u>	<u>37,384,133</u>	<u>6,900,710</u>
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	167,715	(905,116)	-	-
Revaluation gains (losses) on available-for-sale investments measured at fair value through other comprehensive income	(1,932,735)	96,940,219	(1,932,735)	96,940,219
Add (less): Income taxes	<u>353,004</u>	<u>(19,207,021)</u>	<u>386,547</u>	<u>(19,388,044)</u>
Items to be reclassified to statements of income in subsequent periods - net of income taxes	<u>(1,412,016)</u>	<u>76,828,082</u>	<u>(1,546,188)</u>	<u>77,552,175</u>
Items not to be reclassified to statements of income in subsequent periods:				
Actuarial losses	(829,031)	-	(829,031)	-
Add : Income taxes	<u>165,806</u>	<u>-</u>	<u>165,806</u>	<u>-</u>
Items not to be reclassified to statements of income in subsequent periods - net of income taxes	<u>(663,225)</u>	<u>-</u>	<u>(663,225)</u>	<u>-</u>
Other comprehensive income (loss) for the periods	<u>(2,075,241)</u>	<u>76,828,082</u>	<u>(2,209,413)</u>	<u>77,552,175</u>
Total comprehensive income (loss) for the periods	<u><u>34,987,577</u></u>	<u><u>83,179,932</u></u>	<u><u>35,174,720</u></u>	<u><u>84,452,885</u></u>

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

(Unaudited but reviewed)

Thaire Life Assurance Public Company Limited**Statements of income****For the six-month periods ended 30 June 2021 and 2020**

(Unit: Baht)

	Note	Financial statements			
		in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Revenues					
Reinsurance premium written		1,450,275,084	1,245,055,547	1,450,275,084	1,245,055,547
Less: Reinsurance premium ceded		(10,109,889)	(8,476,554)	(10,109,889)	(8,476,554)
Net reinsurance premium written		1,440,165,195	1,236,578,993	1,440,165,195	1,236,578,993
Less: Unearned premium reserves increased					
from prior period		(203,143,481)	(127,739,272)	(203,143,481)	(127,739,272)
Net earned premium		1,237,021,714	1,108,839,721	1,237,021,714	1,108,839,721
Commission income		1,819,285	1,209,761	1,819,285	1,209,761
Net investment revenue		37,180,814	35,058,082	37,180,814	35,058,082
Gains (Losses) on investments		7,272,797	(9,739,807)	7,272,797	(9,739,807)
Fair value gains (losses)		66,747	(1,436,083)	66,747	(1,436,083)
Share of loss from investment in an associate					
under the equity method	8.3	(811,516)	(877,686)	-	-
Other income		583,380	2,318,059	583,380	2,318,059
Total revenues		1,283,133,221	1,135,372,047	1,283,944,737	1,136,249,733
Expenses					
Long-term insurance policy reserves increased		4,862,493	26,643,550	4,862,493	26,643,550
Unexpired risk reserves decreased		-	(9,507,891)	-	(9,507,891)
Gross benefits and claims		861,921,176	729,673,789	861,921,176	729,673,789
Less: claims recovered from reinsurers		(10,627,732)	(2,096,975)	(10,627,732)	(2,096,975)
Commission expenses		280,911,520	288,182,265	280,911,520	288,182,265
Other underwriting expenses		25,184,580	17,543,929	25,184,580	17,543,929
Operating expenses		45,867,833	46,186,993	45,867,833	46,186,993
Finance costs		41,552	62,825	41,552	62,825
Expected credit losses		132,949	260,264	132,949	260,264
Total expenses		1,208,294,371	1,096,948,749	1,208,294,371	1,096,948,749
Profit before income tax expenses		74,838,850	38,423,298	75,650,366	39,300,984
Income tax expenses	11.2	(9,681,948)	(3,523,893)	(9,844,252)	(3,699,430)
Net profit		65,156,902	34,899,405	65,806,114	35,601,554
Earnings per share	15				
Basic earnings per share					
Net profit		0.11	0.06	0.11	0.06

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 six-month periods ended 30 June 2021 and 2020

(Unit: Baht)

	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Net profit	<u>65,156,902</u>	<u>34,899,405</u>	<u>65,806,114</u>	<u>35,601,554</u>
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	553,810	136,068	-	-
Revaluation gains (losses) on available-for-sale investments measured at fair value through other comprehensive income	8,312,798	(106,673,537)	8,312,798	(106,673,537)
Add (less) : Income taxes	<u>(1,773,322)</u>	<u>21,307,494</u>	<u>(1,662,560)</u>	<u>21,334,707</u>
Items to be reclassified to statements of income in subsequent periods - net of income taxes	<u>7,093,286</u>	<u>(85,229,975)</u>	<u>6,650,238</u>	<u>(85,338,830)</u>
Items not to be reclassified to statements of income in subsequent periods:				
Actuarial gains (losses)	1,830,176	(2,679,231)	1,830,176	(2,679,231)
Add (less): Income taxes	<u>(366,035)</u>	<u>535,846</u>	<u>(366,035)</u>	<u>535,846</u>
Items not to be reclassified to statements of income in subsequent periods - net of income taxes	<u>1,464,141</u>	<u>(2,143,385)</u>	<u>1,464,141</u>	<u>(2,143,385)</u>
Other comprehensive income (loss) for the periods	<u>8,557,427</u>	<u>(87,373,360)</u>	<u>8,114,379</u>	<u>(87,482,215)</u>
Total comprehensive income (loss) for the periods	<u><u>73,714,329</u></u>	<u><u>(52,473,955)</u></u>	<u><u>73,920,493</u></u>	<u><u>(51,880,661)</u></u>

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 six-month periods ended 30 June 2021 and 2020**

(Unit: Baht)

	Financial statements				
	Note	in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Cash flows from (used in) operating activities					
Cash received from reinsurance		153,837,731	69,403,075	153,837,731	69,403,075
Interest income		6,783,044	8,667,087	6,783,044	8,667,087
Dividend income		29,305,562	27,399,273	29,305,562	27,399,273
Other investment income (expenses)		4,655,266	(9,996,499)	4,655,266	(9,996,499)
Other income		7,557,144	308,059	7,557,144	308,059
Other underwriting expenses		(23,972,117)	(16,958,255)	(23,972,117)	(16,958,255)
Operating expenses		(41,428,869)	(37,246,183)	(41,428,869)	(37,246,183)
Income tax expenses		(30,272,188)	(19,083,898)	(30,272,188)	(19,083,898)
Cash received on financial assets		772,665,418	880,389,273	772,665,418	880,389,273
Cash paid for financial assets		(800,158,119)	(831,554,542)	(800,158,119)	(831,554,542)
Net cash provided by operating activities		78,972,872	71,327,390	78,972,872	71,327,390
Cash flows used in investing activities					
Purchases of equipment		(9,555,316)	(464,106)	(9,555,316)	(464,106)
Purchases of intangible assets		(12,216,976)	(861,083)	(12,216,976)	(861,083)
Net cash used in investing activities		(21,772,292)	(1,325,189)	(21,772,292)	(1,325,189)
Cash flows used in financing activities					
Repayment of lease liabilities		(396,114)	(396,114)	(396,114)	(396,114)
Dividend paid	16	(84,000,000)	(78,000,000)	(84,000,000)	(78,000,000)
Net cash used in financing activities		(84,396,114)	(78,396,114)	(84,396,114)	(78,396,114)
Net decrease in cash and cash equivalents		(27,195,534)	(8,393,913)	(27,195,534)	(8,393,913)
Cash and cash equivalents at beginning of the periods		41,134,866	33,798,067	41,134,866	33,798,067
(Increase) decrease in expected credit losses		32,372	(17,215)	32,372	(17,215)
Cash and cash equivalents at end of the periods		13,971,704	25,386,939	13,971,704	25,386,939

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 six-month periods ended 30 June 2021 and 2020

(Unit: Baht)

Financial statements in which the equity method is applied									
	Note	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 2020		600,000,000	79,162,825	60,000,000	739,516,723	(17,440,786)	(2,624,758)	(20,065,544)	1,458,614,004
Dividend paid	16	-	-	-	(78,000,000)	-	-	-	(78,000,000)
Reversal of dividend payable due to ineligibility of shareholders		-	-	-	2,847	-	-	-	2,847
Net profit		-	-	-	34,899,405	-	-	-	34,899,405
Other comprehensive income (loss) for the period		-	-	-	(2,143,385)	(85,338,830)	108,855	(85,229,975)	(87,373,360)
Total comprehensive income (loss) for the period		-	-	-	32,756,020	(85,338,830)	108,855	(85,229,975)	(52,473,955)
Balance as at 30 June 2020		<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>694,275,590</u>	<u>(102,779,616)</u>	<u>(2,515,903)</u>	<u>(105,295,519)</u>	<u>1,328,142,896</u>
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
Dividend paid	16	-	-	-	(84,000,000)	-	-	-	(84,000,000)
Reversal of dividend payable due to ineligibility of shareholders		-	-	-	3,010	-	-	-	3,010
Net profit		-	-	-	65,156,902	-	-	-	65,156,902
Other comprehensive income for the period		-	-	-	1,464,141	6,650,238	443,048	7,093,286	8,557,427
Total comprehensive income for the period		-	-	-	66,621,043	6,650,238	443,048	7,093,286	73,714,329
Balance as at 30 June 2021		<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>764,874,214</u>	<u>(87,635,373)</u>	<u>(2,688,287)</u>	<u>(90,323,660)</u>	<u>1,413,713,379</u>

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 six-month periods ended 30 June 2021 and 2020

(Unit: Baht)

Separate financial statements						
Note	Issued and paid-up share capital	Share permium	Retained earnings		Other component 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	
Balance as at 1 January 2020	600,000,000	79,162,825	60,000,000	743,339,730	(17,440,786)	1,465,061,769
Dividend paid	16	-	-	(78,000,000)	-	(78,000,000)
Reversal of dividend payable due to ineligibility of shareholders		-	-	2,847	-	2,847
Net profit		-	-	35,601,554	-	35,601,554
Other comprehensive loss for the period		-	-	(2,143,385)	(85,338,830)	(87,482,215)
Total comprehensive income (loss) for the period		-	-	33,458,169	(85,338,830)	(51,880,661)
Balance as at 30 June 2020	<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>698,800,746</u>	<u>(102,779,616)</u>	<u>1,335,183,955</u>
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
Dividend paid	16	-	-	(84,000,000)	-	(84,000,000)
Reversal of dividend payable due to ineligibility of shareholders		-	-	3,010	-	3,010
Net profit		-	-	65,806,114	-	65,806,114
Other comprehensive income for the period		-	-	1,464,141	6,650,238	8,114,379
Total comprehensive income for the period		-	-	67,270,255	6,650,238	73,920,493
Balance as at 30 June 2021	<u>600,000,000</u>	<u>79,162,825</u>	<u>60,000,000</u>	<u>767,269,469</u>	<u>(87,635,373)</u>	<u>1,418,796,921</u>

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

Thaire Life Assurance Public Company Limited

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Thaire Life Assurance Public Company Limited

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2021 and 2020

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 30 June 2021 and 31 December 2020, 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, Samsennok 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 Financial reporting standards that became effective in the current year

During the period, the Company adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, the adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

2.3 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users. However, the management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

2.4 Significant accounting policies

This interim financial information is prepared using the same significant accounting policies and methods of computation as were used in the preparation of financial statements for the year ended 31 December 2020.

(Unaudited but reviewed)

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Cash	5	4
Deposits at banks with no fixed maturity date	9,829	18,923
Deposits at banks with fixed maturity date	-	22,000
Deposits at other financial institutions	4,147	250
Total	13,981	41,177
Less: Allowance for expected credit losses	(9)	(42)
Cash and cash equivalents - net	13,972	41,135

4. Reinsurance assets

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Insurance reserves refundable from reinsurers		
Long-term insurance policy reserves	2,835	2,822
Unearned premium reserves	1,021	551
Total reinsurance assets	3,856	3,373

5. Reinsurance receivables

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	30 June 2021	31 December 2020
Amounts deposited on reinsurance	63,291	98,624
Amounts due from reinsurers	347,253	335,272
Total reinsurance receivables	410,544	433,896

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			
	30 June 2021		31 December 2020	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Trading investments measured at fair value through profit or loss				
Unit trusts	13,393	13,396	79,066	79,069
Total	13,393	13,396	79,066	79,069
Add: Revaluation gains	3	-	3	-
Trading investments measured at fair value through profit or loss - net				
	13,396	13,396	79,069	79,069
Available-for-sale investments measured at fair value through other comprehensive income				
Common stocks	380,916	366,531	364,433	339,383
Unit trusts	670,576	554,240	659,959	543,592
Total	1,051,492	920,771	1,024,392	882,975
Less: Revaluation losses	(109,544)	-	(117,857)	-
Less: Allowance for impairment	(21,177)	-	(23,560)	-
Available-for-sale investments measured at fair value through other comprehensive income - net				
	920,771	920,771	882,975	882,975
Held-to-maturity investments measured at amortised cost				
Government and state enterprise securities				
	462,726	471,219	475,659	486,338
Private enterprise debt securities				
	403,955	411,227	287,544	291,939
Deposits at financial institutions with a maturity period of longer than 3 months				
	165,000	165,000	200,000	200,000
Total	1,031,681	1,047,446	963,203	978,277
Less: Allowance for expected credit losses				
	(591)	-	(425)	-
Held-to-maturity investments measured at amortised cost - net				
	1,031,090	1,047,446	962,778	978,277
Investments in securities - net	1,965,257	1,981,613	1,924,822	1,940,321

6.2 Classified by stage of credit risk

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements			
30 June 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	1,031,681	(591)	1,031,090
Total	1,031,681	(591)	1,031,090

(Unit: Thousand Baht)

Financial statements in which the equity method is applied and Separate financial statements			
31 December 2020			
	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	963,203	(425)	962,778
Total	963,203	(425)	962,778

6.3 Investments subject to restriction

As at 30 June 2021 and 31 December 2020, the Company placed some investments as a security with the Registrar as described in Notes 18 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 30 June 2021 and 31 December 2020, 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	
	30 June 2021	31 December 2020
	Mortgaged loans	Mortgaged loans
Stage 1 - Loans without a significant increase of credit risk	399	633
Loans and interest receivables	399	633

8. Investment in an associate

8.1 Details of an associate

Company's name	Nature of business	Country of incorporation	Issued and paid-up share capital		Shareholding percentage held by the Company	
			30 June 2021	31 December 2020	30 June 2021	31 December 2020
			(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	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
TKI Life Insurance Company Limited	12,556	12,814	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	
	30 June 2021	31 December 2020
Total assets	46,636	43,725
Total liabilities	(8,001)	(4,297)
Net assets	38,635	39,428
Shareholding percentage (%)	32.50	32.50
Carrying amount of an associate under equity method	12,556	12,814

Summarised information of statements of comprehensive income

(Unit: Thousand Baht)

	TKI Life Insurance Company Limited			
	For the three-month		For the six-month	
	periods ended 30 June		periods ended 30 June	
	2021	2020	2021	2020
Total revenues	1,434	1,216	3,074	2,815
Loss for the periods	(1,235)	(2,063)	(2,437)	(2,653)
Total comprehensive loss for the periods	(1,235)	(2,063)	(2,437)	(2,653)

8.3 Share of loss and other comprehensive income and dividend income

During the periods, the Company recognised shares of 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.

(Unit: Thousand Baht)

Associate	Financial statements in which the equity method is applied				Separate financial statements	
	Share of loss from investment in an associate for the three-month periods ended 30 June		Share of other comprehensive income from investment in an associate for the three-month periods ended 30 June		Dividends received for the three-month periods ended 30 June	
	2021	2020	2021	2020	2021	2020
TKI Life Insurance Company Limited	(402)	(686)	-	-	-	-
Total	(402)	(686)	-	-	-	-

(Unit: Thousand Baht)

Associate	Financial statements in which the equity method is applied				Separate financial statements	
	Share of loss from investment in an associate for the six-month periods ended 30 June		Share of other comprehensive income from investment in an associate for the six-month periods ended 30 June		Dividends received for the six-month periods ended 30 June	
	2021	2020	2021	2020	2021	2020
TKI Life Insurance Company Limited	(812)	(878)	-	-	-	-
Total	(812)	(878)	-	-	-	-

As at 30 June 2021 and 31 December 2020, 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, as prepared by the associate's management. The Company obtained the 2020 financial statements of TKI Life Insurance Company Limited, which were audited by the associate's auditor and the auditor expressed an unqualified opinion under the report dated 4 March 2021. 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.

9. Premises and equipment

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements					Total
	For the six-month period ended 30 June 2021					
	Land	Building	Furniture, fixtures and equipment	Computers	Right-of-use assets	
Net book value as at						
1 January 2021	17,640	27,203	3,782	1,002	1,442	51,069
Acquisition during the period						
- at cost	-	-	86	9,909	-	9,995
Depreciation charged for the period	-	(1,096)	(742)	(805)	(361)	(3,004)
Net book value as at 30 June 2021	<u>17,640</u>	<u>26,107</u>	<u>3,126</u>	<u>10,106</u>	<u>1,081</u>	<u>58,060</u>

10. Intangible assets

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		Total
	For the six-month period ended 30 June 2021		
	Computer software	Computer software under development	
Net book value as at 1 January 2021	30,307	7,613	37,920
Acquisition during the period - at cost	1,719	3,172	4,891
Amortisation charged for the period	(2,336)	-	(2,336)
Net book value as at 30 June 2021	<u>29,690</u>	<u>10,785</u>	<u>40,475</u>

11. Deferred tax assets and income tax expenses

11.1 Deferred tax assets

As at 30 June 2021 and 31 December 2020, 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	
30	31	30	31	Changes in deferred tax		Changes in deferred		
June	December	June	December	assets for		tax assets for		
2021	2020	2021	2020	the six-month periods		the six-month periods		
				ended 30 June		ended 30 June		
				2021	2020	2021	2020	
Deferred tax assets								
(liabilities) arose from:								
Premium reserves	17,827	-	17,827	-	17,827	16,682	17,827	16,682
Loss reserves	15,946	5,796	15,946	5,796	10,150	(1,485)	10,150	(1,485)
Commission payable on								
reinsurance	17,234	61,076	17,234	61,076	(43,842)	13,938	(43,842)	13,938
Employee benefit obligations	3,296	3,436	3,296	3,436	(140)	758	(140)	758
Unrealised losses on								
available-for-sale								
investments	21,909	23,571	21,909	23,571	(1,662)	21,335	(1,662)	21,335
Deferred commission - net	(22,455)	(16,142)	(22,455)	(16,142)	(6,313)	(2,363)	(6,313)	(2,363)
Allowance for impairment								
on investment	4,355	4,805	4,910	5,360	(450)	-	(450)	-
Others	3,576	3,343	1,750	1,568	233	(1,546)	182	(1,694)
Deferred tax assets	<u>61,688</u>	<u>85,885</u>	<u>60,417</u>	<u>84,665</u>				
Total changes					<u>(24,197)</u>	<u>47,319</u>	<u>(24,248)</u>	<u>47,171</u>
Recognition of changes in:								
- Statements of income					(22,057)	25,476	(22,219)	25,301
- Statements of comprehensive income					(2,140)	21,843	(2,029)	21,870
Total changes					<u>(24,197)</u>	<u>47,319</u>	<u>(24,248)</u>	<u>47,171</u>

11.2 Income tax (revenues) expenses

Income tax (revenues) expenses for the three-month and six-month periods ended 30 June 2021 and 2020 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 30 June		For the three-month periods ended 30 June	
	2021	2020	2021	2020
Current income taxes:				
Interim corporate income tax charge	(611)	(8,829)	(611)	(8,829)
Adjustment of prior year's corporate income tax expenses	(80)	50	(80)	50
Deferred income taxes:				
Relating to origination and reversal of temporary differences	(4,476)	10,703	(4,556)	10,566
Income tax revenues (expenses) reported in the statements of income	(5,167)	1,924	(5,247)	1,787

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	2021	2020	2021	2020
Current income taxes:				
Interim corporate income tax charge	12,455	(29,050)	12,455	(29,050)
Adjustment of prior year's corporate income tax expenses	(80)	50	(80)	50
Deferred income taxes:				
Relating to origination and reversal of temporary differences	(22,057)	25,476	(22,219)	25,301
Income tax expenses reported in the statements of income	(9,682)	(3,524)	(9,844)	(3,699)

(Unaudited but reviewed)

Reconciliations between income tax revenues (tax expenses) and the product of accounting profits for the three-month and six-month periods ended 30 June 2021 and 2020 and the applicable tax rate were as follows:

(Unit: Thousand Baht)

	Financial statements in which the		Separate financial statements	
	equity method is applied			
	For the three-month periods		For the three-month periods	
	ended 30 June		ended 30 June	
	2021	2020	2021	2020
Accounting profits before income tax				
expenses	42,230	4,428	42,631	5,114
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(8,446)	(886)	(8,526)	(1,023)
Adjustment of prior year's corporate				
income tax expenses	(80)	50	(80)	50
Tax effects of:				
Tax-exempted revenues	3,080	2,774	3,080	2,774
Additional tax deductible expenses				
allowed	297	6	297	6
Others	(18)	(20)	(18)	(20)
Total	3,359	2,760	3,359	2,760
Income tax revenues (expenses)				
reported in statements of income	(5,167)	1,924	(5,247)	1,787

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Financial statements in which the		Separate financial statements	
	equity method is applied			
	For the six-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2021	2020	2021	2020
Accounting profits before income tax				
expenses	74,839	38,423	75,650	39,301
Applicable tax rate	20%	20%	20%	20%
Income taxes at the applicable tax rate	(14,968)	(7,685)	(15,130)	(7,860)
Adjustment of prior year's corporate				
income tax expenses	(80)	50	(80)	50
Tax effects of:				
Tax-exempted revenues	4,944	4,029	4,944	4,029
Non-tax deductible expenses	-	(25)	-	(25)
Additional tax-deductible expenses				
allowed	459	148	459	148
Others	(37)	(41)	(37)	(41)
Total	5,366	4,111	5,366	4,111
Income tax expenses reported in				
statements of income	(9,682)	(3,524)	(9,844)	(3,699)

(Unaudited but reviewed)

12. Insurance contract liabilities

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	30 June 2021		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Long-term insurance policy reserves	513,481	(2,835)	510,646
Loss reserves			
Claims incurred and reported	337	-	337
Claims incurred but not yet reported	79,393	-	79,393
Premium reserves			
Unearned premium reserves	530,391	(1,021)	529,370
Total	<u>1,123,602</u>	<u>(3,856)</u>	<u>1,119,746</u>

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements		
	31 December 2020		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Long-term insurance policy reserves	508,605	(2,822)	505,783
Loss reserves			
Claims incurred and reported	356	-	356
Claims incurred but not yet reported	28,623	-	28,623
Premium reserves			
Unearned premium reserves	326,778	(551)	326,227
Total	<u>864,362</u>	<u>(3,373)</u>	<u>860,989</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 six-month period ended 30 June 2021	For the year ended 31 December 2020
Beginning balances	508,605	471,182
Reserves increased from new policies and enforced policies	32,049	88,105
Insurance policy reserves decreased from benefit paid for lapse, surrender and others	(28,427)	(53,545)
Assumptions changes	1,254	2,863
Ending balances	513,481	508,605

12.2 Loss reserves

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements	
	For the six-month period ended 30 June 2021	For the year ended 31 December 2020
Beginning balances	28,979	7,790
Claims incurred for the periods	538,434	1,000,127
Changes in loss reserve	48,845	47,382
Changes in assumptions for calculating loss reserves	1,925	(26,201)
Claims paid during the periods	(538,453)	(1,000,119)
Ending balances	79,730	28,979

(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 six-month period ended 30 June 2021	For the year ended 31 December 2020
Beginning balances	326,778	298,052
Premium written for the periods	1,013,214	1,401,278
Premium earned during the periods	(809,601)	(1,372,552)
Ending balances	<u>530,391</u>	<u>326,778</u>

12.4 Unexpired risk reserves

(Unit: Thousand Baht)

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

	For the six-month period ended 30 June 2021	For the year ended 31 December 2020
Beginning balances	-	9,508
Dissolved during the periods	-	(9,508)
Ending balances	<u>-</u>	<u>-</u>

13. Due to reinsurers

(Unit: Thousand Baht)

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

	30 June 2021	31 December 2020
Amounts due to reinsurers	<u>151,499</u>	<u>346,731</u>
Total due to reinsurers	<u>151,499</u>	<u>346,731</u>

14. Segment information

14.1 Operating segment information reporting

Operating segment information for the three-month and six-month periods ended 30 June 2021 and 2020 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 periods ended 30 June 2021		
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	394,522	575,846	970,368
Less: Reinsurance premium ceded	(5,065)	(174)	(5,239)
Net reinsurance premium written	389,457	575,672	965,129
Less: Unearned premium reserves increased from prior period	(86,155)	(166,436)	(252,591)
Net earned premium	303,302	409,236	712,538
Underwriting expenses			
Long-term insurance policy reserves increased (decreased)	(15,277)	30,673	15,396
Net benefits and claims	202,565	297,289	499,854
Commissions and brokerages expenses - net	74,081	69,219	143,300
Other underwriting expenses	4,869	8,118	12,987
Total underwriting expenses	266,238	405,299	671,537
Profit from underwriting	37,064	3,937	41,001
Operating expenses			(24,644)
Expected credit losses			(177)
Profit from operation			16,180
Share of loss from investment in an associate			(402)
Net investment revenue			26,170
Other income			282
Profit before income tax expenses			42,230
Income tax expenses			(5,167)
Net profit			37,063

(Unaudited but reviewed)

(Unit: Thousand Baht)

Financial statements in which the equity method is applied

For the three-month period ended 30 June 2020

	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	272,682	451,880	724,562
Less: Reinsurance premium ceded	(3,876)	(229)	(4,105)
Net reinsurance premium written	268,806	451,651	720,457
Add (less): Unearned premium reserves (increased) decreased from prior period	7,189	(146,120)	(138,931)
Net earned premium	275,995	305,531	581,526
Underwriting expenses			
Long-term insurance policy reserves increased (decreased)	(14,793)	24,194	9,401
Net benefits and claims	207,194	195,575	402,769
Commissions and brokerages expenses - net	90,602	59,434	150,036
Other underwriting expenses	3,191	5,892	9,083
Total underwriting expenses	286,194	285,095	571,289
Profit (loss) from underwriting	(10,199)	20,436	10,237
Operating expenses			(21,903)
Expected credit losses			(6)
Loss from operation			(11,672)
Share of loss from investment in an associate			(686)
Net investment revenue			16,559
Other income			226
Profit before income tax expenses			4,427
Income tax revenue			1,924
Net profit			6,351

(Unaudited but reviewed)

(Unit: Thousand Baht)

Financial statements in which the equity method is applied

For the six-month period ended 30 June 2021

	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	640,738	809,537	1,450,275
Less: Reinsurance premium ceded	(9,762)	(348)	(10,110)
Net reinsurance premium written	630,976	809,189	1,440,165
Less: Unearned premium reserves increased from prior period	(73,493)	(129,650)	(203,143)
Net earned premium	557,483	679,539	1,237,022
Underwriting expenses			
Long-term insurance policy reserves increased (decreased)	(17,723)	22,586	4,863
Net benefits and claims	380,573	470,720	851,293
Commissions and brokerages expenses - net	141,830	137,262	279,092
Other underwriting expenses	11,127	14,058	25,185
Total underwriting expenses	515,807	644,626	1,160,433
Profit from underwriting	41,676	34,913	76,589
Operating expenses			(45,909)
Expected credit losses			(133)
Profit from operation			30,547
Share of loss from investment in an associates			(812)
Net investment revenue			44,521
Other income			583
Profit before income tax expenses			74,839
Income tax expenses			(9,682)
Net profit			65,157

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		
	For the six-month period ended 30 June 2020		
	Conventional products	Non-conventional products	Total
Underwriting revenues			
Reinsurance premium written	573,440	671,615	1,245,055
Less: Reinsurance premium ceded	(8,018)	(458)	(8,476)
Net reinsurance premium written	565,422	671,157	1,236,579
Add (less): Unearned premium reserves (increased) decreased from prior period	11,220	(138,959)	(127,739)
Net earned premium	576,642	532,198	1,108,840
Underwriting expenses			
Long-term insurance policy reserves increased (decreased)	(13,689)	40,332	26,643
Unexpired risk reserves decreased	(5,098)	(4,410)	(9,508)
Net benefits and claims	379,534	348,043	727,577
Commissions and brokerages expenses - net	174,091	112,882	286,973
Other underwriting expenses	8,080	9,464	17,544
Total underwriting expenses	542,918	506,311	1,049,229
Profit from underwriting	33,724	25,887	59,611
Operating expenses			(46,250)
Expected credit losses			(260)
Profit from operation			13,101
Share of loss from investment in an associate			(878)
Net investment revenue			23,882
Other income			2,318
Profit before income tax expenses			38,423
Income tax expenses			(3,524)
Net profit			34,899

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 and six-month periods ended 30 June 2021 and 2020, 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 30 June		For the six-month periods ended 30 June	
	2021	2020	2021	2020
Reinsurance premium written	731	546	1,020	846

15. Earnings per share

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

16. Dividends paid

Dividends declared during the six-month periods ended 30 June 2021 and 2020 consisted of the following:

	Approved by	Total	Dividend
		dividend (Million Baht)	per share (Baht)
Final dividend payment from 2020 net profit	Annual General Meeting of the Company's shareholders held on 23 April 2021	84.0	0.14
Total dividend paid during the period of 2021		<u>84.0</u>	<u>0.14</u>
Interim dividend payment from 2019 net profit	Meeting of the Company's Board of Directors held on 22 April 2020	78.0	0.13
Total dividend paid during the period of 2020		<u>78.0</u>	<u>0.13</u>

17. Related party transactions

17.1 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 common directors 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.	Related by way of having common directors and a shareholder
Thai Life Insurance Plc.	Related by way of having a common director ⁽¹⁾
South East Life Insurance Plc.	Related by way of having a common director ⁽²⁾ and being the Company's shareholder
Muang Thai Life Assurance Plc.	Related by way of having a common director ⁽³⁾
Thaire Actuarial Consulting Co., Ltd.	Related by way of having a common director and a shareholder
EMCS Thai Co., Ltd.	Related by way of having a common director and a shareholder
Thaire Innovation Co., Ltd.	Related by way of having a common director and a shareholder

⁽¹⁾ This entity had been considered a related party until 5 October 2020, the date on which a common director resigned from the Company's Board of Directors.

⁽²⁾ 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.

⁽³⁾ 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.

17.2 Significant related party transactions

During the three-month and six-month periods ended 30 June 2021 and 2020, 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 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		For the six-month periods ended		
	30 June		30 June		
	2021	2020	2021	2020	
<u>Transactions with associates</u>					
Revenues					
Service revenues ⁽¹⁾	69	69	217	2,148	Mutually agreed rates
Reinsurance premium written	31	-	370	-	According to terms of reinsurance contracts
Expenses					
Claim expenses	51	-	104	-	According to the ratios as specified in the reinsurance contracts
Commission expenses	9	-	78	-	According to terms of reinsurance contracts
<u>Transactions with related parties</u>					
Revenues					
Reinsurance premium written	301,532	219,678	401,953	316,513	According to terms of reinsurance contracts
Commissions and brokerages income	38	146	68	367	According to terms of reinsurance contracts
Claims refundable	73	302	75	632	According to the ratios as specified in the reinsurance contracts
Expenses					
Reinsurance premium ceded	165	702	224	1,506	According to terms of reinsurance contracts
Claim expenses	106,337	136,174	194,166	165,636	According to the ratios as specified in the reinsurance contracts
Commissions and brokerages expenses	69,987	52,479	112,156	85,512	According to terms of reinsurance contracts
Service fee expenses ⁽²⁾	1,902	1,972	3,749	3,944	Mutually agreed rates
Owner's equity					
Dividend paid	10,151	9,568	10,151	9,568	As declared

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

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

17.3 Outstanding balances

As at 30 June 2021 and 31 December 2020, 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	
	30 June 2021	31 December 2020
Associate		
Other receivables ⁽¹⁾	2,079	7,122
Deferred commissions expenses	10	-
Amounts due to reinsurers ⁽⁵⁾	31	-
Related parties		
Insurance reserves refundable from reinsurers ⁽²⁾	208	-
Amounts due from reinsurers ⁽³⁾	165,948	744
Amounts deposited on reinsurance ⁽³⁾	55,453	32,728
Deferred commissions expenses	68,756	30,740
Loss reserves ⁽⁴⁾	36,395	12,513
Amounts due to reinsurers ⁽⁵⁾	102,544	6,069
Deferred commissions income	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

17.4 Directors' and key management's remuneration

During the three-month and six-month periods ended 30 June 2021 and 2020, the Company had salaries, bonuses, meeting allowances and post-employment benefits of its directors and key management personnel recognised as expenses, are as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2021	2020	2021	2020
Short-term benefits	10,637	10,734	19,761	19,850
Post employment benefits	1,193	1,174	2,191	2,341
Total	11,830	11,908	21,952	22,191

18. Assets subject to restrictions

As at 30 June 2021 and 31 December 2020, 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			
	30 June 2021		31 December 2020	
	Cost	Fair value	Cost	Fair value
Assets placed				
Government bonds	21.0	21.7	21.0	21.9
Assets reserved as insurance reserves				
Government and state enterprise bonds	217.0	225.9	217.0	228.7
Private enterprise debt securities	54.0	56.6	54.0	56.2

19. Commitments

19.1 Capital Commitments

As at 30 June 2021 and 31 December 2020, the Company had capital commitments in relation to installation of computer software amounting to Baht 0.8 million and Baht 3.0 million, respectively.

19.2 Service commitments

As at 30 June 2021 and 31 December 2020, the Company had outstanding service commitments and future minimum service fees amounting to Baht 6.6 million and Baht 6.0 million, respectively.

20. Financial Instrument

20.1 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			
	30 June 2021		31 December 2020	
	Carrying value	Fair value	Carrying value	Fair value
Held-to-maturity investments measured at amortised cost				
Government and state enterprise securities	462,684	471,219	475,643	486,338
Private enterprise debt securities	403,604	411,227	287,388	291,939
Deposits at financial institutions with a maturity period of longer than 3 months	164,802	165,000	199,747	200,000
	<u>1,031,090</u>	<u>1,047,446</u>	<u>962,778</u>	<u>978,277</u>

20.2 Fair value hierarchy

As of 30 June 2021 and 31 December 2020, 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
	30 June 2021				
	Fair value				
	Level 1	Level 2	Level 3	Total	
Trading investments measured at fair value through profit or loss	-	13,396	-	13,396	13,396
Available-for-sale investments measured at fair value through other comprehensive income	615,991	303,186	1,594	920,771	920,771

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements				Carrying value
	31 December 2020				
	Fair value				
	Level 1	Level 2	Level 3	Total	
Trading investments measured at fair value through profit or loss	-	79,069	-	79,069	79,069
Available-for-sale investments measured at fair value through other comprehensive income	600,510	280,115	2,350	882,975	882,975

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.

21. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 10 August 2021.