

***PHILLIP LIFE ASSURANCE PUBLIC COMPANY
LIMITED AND ITS SUBSIDIARY***

Interim Financial Statements

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



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**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
 BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

PHILLIP LIFE ASSURANCE PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Phillip Life Assurance Public Company Limited and its subsidiary and the separate statement of financial position of Phillip Life Assurance Public Company Limited as at June 30, 2023, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2023, and the related consolidated and separate statements of changes in equity and cash flows for the six-month period ended June 30, 2023, and the condensed notes to the financial statements. The Company’s management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”.



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Emphasis of Matter

We draw attention to Note 1 to the interim financial statements, the Company is in process to extend the waiver period for foreign shareholder portion and non-Thai director ratio for another 5 years from the Office of Insurance Commission (OIC). The Company has submitted the plan for diluting of foreign shareholders to OIC which is being considered by OIC. Our conclusion is not modified in respect of this matter.

Other Matter

The consolidated financial statements of Phillip Life Assurance Public Company Limited and its subsidiary and separate financial statements of Phillip Life Assurance Public Company Limited as at December 31, 2022, presented herein as comparative information, were audited by other auditor, whose report thereon dated March 28, 2023 expressed an unmodified opinion on those statements. The consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2022, and the consolidated and separate statements of changes in equity and cash flows for the six-month period ended June 30, 2022, presented herein as comparative information, were reviewed by other auditor, whose report thereon dated August 11, 2022, concluded that nothing had come to her attention that caused her to believe that such interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”.



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

BANGKOK
August 10, 2023

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

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

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		“UNAUDITED”		“UNAUDITED”	
		As at	As at	As at	As at
		June 30,	December 31,	June 30,	December 31,
		2023	2022	2023	2022
ASSETS					
Cash and cash equivalents	4.1	593,877,999	362,600,596	587,804,667	356,558,603
Premium receivables	5	107,054,259	174,168,957	107,054,259	174,168,957
Accrued investment income		36,584,870	36,068,706	36,584,870	36,068,706
Reinsurance assets	6,14	9,814,968	10,504,865	9,814,968	10,504,865
Reinsurance receivables	7	5,185,513	2,112,500	5,185,513	2,112,500
Investment assets					
Investments in securities	8	11,937,182,471	12,369,312,767	11,937,182,471	12,369,312,767
Loans and interest receivables	9	771,043,467	764,104,735	771,043,467	764,104,735
Investments in a subsidiary	10	-	-	5,823,016	5,851,408
Investment assets of the insured		270,496	208,832	270,496	208,832
Premises and equipment	11	152,759,160	165,286,965	152,759,160	165,286,965
Right-of-use assets	12.1	3,709,604	11,631,029	3,709,604	11,631,029
Intangible assets		10,406,178	11,656,215	10,406,178	11,656,215
Other assets	13	316,807,158	180,982,269	316,191,682	180,442,787
TOTAL ASSETS		<u>13,944,696,143</u>	<u>14,088,638,436</u>	<u>13,943,830,351</u>	<u>14,087,908,369</u>

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See condensed notes to the financial statements

PHILLIP LIFE ASSURANCE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2023

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		"UNAUDITED"		"UNAUDITED"	
		As at	As at	As at	As at
		June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
LIABILITIES AND EQUITY					
LIABILITIES					
Insurance contract liabilities	14	10,121,578,000	9,779,630,852	10,121,578,000	9,779,630,852
Investment contract liabilities		270,496	208,832	270,496	208,832
Reinsurance payables	15	10,312,815	8,521,743	10,312,815	8,521,743
Lease liabilities	12.2	7,032,921	15,212,565	7,032,921	15,212,565
Employee benefit obligations		46,756,199	40,015,994	46,756,199	40,015,994
Deferred tax liabilities	16.1	88,552,566	98,461,105	88,552,566	98,461,105
Other liabilities	17	152,125,465	177,945,496	151,266,669	177,222,459
TOTAL LIABILITIES		10,426,628,462	10,119,996,587	10,425,769,666	10,119,273,550
EQUITY					
Share capital					
Authorized share capital					
1,600 million ordinary shares of Baht 6.25 each		10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
Issued and paid-up share capital					
957.5 million ordinary shares of Baht 6.25 each		5,984,375,000	5,984,375,000	5,984,375,000	5,984,375,000
Discount on share capital		(58,798,175)	(58,798,175)	(58,798,175)	(58,798,175)
Deficit		(2,724,096,723)	(2,312,578,103)	(2,724,096,723)	(2,312,578,103)
Other component of owners' equity					
Revaluation surplus on investment					
at fair value through other					
comprehensive income - net of income taxes	8.4	316,580,583	355,636,097	316,580,583	355,636,097
Equity attributable to equity holders of the Company		3,518,060,685	3,968,634,819	3,518,060,685	3,968,634,819
Non-controlling interests of the subsidiary		6,996	7,030	-	-
TOTAL EQUITY		3,518,067,681	3,968,641,849	3,518,060,685	3,968,634,819
TOTAL LIABILITIES AND EQUITY		13,944,696,143	14,088,638,436	13,943,830,351	14,087,908,369

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See condensed notes to the financial statements

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

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
PROFIT OR LOSS					
REVENUES					
Premium written		482,869,104	445,930,511	482,869,104	445,930,511
<u>Less</u> Premium ceded to reinsurers		(7,177,152)	(5,645,874)	(7,177,152)	(5,645,874)
Net premium written		475,691,952	440,284,637	475,691,952	440,284,637
<u>Add</u> Unearned premium reserves decreased					
from prior period		58,428,842	55,528,060	58,428,842	55,528,060
Earned premium after reinsurance		534,120,794	495,812,697	534,120,794	495,812,697
Fee and commission income		5,645,759	1,265,536	5,645,759	1,265,536
Net investment income		125,386,217	114,011,725	125,384,755	114,008,731
Gain on investments		27,409,602	1,187,656	27,409,602	1,187,656
Fair value gains		15,439	38,851,704	15,439	38,851,704
Share of profit (loss) from investment in a subsidiary					
under equity method		-	-	(7,781)	660,128
Other income		1,795,224	2,260,212	192,175	217,957
Total revenues		694,373,035	653,389,530	692,760,743	652,004,409
EXPENSES					
Long-term life insurance policy reserves					
decreased from prior period		(145,244,611)	(815,966,709)	(145,244,611)	(815,966,709)
Unexpired risk reserves decreased from prior period		(26,376,661)	(11,941,289)	(26,376,661)	(11,941,289)
Benefit payments under life policies and gross claims		575,124,207	402,344,864	575,124,207	402,344,864
<u>Less</u> Benefit payments under life policies and					
claims refundable from reinsurance		(3,863,118)	(2,461,214)	(3,863,118)	(2,461,214)
Commission and brokerage expenses		35,542,964	45,450,907	34,191,097	44,069,898
Other underwriting expenses		3,554,551	4,275,888	3,554,551	4,275,888
Operating expenses		49,698,770	67,167,108	49,438,336	67,163,989
Finance costs		82,258	235,496	82,258	235,496
Expected credit losses and impairment losses (reversal)	18	(41,944)	3,348,456	(41,944)	3,348,256
Other expenses		543,817	4,459,935	543,817	4,459,935
Total expenses		489,020,233	(303,086,558)	487,407,932	(304,470,886)
Profit before income tax		205,352,802	956,476,088	205,352,811	956,475,295
Income tax income (expense)	16.2	4,898,000	(110,014,002)	4,898,000	(110,014,002)
Net profit		210,250,802	846,462,086	210,250,811	846,461,293

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

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Other comprehensive income					
Items to be recognised in profit or loss in subsequent periods					
Losses on valuation of investment at fair value through other comprehensive income		(25,311,588)	(444,443,058)	(25,311,588)	(444,443,058)
Income taxes relating to components of other comprehensive income	16.2	5,062,318	88,888,612	5,062,318	88,888,612
Items to be recognised in profit or loss in subsequent periods - net of income taxes		(20,249,270)	(355,554,446)	(20,249,270)	(355,554,446)
Other comprehensive loss for the periods - net of income taxes		(20,249,270)	(355,554,446)	(20,249,270)	(355,554,446)
Total comprehensive income for the periods		<u>190,001,532</u>	<u>490,907,640</u>	<u>190,001,541</u>	<u>490,906,847</u>
Net profit (loss) attributable to					
The Company's shareholders		210,250,811	846,461,293	210,250,811	846,461,293
Non-controlling interests of the subsidiary		(9)	793		
		<u>210,250,802</u>	<u>846,462,086</u>		
Total comprehensive income (loss) for the periods attributable to					
The Company's shareholders		190,001,541	490,906,847	190,001,541	490,906,847
Non-controlling interests of the subsidiary		(9)	793		
		<u>190,001,532</u>	<u>490,907,640</u>		
Earnings per share	19				
Basic earnings per share		<u>0.22</u>	<u>0.88</u>	<u>0.22</u>	<u>0.88</u>

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

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
PROFIT OR LOSS					
REVENUES					
Premium written		1,046,137,681	1,056,744,934	1,046,137,681	1,056,744,934
<u>Less</u> Premium ceded to reinsurers		(15,824,401)	(11,953,328)	(15,824,401)	(11,953,328)
Net premium written		1,030,313,280	1,044,791,606	1,030,313,280	1,044,791,606
<u>Add</u> Unearned premium reserves decreased					
from prior period		27,812,545	55,333,611	27,812,545	55,333,611
Earned premium after reinsurance		1,058,125,825	1,100,125,217	1,058,125,825	1,100,125,217
Fee and commission income		6,763,201	2,256,922	6,763,201	2,256,922
Net investment income		206,879,707	193,972,912	206,878,245	193,969,918
Gain on investments		44,694,572	27,754,423	44,694,572	27,754,423
Fair value losses		(3,862,270)	(55,219,716)	(3,862,270)	(55,219,716)
Share of profit (loss) from investment in a subsidiary					
under equity method		-	-	(28,392)	786,536
Other income		2,741,529	2,913,483	748,499	582,638
Total revenues		1,315,342,564	1,271,803,241	1,313,319,680	1,270,255,938
EXPENSES					
Long-term life insurance policy reserves increased					
(decreased) from prior period		430,132,022	(1,417,169,046)	430,132,022	(1,417,169,046)
Unexpired risk reserves decreased from prior period		(15,192,393)	(9,623,164)	(15,192,393)	(9,623,164)
Benefit payments under life policies and gross claims		1,107,210,115	994,624,543	1,107,210,115	994,624,543
<u>Less</u> Benefit payments under life policies and					
claims refundable from reinsurance		(6,553,652)	(4,737,952)	(6,553,652)	(4,737,952)
Commission and brokerage expenses		89,657,489	102,458,267	88,048,092	100,937,403
Other underwriting expenses		7,891,109	9,531,013	7,891,109	9,531,013
Operating expenses		94,994,903	142,995,931	94,581,382	142,970,442
Finance costs		195,009	535,747	195,009	535,747
Expected credit losses and impairment losses (reversal)	18	11,660,663	(15,704,138)	11,660,663	(15,704,143)
Other expenses		679,521	5,469,951	679,521	5,469,951
Total expenses		1,720,674,786	(191,618,848)	1,718,651,868	(193,165,206)
Profit (loss) before income tax		(405,332,222)	1,463,422,089	(405,332,188)	1,463,421,144
Income tax income (expense)	16.2	144,660	(93,958,043)	144,660	(93,958,043)
Net profit (loss)		(405,187,562)	1,369,464,046	(405,187,528)	1,369,463,101



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

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Other comprehensive income					
Items to be recognised in profit or loss in subsequent periods					
Losses on valuation of investment at fair value					
through other comprehensive income		(48,819,393)	(446,772,373)	(48,819,393)	(446,772,373)
Income taxes relating to components of other					
comprehensive income	16.2	9,763,879	89,354,475	9,763,879	89,354,475
Items to be recognised in profit or loss in subsequent					
periods - net of income taxes		(39,055,514)	(357,417,898)	(39,055,514)	(357,417,898)
Items not to be recognised in profit or loss in subsequent periods					
Actuarial gain (loss)		(6,331,092)	3,762,191	(6,331,092)	3,762,191
Items not to be recognised in profit or loss					
in subsequent periods		(6,331,092)	3,762,191	(6,331,092)	3,762,191
Other comprehensive loss for the periods					
- net of income taxes		(45,386,606)	(353,655,707)	(45,386,606)	(353,655,707)
Total comprehensive income (loss) for the periods					
		(450,574,168)	1,015,808,339	(450,574,134)	1,015,807,394
Net profit (loss) attributable to					
The Company's shareholders					
		(405,187,528)	1,369,463,101	(405,187,528)	1,369,463,101
Non-controlling interests of the subsidiary					
		(34)	945		
		(405,187,562)	1,369,464,046		
Total comprehensive income (loss) for the periods					
attributable to					
The Company's shareholders					
		(450,574,134)	1,015,807,394	(450,574,134)	1,015,807,394
Non-controlling interests of the subsidiary					
		(34)	945		
		(450,574,168)	1,015,808,339		
Earnings (losses) per share	19				
Basic earnings (losses) per share		(0.42)	1.43	(0.42)	1.43

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See condensed notes to the financial statements

PHILLIP LIFE ASSURANCE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Babb

	Consolidated financial statement							Total
	Equity attributable to equity holders of the Company							
	Issued and paid-up share capital	Discount on share capital	Deficit	Other component of equity	Total equity attributable to the Company's shareholders	Equity attributable to non-controlling interests of the subsidiary		
			Revaluation surplus on investment at fair value through other comprehensive income - net of income taxes					
Balance as at January 1, 2022	5,984,375,000	(58,798,175)	(2,923,809,405)	650,280,689	3,652,048,109	6,243	3,652,054,352	
Net profit	-	-	1,369,463,101	-	1,369,463,101	945	1,369,464,046	
Other comprehensive income (loss) for the period	-	-	3,762,191	(357,417,898)	(353,655,707)	-	(353,655,707)	
Total comprehensive income (loss) for the period	-	-	1,373,225,292	(357,417,898)	1,015,807,394	945	1,015,808,339	
Balance as at June 30, 2022	5,984,375,000	(58,798,175)	(1,550,584,113)	292,862,791	4,667,855,503	7,188	4,667,862,691	
Balance as at January 1, 2023	5,984,375,000	(58,798,175)	(2,312,578,103)	355,636,097	3,968,634,819	7,030	3,968,641,849	
Net loss	-	-	(405,187,528)	-	(405,187,528)	(34)	(405,187,562)	
Other comprehensive loss for the period	-	-	(6,331,092)	(39,055,514)	(45,386,606)	-	(45,386,606)	
Total comprehensive loss for the period	-	-	(411,518,620)	(39,055,514)	(450,574,134)	(34)	(450,574,168)	
Balance as at June 30, 2023	5,984,375,000	(58,798,175)	(2,724,096,723)	316,580,583	3,518,060,685	6,996	3,518,067,681	

See condensed notes to the financial statements

PHILIP LIFE ASSURANCE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“UNAUDITED”

Unit : Baht

	Separate financial statement					Total
	Issued and paid-up share capital	Discount on share capital	Deficit	Other component of equity Revaluation surplus on investment at fair value through other comprehensive income - net of income taxes		
Balance as at January 1, 2022	5,984,375,000	(58,798,175)	(2,923,809,405)	650,280,689		3,652,048,109
Net profit	-	-	1,369,463,101	-		1,369,463,101
Other comprehensive income (loss) for the period	-	-	3,762,191	(357,417,898)		(353,655,707)
Total comprehensive income (loss) for the period	-	-	1,373,225,292	(357,417,898)		1,015,807,394
Balance as at June 30, 2022	5,984,375,000	(58,798,175)	(1,550,584,113)	292,862,791		4,667,855,503
Balance as at January 1, 2023	5,984,375,000	(58,798,175)	(2,312,578,103)	355,636,097		3,968,634,819
Net loss	-	-	(405,187,528)	-		(405,187,528)
Other comprehensive loss for the period	-	-	(6,331,092)	(39,055,514)		(45,386,606)
Total comprehensive loss for the period	-	-	(411,518,620)	(39,055,514)		(450,574,134)
Balance as at June 30, 2023	5,984,375,000	(58,798,175)	(2,724,096,723)	316,580,583		3,518,060,685

See condensed notes to the financial statements

PHILLIP LIFE ASSURANCE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

"UNAUDITED"

Unit : Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Cash flows provided by (used in) operating activities					
Gross premium from direct insurance		1,113,126,794	1,159,173,075	1,113,126,794	1,159,173,075
Cash paid from reinsurance		(3,789,489)	(4,346,466)	(3,789,489)	(4,346,466)
Interest income		118,216,645	110,775,387	118,215,183	110,772,392
Dividend income		84,573,288	77,434,369	84,573,288	77,434,369
Other income		11,213,051	21,041,881	9,220,022	18,711,036
Benefit payments under life policies and gross claims					
from direct insurance		(1,151,700,153)	(1,056,238,055)	(1,151,700,153)	(1,056,238,055)
Commission and brokerage expenses on direct insurance		(107,908,971)	(137,543,126)	(106,299,574)	(136,022,262)
Other underwriting expenses		(8,632,468)	(10,951,155)	(8,632,468)	(10,951,155)
Operating expenses		(114,586,147)	(108,631,480)	(114,232,392)	(107,826,372)
Other expenses		(679,512)	(1,990,627)	(679,512)	(1,990,627)
Cash received on financial assets		2,408,524,493	747,877,909	2,408,524,493	747,877,909
Cash paid for financial assets		(2,107,486,484)	(913,327,201)	(2,107,486,484)	(913,327,201)
Net cash provided by (used in) operating activities		240,871,047	(116,725,489)	240,839,708	(116,733,357)
Cash flows provided by (used in) investing activities					
Net cash received for disposal of equipment		-	246,405	-	246,405
Net cash paid for purchase of equipment		(518,758)	-	(518,758)	-
Net cash provided by (used in) investing activities		(518,758)	246,405	(518,758)	246,405
Cash flows used in financing activities					
Repayments of lease liabilities	4.2	(9,264,203)	(11,369,100)	(9,264,203)	(11,369,100)
Net cash used in financing activities		(9,264,203)	(11,369,100)	(9,264,203)	(11,369,100)
Net increase (decrease) in cash and cash equivalents		231,088,086	(127,848,184)	231,056,747	(127,856,052)
Decrease (increase) in allowance for expected credit losses		189,317	(73,467)	189,317	(73,462)
Cash and cash equivalents at beginning of periods		362,600,596	516,913,634	356,558,603	511,089,117
Cash and cash equivalents at ending of periods	4.1	593,877,999	388,991,983	587,804,667	383,159,603

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See condensed notes to the financial statements

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

1. THE COMPANY’S OPERATIONS AND GENERAL INFORMATION

Phillip Life Assurance Public Company Limited (the “Company”) was established as a public company under Thai laws and domiciled in Thailand. As at June 30, 2023 and December 31, 2022, major shareholder is Phillip Life Company Limited, which was incorporated in Singapore, holding 99.79% of the issued and paid-up share capital of the Company.

The Company is principally engaged in the provision of life insurance services. The registered office of the Company is located at No. 849, Vorawat Building, Silom Road, Silom Sub-district, Bangrak District, Bangkok. As of June 30, 2023 and December 31, 2022, the Company had altogether 12 branches.

The Company has extensive transactions and relationships with its related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

On August 9, 2013, the Company received approval for waiver from the Office of Insurance Commission (OIC) allowing foreign shareholders to hold the Company’s shares exceed 49% of the shares and non-Thai directors more than half of the total number of directors of the Company for a period of 10 years and shall be extended for another 5 years. The Company is required to comply with requirements under such approval.

On February 8, 2023, the Company sent the letter to OIC to consult on extending the waiver period for another 5 years, including recruiting legal advisors for opinions and advices regarding the process of extending the waiver period and complying with requirements under such approval.

On July 26, 2023, the Company submitted the letter to OIC the plan for diluting of foreign shareholders within August 2028 for consideration of extending the waiver period for another 5 years. This is being considered from OIC.

2. BASIS OF PREPARATION OF INTERIM FINANCIAL INFORMATION

- 2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and in accordance with Thai accounting practices related to insurance and the accounting and reporting guidelines prescribed by the Office of Insurance Commission (“OIC”), and in accordance with the format of financial statements specified in the Notification of the OIC regarding Rules, Procedures, Conditions and Periods for preparation and submission of financial statements of life insurance companies B.E. 2566 (2023) dated February 8, 2023, which has been effective since January 1, 2023.
- 2.2 The consolidated and separate statements of financial position as at December 31, 2022, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The English version of the interim financial statements for the three-month and six-month periods ended June 30, 2023 have been prepared from the Thai version of the interim financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version interim financial statements in accordance with the Thai law is superseded.
- 2.4 The unaudited results of operations presented in the three-month and six-month periods ended June 30, 2023 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.5 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month periods ended June 30, 2023 should be read in conjunction with the audited financial statements for the year ended December 31, 2022.
- 2.6 Basis of consolidation
- (a) The consolidated financial statements include the financial statements of Phillip Life Assurance Public Company Limited (“the Company”) and the following subsidiary (collectively called “the Group”).

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			June 30, 2023 (Percent)	December 31, 2022 (Percent)
Phillip Insurance Broker Company Limited	Non-life insurance broker	Thailand	99.88	99.88

- (b) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- (c) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- (d) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- (e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.7 Separate financial statements

The Company has prepared its separate financial statements, which have presented investment in a subsidiary under the equity method.

- 2.8 The preparation of interim financial statements in conformity with Thai Accounting Standard No. 34 also requires the Company's management to exercise judgements in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

2.9 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

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

In addition, The Federation of Accounting Professions issued the accounting guidelines for financial instruments and disclosures on insurance business, which has been announced in the Royal Gazette on November 30, 2022 and effective for the financial statements for the period beginning on or after January 1, 2023 onwards with earlier application permitted. The adoption of the accounting guidelines for financial instruments and disclosures on insurance business do not have any significant impact on the Group's interim financial statements.

2.10 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

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

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

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. CASH AND CASH EQUIVALENTS

4.1 Cash and cash equivalents as at June 30, 2023 and December 31, 2022, consist of:

	Consolidated		Unit : Thousand Baht Separate	
	financial statements		financial statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Cash on hand	90	364	90	364
Deposits at banks with no fixed maturity date	594,073	292,368	587,996	286,323
Investments with maturity periods of not longer than 3 months	-	69,964	-	69,964
Total cash and cash equivalents	594,163	362,696	588,086	356,651
<u>Less</u> Allowance for expected credit losses	(285)	(95)	(281)	(92)
Cash and cash equivalents - net	593,878	362,601	587,805	356,559

4.2 Non-cash items

Cash paid for repayment of lease liabilities for the six-month periods ended June 30, 2023 and 2022 were as follows:

	Unit : Thousand Baht Consolidated and separate financial statements	
	2023	2022
Cash paid for repayment of lease liabilities		
Lease liabilities - beginning	15,494	50,136
Addition lease liabilities	950	3,113
Remeasurement during the periods	-	(10,095)
Cancelled lease contracts during the periods	-	(5,881)
<u>Less</u> Cash paid for repayment of lease liabilities	(9,264)	(11,369)
Lease liabilities - ending	7,180	25,904

5. PREMIUM RECEIVABLES

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

	Unit : Thousand Baht	
	Consolidated and separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2023	2022
Not yet due	107,013	174,142
Not over 30 days	5	-
Over 30 days to 60 days	10	-
Over 60 days to 90 days	-	5
Overdue longer than 90 days	5,538	5,660
Total premium receivables	112,566	179,807
<u>Less Allowance for doubtful accounts</u>	<u>(5,512)</u>	<u>(5,638)</u>
Premium receivables - net	<u>107,054</u>	<u>174,169</u>

6. REINSURANCE ASSETS

As at June 30, 2023 and December 31, 2022, reinsurance assets consisted of reserves refundable from reinsurers as follows:

	Unit : Thousand Baht	
	Consolidated and separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2023	2022
Insurance reserve refundable from reinsurers		
Unearned premium reserves	8,338	8,951
Unexpired risk reserves	1,180	1,395
Loss reserves		
Claims incurred and reported	190	135
Claims incurred but not yet reported	107	24
Reinsurance assets (see Note 14)	<u>9,815</u>	<u>10,505</u>

7. REINSURANCE RECEIVABLES

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

	Unit : Thousand Baht Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Amounts due from reinsurers	5,186	2,113
Reinsurance receivables	<u>5,186</u>	<u>2,113</u>

8. INVESTMENTS IN SECURITIES

8.1 Classified by investment type

	Unit : Thousand Baht Consolidated and separate financial statements			
	As at June 30, 2023		As at December 31, 2022	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Investments at fair value through profit or loss				
Domestic unit trusts	1,329,375	1,356,709	2,600,200	2,641,328
Foreign unit trusts	769,361	863,944	846,362	930,636
Total	<u>2,098,736</u>	<u>2,220,653</u>	<u>3,446,562</u>	<u>3,571,964</u>
<u>Add</u> Unrealised gains	121,917		125,402	
Investments at fair value through profit or loss - net	<u>2,220,653</u>		<u>3,571,964</u>	
Investments at fair value through other comprehensive income				
Government and state enterprise securities	3,855,287	3,802,778	2,806,027	2,747,025
Private sector debt securities	2,743,031	2,719,858	2,744,135	2,708,813
Domestic common stocks	370,171	366,752	401,029	418,355
Foreign common stocks	1,236,511	1,928,148	1,236,511	1,916,410
Domestic unit trusts	845,046	717,159	878,599	815,178
Foreign unit trusts	163,940	181,834	162,490	181,251
Total	<u>9,213,986</u>	<u>9,716,529</u>	<u>8,228,791</u>	<u>8,787,032</u>
<u>Add</u> Unrealised gains	622,245		671,055	
<u>Less</u> Allowance for impairment	(26,764)		(20,699)	
<u>Less</u> Allowance for expected credit losses	(92,938)		(92,115)	
Investments at fair value through other comprehensive income - net	<u>9,716,529</u>		<u>8,787,032</u>	
Investments at amortised cost				
Deposits at financial institutions with maturity period of longer than 3 months	-		10,317	
<u>Less</u> Allowance for expected credit losses	-		-	
Investments at amortised cost - net	<u>-</u>		<u>10,317</u>	
Investments in securities - net	<u>11,937,182</u>		<u>12,369,313</u>	

8.2 Classified by stage of credit risk

	Unit : Thousand Baht			
	Consolidated and separate financial statements			
	As at June 30, 2023		As at December 31, 2022	
	Fair value	Allowance for expected credit losses	Fair value	Allowance for expected credit losses
Investments at fair value through other comprehensive income				
Stage 1 - Debt securities without a significant increase of credit risk	6,625,998	(1,410)	5,557,359	(1,845)
Stage 3 - Credit - impaired debt securities	78,472	(91,528)	79,730	(90,270)
Total	6,704,470	(92,938)	5,637,089	(92,115)

	Unit : Thousand Baht		
	Consolidated and separate financial statements		
	As at June 30, 2023		
	Gross carrying value	Allowance for expected credit losses	Net carrying value
Investments at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	-	-	-
Total	-	-	-

	Unit : Thousand Baht		
	Consolidated and separate financial statements		
	As at December 31, 2022		
	Gross carrying value	Allowance for expected credit losses	Net carrying value
Investments at amortised cost			
Stage 1 - Debt securities without a significant increase of credit risk	10,317	-	10,317
Total	10,317	-	10,317

8.3 Investments subject to restrictions

As at June 30, 2023 and December 31, 2022, the Group placed certain assets as securities and insurance reserves as follows:

	Unit : Thousand Baht			
	Consolidated and separate financial statements			
	As at June 30, 2023		As at December 31, 2022	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Placed with the Life Assurance Registrar:				
As securities	22,311	21,712	22,443	21,858
As life insurance reserves	2,436,901	2,406,122	2,333,988	2,268,605
Total	2,459,212	2,427,834	2,356,431	2,290,463

8.4 Revaluation surplus on investments at fair value through other comprehensive income

	Unit : Thousand Baht	
	Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Balances at beginning of the periods	444,545	812,851
Losses on revaluation during the periods	(87,873)	(392,531)
Recognition (Reversal) of expected credit losses in profit or loss	823	(915)
Recognition of impairment loss in profit or loss	6,065	1,827
Recognition of losses on sales in profit or loss	32,166	23,313
Balances at ending of the periods	395,726	444,545
<u>Less Income taxes</u>	<u>(79,145)</u>	<u>(88,909)</u>
Balances at ending of the periods - net of income taxes	<u>316,581</u>	<u>355,636</u>

9. LOANS AND INTEREST RECEIVABLES

9.1 Loans and interest receivables classified by overdue periods

As at June 30, 2023 and December 31, 2022, the balances of loans and interest receivables classified by overdue periods of principal and interest receivables were as follows:

	Unit : Thousand Baht								
	Consolidated and separate financial statements								
	As at June 30, 2023								
	Policy loans		Mortgage loans		Other loans		Total		
	Interest		Interest		Interest		Interest		
Overdue periods	Principal	receivables	Principal	receivables	Principal	receivables	Principal	receivables	Total
Not yet due	512,102	15,811	56,016	656	21	-	568,139	16,467	584,606
Overdue:									
Less than 3 months	-	-	7,798	10	-	-	7,798	10	7,808
3 - 6 months	-	-	-	-	-	-	-	-	-
6 - 12 months	-	-	761	16	-	-	761	16	777
Over 12 months	-	-	342,360	69,632	-	-	342,360	69,632	411,992
Total	512,102	15,811	406,935	70,314	21	-	919,058	86,125	1,005,183
<u>Less Allowance for expected credit losses</u>	<u>-</u>	<u>-</u>	<u>(200,091)</u>	<u>(34,049)</u>	<u>-</u>	<u>-</u>	<u>(200,091)</u>	<u>(34,049)</u>	<u>(234,140)</u>
Loans and interest receivables - net	<u>512,102</u>	<u>15,811</u>	<u>206,844</u>	<u>36,265</u>	<u>21</u>	<u>-</u>	<u>718,967</u>	<u>52,076</u>	<u>771,043</u>

Unit : Thousand Baht

Consolidated and separate financial statements
As at December 31, 2022

Overdue periods	Policy loans		Mortgage loans		Other loans		Total		Total
	Principal	Interest receivables	Principal	Interest receivables	Principal	Interest receivables	Principal	Interest receivables	
Not yet due	497,987	14,189	67,650	593	-	-	565,637	14,782	580,419
Overdue:									
Less than 3 months	-	-	8,215	15	-	-	8,215	15	8,230
3 - 6 months	-	-	926	12	-	-	926	12	938
6 - 12 months	-	-	-	-	-	-	-	-	-
Over 12 months	-	-	343,608	61,725	-	-	343,608	61,725	405,333
Total	497,987	14,189	420,399	62,345	-	-	918,386	76,534	994,920
Less Allowance for expected credit losses	-	-	(201,371)	(29,444)	-	-	(201,371)	(29,444)	(230,815)
Loans and interest receivables - net	497,987	14,189	219,028	32,901	-	-	717,015	47,090	764,105

As at June 30, 2023 and December 31, 2022, mortgage loans were loans provided to agents, employees and external individuals on which interest was charged at the rates between 5 to 19 percent per annum. Collateral used to secure such loans comprised lands and buildings.

As at June 30, 2023, other loans were loans provided to employees and agents, which were guaranteed by personal guarantees or motor vehicles and on which interest was charged at the rate 7 percent per annum (As at December 31, 2022 : Nil).

9.2 Loans and interest receivables classified by staging of credit risk

As at June 30, 2023 and December 31, 2022, the balances of loan and interest receivables (excluding policy loans and interest receivables), classified by staging of credit risk were as follows:

Unit : Thousand Baht

Consolidated and separate financial statements
As at June 30, 2023

Staging of credit risk	Mortgage loans		Other loans		Total		Total
	Principal	Interest receivables	Principal	Interest receivables	Principal	Interest receivables	
Stage 1 - Loans without a significant increase of credit risk	42,398	-	21	-	42,419	-	42,419
Stage 2 - Loans with significant increases of credit risk	12,518	594	-	-	12,518	594	13,112
Stage 3 - Credit impairment loans	352,019	69,720	-	-	352,019	69,720	421,739
Total	406,935	70,314	21	-	406,956	70,314	477,270
Less Allowance for expected credit losses	(200,091)	(34,049)	-	-	(200,091)	(34,049)	(234,140)
Loans and interest receivables - net	206,844	36,265	21	-	206,865	36,265	243,130

Unit : Thousand Baht

Consolidated and separate financial statements
As at December 31, 2022

Staging of credit risk	Mortgage loans		Other loans		Total		Total
	Principal	Interest receivables	Principal	Interest receivables	Principal	Interest receivables	
Stage 1 - Loans without a significant increase of credit risk	46,186	-	-	-	46,186	-	46,186
Stage 2 - Loans with significant increases of credit risk	14,218	594	-	-	14,218	594	14,812
Stage 3 - Credit impairment loans	359,995	61,751	-	-	359,995	61,751	421,746
Total	420,399	62,345	-	-	420,399	62,345	482,744
<u>Less</u> Allowance for expected credit losses	(201,371)	(29,444)	-	-	(201,371)	(29,444)	(230,815)
Loans and interest receivables - net	219,028	32,901	-	-	219,028	32,901	251,929

10. INVESTMENT IN A SUBSIDIARY

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

Unit : Thousand Baht

Company's name	Type of business	Country of incorporation	Issued and paid-up share capital		Shareholding percentage		Cost		Carrying value under equity method	
			As at	As at	As at	As at	As at	As at	As at	As at
			June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Phillip Insurance Broker Company Limited	Non-life insurance broker	Thailand	5,000	5,000	99.88	99.88	4,994	4,994	5,823	5,851
Total investment in a subsidiary							4,994	4,994	5,823	5,851

The Company recognised share of profit or loss from investment in a subsidiary in its separate statements under the equity method, which was based on the subsidiary's financial statements, prepared by the management.

11. PREMISES AND EQUIPMENT

Premises and equipment as at June 30, 2023 and December 31, 2022, consisted of the following:

	Consolidated and separate financial statements					Unit : Thousand Baht
	Land	Buildings and building improvements	Furniture, fixtures and office equipment	Computers	Motor vehicles	Total
Cost:						
January 1, 2023	36,714	265,182	55,544	67,780	2,745	427,965
Additions	-	-	26	591	-	617
Transfer in (out)	-	-	-	-	-	-
Disposals/write-off	-	-	(289)	(3,260)	-	(3,549)
June 30, 2023	<u>36,714</u>	<u>265,182</u>	<u>55,281</u>	<u>65,111</u>	<u>2,745</u>	<u>425,033</u>
Accumulated depreciation:						
January 1, 2023	-	151,723	52,416	56,832	1,707	262,678
Depreciation for the period	-	9,173	1,321	2,501	139	13,134
Disposals/write-off	-	-	(279)	(3,259)	-	(3,538)
June 30, 2023	<u>-</u>	<u>160,896</u>	<u>53,458</u>	<u>56,074</u>	<u>1,846</u>	<u>272,274</u>
Net carrying value						
December 31, 2022	<u>36,714</u>	<u>113,459</u>	<u>3,128</u>	<u>10,948</u>	<u>1,038</u>	<u>165,287</u>
June 30, 2023	<u>36,714</u>	<u>104,286</u>	<u>1,823</u>	<u>9,037</u>	<u>899</u>	<u>152,759</u>

As at June 30, 2023 and December 31, 2022, the Company's certain buildings and equipment items have been fully depreciated but are still in use. The cost of those assets amounted to approximately Baht 158.01 million and Baht 159.07 million, respectively.

Depreciation for the three-month periods ended June 30, 2023 and 2022 amounting to Baht 6.58 million and Baht 7.39 million, respectively, and depreciation for the six-month periods ended June 30, 2023 and 2022 amounting to Baht 13.13 million and Baht 15.06 million, respectively, were included in operating expenses.

12. LEASES

The Company has lease contracts used in its operations. Leases generally have lease terms between 2 - 3 years.

12.1 Right-of-use assets

Right-of-use assets as at June 30, 2023 and December 31, 2022, consisted of the following:

	Unit : Thousand Baht Consolidated and separate financial statements	
	Leased buildings	
Net carrying value as at January 1, 2023		11,631
Additions during the period		840
Depreciation for the period		(8,761)
Net carrying value as at June 30, 2023		<u>3,710</u>

12.2 Lease liabilities

	Unit : Thousand Baht Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Amounts of lease payments	7,180	15,494
<u>Less</u> Deferred interest expenses	<u>(147)</u>	<u>(281)</u>
Lease liabilities	7,033	15,213
<u>Less</u> Current portion	<u>(1,857)</u>	<u>(13,318)</u>
Lease liabilities - net of current portion	<u>5,176</u>	<u>1,895</u>

13. OTHER ASSETS

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

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Rental deposits	8,055	4,635	8,055	4,635
Agents and brokers receivables	7,823	7,992	7,823	7,992
Other receivables*	139,621	142,974	139,621	142,974
Withholding taxes	44,812	40,163	44,812	40,163
Receivables from sales of investments	164,466	35,068	164,466	35,068
Receivable from the Legal Execution Department	3,829	3,829	3,829	3,829
Others	9,450	34,021	8,835	33,482
Total	378,056	268,682	377,441	268,143
<u>Less</u> Allowance for doubtful	(61,249)	(87,700)	(61,249)	(87,700)
Other assets - net	316,807	180,982	316,192	180,443

* As at June 30, 2023, other receivable amounting to Baht 126.61 million is in the process of negotiating the dispute with the other party.

14. INSURANCE CONTRACT LIABILITIES

	Unit : Thousand Baht					
	Consolidated and separate financial statements					
	As at June 30, 2023			As at December 31, 2022		
Insurance contract liabilities	Reinsurance of liabilities (see Note 6)	Net	Insurance contract liabilities	Reinsurance of liabilities (see Note 6)	Net	
Long-term insurance policy reserves	8,886,769	-	8,886,769	8,456,637	-	8,456,637
Loss reserves						
Claims incurred and reported	87,125	(190)	86,935	97,452	(135)	97,317
Claims incurred but not yet reported	74,971	(107)	74,864	84,115	(24)	84,091
Premium reserves						
Unearned premium reserves	320,415	(8,338)	312,077	348,841	(8,951)	339,890
Unexpired risk reserves	132,044	(1,180)	130,864	147,452	(1,395)	146,057
Unpaid policy benefits	44,171	-	44,171	48,228	-	48,228
Other insurance liabilities	576,083	-	576,083	596,906	-	596,906
Total	10,121,578	(9,815)	10,111,763	9,779,631	(10,505)	9,769,126

14.1 Long-term insurance contract reserves

	Unit : Thousand Baht	
	Consolidated and separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2023	2022
Balances - beginning of the period/year	8,456,637	9,310,423
Reserves increased for new businesses and inforce policies	677,333	1,487,670
Reserves released from death, benefit paid, lapse and surrender	(605,320)	(1,303,372)
Adjustments due to changes in assumptions	312,965	(1,052,450)
Adjustments due to changes in experience	45,154	14,366
Balances - ending of the period/year	<u>8,886,769</u>	<u>8,456,637</u>

14.2 Short-term insurance contract reserves

(a) Loss reserves

	Unit : Thousand Baht	
	Consolidated and separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2023	2022
Balances - beginning of the period/year	181,567	306,488
Claims incurred in the current period/year	558,846	1,116,993
Changes in loss reserves from prior years	(74,777)	(148,879)
Claims paid during the period/year	(503,540)	(1,093,035)
Balances - ending of the period/year	<u>162,096</u>	<u>181,567</u>

(b) Unearned premium reserves

	Unit : Thousand Baht	
	Consolidated and separate	
	financial statements	
	As at	As at
	June 30,	December 31,
	2023	2022
Balances - beginning of the period/year	348,841	360,577
Premium written for the period/year	340,268	786,754
Premium earned for the period/year	(368,694)	(798,490)
Balances - ending of the period/year	<u>320,415</u>	<u>348,841</u>

(c) Unexpired risk reserves

	Unit : Thousand Baht	
	Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Balances - beginning of the period/year	496,293	421,352
Estimated claims	484,472	1,125,680
Risk expired during the period/year	(528,306)	(1,050,739)
Balances - ending of the period/year	<u>452,459</u>	<u>496,293</u>

As at June 30, 2023 and December 31, 2022, the Company has an excess of unexpired risk reserves from unearned premium reserves net of reinsurance by Baht 130.86 million and Baht 146.06 million, respectively.

14.3 Unpaid policy benefits

	Unit : Thousand Baht	
	Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Death benefits	5,471	5,951
Maturity payments	18,133	17,184
Surrender	1,430	1,348
Benefit payments under policies	484	604
Others	18,653	23,141
Total unpaid policy benefits	<u>44,171</u>	<u>48,228</u>

14.4 Other insurance liabilities

	Unit : Thousand Baht	
	Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Deposits of the insured	544,191	563,508
Others	31,892	33,398
Total other insurance liabilities	<u>576,083</u>	<u>596,906</u>

15. REINSURANCE PAYABLES

As at June 30, 2023 and December 31, 2022, the Company had reinsurance payables classified by type of liabilities as follows:

	Unit : Thousand Baht	
	Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Amount due to reinsurers	10,313	8,522
Total due to reinsurers	<u>10,313</u>	<u>8,522</u>

16. DEFERRED TAX LIABILITIES AND INCOME TAX INCOMES (EXPENSES)

16.1 Deferred tax liabilities

As at June 30, 2023 and December 31, 2022, deferred tax liabilities consisted of tax effects arose from the following temporary difference items:

	Unit : Thousand Baht						
	Consolidated and separate financial statements						
	As at June 30, 2023	As at December 31, 2022	Changes in deferred tax liabilities for the three-month periods ended June 30,		Changes in deferred tax liabilities for the six-month periods ended June 30,		
		2023	2022	2023	2022	2023	2022
Deferred tax liabilities arose from:							
Unrealised gains on investments at fair value through other comprehensive income	79,146	88,909	5,062	88,888	9,763	89,354	
Unrealised gains on investments at fair value through profit or loss	9,407	9,552	4,898	10,055	145	26,111	
Total deferred tax liabilities	<u>88,553</u>	<u>98,461</u>					
Total changes			<u>9,960</u>	<u>98,943</u>	<u>9,908</u>	<u>115,465</u>	
Recognition of changes in:							
- Profit or loss			4,898	10,055	145	26,111	
- Other comprehensive income			5,062	88,888	9,763	89,354	
Total changes			<u>9,960</u>	<u>98,943</u>	<u>9,908</u>	<u>115,465</u>	

As at June 30, 2023 and December 31, 2022, the Group had tax-deductible temporary differences and unused tax losses for which the Group did not record deferred tax assets since the management has already assessed and believes that it will not have sufficient taxable profit in the future to utilise such deductible temporary differences and unused tax losses before they expire. Those tax-deductible temporary differences and unused tax losses amounted to Baht 1,441.44 million and Baht 969.67 million, respectively.

16.2 Income tax incomes (expenses)

Income tax incomes (expenses) for the three-month and six-month periods ended June 30, 2023 and 2022 were made up as follows:

	Unit : Thousand Baht			
	Consolidated and separate financial statements For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Current income taxes:				
Corporate income tax for the periods	-	(120,069)	-	(120,069)
Deferred income taxes:				
Relating to origination and reversal of temporary differences	4,898	10,055	145	26,111
Income tax incomes (expenses) recognised in profit or loss	<u>4,898</u>	<u>(110,014)</u>	<u>145</u>	<u>(93,958)</u>

Reconciliations between income tax incomes (expenses) and the product of accounting gain (loss) for the three-month and six-month periods ended June 30, 2023 and 2022 and the applicable tax rate were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements For the three-month periods ended June 30,		Separate financial statements For the three-month periods ended June 30,	
	2023	2022	2023	2022
Accounting gain before income tax incomes (expenses)	<u>205,353</u>	<u>956,476</u>	<u>205,353</u>	<u>956,475</u>
Applicable tax rate	20%	20%	20%	20%
Amount of income taxes at the applicable tax rate	(41,071)	(191,295)	(41,071)	(191,295)
Net tax effect on revenues or expenses that are not taxable or not deductible in determining taxable profits	74,561	496	74,561	496
Temporary differences, which are not recognised as deferred tax assets	34,900	34,053	34,900	34,053
Taxes on loss carried forward loss which were expected not to be utilised and not recorded as deferred tax assets but utilised during the periods	-	46,732	-	46,732
Taxes on loss for the periods, which are expected not to be able to utilise and were not recorded as deferred tax assets	(63,492)	-	(63,492)	-
Income tax incomes (expenses) recognised in profit or loss	<u>4,898</u>	<u>(110,014)</u>	<u>4,898</u>	<u>(110,014)</u>

	Unit : Thousand Baht			
	Consolidated financial statements For the six-month periods ended June 30, 2023		Separate financial statements For the six-month periods ended June 30, 2022	
Accounting gain (loss) before income tax incomes (expenses)	(405,332)	1,463,422	(405,332)	1,463,421
Applicable tax rate	20%	20%	20%	20%
Amount of income taxes at the applicable tax rate	81,066	(292,684)	81,066	(292,684)
Net tax effect on revenues or expenses that are not taxable or not deductible in determining taxable profits	6,344	1,485	6,344	1,485
Temporary differences, which are not recognised as deferred tax assets	23,298	21,326	23,298	21,326
Taxes on loss carried forward loss which were expected not to be utilised and not recorded as deferred tax assets but utilised during the periods	-	175,915	-	175,915
Taxes on loss for the periods, which are expected not to be able to utilise and were not recorded as deferred tax assets	(110,563)	-	(110,563)	-
Income tax incomes (expenses) recognised in profit or loss	145	(93,958)	145	(93,958)

The amounts of income taxes relating to each component of other comprehensive income for the three-month and six-month periods ended June 30, 2023 and 2022 were as follows:

	Unit : Thousand Baht			
	Consolidated and separate financial statements For the three-month periods ended June 30, 2023		For the six-month periods ended June 30, 2022	
Income taxes relating to:				
Investments at fair value through other comprehensive income				
Losses on revaluation during the periods	9,157	88,429	17,574	83,767
Reversal (Recognition) of expected credit losses in profit or loss	(165)	209	(165)	186
Reversal (Recognition) of impairment losses in profit or loss	345	168	(1,213)	(78)
Recognition of gains (losses) on sales in profit or loss	(4,275)	82	(6,433)	5,479
Income taxes reported in other comprehensive income	5,062	88,888	9,763	89,354

17. OTHER LIABILITIES

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

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	As at June 30, 2023	As at December 31, 2022	As at June 30, 2023	As at December 31, 2022
Accrued commission and brokerage expenses	25,743	43,995	25,743	43,995
Deposits from agents	67,021	68,038	67,021	68,038
Accrued operating expenses	29,345	47,740	28,487	47,017
Payables from purchases of investments	22,943	7,573	22,943	7,573
Others	7,073	10,599	7,073	10,599
Total other liabilities	<u>152,125</u>	<u>177,945</u>	<u>151,267</u>	<u>177,222</u>

18. EXPECTED CREDIT LOSSES AND IMPAIRMENT LOSSES (REVERSAL)

	Unit : Thousand Baht Consolidated and separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Expected credit losses (Reversal)				
Cash and cash equivalents	(50)	(79)	190	(73)
Accrued investment income	635	724	1,258	1,622
Investments in securities	824	(1,043)	823	(929)
Loans and interest receivables	272	3,746	3,325	(16,324)
Impairment losses (Reversal)				
Investments in securities	(1,723)	-	6,065	-
Total	<u>(42)</u>	<u>3,348</u>	<u>11,661</u>	<u>(15,704)</u>

19. EARNINGS (LOSSES) PER SHARE

Basic earnings (losses) per share is calculated by dividing net profit (loss) attributable to the Company's shareholders (excluding other comprehensive income (loss)) by the weighted average number of ordinary shares in issue during the periods.

Earnings (losses) per share for the three-month and six-month periods ended June 30, 2023 and 2022 were determined as follows:

	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended June 30, 2023	2022	For the three-month periods ended June 30, 2023	2022
Net profit attributable to the Company's shareholders (Thousand Baht)	210,251	846,461	210,251	846,461
Weighted average number of ordinary shares (Thousand shares)	957,500	957,500	957,500	957,500
Basic earnings per share (Baht/share)	0.22	0.88	0.22	0.88

	Consolidated financial statements For the six-month periods ended June 30,		Separate financial statements For the six-month periods ended June 30,	
	2023	2022	2023	2022
Net profit (loss) attributable to the Company's shareholders (Thousand Baht)	(405,188)	1,369,463	(405,188)	1,369,463
Weighted average number of ordinary shares (Thousand shares)	957,500	957,500	957,500	957,500
Basic earnings (losses) per share (Baht/share)	(0.42)	1.43	(0.42)	1.43

20. RELATED PARTY TRANSACTIONS

20.1 Type of relationship

The relationship between the Company and its related parties, who have significant business transactions with the Company, are summarised below:

Name of related parties	Type of relationship
Phillip Life Company Limited	Parent company
Phillip Insurance Broker Company Limited	Subsidiary
Phillip Securities (Thailand) Public Company Limited	Having common directors

20.2 Significant business transactions with related parties

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 parties, were as follows:

	Consolidated and separate financial statements				Pricing policy
	For the three-month periods ended June 30,		For the six-month periods ended June 30,		
Related companies	2023	2022	2023	2022	
Expenses					
Securities management fee	1,240	1,266	2,507	2,484	Contract rates or agreed-upon rates
Commission expenses	83	170	383	565	Contract rates or agreed-upon rates

Unit : Thousand Baht

20.3 Outstanding balances with related parties

As at June 30, 2023 and December 31, 2022, the outstanding balances between the Company and its related parties were as follows:

	Unit : Thousand Baht	
	Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Related companies		
Assets		
Premium receivables	206	21
Liabilities		
Accrued securities management fee	1,240	1,255

20.4 Directors and key management's remunerations

The Group had employee benefit expenses incurred in relation to its directors and key management as below:

	Unit : Thousand Baht			
	Consolidated and separate financial statements		Consolidated and separate financial statements	
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2023	2022	2023	2022
Short-term employee benefits	8,009	6,096	16,286	13,452
Long-term employee benefits	340	(65)	707	381
Total	<u>8,349</u>	<u>6,031</u>	<u>16,993</u>	<u>13,833</u>

21. COMMITMENTS AND CONTINGENT LIABILITIES

Non-cancellable low valued lease commitments and service agreements

The Group had future minimum lease payments required under non-cancellable low valued lease and service agreements as follows:

	Unit: Thousand Baht	
	Consolidated and separate financial statements	
	As at June 30, 2023	As at December 31, 2022
Within one year	4,054	5,875
Over one year to five years	851	531
Total	<u>4,905</u>	<u>6,406</u>

For the three-month and six-month periods ended June 30, 2023, the Group recorded expense according to the non-cancellable low valued lease and service agreements in the consolidated and separate statements of profit or loss and other comprehensive income of Baht 1.81 million and Baht 3.12 million, respectively. (For the three-month and six-month periods ended June 30, 2022, Baht 1.00 million and Baht 1.66 million, respectively)

22. LITIGATIONS

As at June 30, 2023 and December 31, 2022, the Company had outstanding litigation cases whereby the Company has been sued for the amount of Baht 16.63 million and Baht 5.03 million, respectively. The judgment of the cases has not yet been finalised and the Company's management believes that the Company will win the cases and there will be no payments as a result of such claims. Therefore, the Company recorded no provision of liabilities on those litigation cases.

23. FAIR VALUES OF FINANCIAL INSTRUMENTS

As at June 30, 2023 and December 31, 2022, the Group had financial assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

	Unit : Thousand Baht				
	Consolidated financial statements				
	June 30, 2023				
	Fair value			Total	Carrying value
	Level 1	Level 2	Level 3		
Financial assets measured at fair values					
Investments at fair value through profit or loss					
Domestic unit trusts	-	1,356,709	-	1,356,709	1,356,709
Foreign unit trusts	-	863,944	-	863,944	863,944
Investments at fair value through other comprehensive income					
Government and state enterprise securities	-	3,802,778	-	3,802,778	3,802,778
Private sector debt securities	-	2,641,386	78,472	2,719,858	2,719,858
Domestic common stocks	359,288	-	7,464	366,752	366,752
Foreign common stocks	1,928,148	-	-	1,928,148	1,928,148
Domestic unit trusts	717,159	-	-	717,159	717,159
Foreign unit trusts	181,834	-	-	181,834	181,834
Financial assets for which fair values were disclosed					
Cash and cash equivalents	593,878	-	-	593,878	593,878
Accrued investment income	36,585	-	-	36,585	36,585
Reinsurance receivables	5,186	-	-	5,186	5,186
Policy loans and interest receivables	-	-	573,956	573,956	527,913
Mortgage loans, other loans and interest receivables	-	-	416,912	416,912	243,130
Financial liabilities for which fair values were disclosed					
Reinsurance payables	10,313	-	-	10,313	10,313
Lease liabilities	-	-	7,033	7,033	7,033

Unit : Thousand Baht					
Consolidated financial statements					
December 31, 2022					
	Fair value			Total	Carrying value
	Level 1	Level 2	Level 3		
Financial assets measured at fair values					
Investments at fair value through profit or loss					
Domestic unit trusts	-	2,641,328	-	2,641,328	2,641,328
Foreign unit trusts	-	930,636	-	930,636	930,636
Investments at fair value through other comprehensive income					
Government and state enterprise securities	-	2,747,025	-	2,747,025	2,747,025
Private sector debt securities	-	2,629,083	79,730	2,708,813	2,708,813
Domestic common stocks	411,713	-	6,642	418,355	418,355
Foreign common stocks	1,916,410	-	-	1,916,410	1,916,410
Domestic unit trusts	815,178	-	-	815,178	815,178
Foreign unit trusts	181,251	-	-	181,251	181,251
Financial assets for which fair values were disclosed					
Cash and cash equivalents	362,601	-	-	362,601	362,601
Accrued investment income	36,069	-	-	36,069	36,069
Reinsurance receivables	2,113	-	-	2,113	2,113
Investments at amortised cost					
Deposits at financial institutions with a maturity period of longer than 3 months	10,317	-	-	10,317	10,317
Policy loans and interest receivables	-	-	564,560	564,560	512,176
Mortgage loans, other loans and interest receivables	-	-	521,491	521,491	251,929
Financial liabilities for which fair values were disclosed					
Reinsurance payables	8,522	-	-	8,522	8,522
Lease liabilities	-	-	15,213	15,213	15,213

Unit : Thousand Baht					
Separate financial statements					
June 30, 2023					
	Fair value			Total	Carrying value
	Level 1	Level 2	Level 3		
Financial assets measured at fair values					
Investments at fair value through profit or loss					
Domestic unit trusts	-	1,356,709	-	1,356,709	1,356,709
Foreign unit trusts	-	863,944	-	863,944	863,944
Investments at fair value through other comprehensive income					
Government and state enterprise securities	-	3,802,778	-	3,802,778	3,802,778
Private sector debt securities	-	2,641,386	78,472	2,719,858	2,719,858
Domestic common stocks	359,288	-	7,464	366,752	366,752
Foreign common stocks	1,928,148	-	-	1,928,148	1,928,148
Domestic unit trusts	717,159	-	-	717,159	717,159
Foreign unit trusts	181,834	-	-	181,834	181,834
Financial assets for which fair values were disclosed					
Cash and cash equivalents	587,805	-	-	587,805	587,805
Accrued investment income	36,585	-	-	36,585	36,585
Reinsurance receivables	5,186	-	-	5,186	5,186
Policy loans and interest receivables	-	-	573,956	573,956	527,913
Mortgage loans, other loans and interest receivables	-	-	416,912	416,912	243,130
Financial liabilities for which fair values were disclosed					
Reinsurance payables	10,313	-	-	10,313	10,313
Lease liabilities	-	-	7,033	7,033	7,033

Unit : Thousand Baht					
Separate financial statements					
December 31, 2022					
	Fair value				
	Level 1	Level 2	Level 3	Total	Carrying value
Financial assets measured at fair values					
Investments at fair value through profit or loss					
Domestic unit trusts	-	2,641,328	-	2,641,328	2,641,328
Foreign unit trusts	-	930,636	-	930,636	930,636
Investments at fair value through other comprehensive income					
Government and state enterprise securities	-	2,747,025	-	2,747,025	2,747,025
Private sector debt securities	-	2,629,083	79,730	2,708,813	2,708,813
Domestic common stocks	411,713	-	6,642	418,355	418,355
Foreign common stocks	1,916,410	-	-	1,916,410	1,916,410
Domestic unit trusts	815,178	-	-	815,178	815,178
Foreign unit trusts	181,251	-	-	181,251	181,251
Financial assets for which fair values were disclosed					
Cash and cash equivalents	356,559	-	-	356,559	356,559
Accrued investment income	36,069	-	-	36,069	36,069
Reinsurance receivables	2,113	-	-	2,113	2,113
Investments at amortised cost					
Deposits at financial institutions with a maturity period of longer than 3 months	10,317	-	-	10,317	10,317
Policy loans and interest receivables	-	-	564,560	564,560	512,176
Mortgage loans, other loans and interest receivables	-	-	521,491	521,491	251,929
Financial liabilities for which fair values were disclosed					
Reinsurance payables	8,522	-	-	8,522	8,522
Lease liabilities	-	-	15,213	15,213	15,213

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- (1) The fair values of financial assets and liabilities having short-term maturity, which are cash and cash equivalent, short-term deposits at financial institutes, accrued investment income, reinsurance receivables and reinsurance payables are estimated to approximate their carrying values.
- (2) Investments in government and state enterprise securities and private sector debt securities are determined for fair values using the yield curve as announced by the Thai Bond Market Association.
- (3) Investments in private sector debt securities at fair value level 3 are determined by using best estimates of net realized value.
- (4) Investment in unit trusts which are non-marketable securities has been determined by net asset value at the last working day of the reporting period as quoted on their asset management company.
- (5) Investment in common stocks and unit trusts which are marketable securities, their fair values are generally derived from last bid prices of the last working day of the reporting period.

- (6) Investment in common stocks which are non-marketable securities has been determined by using book value per share, calculated from the last issuer's financial statement.
- (7) Policy loans and interest receivables are estimated from the present value of cash flows discounted by zero coupon bonds.
- (8) Mortgaged loans and interest receivables are estimated from the present value of cash flows discounted by the current market interest rate of the loans with similar terms and conditions.
- (9) Lease liabilities are approximated to their carrying values due to similar approximation between interest rate and market rate.

During the periods, there were no transfers within the fair value hierarchy.

Reconciliation of fair value measurements of equity financial assets, categorised within Level 3 of the fair value hierarchy, were presented below:

	Unit : Thousand Baht Consolidated and separate financial statements
Balance as of January 1, 2023	6,642
Unrealised gain recognised in other comprehensive income	822
Balance as of June 30, 2023	<u>7,464</u>

24. APPROVAL OF INTERIM FINANCIAL INFORMATION

This interim financial information was authorised for issuance by the Company's authorised director on August 10, 2023.