



# Analyst Meeting Presentation 2Q22 & 1H22 Financial Results

11 Aug 2022

# Agenda

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1 2Q22 & 1H22 performance summary

2 Key Highlights

2.1 Premiums and Business & Operation

2.2 Investments

2.3 P&L and Key accounting change

3 Q&A

# Agenda

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**2Q22 & 1H22 performance summary** (K.Chaiyapol Inthuprapha – SVP, Corporate Strategy & Planning)

2

Key Highlights

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Q&A

## 2Q22 Performance summary

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**1,260 MB**

First year premium

-35%YoY, -10%QoQ

**6,222 MB**

Renewal Year Premium

+2%YoY, -19%QoQ

**7,482 MB**

Total Premium

-7%YoY, -18%QoQ

**4.25%**

ROI

+29 bpsYoY, + 27bps QoQ

Higher realized gain and dividend  
received

**1,189 MB**

Net Profit

+58%YoY, +49%QoQ

From investment income and  
reversal of ECL

**364%**

CAR

1Q22: 329%

From rising bond yield

# 1H22 Performance summary

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**2,665 MB**

First year premium

-19%YoY

**13,888 MB**

Renewal Year Premium

-6%YoY

**16,553 MB**

Total Premium

-8%YoY

**4.11%**

ROI

+17 bps YoY

Higher realized gain

**1,990 MB**

Net Profit

+14%YoY

From investment income and  
reversal of ECL

**364%**

CAR

4Q22: 301%

From rising bond yield

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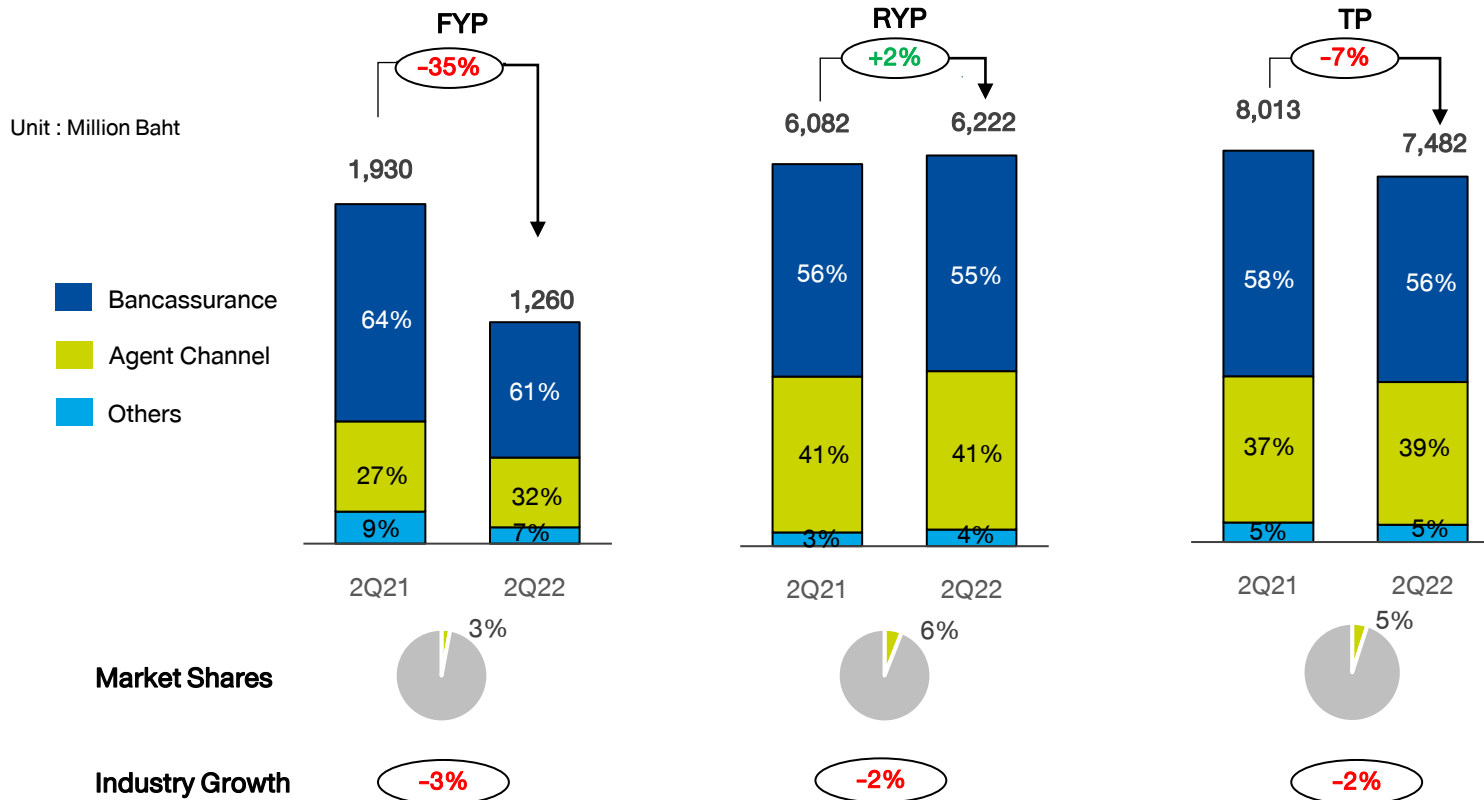
**2.1 Premiums and Business & Operation**

2.2 Investments

2.3 P&L and Key accounting change

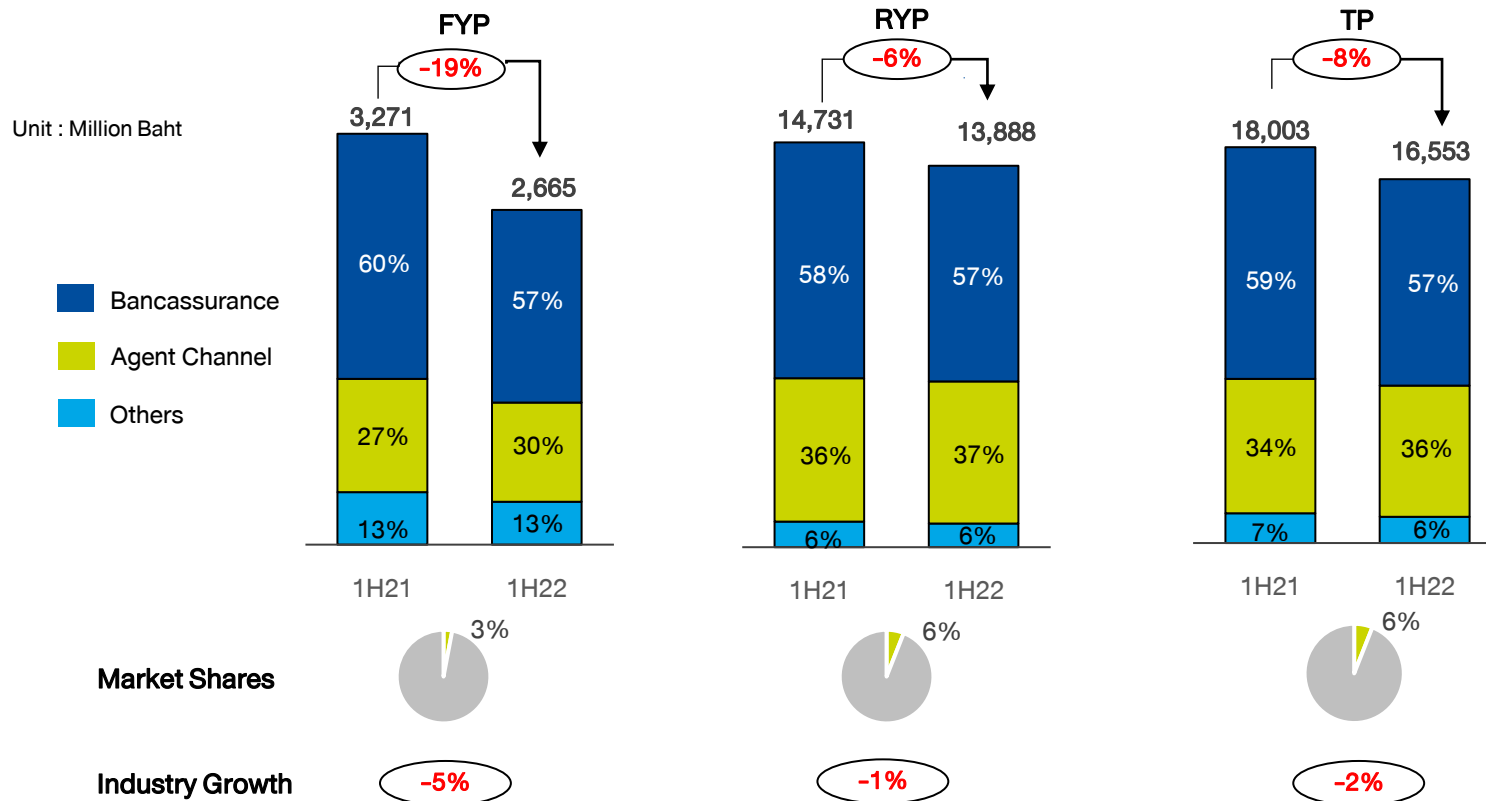
3 Q&A

# 2Q22: FYP -35%YoY, due to high base from Banca channel RYP +2%YoY in line with expectation



# 1H22: FYP -19%YoY, due to high base from Banca channel

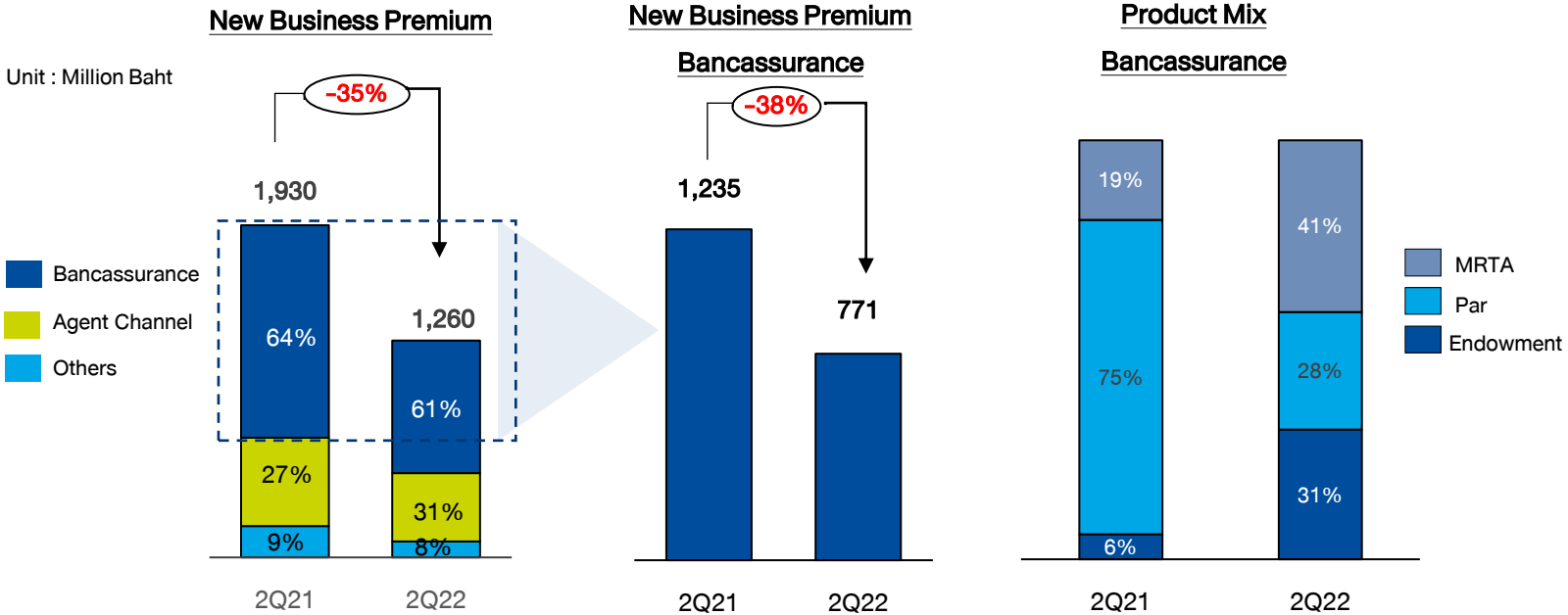
## RYP -6%YoY in line with expectation



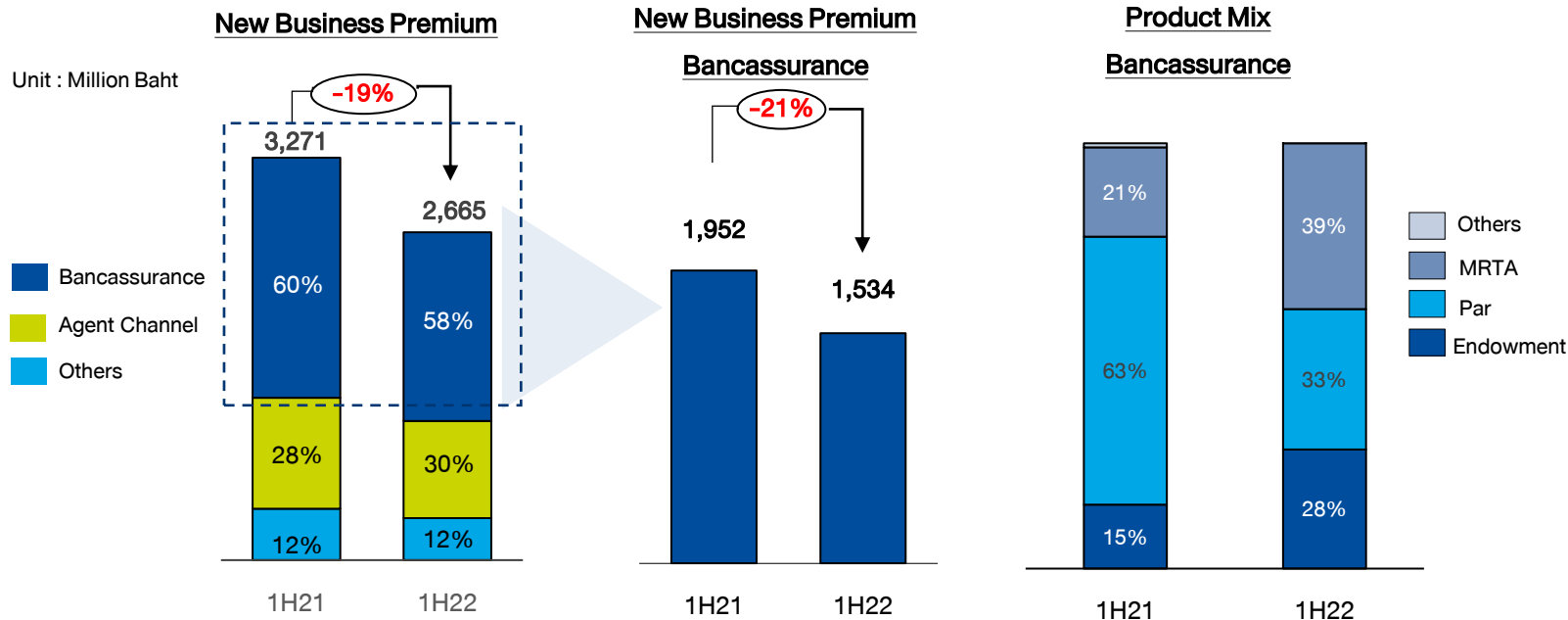


# Banca: 2Q22 FYP -38%YoY, due to product launched in Apr last year

## MRTA is growing with loan growth

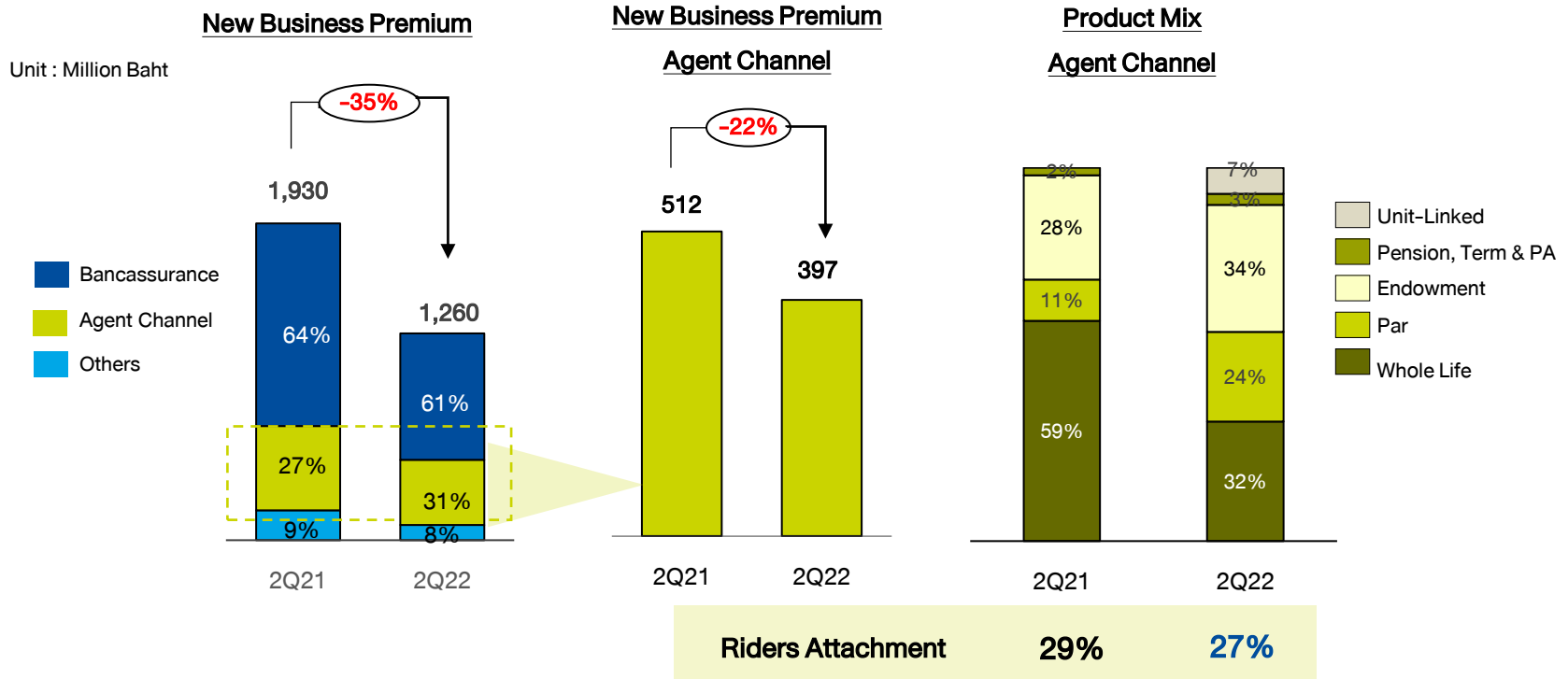


# 1H22 Banca: FYP -21%YoY, MRTA has good contribution



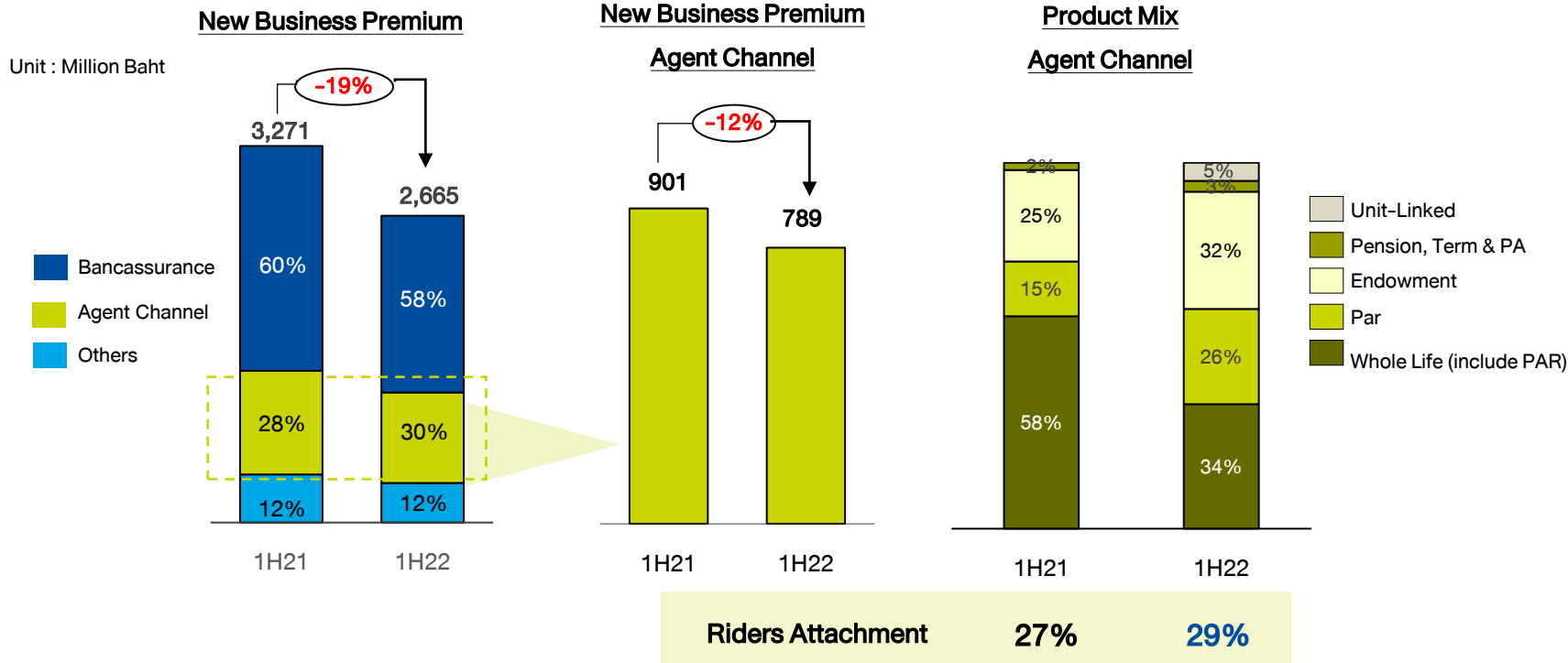
# Agent : 2Q22 FYP -22%YoY due to high base from last year campaign

## Unit linked is 7% of product mix



# 1H22 Agent: FYP -12%YoY, Rider attachment is 29%

## Par product increased to one-fourth of product mix



# 6M22 Other channel

**Online:** Double sales growth

**สุขภาพ สุขสันต์**  
 (level 3)  
 คุ้มครองเริ่ม แต่โรคร้ายอื่นๆ รวม 50 โรครวมผลประโยชน์ที่สูงสุด 3 ล้านบาท

รับ 5 Starbucks Card มูลค่า 1,500 บาท

คุ้มครองเริ่มตั้งแต่ 18 ม.ค. 62 (ไม่รวมโรคร้ายแรง)

คุ้มครองสุขภาพ

**3.3**  
 ชื่อแบบประกันแบบปีชีพวัย 126  
**รับคืนสูงสุด 5,000 COINS**

- เลือกซื้อได้ถึง 7 จำนวนเป็นประจำ
- ลดเบี้ยภาษีสูงสุด 100,000 บาท
- เงินประโยชน์วงเงินทุกปี 3-9% รวมตลอดสัญญา 663%
- คุ้มครองชีวิตสูงสุด 600%

คุ้มครอง 1-31 ต.ค. 65 คู่พันสิบ

030-777-8888  
 www.bangkoklife.com

**Direct Marketing:** FYP -5%YoY  
 Due to call center issue

คุ้มครองเริ่มแต่โรคร้ายรวม 50 โรคร ด้วยวงเงินสูงสุดถึง 3 ล้านบาท

เบี้ยคงที่ เริ่มต้นแค่วันละ 4 บาท สนับสนุนง่าย โดยไม่ต้องตรวจสุขภาพ

ปรึกษาเลย! >

ข้อมูลส่วนร่วมของท่านปลอดภัยแน่นอน

**สุขภาพ สุขสันต์**

**Group :** Focus on quality sales not price competition

กรุงเทพประกันชีวิต  
 BANGKOK LIFE ASSURANCE

BLA GMC

**Partnership :** FYP +7%YoY  
 Comprehensive product offerings

คุ้มครองชีวิต	สร้างเงินออม	การศึกษาบุตร	วางแผนเกษียณ
คุ้มครองสุขภาพ	คุ้มครองโรคร้าย	คุ้มครองอุบัติเหตุ	คุ้มครองอุบัติเหตุ

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1 2Q22 & 1H22 performance summary

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**2.2 Investments** (K.Chollada Sophonpanich – EVP, Investment Division)

2.3 P&L and Key accounting change

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## 2Q22 allocation continue to tilt away from risky asset

Increase allocation to debenture. Reduce allocation in Equity & REIT in light of change in risk-return.

Asset Class	1Q22	2Q22	Remark
ST Investment	2.8%	3.0%	
Bonds	47.3%	47.3%	
Debenture & Notes	32.3%	32.9%	Increase from investment in 2Q22
<b>Total Fixed Income</b>	<b>82.4%</b>	<b>83.2%</b>	
Equity	9.3%	8.7%	Decreased from reduce allocation and price movement
REIT	4.9%	4.6%	
Loan	3.4%	3.5%	
- Policy loan	2.8%	2.8%	
- Secured loan	0.6%	0.7%	
<b>Total Investment Assets (MB)</b>	<b>335,457</b>	<b>333,861</b>	

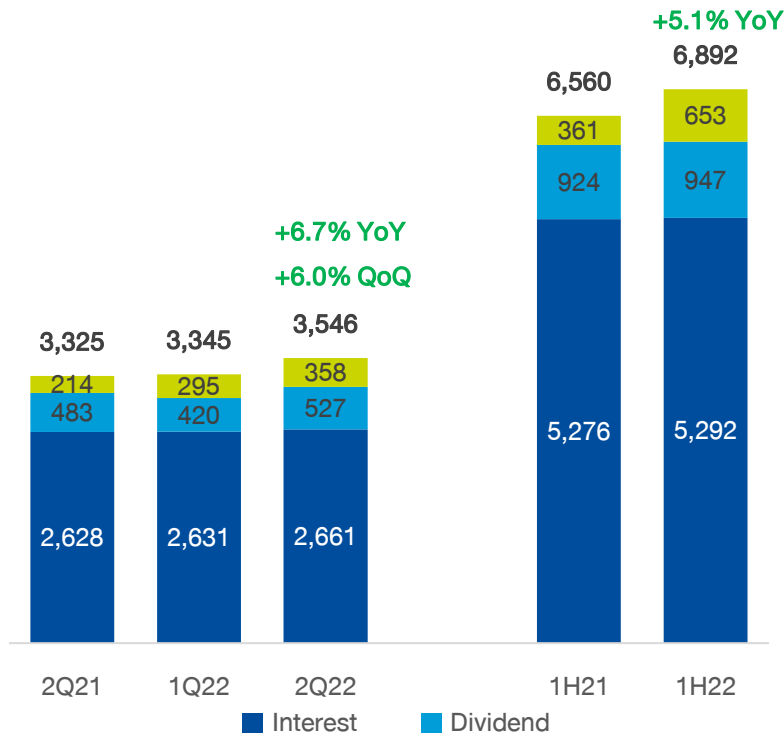
Foreign currencies account for **8.3%** (-0.3% QoQ) of investment assets as of Jun 2022

Fixed income **5.2%** (+0.3% QoQ) Equity **2.2%** (-0.3% QoQ) REIT **1.0%** (-0.2% QoQ)

# 2Q22 investment income +6.7% YoY, increase in all components

Investment yield remains stable, benefitting from rising yield curve.

Investment income (MB)

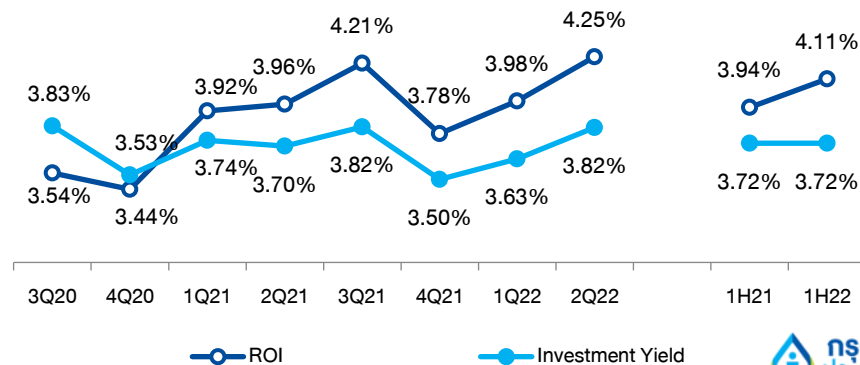


## INVESTMENT INCOME: 2Q22 +6.7% YoY: up in all components

- **Interest income** and **dividend** +2.5% YoY
- **Realized gain** +68% YoY as volatile market provides opportunity as well as a result of lowering allocation in risky asset.

## INVESTMENT YIELD (exc. Realised gain/loss) +19 bps QoQ, +12 bps YoY to 3.82%

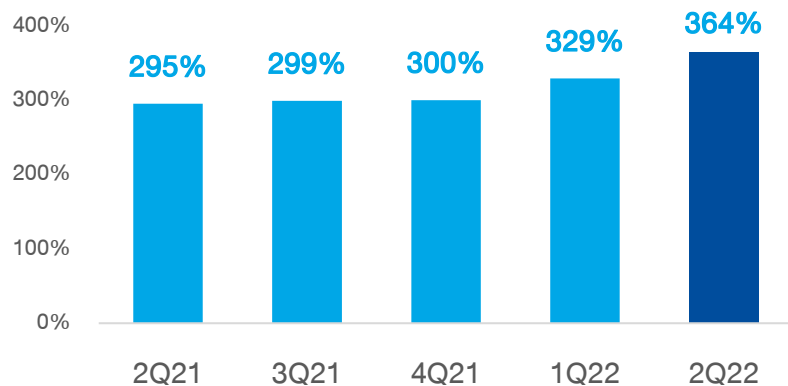
- Both QoQ & YoY increase was due to dividend seasonality
- Carrying yield benefits from a yield curve uptrend





# CAR increased to 364% in 2Q22 (+35% QoQ)

The key reason is from rising yield curve



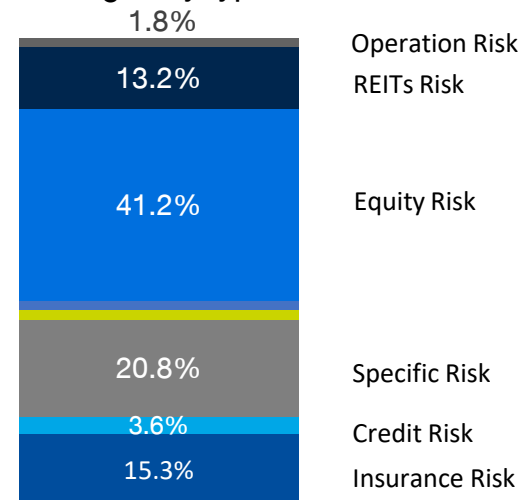
Company	CAR
AIA	375%
TLI	361%
MTL	324%
FWD	341%
AZAY	334%
KTAL	261%

Note: Data as of 1Q22

Source: Life Insurance Company website

## Total Capital Required (TCR)

Risk charged by type to TCR



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**2.3 P&L and Key accounting change** (K. Jaruwan Limkhunthammo – EVP, Accounting and Finance)

3 Q&A

# Statement of financial positions

	30 Jun 22		31 Dec 21		Inc / Dec	
	MB	%	MB	%	MB	%
<b>Assets</b>						
Cash and cash equivalents	8,220	2%	7,637	2%	583	8%
Investment assets	325,647	95%	331,083	95%	(5,436)	-2%
Other assets	10,093	3%	8,423	2%	1,670	20%
<b>Total assets</b>	<b>343,960</b>	<b>100%</b>	<b>347,143</b>	<b>100%</b>	<b>(3,183)</b>	<b>-1%</b>
<b>Liabilities and owners' equity</b>						
<b>Liabilities</b>						
Insurance contract liabilities	296,509	86%	295,480	85%	1,029	0%
Other liabilities	4,656	1%	3,697	1%	959	26%
<b>Total liabilities</b>	<b>301,164</b>	<b>88%</b>	<b>299,177</b>	<b>86%</b>	<b>1,987</b>	<b>1%</b>
<b>Owners' equity</b>	<b>42,796</b>	<b>12%</b>	<b>47,966</b>	<b>14%</b>	<b>(5,170)</b>	<b>-11%</b>
<b>Total liabilities and owners' equity</b>	<b>343,960</b>	<b>100%</b>	<b>347,143</b>	<b>100%</b>	<b>(3,183)</b>	<b>-1%</b>
<b>Owners' equity</b>						
Share capital	1,708	0%	1,708	0%	-	0%
Premium on share capital	3,361	1%	3,361	1%	-	0%
Retained earnings	35,560	10%	34,522	10%	1,038	3%
Other component of equity	2,167	1%	8,375	2%	(6,208)	-74%
Non-controlling interests of the subsidiaries	0.27	0%	0.26	0%	0.01	3%
<b>Total owners' equity</b>	<b>42,796</b>	<b>12%</b>	<b>47,966</b>	<b>14%</b>	<b>(5,170)</b>	<b>-11%</b>

## **ASSETS decrease 3,183 MB**

Total assets decrease from 2021 mainly due to decreasing the market value of investment classified as FVOCI.

## **Liabilities increase 1,987 MB**

Ins liabilities slightly increase by 1,029 MB due to offsetting benefit payment life reserve release during the period.

## **Owners' equity decrease 5,170 MB**

- RE + 1,038 MB from profit for 2022 +1,989 and dividend payment -952 MB.
- Other component of equity -6,208 MB mainly from decreasing on FV from investment at FVOCI.

# 2Q22 Financial Summary

Common Size

Million Baht	2Q22	2Q21	%YoY	6M22	6M21	%YoY	2Q22	2Q21	6M22	6M21
First year premium	1,260	1,930	-35%	2,665	3,272	-19%	17%	25%	17%	19%
Renewal premium	6,222	6,082	2%	13,888	14,731	-6%	85%	78%	88%	87%
REIN&UPR	(188)	(242)	23%	(853)	(1,079)	21%	-3%	-3%	-5%	-6%
<b>Total Net Premium (TNP)</b>	<b>7,294</b>	<b>7,770</b>	<b>-6%</b>	<b>15,700</b>	<b>16,923</b>	<b>-7%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Investment income	3,640	3,297	10%	6,881	6,556	5%	50%	42%	44%	39%
Other income	100	102	-3%	306	417	-27%	1%	1%	2%	2%
<b>Total Income</b>	<b>11,034</b>	<b>11,170</b>	<b>-1%</b>	<b>22,888</b>	<b>23,896</b>	<b>-4%</b>	<b>151%</b>	<b>144%</b>	<b>146%</b>	<b>141%</b>
Life policy reserve	694	2,787	-75%	1,814	6,316	-71%	10%	36%	12%	37%
Benefit payments	7,927	6,268	26%	16,493	13,130	26%	109%	81%	105%	78%
Commission and Brokerage	543	657	-17%	1,240	1,325	-6%	7%	8%	8%	8%
Other underwriting expense	133	152	-12%	305	279	10%	2%	2%	2%	2%
<b>Total Underwriting Expense</b>	<b>9,297</b>	<b>9,864</b>	<b>-6%</b>	<b>19,852</b>	<b>21,050</b>	<b>-6%</b>	<b>127%</b>	<b>127%</b>	<b>126%</b>	<b>124%</b>
Operating Expense	388	391	-1%	742	754	-2%	5%	5%	5%	4%
Expected Credit Loss	(60)	45	-235%	(61)	43	-243%	-1%	1%	0%	0%
<b>Total Expense</b>	<b>9,626</b>	<b>10,299</b>	<b>-7%</b>	<b>20,533</b>	<b>21,846</b>	<b>-6%</b>	<b>132%</b>	<b>133%</b>	<b>131%</b>	<b>129%</b>
<b>Earning before tax</b>	<b>1,409</b>	<b>871</b>	<b>62%</b>	<b>2,355</b>	<b>2,049</b>	<b>15%</b>	<b>19%</b>	<b>11%</b>	<b>15%</b>	<b>12%</b>
Income Tax	(220)	(119)	-84%	(365)	(308)	-18%	-3%	-2%	-2%	-2%
<b>Net income</b>	<b>1,189</b>	<b>751</b>	<b>58%</b>	<b>1,990</b>	<b>1,741</b>	<b>14%</b>	<b>16%</b>	<b>10%</b>	<b>13%</b>	<b>10%</b>
<b>EPS</b>	<b>0.70</b>	<b>0.44</b>		<b>1.17</b>	<b>1.02</b>					

## 2Q22

**TNP -6%** mainly from FYP **-35%**.

**Investment income +10%** mainly from gain on investment

**Underwriting exp -6%** in line with premium.

**ECL -235%** from revised down of PD from ThaiBMA

**Net profit +58%** due to increasing investment income.

## 6M22

**TNP -7%** from FYP **-19%** and RYP **-6%**.

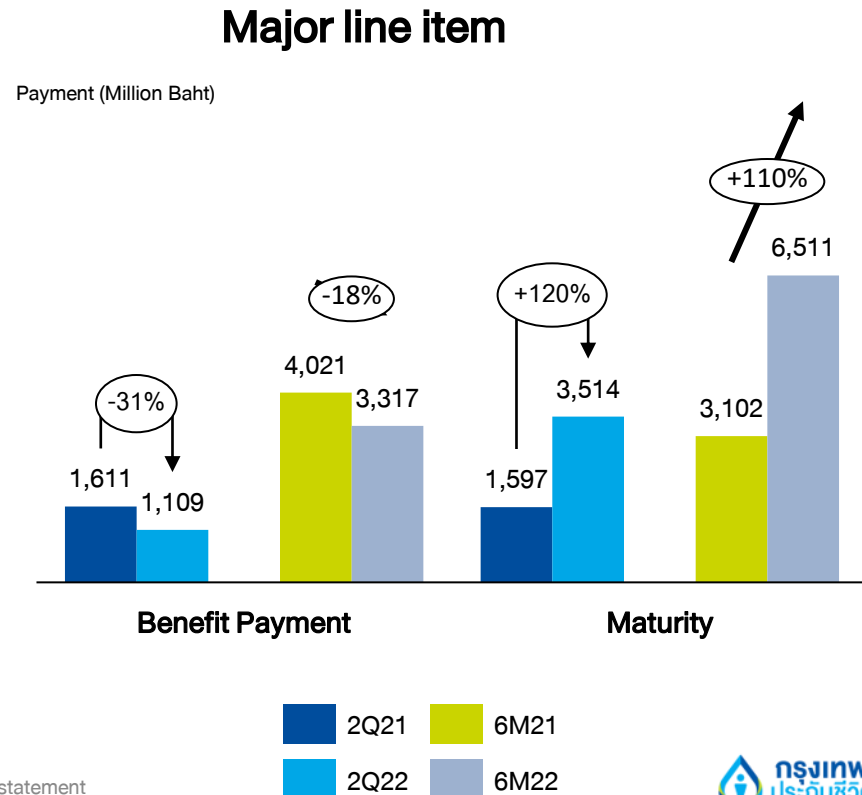
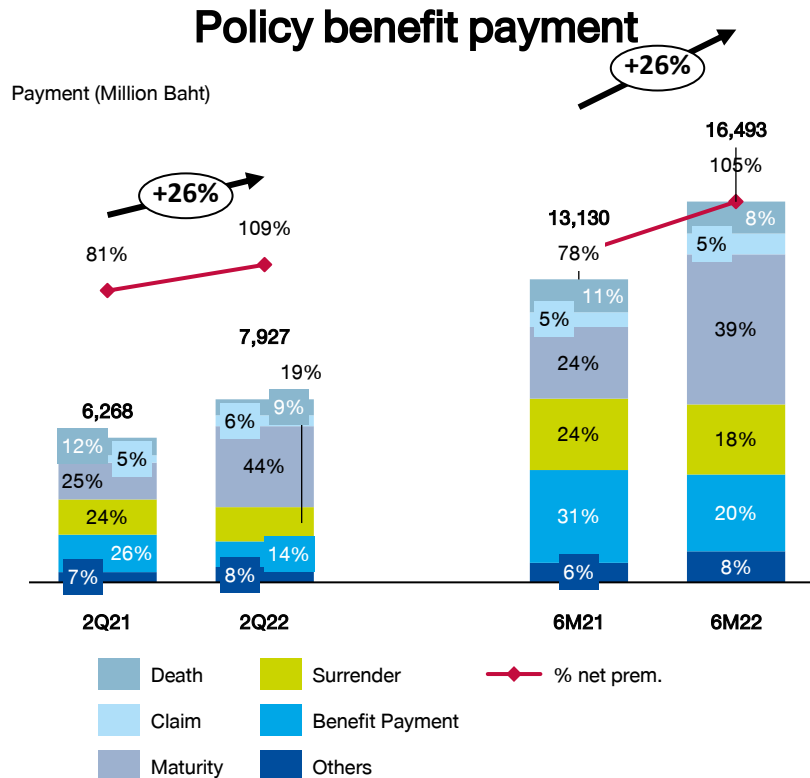
**Investment income +5%** mainly from gain on investment.

**Underwriting exp -6%** in line with premium. However, Reserve & Benefit ratio is higher than expected due to lower surrender.

We always focus on **OPEX** management.

**Net profit +14%** due to increasing investment income and decreasing ECL.

# Policy benefit payment



# Q&A



**กรุงเทพ**  
**ประกันชีวิต**  
BANGKOK LIFE



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