

1Q21 Analyst presentation

13 May 2021

Agenda

- 1 1Q21 performance summary
- 2 Key Highlights
 - 2.1 Premiums and Business & Operation
 - 2.2 Investments
 - 2.3 P&L and Key accounting change
- 3 Outlook
- 4 Q&A

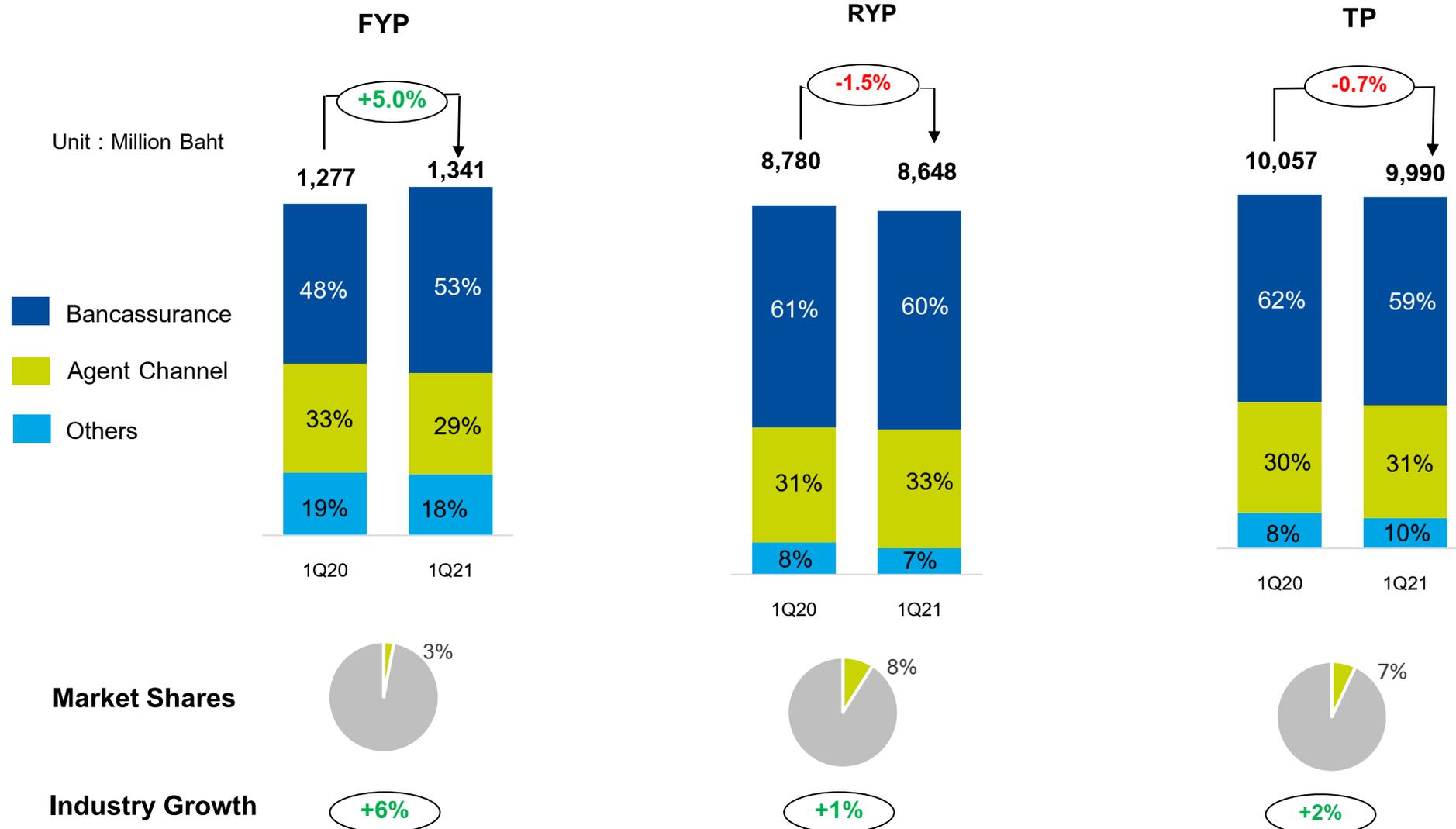
Synopsis of performance in 1Q21

- **1Q21 profit:** Net profit +330% YoY due to increase in PAD reserve from 4% to 5% in 1Q20.
- **FYP: BLA +5% vs. industry +6%. Excluding SP, BLA +10% vs. industry -8%.**
 - **Bancassurance:** FYP +16% YoY due to the right product offering
 - **Agent:** FYP -7% YoY due to lower ticket size. Product mix continues to be strong and ridership attachment continues to increase.
 - **Other:** FYP from alternative channel meets our expectation
- **Investment:** ROI declined from 5.6% in 1Q20 to 3.9% (vs 3.45% in 4Q20) mainly due to lower realized gain, but improved QoQ.
- **CAR ratio:** increased from 274% in the previous quarter to 284%

2.1 PREMIUM & BUSINESS OPERATION

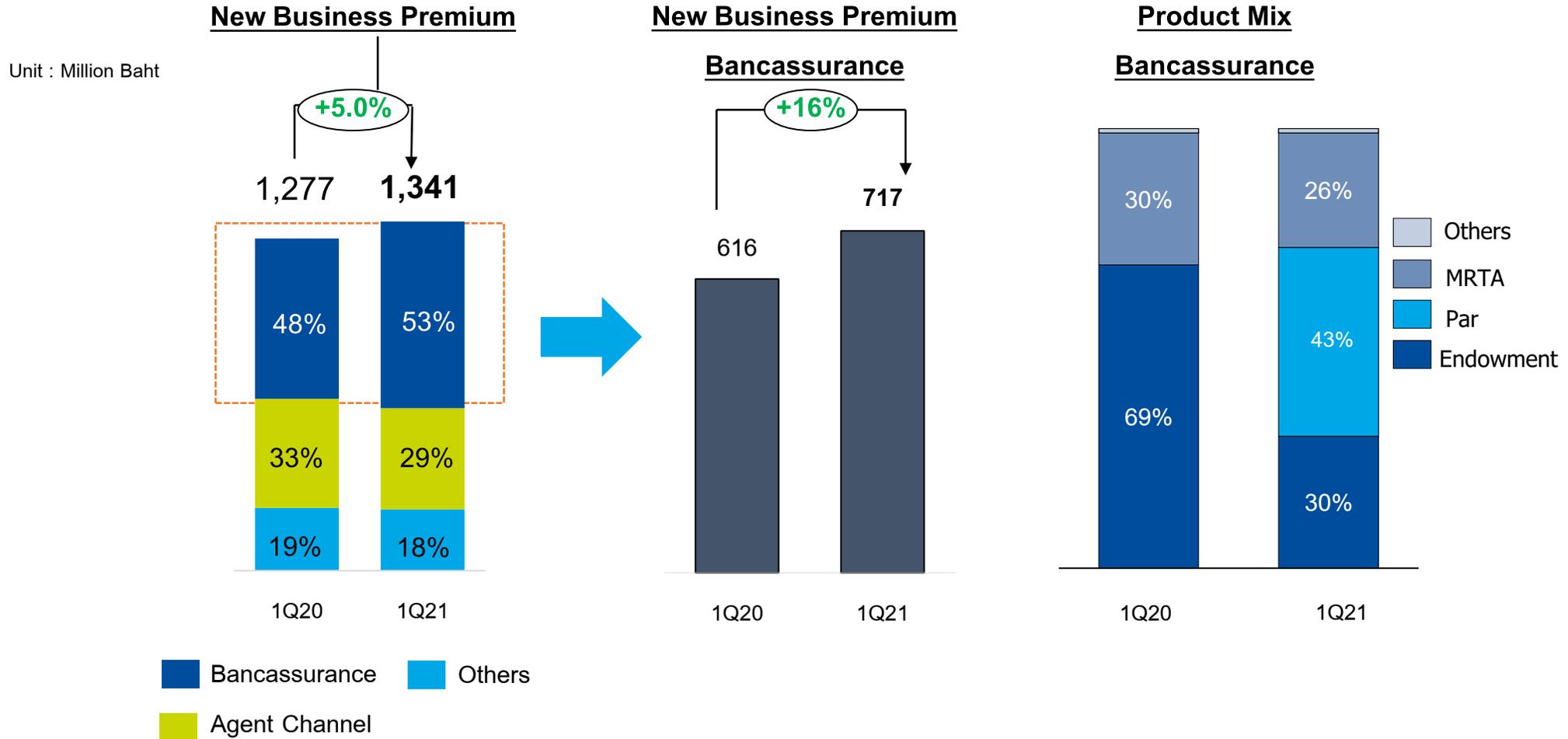
1Q21: FYP +5% driven by solid growth at Banc

RYP dropped 1.5%, slightly better than expected



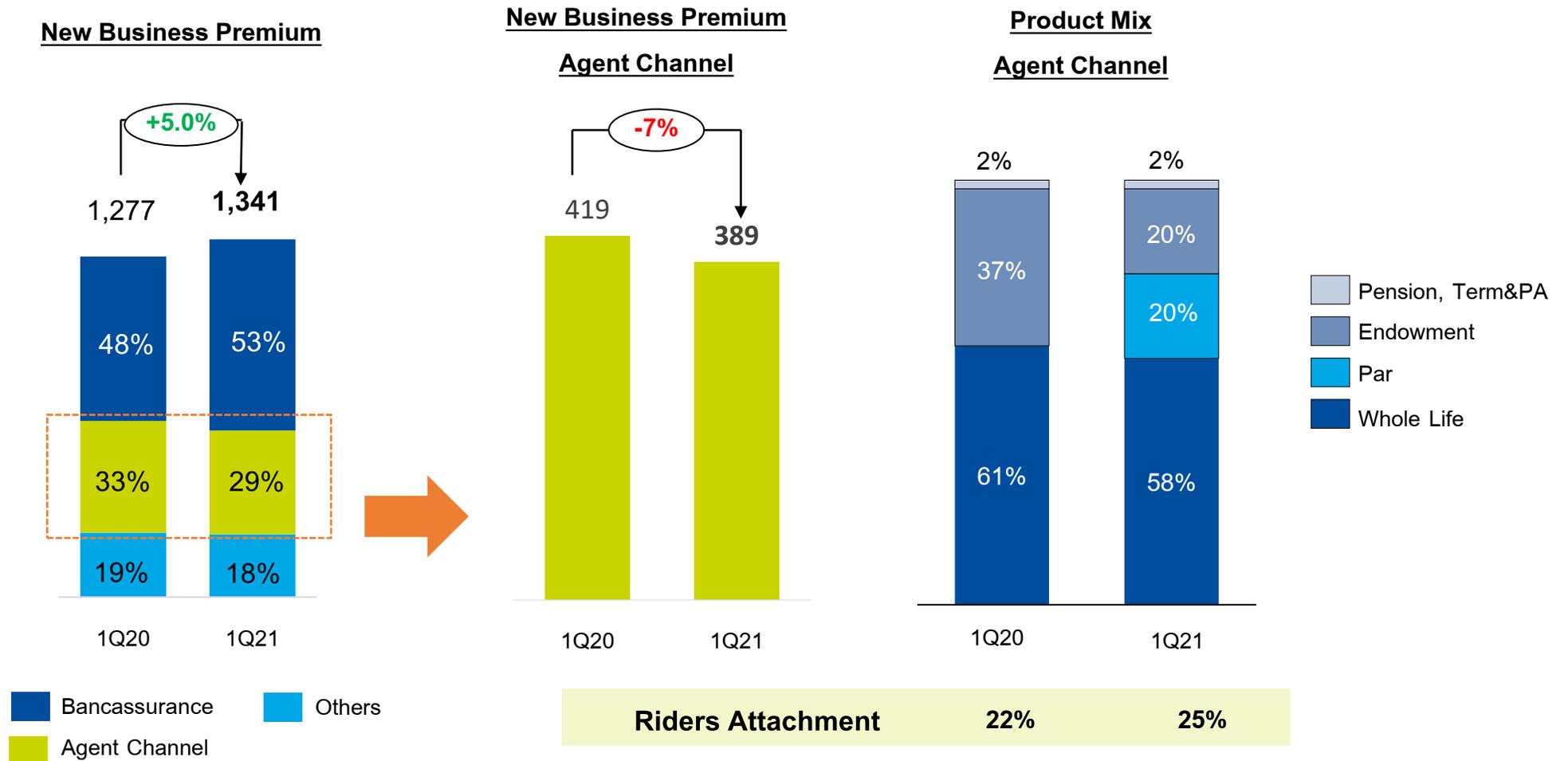
Banc: 1Q21 FYP +16% YoY due to the right product offering

New Par Product is 43% of total FYP



Agent: 1Q21: -7% due to lower ticket size but with higher rider attachment

Unit : Million Baht



1Q21: Good progress across all channels

Double digit growth in **Group FYP**



FYP from **Direct Marketing** +5% YoY & secured new lead partner



Online FYP slowed down as expected due to seasonality.

10/1 campaign launched in 2Q21



Double digits increase in FYP from **Partnership**



2.2 Investment

1Q21 investment asset +0.9%

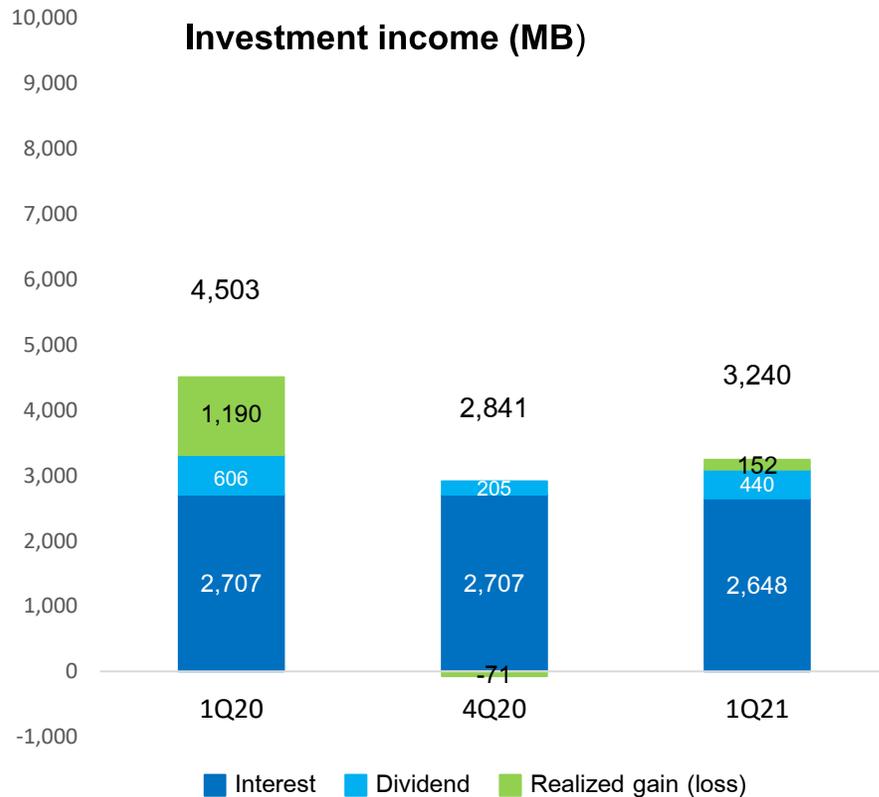
Fixed income allocation slightly decrease, Equity allocation up in 1Q21 as market rallied

Asset Class	4Q20	1Q21	Remark
Short-term Investment	3.5%	4.3%	Cash increased due to fixed income due at the end of 1Q21
Bond	49.0%	48.6%	1. AFS fixed income allocation negatively impacted by rising yield
Debenture & Notes	31.0%	30.0%	2. Debenture declined due to principal due in 1Q21
Total Fixed Income	83.5%	82.9%	
Equity	8.5%	9.2%	EQ increased as SET/global EQ markets saw a strong rally in 1Q21
REIT	4.9%	4.9%	
Loan	3.1%	3.0%	
- Policy loan	2.5%	2.5%	
- Secured loan	0.6%	0.5%	
Total Investment Assets (MB)	330,210	333,341	An increase in investment assets from 4Q20 is driven by new money

Foreign currencies account for 8.0% of investment assets as of Mar 2021 (Fixed income 4.8%, Equity 2.2%, REIT 1.0%)

1Q21 investment income -28% YoY

Investment yield decline from lower fixed income yield & dividend income

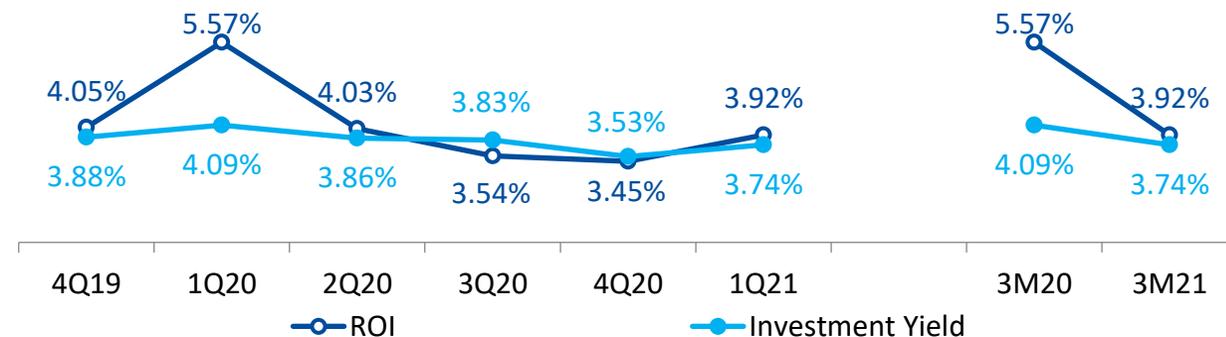


INVESTMENT INCOME: 1Q21 -28% YoY and +14% QoQ

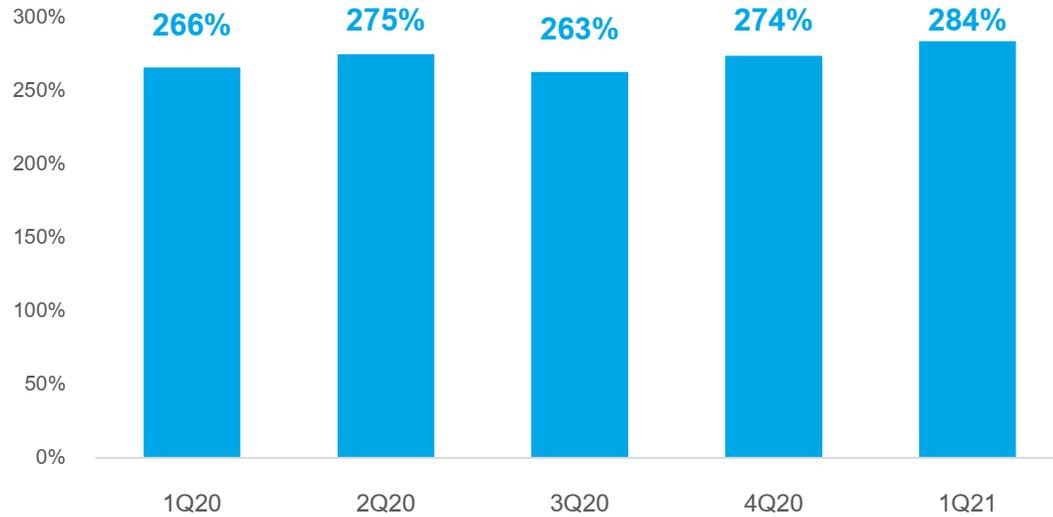
- The YoY drop is from a combination of lower realized gain, dividend income and interest income.
- The QoQ increase is from (1) dividend seasonality (2) higher realized gain which more than offset the slight decline in interest income from lower carried yield

INVESTMENT YIELD (exc. Realised gain/loss): 1Q21:+21 bps QoQ, -35 bps YoY to 3.74%

- The QoQ increase is from dividend seasonality
- The YoY drop is from a combination of (1) lower carrying yield from fixed income portfolio (2) lower dividend income as DPS paid is from 2020 performance which was affected by COVID-19



CAR increased from 274% in previous quarter to 284%



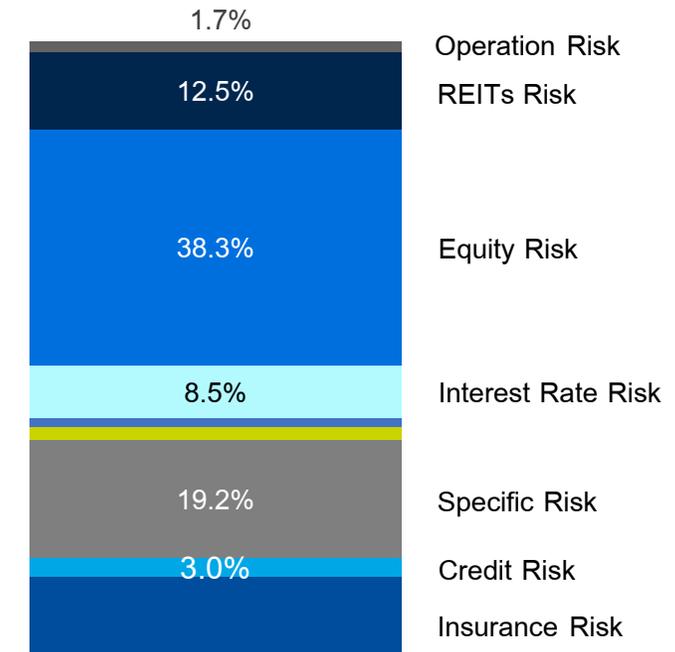
LI Company	CAR (RBC2)
TLI	372%
MTL	309%
AZAY	368%
AIA	307%
SCBL	271%
KTAL	261%

Note: Data as of 3Q20 (RBC2)

Source: Life Insurance Company website

Total Capital Required (TCR)

Risk charged by type to TCR



2.3 P&L and key accounting changes

Statement of financial positions

	31 Mar 21		31 Dec 20		Inc / Dec	
	MB	%	MB	%	MB	%
Assets						
Cash and cash equivalents	8,607	2%	8,072	2%	534	7%
Investment assets	324,738	94%	322,141	95%	2,597	1%
Other assets	11,343	3%	9,565	3%	1,778	19%
Total assets	344,688	100%	339,778	100%	4,909	1%
Liabilities and owners' equity						
Liabilities						
Insurance contract liabilities	295,119	86%	291,329	86%	3,791	1%
Other liabilities	2,701	1%	2,351	1%	349	15%
Total liabilities	297,820	86%	293,680	86%	4,140	1%
Owners' equity	46,867	14%	46,098	14%	769	2%
Total liabilities and owners' equity	344,688	100%	339,778	100%	4,909	1%
Owners' equity						
Share capital	1,708	0%	1,708	1%	-	-
Premium on share capital	3,361	1%	3,361	1%	-	-
Retained earnings	32,718	9%	31,729	9%	990	3%
Other component of equity	9,080	3%	9,301	3%	(221)	-2%
Non-controlling interests of the subsidiaries	0.24	0%	0.23	0%	0.01	4%
Total owners' equity	46,867	14%	46,098	14%	769	2%

ASSETS increase 4,909 MB

Total assets increase in 2021 due to increasing of investment asset

Liabilities increase 4,140 MB

Ins. liabilities increased by 3,791 MB from increasing insurance obligations from premium received.

Owners' equity decrease 769 MB

1. RE +990 MB from profit in 1Q21
2. Other component of equity -221 MB from FV loss from AFS/CF hedge.

1Q21 Financial Summary

Unit: Bt m.	1Q21	1Q20	YoY	Common size 1Q21	1Q20
First year premium	1,341	1,277	5%	15%	14%
Renewal premium	8,648	8,780	-1%	94%	95%
REIN&UPR	(837)	(847)	1%	-9%	-9%
Total Net Premium (TNP)	9,153	9,210	-1%	100%	100%
Investment income	3,259	4,965	-34%	36%	54%
Other income	314	214	47%	3%	2%
Total Income	12,726	14,389	-12%	139%	156%
Life policy reserve	3,529	6,205	-43%	39%	67%
Benefit payments	6,862	6,734	2%	75%	73%
Commission and Brokerage	668	718	-7%	7%	8%
Other underwriting expense	127	118	8%	1%	1%
Total Underwriting Expense	11,186	13,775	-19%	122%	150%
Operating Expense	363	363	0%	4%	4%
Expected credit loss	(2)	30	-106%	0%	0%
Total Expense	11,547	14,169	-19%	126%	154%
Earning before tax	1,179	221	434%	13%	2%
Income Tax	(189)	10	-1976%	-2%	0%
Loss for the periods from discontinued	-	(0.46)	100%	0%	0%
Net income	990	230	330%	11%	3%
EPS	0.58	0.13			

1Q21

TNP -1% due to the end of premium payment term from RYP portfolio while FYP +5%.

Investment income -34% from lower of realized gain at 1,068 MB.

Underwriting exp -43% from one-time effect of PAD policy recorded in Q1'20.

We always focus on Opex management.

Net profit +330% due to the net impact of PAD and realized gain on profitability in 1Q20.

3. OUTLOOK BY CEO

Outlook to Deal with Covid Situation

1 Sales & Channels

- Digital Face to Face tools for sellers
- Online channel for customers



2 Products

- Wealth & Health theme
- Increase in rider attachment



3 Claim Management

- Well-managed claim during Covid
- New claim system



4 Customers

- Telemedicine
- Medevac
- Online health consultation



5 Regulation

- Well-prepared for new regulations
- E-KYC
- PDPA



Employees are our most valuable asset



"THAILAND BEST EMPLOYER BRAND AWARDS 2021" from World HRD Congress



กรุงเทพประกันชีวิต
ชีวิตที่มีความสุขมากกว่า



Thank you analysts

See you at our next meeting & stay safe!