


Disclosure Form (Attached to the OIC Commissioner Order No.48/2561)

Information Disclosure of Non-Life Insurance Companies B.E. 2561

Part 1: To certify correctness of disclosure

The Company has reviewed the information disclosure with caution and certifies that it is complete, true, and not misleading or lack of significant information. The Company certifies the correctness of all information disclosure.

Signature..........
Name.....Nikhil Ashvani Advani.....
Position.....Chief Executive Officer.....
Disclosed on29 August 2022.....
Information for the Quarter.....2.....Year.....2022.....

CAPITAL ADEQUACY

The Company monitors the solvency capital in compliance with the requirements from the OIC.

Thailand has implemented RBC regulation since September 2011. In December 2019 the RBC regulation was updated with the implementation of RBC II, which updates and enhances the capital standards to be more comprehensive.

The key metric used by the regulator is the Capital Adequacy Ratio (CAR), defined as Total Capital Available (TCA) divided by Total Capital Required (TCR), which needs to remain above the supervisory CAR to maintain financial strength and avoid potential regulatory intervention.

The table below illustrates that throughout the year, the Company has a strong capital position, that is significantly above the minimum CAR of 140%.

Unit: Million Baht

Capital Items	Quarter 1		Quarter 2		Quarter 3	
	2022	2021	2022	2021	2022	2021
Common Equity Tier 1 Ratio (%)	1,040	1,145	1,089	1,031	XXX	1,059
Tier 1 Ratio (%)	1,040	1,145	1,089	1,031	XXX	1,059
Capital Adequacy Ratio (%)	1,040	1,145	1,089	1,031	XXX	1,059
Total Capital Available	456	439	453	448	XXX	446
Total Capital Required	44	38	42	43	XXX	42

- Remarks:**
- According to the OIC's RBC capital valuation of Non-Life Insurance Companies, the Registrar may determine the necessary procedures to manage companies with a CAR below the supervisory CAR
 - The above items use a Fair Value approach according to the OIC's Notification on the Valuation of Assets and Liabilities of Non-Life Insurance Companies and RBC capital is valued according to the OIC's Notification on the Valuation of Assets and Liabilities of Non-Life Insurance Companies
 - Quarter 2 is 6-month accumulated operating results and Quarter 3 is 9-month accumulated operating results.

AIA COMPANY LIMITED (NON-LIFE INSURANCE) THAILAND BRANCH

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2022



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Executive Committee of AIA Company Limited

I have reviewed the interim financial information of AIA Company Limited (Non-Life Insurance) Thailand Branch, which comprises the statement of financial position as at 30 June 2022, the statements of comprehensive income for the three-month and six-month periods then ended, the related statements of changes in Head Office's equity and cash flows for the six-month period then ended, and the condensed notes to the 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".

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read 'Paiboon Tunkoon', written over a horizontal line.

Paiboon Tunkoon
Certified Public Accountant (Thailand) No. 4298
Bangkok
11 August 2022

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Financial Position
As at 30 June 2022

		(Unaudited)	(Audited)
		30 June	31 December
		2022	2021
	Notes	Baht	Baht
Assets			
Cash and cash equivalents	5	12,768,627	7,082,587
Accrued income on investments		1,891,893	1,946,718
Reinsurance assets	6,12	31,571	49,924
Amounts due from reinsurance	7	25,107	-
Invested assets			
Investments in securities	8	451,060,564	461,868,406
Amount due from related parties	19	-	161,670
Furniture, fixtures and equipment	9	230	230
Intangible assets	10	-	29
Other assets	11,19	1,245,718	1,379,006
Total assets		467,023,710	472,488,570

Authorised signature _____

Date _____

The notes are form an integral part of these interim financial information.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Financial Position (Cont'd)
As at 30 June 2022

		(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
	Notes		
Liabilities and Head Office's Equity			
Liabilities			
Insurance liabilities	12	1,136,065	1,000,328
Amount due to reinsurance	13	-	32,149
Amount due to related parties	19	73,954	97,500
Income tax payable		1,375,835	4,943,311
Employee benefit liabilities		5,104,525	5,402,821
Deferred tax liabilities		-	113,673
Other liabilities	14,19	6,512,149	6,167,666
Total liabilities		14,202,528	17,757,448
Head Office's Equity			
Funds from Head Office	15	140,307,753	140,307,753
Remeasurements of investments measured at fair value through other comprehensive income, net of tax		(7,490,611)	454,691
Remeasurements of post-employment benefit obligations, net of tax		(2,393,515)	(2,393,515)
Branch's retained earnings Unappropriated		322,397,555	316,362,193
Total Head Office's Equity		452,821,182	454,731,122
Total liabilities and Head Office's Equity		467,023,710	472,488,570

The notes are form an integral part of these interim financial information.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2022

	Notes	2022 Baht	2021 Baht
Revenues			
Gross written premiums		981,214	1,252,972
<u>Less</u> Premiums ceded to reinsurers		(50,219)	(65,211)
Net written premiums		930,995	1,187,761
<u>Add</u> Net change in unearned premium reserve		72,180	97,333
Net earned premiums		1,003,175	1,285,094
Fee and commission income		15,945	42,325
Net investment income	19	5,811,387	2,811,741
Gains (losses) on Investment		(496,381)	972,737
Total revenues		6,334,126	5,111,897
Expenses			
Gross claim paid		1,538,784	425,052
<u>Less</u> Claim paid recovered from reinsurers		(57,318)	(1,786)
Commission and brokerage		103,484	150,452
Other underwriting expenses		77,572	117,528
Operating expenses	16,19	533,007	710,253
Finance cost	14,19	7,093	11,001
Expected credit loss	17	(105,533)	(1,755,413)
Other expense		29	3
Total expenses		2,097,118	(342,910)
Profit before income tax		4,237,008	5,454,807
Income tax expenses	18	861,870	1,425,379
Net profit for the period		3,375,138	4,029,428

The notes are form an integral part of these interim financial information.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 June 2022

	2022	2021
	Baht	Baht
	<hr/>	<hr/>
Other comprehensive income (loss)		
<u>Items that will be reclassified subsequently to profit or loss</u>		
Gains (losses) on remeasuring investments measured at fair value through other comprehensive income	(6,128,351)	2,220,745
Items in other comprehensive income transferred to profit or loss	(390,848)	2,728,151
Income tax on items that will be reclassified subsequently to profit or loss	-	(101,960)
	<hr/>	<hr/>
Total items that will be reclassified subsequently to profit or loss	<u>(6,519,199)</u>	<u>4,846,936</u>
Other comprehensive income (loss) for the period, net of tax	<u>(6,519,199)</u>	<u>4,846,936</u>
Total comprehensive income (loss) for the period	<u><u>(3,144,061)</u></u>	<u><u>8,876,364</u></u>

The notes are form an integral part of these interim financial information.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2022

	Notes	2022 Baht	2021 Baht
Revenues			
Gross written premiums		1,762,495	2,195,230
<u>Less</u> Premiums ceded to reinsurers		<u>(89,283)</u>	<u>(112,323)</u>
Net written premiums		1,673,212	2,082,907
<u>Add</u> Net change in unearned premium reserve		<u>331,131</u>	<u>380,507</u>
Net earned premiums		2,004,343	2,463,414
Fee and commission income		28,641	57,637
Net investment income	19	9,298,866	4,710,301
Gains (losses) on Investment		<u>(396,358)</u>	<u>19,672,599</u>
Total revenues		<u>10,935,492</u>	<u>26,903,951</u>
Expenses			
Gross claim paid		2,138,626	904,600
<u>Less</u> Claim paid recovered from reinsurers		<u>(67,325)</u>	<u>(5,675)</u>
Commission and brokerage		200,739	275,494
Other underwriting expenses		138,956	208,470
Operating expenses	16,19	1,101,391	1,413,770
Finance cost	14,19	15,270	22,495
Expected credit loss	17	(110,976)	(1,811,533)
Other expense		<u>29</u>	<u>3</u>
Total expenses		<u>3,416,710</u>	<u>1,007,624</u>
Profit before income tax		7,518,782	25,896,327
Income tax expenses	18	<u>1,483,420</u>	<u>6,646,523</u>
Net profit for the period		<u>6,035,362</u>	<u>19,249,804</u>

The notes are form an integral part of these interim financial information.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the six-month period ended 30 June 2022

	2022	2021
	Baht	Baht
	<hr/>	<hr/>
Other comprehensive income (loss)		
<u>Items that will be reclassified subsequently to profit or loss</u>		
Losses on remeasuring investments measured at fair value through other comprehensive income	(7,773,594)	(50,060,039)
Items in other comprehensive income transferred to profit or loss	(285,382)	21,484,133
Income tax on items that will be reclassified subsequently to profit or loss	113,674	5,715,181
	<hr/>	<hr/>
Total items that will be reclassified subsequently to profit or loss	(7,945,302)	(22,860,725)
	<hr/>	<hr/>
Other comprehensive loss for the period, net of tax	(7,945,302)	(22,860,725)
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Total comprehensive loss for the period	<u>(1,909,940)</u>	<u>(3,610,921)</u>

The notes are form an integral part of these interim financial information.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Changes in Head Office's Equity (Unaudited)
For the six-month period ended 30 June 2022

	Funds from Head Office Baht	Remeasurements of investments measured at fair value through other comprehensive income, net of tax Baht	Remeasurements of post-employment benefit obligations, net of tax Baht	Branch's retained earnings Baht	Total Head Office's Equity Baht
Beginning balance as at 1 January 2022	140,307,753	454,691	(2,393,515)	316,362,193	454,731,122
Net profit for the period	-	-	-	6,035,362	6,035,362
Losses on remeasuring investments measured at fair value through other comprehensive income	-	(7,716,996)	-	-	(7,716,996)
Items in other comprehensive income transferred to profit or loss	-	(228,306)	-	-	(228,306)
Ending balance as at 30 June 2022	<u>140,307,753</u>	<u>(7,490,611)</u>	<u>(2,393,515)</u>	<u>322,397,555</u>	<u>452,821,182</u>
Beginning balance as at 1 January 2021	140,307,753	23,268,565	(2,615,592)	290,720,461	451,681,187
Net profit for the period	-	-	-	19,249,804	19,249,804
Losses on remeasuring investments measured at fair value through other comprehensive income	-	(40,048,031)	-	-	(40,048,031)
Items in other comprehensive income transferred to profit or loss	-	17,187,306	-	-	17,187,306
Ending balance as at 30 June 2021	<u>140,307,753</u>	<u>407,840</u>	<u>(2,615,592)</u>	<u>309,970,265</u>	<u>448,070,266</u>

The notes are form an integral part of these interim financial information.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2022

	2022	2021
	Baht	Baht
Cash flows provided by (used in) operating activities		
Written premium received from direct insurance	1,690,090	2,219,360
Cash paid for reinsurance	(49,648)	(67,776)
Net investment income	2,881,684	3,218,106
Claim paid from direct insurance	(865,006)	(141,803)
Commission and brokerage paid to direct insurance	(205,444)	(271,864)
Other underwriting expenses	(327,275)	(256,039)
Operating expenses	(1,161,725)	(2,112,474)
Income tax expenses	(5,050,896)	(1,050,422)
Cash received from investment in securities	26,760,242	412,988,430
Cash paid for investment in securities	<u>(17,824,751)</u>	<u>(409,459,427)</u>
Net cash provided by operating activities	<u>5,847,271</u>	<u>5,066,091</u>
Cash flows provided by investing activities		
Intangible assets	<u>29</u>	<u>-</u>
Net cash provided by investing activities	<u>29</u>	<u>-</u>
Cash flows used in financing activities		
Lease Liabilities	<u>(161,260)</u>	<u>(161,492)</u>
Net cash used in financing activities	<u>(161,260)</u>	<u>(161,492)</u>
Net increase in cash and cash equivalents	5,686,040	4,904,599
Cash and cash equivalents at beginning of period	<u>7,082,587</u>	<u>7,854,848</u>
Cash and cash equivalents at end of period	<u><u>12,768,627</u></u>	<u><u>12,759,447</u></u>

The notes are form an integral part of these interim financial information.

1. General information

AIA Company Limited (Non-Life Insurance) Thailand Branch (“the Branch”) is a branch in Thailand of AIA Company Limited (“AIA”) whose ultimate holding company is AIA Group Limited (“AIA Group”), a company incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong Limited.

The address of the Branch’s registered office is AIA Tower 1, 8th Floor, 181 Surawongse Road, Suriyawongse District, Bangrak, Bangkok 10500.

The principal business operations of the Branch is to provide non-life insurance, personal accident and health insurance.

This interim financial information has been approved by the Branch’s management on 11 August 2022.

This interim financial information has been reviewed, not audited.

2. Significant Accounting Policies

2.1 Basis of preparation the interim financial information

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in Head Office’s equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. In addition, the interim financial information presentation is based on the formats of non-life insurance interim financial information attached in an Office of Insurance Commission’s notification “Principle, methodology, condition and timing for preparation, submission and reporting of financial statements and operation performance for non-life insurance company (No.3) B.E. 2563” dated on 13 May 2020 (‘OIC notification’). The notes to the interim financial information are prepared in a condensed format. Additional notes are presented as required by the aforementioned OIC Notification.

The interim financial information should be read together with the annual financial statements for the year ended 31 December 2021.

An English version of the interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

Income taxes in the interim periods are accrued by using the expected income taxes in the interim period.

2.2 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2021. Since 2020, the Branch passes criteria of temporary exemption from TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures under TFRS 4 (revised 2018) Insurance Contracts. The Branch is eligible to apply the ‘financial instruments and disclosures for insurance companies’ accounting guidance’ (‘the Accounting Guidance’) as the Branch has not previously applied any version of TFRS 9 Financial Instrument and the Branch’s activities are predominantly connected with insurance business.

3. Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies lead to the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Branch's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2021.

4. Fair value

4.1 Fair value estimation

The table below presents financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities, and the Branch is able to access that market on valuation date.
- Level 2: Inputs other than quoted prices included within level 1 that are observed for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The following table presents fair value of the Branch's financial assets that are measured at fair value as at 30 June 2022 and 31 December 2021.

	<u>Level 1</u> <u>Baht</u>	<u>Level 2</u> <u>Baht</u>	<u>Level 3</u> <u>Baht</u>	<u>Total</u> <u>Baht</u>
As at 30 June 2022				
(Unaudited)				
Asset				
Investment in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	451,060,564	-	451,060,564
Total asset	-	451,060,564	-	451,060,564
As at 31 December 2021				
(Audited)				
Asset				
Investment in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	461,868,406	-	461,868,406
Total asset	-	461,868,406	-	461,868,406

The Branch had no transfers between levels during the period.

4.2 Valuation techniques used to derive Level 2 fair values

Level 2 marketable debt securities are fair valued based on quoted by reference to the yield curve of the Thai Bond Market Association at the statements of financial position date.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2022

5. Cash and cash equivalents

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
Deposits held at call with banks	8,768,874	7,082,587
Short-term investments	3,999,753	-
Total cash and cash equivalents	<u>12,768,627</u>	<u>7,082,587</u>

6. Reinsurance assets

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
<u>Reserve of recovery from reinsurers</u>		
Short term insurance contract reserve		
Loss reserve (IBNR)	6,837	7,762
Premium reserve		
- Unearned premium reserve (UPR)	24,734	42,162
Total reinsurance assets	<u>31,571</u>	<u>49,924</u>

7. Amount due from reinsurance

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
Due from reinsurance	25,107	-
Total amount due from reinsurance	<u>25,107</u>	<u>-</u>

AIA Company Limited (Non-Life Insurance) Thailand Branch
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2022

8. Investments in securities

The details of investment in securities are as follows:

	(Unaudited) 30 June 2022		(Audited) 31 December 2021	
	Cost/ amortised cost Baht	Fair value Baht	Cost/ amortised cost Baht	Fair value Baht
<u>Investments measured at fair value through other comprehensive income</u>				
Government and state enterprise securities	286,564,945	287,657,177	262,272,218	262,001,321
Private enterprise debt securities	172,095,085	163,403,387	199,247,653	199,867,085
Total	458,660,030	451,060,564	461,519,871	461,868,406
<u>Add</u> Unrealised gains (losses) on the changes in value of investments	(7,599,466)	-	348,535	-
Total Investments measured at fair value through other comprehensive income	451,060,564	451,060,564	461,868,406	461,868,406
Total investments in securities	451,060,564	451,060,564	461,868,406	461,868,406

For the three-month and six-month period ended 30 June 2022 and 2021, the Branch had revenue recognised relating to investment as follows:

	For the three-month period ended	
	(Unaudited) 30 June 2022 Baht	(Unaudited) 30 June 2021 Baht
Interest income from investments	6,675,462	3,534,477
Consideration received from selling investments	23,503,300	108,263,773
Gains (losses) from selling investments	(496,381)	972,737
	For the six-month period ended	
	(Unaudited) 30 June 2022 Baht	(Unaudited) 30 June 2021 Baht
Interest income from investments	11,049,061	6,301,996
Consideration received from selling investments	26,760,242	383,424,374
Gains (losses) from selling investments	(396,358)	19,672,599

As at 30 June 2022, investments in securities include debts securities with a fair value of Baht 8.98 million (31 December 2021: with a fair value of Baht 9.41 million), which have been placed with the Office of Insurance Commissioner, under the Ministry of Finance, as required by the Non-Life Insurance Act B.E. 2535, amended by the Non-life Insurance Act (No. 2) B.E. 2551.

8. Investments in securities (Cont'd)

8.1 Debt securities that are measured at fair value through other comprehensive income.

	(Unaudited)	
	30 June 2022	
	Fair value	Expected credit loss
	Baht	recognised in other
		comprehensive
		income
		Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	451,060,564	108,855
Total	451,060,564	108,855

	(Audited)	
	31 December 2021	
	Fair value	Expected credit loss
	Baht	recognised in other
		comprehensive
		income
		Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	461,868,406	219,830
Total	461,868,406	219,830

AIA Company Limited (Non-Life Insurance) Thailand Branch
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2022

9. Furniture, fixtures and equipment

		30 June 2022 (Unaudited)							
		Cost			Accumulated depreciation				
		For the period		Ending	For the period		Ending		
Beginning balance				balance			balance	Furniture,	
1 January				30 June			30 June	fixtures and	
2022		Disposals/		2022	Disposals/		2022	equipment	
Baht		Write-offs		2022	Write-offs		2022	Baht	
		Additions	Baht	Baht	Depreciation	Baht	Baht		
		Baht	Baht	Baht	Baht	Baht	Baht		
Furniture, fixtures and equipment	3,098,917	-	-	3,098,917	3,098,765	-	3,098,765	152	
Computers	4,409,769	-	-	4,409,769	4,409,691	-	4,409,691	78	
Total	7,508,686	-	-	7,508,686	7,508,456	-	7,508,456	230	
		31 December 2021 (Audited)							
		Cost			Accumulated depreciation				
		For the year		Ending	For the year		Ending		
Beginning balance				balance			balance	Furniture,	
1 January				31 December			31 December	fixtures and	
2021		Disposals/		2021	Disposals/		2021	equipment	
Baht		Write-offs		2021	Write-offs		2021	Baht	
		Additions	Baht	Baht	Depreciation	Baht	Baht		
		Baht	Baht	Baht	Baht	Baht	Baht		
Furniture, fixtures and equipment	3,098,917	-	-	3,098,917	3,098,765	-	3,098,765	152	
Computers	4,409,769	-	-	4,409,769	4,409,691	-	4,409,691	78	
Total	7,508,686	-	-	7,508,686	7,508,456	-	7,508,456	230	

AIA Company Limited (Non-Life Insurance) Thailand Branch
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2022

10. Intangible assets

	30 June 2022 (Unaudited)								
	Cost			Accumulated amortisation					
	Beginning balance 1 January 2022 Baht	For the period Additions Baht	Disposals/ Write-offs Baht	Ending balance 30 June 2022 Baht	Beginning balance 1 January 2022 Baht	For the period Amortisation Charge Baht	Disposals/ Write-offs Baht	Ending balance 30 June 2022 Baht	Intangible assets Baht
Computer software	341,709	-	(341,709)	-	341,680	-	(341,680)	-	-
Total	341,709	-	(341,709)	-	341,680	-	(341,680)	-	-

	31 December 2021 (Audited)								
	Cost			Accumulated amortisation					
	Beginning balance 1 January 2021 Baht	For the year Additions Baht	Disposals/ Write-offs Baht	Ending balance 31 December 2021 Baht	Beginning balance 1 January 2021 Baht	For the year Amortisation Charge Baht	Disposals/ Write-offs Baht	Ending balance 31 December 2021 Baht	Intangible assets Baht
Computer software	5,775,153	-	(5,433,444)	341,709	5,775,121	-	(5,433,441)	341,680	29
Total	5,775,153	-	(5,433,444)	341,709	5,775,121	-	(5,433,441)	341,680	29

AIA Company Limited (Non-Life Insurance) Thailand Branch
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 June 2022

11. Other assets

	(Unaudited)	(Audited)
	30 June	31 December
	2022	2021
	Baht	Baht
Deposits	10,000	10,000
Right-of-use assets (Note 19 (b))	1,224,591	1,356,485
Other assets	11,127	12,521
Total	<u>1,245,718</u>	<u>1,379,006</u>

AIA Company Limited (Non-Life Insurance) Thailand Branch
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11. Other assets (Cont'd)

11.1 Right-of-use assets

Detail of right-of-use assets are as follows:

	30 June 2022 (Unaudited)							Right-of-use assets Baht
	Cost			Accumulated amortisation				
	Beginning balance 1 January 2022 Baht	For the period	Ending balance 30 June 2022 Baht	Beginning balance 1 January 2022 Baht	For the period	Ending balance 30 June 2022 Baht		
		Addition Baht	Change in contract Baht		Amortisation charge Baht			
Buildings and improvements	1,950,433	16,386	-	1,966,819	593,948	148,280	742,228	1,224,591
Total	1,950,433	16,386	-	1,966,819	593,948	148,280	742,228	1,224,591

	31 December 2021 (Audited)							Right-of-use assets Baht
	Cost			Accumulated amortisation				
	Beginning balance 1 January 2021 Baht	For the year	Ending balance 31 December 2021 Baht	Beginning balance 1 January 2021 Baht	For the year	Ending balance 31 December 2021 Baht		
		Addition Baht	Change in contract Baht		Amortisation charge Baht			
Buildings and improvements	1,950,450	-	(17)	1,950,433	300,398	293,550	593,948	1,356,485
Total	1,950,450	-	(17)	1,950,433	300,398	293,550	593,948	1,356,485

The related lease liabilities are disclosed in Note 14.

AIA Company Limited (Non-Life Insurance) Thailand Branch
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12. Insurance liabilities

	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht
30 June 2022 (Unaudited)			
Short term insurance contract reserve			
Loss reserve			
- Reported claim	500,000	-	500,000
- Claim incurred but not reported	141,390	(6,837)	134,553
Premium reserve			
- Unearned premium reserve	494,675	(24,734)	469,941
Total	1,136,065	(31,571)	1,104,494
31 December 2021 (Audited)			
Short term insurance contract reserve			
Loss reserve			
- Reported claim	-	-	-
- Claim incurred but not reported	157,094	(7,762)	149,332
Premium reserve			
- Unearned premium reserve	843,234	(42,162)	801,072
Total	1,000,328	(49,924)	950,404

No additional reserve for Unexpired Risk Reserve has been established as the Unexpired Risk Reserve estimated by the Branch as at 30 June 2022 amounting to Baht 0.42 million (31 December 2021: Baht 0.71 million) is lower than the Unearned Premium Reserve.

12.1 Short-term insurance contract reserve

12.1.1 Loss reserve

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
Beginning balance for the period/year	157,094	196,746
Insurance claim incurred during the period/year	1,365,006	698,051
Changes in claim reserve from change in assumption during the period/year	(15,703)	(38,586)
Insurance claim paid during the period/year	(865,007)	(699,117)
Closing balance at the end of period/year	641,390	157,094

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12. Insurance liabilities (Cont'd)

12.1 Short-term insurance contract reserve (Cont'd)

12.1.2 Unearned premium reserve

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
Beginning balance for the period/year	843,234	958,502
Premium written for the period/year	1,762,495	4,795,832
Premium earned in the period/year	<u>(2,111,054)</u>	<u>(4,911,100)</u>
Closing balance at the end of period/year	<u>494,675</u>	<u>843,234</u>

13. Amount due to reinsurance

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
Reinsurance payable	<u>-</u>	<u>32,149</u>
Total amount due to reinsurance	<u>-</u>	<u>32,149</u>

14. Other liabilities

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
Accrued expenses	116,715	60,993
Others payables	4,398,148	4,442,709
Sundry liabilities	2,420	74,825
Unpresented cheque payable	641,220	131,236
Account payable for agents	37,694	42,399
Withholding tax payable, VAT payable and SBT	53,236	21,740
Lease liabilities (Note 19 (b))	1,260,093	1,389,697
Others	<u>2,623</u>	<u>4,067</u>
Total	<u>6,512,149</u>	<u>6,167,666</u>

AIA Company Limited (Non-Life Insurance) Thailand Branch
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14. Other liabilities (Cont'd)

14.1 The maturity of lease liabilities

The maturity analysis of lease liabilities are aged as follows:

	(Unaudited) 30 June 2022 Baht	(Audited) 31 December 2021 Baht
Maturing		
Within 1 year	298,160	287,996
Between 1 to 5 years	961,933	1,101,701
Later than 5 years	-	-
Total	1,260,093	1,389,697
<i>Including: - Principal</i>	<i>1,316,606</i>	<i>1,480,196</i>
<i>- Interest</i>	<i>(56,513)</i>	<i>(90,499)</i>

For the three-month and six-month periods ended 30 June 2022, interest expense on lease liabilities amounted to Baht 7,093 and Baht 15,270, respectively (30 June 2021: Baht 11,001 and Baht 22,495, respectively) is recorded as "Finance cost" in the statement of comprehensive income.

15. Funds from Head Office

Funds from Head Office represent financing provided by the Head Office. This financing was provided through the transfer of net assets from AIA Company Limited when the non-life branch was formed under the requirement of the Non-life Insurance Act B.E. 2535.

16. Operating expenses

	(Unaudited) For the three-month period ended	
	30 June 2022 Baht	30 June 2021 Baht
Staff expenses	113,971	178,104
Premises and equipment expense	38,485	44,396
Tax and duties	-	829
Service fees	221,143	222,125
Other operating expenses	159,408	264,799
Total	533,007	710,253
	(Unaudited) For the six-month period ended	
	30 June 2022 Baht	30 June 2021 Baht
Staff expenses	212,641	299,716
Premises and equipment expense	77,483	84,101
Tax and duties	17,040	16,829
Service fees	442,286	444,253
Other operating expenses	351,941	568,871
Total	1,101,391	1,413,770

17. Expected credit loss

	(Unaudited)	
	For the three-month period ended	
	30 June	30 June
	2022	2021
	Baht	Baht
Investment in securities	(105,533)	(1,755,413)
Total	<u>(105,533)</u>	<u>(1,755,413)</u>

	(Unaudited)	
	For the six-month period ended	
	30 June	30 June
	2022	2021
	Baht	Baht
Investment in securities	(110,976)	(1,811,533)
Total	<u>(110,976)</u>	<u>(1,811,533)</u>

18. Income tax expenses

The interim income tax expense is recognised based on the management's best estimate of the weighted average income tax rate expected for the interim period applied to the pretax income of the interim period.

19. Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Branch, including holding companies and fellow subsidiaries are related parties of the Branch. Key management personnel including officers of the Branch and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

AIA Company Limited (Non-Life Insurance) Thailand Branch
Condensed Notes to the Interim Financial Information (Unaudited)
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19. Related party transactions (Cont'd)

The following significant transactions were carried out with related parties and affiliated companies within AIA Group.

a) Statements of Comprehensive Income

	(Unaudited)	
	For the three-month period ended	
	30 June	30 June
	2022	2021
	Baht	Baht
Affiliated companies		
Net investment income (expense)	(217,943)	(223,656)
Operating expenses:		
Information system service and other expenses	84,983	101,247
Rental and utilities expenses	83,702	84,326
Service fees	221,143	222,126
Finance cost	7,093	11,001

	(Unaudited)	
	For the six-month period ended	
	30 June	30 June
	2022	2021
	Baht	Baht
Affiliated companies		
Net investment income (expense)	(436,855)	(455,342)
Operating expenses:		
Information system service and other expenses	167,578	182,660
Rental and utilities expenses	168,129	168,859
Service fees	442,286	444,254
Finance cost	15,270	22,495

b) Statements of Financial Position

	(Unaudited)	(Audited)
	30 June	31 December
	2022	2021
	Baht	Baht
Affiliated companies		
Amounts due from related parties	-	161,670
Other assets	1,224,591	1,356,485
Other liabilities	1,260,093	1,389,697
Head Office and affiliated companies		
Amounts due to related parties	73,954	97,500

c) Key management compensation

Key management personnels are those people having authority and responsibility for planning, directing and controlling the activities of the Branch. There are no such personnels employed directly by the Branch. These activities are determined by Head Office.

INFORMATION UPDATE

2.4 SUB-COMMITTEE MEMBERS

a) Investment Committee (“IC”)

The members of IC are:

1. Nikhil Ashvani Advani (Chief Executive Officer)
2. Johann Dutoit (Chief Investment Officer)
3. Hiew Tet Chian (Chief Financial Officer)
4. Loo Boon Teik (Chief Risk Officer)
5. Eric Lu (Director & Chief Actuary)

b) Pension Investment Committee (“Pension IC”)

The members of Pension IC are:

1. Johann Dutoit (Chief Investment Officer)
2. Sineenart Porkaew (Fund Manager from Life Fund)
3. Kawisa Hemwej (Fund Manager from Pension Business)
4. Vilasinee Limprana (Head of Pension Business)
5. Dudpong Wongsasitorn (Fund Manager from Pension Business)
6. Pongthep Somprasong (Fund Manager from Pension Business)
7. Titti Tungpanitansook (Director of Enterprise Risk Management)

c) Operational Risk Committee (“ORC”)

The members of ORC are:

1. Hiew Tet Chian (Chief Financial Officer)
2. Loo Boon Teik (Chief Risk Officer)
3. Knattapisit Krutkrongchai (Chief Agency Officer)
4. Dr.Christian Roland (Chief Strategy and Digital Officer)
5. Sarunya Tienthavorn (Chief Human Resources Officer)
6. Alisa Simaroj (Chief Life Officer)
7. Supirut Pothavorn (Director of Compliance)
8. Jutamas Suttisirikul (Director of Legal)
9. Amaraporn Runsewa (Head of Information Technology)

d) Financial Risk Committee (“FRC”)

The members of FRC are:

1. Nikhil Ashvani Advani (Chief Executive Officer)
2. Hiew Tet Chian (Chief Financial Officer)
3. Loo Boon Teik (Chief Risk Officer)
4. Johann Dutoit (Chief Investment Officer)
5. Eric Lu (Director & Chief Actuary)

The Audit Committee

The members of AIA Group’s Audit Committee are:

1. Ricky Choi-Cheung Fung (Independent Non-Executive Director)
2. Dominic Ka-Kui Leung (Independent Non-Executive Director)
3. Stuart John Valentine (Independent Non-Executive Director)
4. Garth Brian Jones (Group Chief Financial Officer)

Financial Oversight Committee

The members of FOC are:

1. Garth Brian Jones (Group Chief Financial Officer)
2. Richard Sumner (Head of Group Tax)
3. Manoj Ramachandran (Group Senior Regional Counsel)