

**Thai Group Holdings Public Company Limited
and its Subsidiaries**

Condensed interim financial statements
for the three-month periods ended
31 March 2023
and
Independent auditor's review report



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Thai Group Holdings Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Thai Group Holdings Public Company Limited and its subsidiaries (the "Group"), and of Thai Group Holdings Public Company Limited (the "Company"), respectively, as at 31 March 2023; the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2023; and condensed notes ("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".

Chandaa S.

(Chanchai Sakulkoedsin)
Certified Public Accountant
Registration No. 6827

KPMG Phoomchai Audit Ltd.
Bangkok
12 May 2023

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of financial position

| Assets | Note | Consolidated financial statements | | Separate financial statements | |
|---|--------------|-----------------------------------|---------------------|---------------------------------|---------------------|
| | | 31 March 2023 (Unaudited) | 31 December 2022 | 31 March 2023 (Unaudited) | 31 December 2022 |
| | | <i>(in thousand Baht)</i> | | | |
| Cash and cash equivalents | | 2,342,988 | 3,328,634 | 269,703 | 161,652 |
| Investment receivables | | 28,295 | 91,221 | - | - |
| Premiums due and uncollected | 2, 3 | 661,591 | 721,625 | - | - |
| Reinsurance assets | 10 | 4,933,377 | 4,510,344 | - | - |
| Reinsurance receivables | 4 | 664,431 | 806,252 | - | - |
| Operating lease receivables | 2 | 435,394 | 475,896 | - | - |
| Hire-purchase and finance lease receivables | 2 | 286,518 | 364,001 | - | - |
| Financial instruments - Debt securities | 2, 5, 13, 14 | 38,029,986 | 37,135,219 | - | - |
| Financial instruments - Equity securities | 2, 6, 13 | 12,403,061 | 12,785,501 | 234,000 | 234,000 |
| Derivative assets | 2, 7, 13 | 88,768 | 115,369 | - | - |
| Inventories | | 286,876 | 315,589 | - | - |
| Loans | 2 | 1,238,295 | 1,372,701 | 9,685,468 | 9,691,468 |
| Investments in joint venture | 8 | - | - | - | - |
| Investments in subsidiaries | 8 | - | - | 2,249,463 | 2,249,463 |
| Investment properties | | 473,076 | 475,075 | - | - |
| Leasehold rights | 2 | 1,283,338 | 1,289,025 | - | - |
| Premises and equipment | 9 | 16,650,748 | 16,604,765 | 1,721 | 1,509 |
| Right-of-use assets | | 35,491 | 21,173 | 14,526 | 15,624 |
| Intangible assets | | 271,092 | 279,934 | 17,391 | 18,061 |
| Deferred tax assets | | 1,599,038 | 1,820,988 | 121,170 | 126,690 |
| Other assets | 2 | 1,833,594 | 1,637,830 | 292,669 | 372,195 |
| Total assets | | 83,545,957 | 84,151,142 | 12,886,111 | 12,870,662 |

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of financial position

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|---------------------|---------------------------------|---------------------|
| | | 31 March 2023 (Unaudited) | 31 December 2022 | 31 March 2023 (Unaudited) | 31 December 2022 |
| <i>(in thousand Baht)</i> | | | | | |
| Liabilities and equity | | | | | |
| Liabilities | | | | | |
| Investment payables | | 118,668 | 103,972 | - | - |
| Borrowings | 2 | 17,579,595 | 17,469,020 | 10,049,000 | 10,049,000 |
| Insurance contract liabilities | 10 | 50,667,313 | 50,198,373 | - | - |
| Reinsurance payables | | 2,089,162 | 3,031,531 | - | - |
| Derivative liabilities | 7, 13 | 137,583 | 122,158 | - | - |
| Income tax payable | | 58,249 | 17,878 | - | - |
| Lease liabilities | | 1,033,981 | 1,105,806 | 15,055 | 16,186 |
| Provision for employee benefits | | 257,465 | 262,428 | 30,383 | 29,911 |
| Deferred tax liabilities | | 325,720 | 485,181 | - | - |
| Other liabilities | 2 | 1,364,205 | 1,734,519 | 48,345 | 57,076 |
| Total liabilities | | 73,631,941 | 74,530,866 | 10,142,783 | 10,152,173 |
| Equity | | | | | |
| Share capital | 11 | | | | |
| Authorised share capital <i>(1,203,356,530 ordinary shares, par value at Baht 10 per share)</i> | | 12,033,565 | 12,033,565 | 12,033,565 | 12,033,565 |
| Issued and paid-up share capital <i>(752,097,582 ordinary shares, par value at Baht 10 per share)</i> | | 7,520,978 | 7,520,978 | 7,520,978 | 7,520,978 |
| Share premium on ordinary shares | | 18,224,269 | 18,224,269 | 18,224,269 | 18,224,269 |
| Retained earnings | | | | | |
| Appropriated | | | | | |
| Legal reserve | | 308,461 | 308,461 | 37,851 | 37,851 |
| Other reserve | | 7,715 | 7,715 | - | - |
| Unappropriated | | 6,964,692 | 6,873,364 | (436,657) | (461,496) |
| Other components of equity | | (23,374,019) | (23,559,237) | (22,603,113) | (22,603,113) |
| Equity attributable to owners of the parent | | 9,652,096 | 9,375,550 | 2,743,328 | 2,718,489 |
| Non-controlling interests | | 261,920 | 244,726 | - | - |
| Total equity | | 9,914,016 | 9,620,276 | 2,743,328 | 2,718,489 |
| Total liabilities and equity | | 83,545,957 | 84,151,142 | 12,886,111 | 12,870,662 |

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|------------------|-------------------------------|----------------|
| | | Three-month period ended | | Three-month period ended | |
| | | 31 March | | 31 March | |
| | | 2023 | 2022 | 2023 | 2022 |
| <i>(in thousand Baht)</i> | | | | | |
| Revenue | | | | | |
| Gross premium written | 2 | 2,647,291 | 2,701,850 | - | - |
| Less premium ceded | | (965,095) | (2,035,310) | - | - |
| Net premiums written | | 1,682,196 | 666,540 | - | - |
| Add decrease in unearned premium reserve from previous period | | 69,585 | 1,655,996 | - | - |
| Net premium earned | | 1,751,781 | 2,322,536 | - | - |
| Commission and brokerage income | | 340,944 | 633,629 | - | - |
| Income from operating lease contracts | 2 | 825,313 | 773,525 | - | - |
| Income from hire-purchase and finance lease contracts | 2 | 13,459 | 40,909 | - | - |
| Income from sales of operating lease assets | | 276,282 | 558,102 | - | - |
| Investment income | 2 | 465,495 | 419,938 | 79,665 | 55,356 |
| Gain on financial instruments | | 18,335 | - | - | - |
| Gain on fair value change of financial instruments | | 33,230 | - | - | - |
| Gain on foreign exchange | | - | 11 | - | - |
| Cumulative gain from reclassification of cash flow hedges previously recognised in other comprehensive income | | - | 98 | - | - |
| Advisory fee income | 2 | - | - | 78,750 | 110,150 |
| Hedging gain for hedge of group of items with offsetting risk positions | | - | 6,851 | - | - |
| Other income | 2 | 9,986 | 87,242 | 1,048 | 828 |
| Total revenue | | 3,734,825 | 4,842,841 | 159,463 | 166,334 |
| Expenses | | | | | |
| Long-term technical reserve increase (decrease) from previous period | | 216,127 | (1,606,651) | - | - |
| Benefits payments and insurance claims expenses | 2 | 2,264,026 | 4,087,002 | - | - |
| Less benefits payments and insurance claims expenses recovered from reinsurers | | (969,797) | (836,793) | - | - |
| Net benefits payment and insurance claims expenses | | 1,294,229 | 3,250,209 | - | - |
| Commissions and brokerage expenses | 2 | 384,571 | 410,082 | - | - |
| Other underwriting expenses | | 233,308 | 111,190 | - | - |
| Direct rental costs | | 551,896 | 517,972 | - | - |
| Cost of sales of operating lease assets | | 260,057 | 535,233 | - | - |
| Operating expenses | 2 | 512,140 | 746,471 | 55,745 | 86,078 |
| Loss on financial instruments | | - | 171,013 | - | - |
| Loss on foreign exchange | | 131 | - | - | - |
| Loss on fair value change of financial instruments | | - | 8,149 | - | - |
| Finance costs | 2 | 148,331 | 108,105 | 73,359 | 48,424 |
| Loss on hedging | | 13,568 | - | - | - |
| Expected credit loss (reversal) | | 2,116 | (1,193) | - | - |
| Total expenses | | 3,616,474 | 4,250,580 | 129,104 | 134,502 |
| Profit before income tax and non-operating item | | 118,351 | 592,261 | 30,359 | 31,832 |
| Non-operating item: | | | | | |
| Differences on de-consolidation, net | | - | 1,230,420 | - | - |
| Profit before income tax | | 118,351 | 1,822,681 | 30,359 | 31,832 |
| Income tax | | 25,817 | 120,774 | 5,520 | 5,942 |
| Profit for the period | | 92,534 | 1,701,907 | 24,839 | 25,890 |

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|--------------------|-------------------------------|---------------|
| | Three-month period ended | | Three-month period ended | |
| | 31 March | | 31 March | |
| | 2023 | 2022 | 2023 | 2022 |
| | <i>(in thousand Baht)</i> | | | |
| Other comprehensive income | | | | |
| <i>Items that will be reclassified subsequently to profit or loss</i> | | | | |
| Exchange differences on translating financial statements | (14,919) | (19,726) | - | - |
| Gain (loss) on remeasurement of investments measured at fair value through other comprehensive income | 645,011 | (950,424) | - | - |
| Gain (loss) on cash flow hedges | (9,466) | 66,261 | - | - |
| Gain on deferred cost of hedging reclassified subsequently to profit or loss | 13,579 | 16,086 | - | - |
| Income tax relating to items that will be reclassified subsequently to profit or loss | (126,841) | 177,561 | - | - |
| Total items that will be reclassified subsequently to profit or loss | 507,364 | (710,242) | - | - |
| <i>Items that will not be reclassified to profit or loss</i> | | | | |
| Loss on investments in equity instruments designated at fair value through other comprehensive income | (382,698) | (420,501) | - | - |
| Loss on revaluation of assets | - | (256,702) | - | - |
| Gain on remeasurements of defined benefit plans | - | 28,054 | - | - |
| Income tax relating to items that will not be reclassified subsequently to profit or loss | 76,540 | 129,830 | - | - |
| Total items that will not be reclassified subsequently to profit or loss | (306,158) | (519,319) | - | - |
| Other comprehensive income for the period, net of tax | 201,206 | (1,229,561) | - | - |
| Total comprehensive income for the period | 293,740 | 472,346 | 24,839 | 25,890 |
| Profit attributable to: | | | | |
| Owners of the parent | 75,418 | 1,461,816 | 24,839 | 25,890 |
| Non-controlling interests | 17,116 | 240,091 | - | - |
| Profit for the period | 92,534 | 1,701,907 | 24,839 | 25,890 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | 276,546 | 278,955 | 24,839 | 25,890 |
| Non-controlling interests | 17,194 | 193,391 | - | - |
| Total comprehensive income for the period | 293,740 | 472,346 | 24,839 | 25,890 |
| Basic earnings per share (in Baht) | 0.10 | 1.94 | 0.03 | 0.03 |

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

| | Consolidated financial statements | | | | | | | | | | | | | | |
|---|-----------------------------------|----------------------------------|---------------|----------------------------|----------------|---------------------------------|--|--|---|---|---|----------------------------------|---|---------------------------|--------------|
| | Retained earnings | | | Other components of equity | | | | | | | | | | | |
| | Issued and paid-up share capital | Share premium on ordinary shares | Legal reserve | Other reserves | Unappropriated | Gain (loss) on cash flow hedges | Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income | Gain on deferred cost of hedging reclassified subsequently to profit or loss | Gain (loss) on remeasurement of investments measured at fair value through other comprehensive income | Difference from business combination under common control | Other items of other comprehensive income | Total other components of equity | Equity attributable to owners of the parent | Non-controlling interests | Total equity |
| | | | | | | | | | | | | | | | |
| Three-month period ended 31 March 2022 | 7,520,978 | 18,224,269 | 365,300 | 7,715 | 3,763,256 | 6,543 | (275,089) | 22,648 | 768,121 | (22,660,706) | 2,236,117 | (19,901,966) | 9,979,552 | 37,226 | 10,016,778 |
| Balance at 1 January 2022 | - | - | (57,099) | - | 259,201 | - | (104,074) | - | - | - | (84,687) | (188,761) | 13,341 | (13,341) | - |
| Changes in ownership interests in subsidiaries | - | - | (57,099) | - | 259,201 | - | (104,074) | - | - | - | (84,687) | (188,761) | 13,341 | (13,341) | - |
| Transactions with owners, recorded directly in equity | - | - | - | - | 259,201 | - | (104,074) | - | - | - | (84,687) | (188,761) | 13,341 | (13,341) | - |
| Sale of interests in subsidiary with a change in control | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total changes in ownership interests in subsidiaries | - | - | - | - | 259,201 | - | (104,074) | - | - | - | (84,687) | (188,761) | 13,341 | (13,341) | - |
| Total transactions with owners, recorded directly in equity | - | - | - | - | 259,201 | - | (104,074) | - | - | - | (84,687) | (188,761) | 13,341 | (13,341) | - |
| Comprehensive income for the period | - | - | - | - | 1,461,816 | - | - | - | - | - | - | - | 1,461,816 | 240,091 | 1,701,907 |
| Profit for the period | - | - | - | - | - | 52,095 | (235,447) | 12,865 | (759,483) | - | (253,791) | (1,182,861) | (1,182,861) | (66,700) | (1,249,561) |
| Other comprehensive income | - | - | - | - | - | 52,095 | (235,447) | 12,865 | (759,483) | - | (253,791) | (1,182,861) | (1,182,861) | (66,700) | (1,249,561) |
| Total comprehensive income for the period | - | - | - | - | 1,461,816 | 52,095 | (235,447) | 12,865 | (759,483) | - | (253,791) | (1,182,861) | 278,955 | 193,391 | 472,346 |
| Transfer to retained earnings | - | - | - | - | 1,376,955 | (9,317) | 130,831 | - | 18,568 | - | (1,516,237) | (1,376,955) | - | - | - |
| Balance at 31 March 2022 | 7,520,978 | 18,224,269 | 308,201 | 7,715 | 6,861,228 | 50,021 | (483,779) | 35,513 | 27,006 | (22,660,706) | 381,402 | (22,650,543) | 10,271,848 | 217,276 | 10,489,124 |

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

| | Consolidated financial statements | | | | | | | | | | | | | | |
|---|-----------------------------------|----------------------------------|---------------|----------------------------|----------------|---------------------------------|--|--|---|---|---|----------------------------------|---|---------------------------|--------------|
| | Retained earnings | | | Other components of equity | | | | | | | | | | | |
| | Issued and paid-up share capital | Share premium on ordinary shares | Legal reserve | Other reserves | Unappropriated | Gain (loss) on cash flow hedges | Gain (loss) on investments in equity instruments designated at fair value through other comprehensive income | Gain on deferred cost of hedging reclassified subsequently to profit or loss | Gain (loss) on remeasurement of investments measured at fair value through other comprehensive income | Difference from business combination under common control | Other items of other comprehensive income | Total other components of equity | Equity attributable to owners of the parent | Non-controlling interests | Total equity |
| Three-month period ended 31 March 2023 | 7,520,978 | 18,224,269 | 308,461 | 7,715 | 6,873,364 | 24,176 | (1,222,129) | 33,450 | (263,879) | (22,660,706) | 529,851 | (23,559,237) | 9,375,550 | 244,726 | 9,620,276 |
| Balance at 1 January 2023 | - | - | - | - | - | - | - | - | - | - | - | - | 75,418 | 17,116 | 92,534 |
| Comprehensive income for the period | - | - | - | - | 75,418 | (7,571) | (306,708) | 10,860 | 516,402 | - | (11,855) | 201,128 | 201,128 | 78 | 201,206 |
| Profit for the period | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Other comprehensive income | - | - | - | - | 75,418 | (7,571) | (306,708) | 10,860 | 516,402 | - | (11,855) | 201,128 | 201,128 | 78 | 201,206 |
| Total comprehensive income for the period | - | - | - | - | 75,418 | (7,571) | (306,708) | 10,860 | 516,402 | - | (11,855) | 201,128 | 201,128 | 78 | 201,206 |
| Transfer to retained earnings | - | - | - | - | 15,910 | 6,307 | 23,751 | - | (3,203) | - | (42,765) | (15,910) | - | - | - |
| Balance at 31 March 2023 | 7,520,978 | 18,224,269 | 308,461 | 7,715 | 6,964,692 | 22,912 | (1,505,086) | 44,310 | 249,320 | (22,660,706) | 475,231 | (23,374,019) | 9,652,096 | 261,920 | 9,914,016 |

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

| | Separate financial statements | | | | | | Total equity |
|---|----------------------------------|----------------------------------|-------------------|---------------|-----------------------------------|---|--------------|
| | Issued and paid-up share capital | Share premium on ordinary shares | Retained earnings | Legal reserve | Unappropriated (in thousand Baht) | Difference from business combination under common control | |
| Three-month period ended 31 March 2022 | | | | | | | |
| Balance at 1 January 2022 | 7,520,978 | 18,224,269 | 37,851 | (584,967) | (22,603,113) | (22,603,113) | 2,595,018 |
| Comprehensive income for the period | | | | | | | |
| Profit for the period | - | - | - | 25,890 | - | - | 25,890 |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 25,890 | - | - | 25,890 |
| Balance at 31 March 2022 | 7,520,978 | 18,224,269 | 37,851 | (559,077) | (22,603,113) | (22,603,113) | 2,620,908 |

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

| | Separate financial statements | | | | | |
|--|----------------------------------|----------------------------------|-------------------|-----------------------------------|---|----------------------------------|
| | Issued and paid-up share capital | Share premium on ordinary shares | Retained earnings | Unappropriated (in thousand Baht) | Difference from business combination under common control | Total other components of equity |
| Three-month period ended 31 March 2023 | | | | | | |
| Balance at 1 January 2023 | 7,520,978 | 18,224,269 | 37,851 | (461,496) | (22,603,113) | (22,603,113) |
| Comprehensive income for the period | | | | | | |
| Profit for the period | - | - | - | 24,839 | - | - |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 24,839 | - | - |
| Balance at 31 March 2023 | 7,520,978 | 18,224,269 | 37,851 | (436,657) | (22,603,113) | (22,603,113) |
| | | | | | | 2,718,489 |
| | | | | | | 24,839 |
| | | | | | | 24,839 |
| | | | | | | 2,743,328 |

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|------------------|-------------------------------|---------------|
| | Three-month period ended | | Three-month period ended | |
| | 31 March | | 31 March | |
| | 2023 | 2022 | 2023 | 2022 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Cash flows from operating activities</i> | | | | |
| Profit for the period | 92,534 | 1,701,907 | 24,839 | 25,890 |
| <i>Adjustments to reconcile profit to cash receipts (payments)</i> | | | | |
| Income tax | 25,817 | 120,774 | 5,520 | 5,942 |
| Finance costs | 148,331 | 108,105 | 73,359 | 48,424 |
| Depreciation and amortisation | 470,437 | 466,374 | 3,311 | 4,175 |
| Provision for employee benefits | 5,801 | 253,727 | 472 | 23,334 |
| Long-term technical reserve (Reversal of) | 216,127 | (1,606,651) | - | - |
| Loss reserves (Reversal of) | 558,491 | (1,451,663) | - | - |
| Unearned premium reserve (Reversal of) | (754,264) | 364,279 | - | - |
| Unrealised loss on foreign exchange | 13,698 | 6,851 | - | - |
| Loss (gain) on revaluation of derivative | 42,025 | (78,304) | - | - |
| Bad and doubtful debts expenses | 16,533 | 892 | - | - |
| Loss (gain) on decline in value of inventories and properties foreclosed | (8,923) | 8,475 | - | - |
| Dividend income | (157,035) | (136,325) | - | - |
| Interest income | (316,057) | (282,397) | (79,665) | (55,356) |
| | 353,515 | (523,956) | 27,836 | 52,409 |
| <i>Changes in operating assets and liabilities</i> | | | | |
| Premiums due and uncollected | 60,034 | 349,010 | - | - |
| Reinsurance assets | (437,495) | 447,528 | - | - |
| Reinsurance receivables | 141,822 | (313,051) | - | - |
| Operating lease receivables | 40,502 | (1,313) | - | - |
| Hire-purchase and finance lease receivables | 77,483 | 73,724 | - | - |
| Investment in securities | (172,392) | 8,335,235 | - | - |
| Inventories | 37,636 | 526,759 | - | - |
| Right-of-use assets | - | (1,008) | - | - |
| Other assets | 112,512 | 7,513 | 62,713 | 33,530 |
| Insurance contract liabilities | 679,175 | (5,217,029) | - | - |
| Reinsurance payable | (942,369) | (335,131) | - | - |
| Other liabilities | (376,205) | (743,583) | (9,057) | 4,521 |
| Employee benefits paid | (10,764) | (501,761) | - | - |
| Net cash generated from (used in) operating activities | (436,546) | 2,102,937 | 81,492 | 90,460 |
| Interest received from insurance business | 171,885 | 244,976 | - | - |
| Dividends received from insurance business | 157,035 | 136,325 | - | - |
| Tax paid | (104,796) | (254,331) | (5,518) | (4,750) |
| Net cash generated from (used in) operating activities | (212,422) | 2,229,907 | 75,974 | 85,710 |

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|------------------|-------------------------------|--------------------|
| | Three-month period ended | | Three-month period ended | |
| | 31 March | | 31 March | |
| | 2023 | 2022 | 2023 | 2022 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Cash flows from investing activities</i> | | | | |
| Proceeds from sale of premise and equipment | 11 | 91,913 | - | - |
| Acquisition of premise and equipment | (629,600) | (1,155,959) | (361) | (127) |
| Acquisition of investment properties | - | (5,687) | - | - |
| Acquisition of intangible assets | (6,505) | (14,981) | - | (1,380) |
| Loans | (430,490) | (112,671) | (268,500) | (1,992,500) |
| Proceeds from repayment of loans | 441,511 | 293,025 | 274,500 | 375,000 |
| Interest received | 14,786 | 5,543 | 101,996 | 49,432 |
| Net cash generated from (used in) investing activities | (610,287) | (898,817) | 107,635 | (1,569,575) |
| <i>Cash flows from financing activities</i> | | | | |
| Proceeds from borrowings | 4,200,730 | 8,699,506 | - | 1,780,000 |
| Repayment of borrowings | (4,090,155) | (7,009,605) | - | (120,000) |
| Payment of lease liabilities | (104,370) | (553,964) | (2,648) | (3,783) |
| Finance costs paid | (154,223) | (81,703) | (72,910) | (5,866) |
| Net cash generated from (used in) financing activities | (148,018) | 1,054,234 | (75,558) | 1,650,351 |
| Net increase (decrease) in cash and cash equivalents, before effect of exchange rates | (970,727) | 2,385,324 | 108,051 | 166,486 |
| Foreign currency translation differences for foreign operation | (14,919) | (19,726) | - | - |
| Net increase (decrease) in cash and cash equivalents | (985,646) | 2,365,598 | 108,051 | 166,486 |
| Cash and cash equivalents at 1 January | 3,328,634 | 2,657,493 | 161,652 | 54,285 |
| Cash and cash equivalents at 31 March | 2,342,988 | 5,023,091 | 269,703 | 220,771 |
| <i>Non-cash transactions</i> | | | | |
| Payables for purchase of premises and equipment | 159,026 | 805,421 | - | - |
| Transfer equipment to inventories | 231,687 | 1,058,143 | - | - |
| Net liabilities of former subsidiary from de-consolidation of subsidiary | - | 13,982,174 | - | - |

Detail of cash and cash equivalents are as follow

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|------------------|-------------------------------|----------------|
| | as at 31 March | | as at 31 March | |
| | 2023 | 2022 | 2023 | 2022 |
| | <i>(in thousand Baht)</i> | | | |
| Cash on hand | 17,105 | 1,163 | 143 | 133 |
| Cash at banks - current accounts | 1,893,192 | 1,767,298 | 269,560 | 220,638 |
| Cash at banks - time deposit accounts | - | 20,000 | - | - |
| Highly liquid short - term investments | 432,691 | 3,234,630 | - | - |
| Cash and cash equivalents | 2,342,988 | 5,023,091 | 269,703 | 220,771 |

The accompanying notes form an integral part of the interim financial statements.

Thai Group Holdings Public Company Limited and its Subsidiaries
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For the three-month periods ended 31 March 2023 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 12 May 2023.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements and the notes to the interim financial statements are prepared on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions, regulations of the Thai Securities and Exchange Commission and the Notification of the Office of Insurance Commission (“OIC”) regarding “Rules, Procedures, Conditions and Timing for the Preparation and Submission of the Financial Statements and Reporting of the Operations of Life and Non-Life Insurance Companies” B.E. 2566, dated 8 February 2023, which are effective for annual periods beginning on or after 1 January 2023.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were not different from those described in the financial statements for the year ended 31 December 2022.

2 Related parties

Relationships with subsidiaries and joint ventures are described in notes 8. There are no material changes in relationships with other related parties that the Group had significant transactions with during the period.

There are no material changes in pricing policies during three-month period ended 31 March 2023.

Significant transactions for the three-month periods ended 31 March 2023 and 2022 with related parties were as follows:

| <i>Significant transactions with related parties For the three-month period ended 31 March</i> | Consolidated financial statement | | Separate financial statements | |
|--|---|---------------|--|--------------|
| | 2023 | 2022 | 2023 | 2022 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | | | | |
| Advisory fee income | - | - | 78,750 | 110,150 |
| Interest income | - | - | 79,665 | 55,357 |
| Other income | - | - | 1,018 | - |
| Financial costs | - | - | 793 | - |
| Operating expenses | - | - | 4,416 | 3,639 |
| Key management personnel | | | | |
| Key management personnel compensation | | | | |
| Short-term employee benefits <i>(Included director remuneration)</i> | 25,123 | 23,457 | 4,499 | 5,977 |
| Post-employment benefits | 4,640 | 6,364 | 1,334 | 2,513 |
| Other long-term employee benefits | 677 | 882 | 234 | 304 |
| Total key management personnel compensation | 30,440 | 30,703 | 6,067 | 8,794 |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

| <i>Significant transactions with related parties</i> <i>For the three-month period ended 31 March</i> | Consolidated financial statement | | Separate financial statements | |
|--|--------------------------------------|---------------------|----------------------------------|---------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | <i>(in thousand Baht)</i> | | | |
| Other related parties | | | | |
| Gross premium written | 109,240 | 32,125 | - | - |
| Income from operating lease contracts | 208,021 | 188,129 | - | - |
| Income from hire-purchase and finance lease contracts | 507 | 746 | - | - |
| Dividend income | 18,003 | 19,465 | - | - |
| Interest income | 32,850 | 33,173 | - | - |
| Loss on disposal of investments | 8,956 | 3,508 | - | - |
| Other income | 575 | 1,306 | - | - |
| Claims expenses | 29,413 | 39 | - | - |
| Commissions and brokerage expense | 809 | - | - | - |
| Operating expenses | 2,526 | 9,182 | 618 | 146 |
| | | | | |
| | Consolidated financial statements | | Separate financial statements | |
| | 31 March 2023 | 31 December 2022 | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Significant balances with related parties as at</i> | | | | |
| Premiums due and uncollected | | | | |
| Other related parties | 245,031 | 254,163 | - | - |
| Less allowance for doubtful accounts | (16,950) | (2,427) | - | - |
| Net | 228,081 | 251,736 | - | - |
| Bad and doubtful debts expense for the period/year (Reversal) | 14,523 | (2,750) | - | - |
| Operating lease receivables | | | | |
| Other related parties | 88,779 | 83,770 | - | - |
| Finance lease receivables | | | | |
| Other related parties | 22,795 | 25,757 | - | - |
| Investments in securities - Equity securities | | | | |
| Other related parties | 4,908,513 | 4,884,267 | - | - |
| Other assets | | | | |
| Subsidiaries | - | - | 267,871 | 351,419 |
| Other related parties | 38,048 | 38,395 | - | - |
| Total | 38,048 | 38,395 | 267,871 | 351,419 |
| Loss reserves and outstanding claims | | | | |
| Other related parties | 185,483 | 22,245 | - | - |
| Other liabilities | | | | |
| Subsidiaries | - | - | 2,716 | 2,021 |
| Other related parties | 9,128 | 30,444 | 692 | - |
| Total | 9,128 | 30,444 | 3,408 | 2,021 |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

During the three-month period ended 31 March 2023, the movement of loans from and borrowings to related parties were as follows:

| | Interest rate | | Separate financial statements | | | |
|-----------------------------|--|------------------------|-------------------------------|--------------------------------|-----------|------------------------|
| | At 31 December 2022 (% per annum) | At 31 March 2023 | At 31 December 2022 | Increase (in thousand Baht) | Decrease | At 31 March 2023 |
| Short-term loans | | | | | | |
| Subsidiaries | 1.96 - 3.49 | 1.96 - 3.65 | 2,618,800 | 251,000 | (187,000) | 2,682,800 |
| Long-term loans | | | | | | |
| Subsidiaries | 2.50 - 3.40 | 2.50 - 3.65 | <u>7,072,668</u> | 17,500 | (87,500) | <u>7,002,668</u> |
| | | | <u>9,691,468</u> | | | <u>9,685,468</u> |
| Long-term borrowings | | | | | | |
| Subsidiaries | 1.66 - 2.43 | 1.66 - 2.43 | <u>140,000</u> | - | - | <u>140,000</u> |
| | | | <u>140,000</u> | | | <u>140,000</u> |

Significant agreements with related parties

Leasehold rights

During the year 2019, a subsidiary has entered into two long-term lease agreements with a related party; the first contract is valid for 30 years since 1 September 2019 until 31 August 2049 and the second contract is valid for 30 years since 1 September 2049 until 31 August 2079. As such, during September 2019, the subsidiary has paid total amount in advance of land use rights of Baht 1,364.85 million. Subsequently, the Board of Directors of the subsidiary has resolved to cancel the property development project and to use this property as subsidiary's office building or welfare of employees as appropriate.

On 29 June 2022, the Office of Insurance Commission (OIC) has acknowledged on this cancellation of the property development project. In this regard, a subsidiary is in the process of consideration to prepare a letter to obtain the approval for the head office building construction from OIC.

Office rental and services agreements

A subsidiary entered into office rental and services agreements with the Company and related parties to provide office rental and services. The agreements for the period of 1 years starting from 1 January 2023 to 31 December 2023. The Group and the Company committed to pay rental and service fees at the rates as stipulated in the agreements.

Service agreement

During the year 2022, the Company entered a support service agreement of the consultation of management with subsidiaries. The agreement period is 12 months starting from 1 January 2022 to 31 December 2022 and continuing one year except for the cancel agreement by each party in advance notice 30 days. Subsidiaries are committed to pay Advisory fees at the rate stipulated in the agreement.

Guarantee Agreement

The Company provide the financial support to an indirect subsidiary by providing guarantee to a reinsurer. The guarantee period to reinsurance contract covers from 1 January 2022 to 31 December 2023. The guaranteed fee is 0.65% per annum of outstanding reinsurance payable in each quarter. For the three-month period ended 31 March 2023, the Company had guarantee revenue amounting to Baht 0.99 million.

Service agreement of development and management new office building

A subsidiary entered a service agreement for new office building development and project management with a related party. The agreement period is from 24 March 2023 to 31 October 2026. A subsidiary has committed to pay a service fee amounting to Baht 58.13 million (exclude VAT).

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

3 Premiums due and uncollected

Aging analyses for premiums due and uncollected were as follows:

| | Consolidated financial statements | |
|---|--|---------------------|
| | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | |
| Related parties | | |
| Within credit terms | 143,820 | 89,207 |
| Overdue: | | |
| less than 30 days | 61,776 | 46,152 |
| 31 - 60 days | 7,097 | 110,086 |
| 61 - 90 days | 2,167 | 1,514 |
| 91 days - 1 year | 24,723 | 7,064 |
| over 1 year | 5,448 | 140 |
| Total | 245,031 | 254,163 |
| Less allowance for doubtful accounts | (16,950) | (2,427) |
| | 228,081 | 251,736 |
| Other parties | | |
| Within credit terms | 359,506 | 366,316 |
| Overdue: | | |
| less than 30 days | 15,084 | 52,498 |
| 31 - 60 days | 36,540 | 23,072 |
| 61 - 90 days | 7,050 | 5,098 |
| 91 days - 1 year | 23,409 | 34,081 |
| over 1 year | 37,645 | 31,795 |
| Total | 479,234 | 512,860 |
| Less allowance for doubtful accounts | (45,724) | (42,971) |
| | 433,510 | 469,889 |
| Net | 661,591 | 721,625 |
| | | |
| Bad and doubtful debts expense for the period/year (Reversal) | 17,276 | (29,073) |

The normal credit term of insured, agents and brokers granted by the Group for non-life insurance business ranges from 30 days to 60 days.

For premiums due and uncollected from agents and brokers, the Group has established collection guidelines in accordance with the regulatory requirement for premium collection. For overdue premiums due and uncollected, the Group is pursuing legal proceedings against such agents and brokers.

The allowable grace period of life insurance policies is 31 days and 90 days from the due date for individual and group policies, respectively.

For individual policies which are over the grace period the premium due and uncollected will be settled by granting an automatic policy loan where the policy has a cash surrender value.

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

4 Reinsurance receivables

Reinsurance receivable consist of due from reinsurers.

| | Consolidated financial statements | |
|--------------------------------------|--|-----------------------|
| | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | |
| Due from reinsurers | 723,828 | 865,649 |
| Less allowance for doubtful accounts | (59,397) | (59,397) |
| Net | <u>664,431</u> | <u>806,252</u> |

Aging analyses for due from reinsurers were as follows:

| | Consolidated financial statements | |
|---|--|-----------------------|
| | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | |
| Within due | 378,601 | 239,033 |
| Overdue: | | |
| less than 1 year | 108,267 | 478,818 |
| within 1 - 2 years | 150,145 | 74,705 |
| over 2 years | 86,815 | 73,093 |
| Total | <u>723,828</u> | <u>865,649</u> |
| Less allowance for doubtful accounts | (59,397) | (59,397) |
| Net | <u>664,431</u> | <u>806,252</u> |
| Bad and doubtful debts expenses for the period/year | <u>-</u> | <u>27,763</u> |

5 Financial instruments - Debt securities

Debt securities comprise of:

| | Consolidated financial statements | | | |
|---|--|-------------------------|----------------------------|-------------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | Cost/ amortised Cost | Fair value | Cost/ amortised Cost | Fair value |
| | <i>(in thousand Baht)</i> | | | |
| Debt securities measured at fair value through profit or loss | | | | |
| Government and state enterprise debt securities | 10,000 | 10,000 | 20,000 | 20,000 |
| Domestic debt securities | 1,032,361 | 1,036,010 | 1,724,290 | 1,727,673 |
| Foreign debt securities | 1,280,136 | 1,185,419 | 1,093,933 | 946,350 |
| Total | <u>2,322,497</u> | <u>2,231,429</u> | <u>2,838,223</u> | <u>2,694,023</u> |
| Less loss from measurement of investments | (91,068) | - | (144,200) | - |
| Total debt securities measured at fair value to profit or loss | <u>2,231,429</u> | <u>2,231,429</u> | <u>2,694,023</u> | <u>2,694,023</u> |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

| | Consolidated financial statements | | | |
|--|-----------------------------------|--|----------------------------|--------------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | Cost/ amortised Cost | Fair value <i>(in thousand Baht)</i> | Cost/ amortised Cost | Fair value |
| <i>Debt securities measured at fair value through other comprehensive income</i> | | | | |
| Government and state enterprise debt securities | 18,582,039 | 18,850,130 | 18,100,286 | 17,890,183 |
| Domestic debt securities | 14,665,526 | 14,770,738 | 14,396,053 | 14,361,103 |
| Foreign debt securities | <u>1,727,577</u> | <u>1,663,589</u> | <u>1,751,302</u> | <u>1,664,410</u> |
| Total | 34,975,142 | 35,284,457 | 34,247,641 | 33,915,696 |
| Add (less) unrealised gain (loss) from measurement of investments | <u>309,315</u> | <u>-</u> | <u>(331,945)</u> | <u>-</u> |
| Total debt securities measured at fair value through other comprehensive income | <u>35,284,457</u> | <u>32,284,457</u> | <u>33,915,696</u> | <u>33,915,696</u> |
| Allowance for expected credit loss | <u>(11,296)</u> | | <u>(10,907)</u> | |
| <i>Debt securities measured at amortised cost</i> | | | | |
| Deposit at banks with original maturity over 3 months | 514,100 | 514,100 | 525,500 | 525,500 |
| Less allowance for expected credit loss | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total debt securities measured at amortised cost | <u>514,100</u> | <u>514,100</u> | <u>525,500</u> | <u>525,500</u> |
| Total financial instruments - Debt securities | <u>38,029,986</u> | | <u>37,135,219</u> | |

| | Consolidated financial statements | |
|--|-----------------------------------|---|
| | 31 March 2023 | |
| | Fair Value | Allowance for expected credit loss recognised in other comprehensive income |
| | <i>(in thousand Baht)</i> | |
| <i>Debt securities measured at fair value through other comprehensive income</i> | | |
| Debt securities - no significant increase in credit risk/performing (stage 1) | <u>35,284,457</u> | <u>(11,296)</u> |
| Total | <u>35,284,457</u> | <u>(11,296)</u> |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

Consolidated financial statements
31 December 2022
Allowance
for expected
credit loss
recognised in
other comprehensive
income
Fair Value
(in thousand Baht)

Debt securities measured at fair value through other comprehensive income

| | | |
|---|-------------------|-----------------|
| Debt securities - no significant increase in credit risk/performing (stage 1) | 33,915,696 | (10,907) |
| Total | 33,915,696 | (10,907) |

6 Financial instruments - Equity securities

Equity securities comprise of:

| | Consolidated financial statements | | | Separate financial statements | | |
|--|-----------------------------------|-------------------|---------------------------|-------------------------------|----------------|-----------------|
| | Cost | Fair value | Dividend income | Cost | Fair value | Dividend income |
| | | | 31 March 2023 | | | |
| | | | <i>(in thousand Baht)</i> | | | |
| <i>Equity securities measured at fair value through other comprehensive income</i> | | | | | | |
| Domestic equity securities | 11,891,367 | 10,151,858 | 124,812 | 234,000 | 234,000 | - |
| Foreign equity securities | 2,382,339 | 2,245,576 | 32,223 | - | - | - |
| Others | 6,087 | 5,627 | - | - | - | - |
| Total | 14,279,793 | 12,403,061 | 157,035 | 234,000 | 234,000 | - |
| Less unrealised loss from measurement of investments | (1,876,732) | - | | - | - | |
| Total equity securities measured at fair value through other comprehensive income | 12,403,061 | 12,403,061 | | 234,000 | 234,000 | |

| | Consolidated financial statements | | | Separate financial statements | | |
|--|-----------------------------------|-------------------|---------------------------|-------------------------------|----------------|-----------------|
| | Cost | Fair value | Dividend income | Cost | Fair value | Dividend income |
| | | | 31 December 2022 | | | |
| | | | <i>(in thousand Baht)</i> | | | |
| <i>Equity securities measured at fair value through other comprehensive income</i> | | | | | | |
| Domestic equity securities | 11,946,115 | 10,638,938 | 462,741 | 234,000 | 234,000 | 3,000 |
| Foreign equity securities | 2,357,017 | 2,140,936 | 80,987 | - | - | - |
| Others | 6,087 | 5,627 | 3,000 | - | - | - |
| Total | 14,309,219 | 12,785,501 | 546,728 | 234,000 | 234,000 | 3,000 |
| Less unrealised loss from measurement of investments | (1,523,718) | - | | - | - | |
| Total equity securities measured at fair value through other comprehensive income | 12,785,501 | 12,785,501 | | 234,000 | 234,000 | |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

7 Derivatives

As at 31 March 2023, balances of derivatives not elected for hedge accounting were as follows:

| Type of contract | Objectives | No. of contracts | Notional value | Consolidated financial statements 31 March 2023 | | Loss on fair value of derivatives |
|------------------|---|------------------|----------------|--|-------------|-----------------------------------|
| | | | | Book value/Fair value Assets | Liabilities | |
| Warrants | To protect against exchange risk from investments in foreign currencies | - | - | 99 | - | 97 |
| Total | | <u>-</u> | <u>-</u> | <u>99</u> | <u>-</u> | <u>97</u> |

As at 31 March 2023, balances of derivatives elected for hedge accounting were as follows:

| Type of contract | Objectives | No. of contracts | Notional value | Consolidated financial statements 31 March 2023 | | Gain (loss) on fair value of derivatives |
|---------------------|--|------------------|------------------|--|----------------|--|
| | | | | Book value/Fair value Assets | Liabilities | |
| Cross currency swap | To protect against exchange risk from investments in debt securities in foreign currencies | 18 | 1,823,725 | 29,141 | 74,927 | 7,588 |
| Cross currency swap | To protect against exchange risk from investments in equity securities in foreign currencies | 22 | 2,492,368 | 16,544 | 24,372 | (35,991) |
| Interest rate swap | To protect against floating interest rate risk from investments in debt securities | 12 | 1,745,650 | 5,573 | 38,077 | (7,981) |
| Interest rate swap | To protect against floating interest rate risk from borrowings in Thai Baht currency | 6 | 3,289,348 | 37,411 | 207 | (8,434) |
| Total | | <u>58</u> | <u>9,351,091</u> | <u>88,669</u> | <u>137,583</u> | <u>(44,818)</u> |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

As at 31 December 2022, balances of derivatives not elected for hedge accounting were as follows:

| Type of contract | Objectives | No. of contracts | Notional value | Consolidated financial statements 31 December 2022 | | Loss on fair value of derivatives |
|------------------|---|------------------|----------------|---|-------------|-----------------------------------|
| | | | | Book value/Fair value Assets | Liabilities | |
| Warrants | To protect against exchange risk from investments in foreign currencies | - | - | 196 | - | 244 |
| Total | | <u>-</u> | <u>-</u> | <u>196</u> | <u>-</u> | <u>244</u> |

As at 31 December 2022, balances of derivatives elected for hedge accounting were as follows:

| Type of contract | Objectives | No. of contracts | Notional value | Consolidated financial statements 31 December 2022 | | Gain on fair value of derivatives |
|---------------------|--|------------------|------------------|---|----------------|-----------------------------------|
| | | | | Book value/Fair value Assets | Liabilities | |
| Cross currency swap | To protect against exchange risk from investments in debt securities in foreign currencies | 16 | 1,624,773 | 28,853 | 85,964 | 46,962 |
| Cross currency swap | To protect against exchange risk from investments in equity securities in foreign currencies | 14 | 2,328,911 | 32,996 | 4,022 | 829 |
| Interest rate swap | To protect against floating interest rate risk from investments in debt securities | 12 | 1,745,650 | 7,177 | 31,664 | 88,547 |
| Interest rate swap | To protect against floating interest rate risk from borrowings in Thai Baht currency | 6 | 3,370,498 | 46,147 | 508 | 55,240 |
| Total | | <u>48</u> | <u>9,069,832</u> | <u>115,173</u> | <u>122,158</u> | <u>191,578</u> |

As at 31 March 2023, the Group had cross currency swap contracts with financial institutions for the investments measured at fair value through other comprehensive income in debentures of USD 56.04 million equivalents to Baht 1,823.73 million (31 December 2022: USD 50.44 million or equivalents to Baht 1,624.77 million).

As at 31 March 2023, the Group had interest rate swap contracts with financial institutions for the investments measured at fair value through other comprehensive income in debentures of Baht 1,745.65 million (31 December 2022: Baht 1,745.65 million).

As at 31 March 2023, the Group had cross currency swap contracts with financial institutions for the investments in equity securities of Baht 2,492.37 million (31 December 2022: Baht 2,328.91 million).

As at 31 March 2023, the Group had interest rate swap contracts with financial institutions for the borrowings of Baht 3,289.35 million (31 December 2022: Baht 3,370.50 million).

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

8 Investments in subsidiaries and joint venture

| <i>Three-month period ended 31 March</i> | Consolidated financial statements | | Separate financial statements | |
|--|--|----------|--|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Subsidiaries</i> | | | | |
| At 1 January | - | - | 2,249,463 | 2,094,553 |
| At 31 March | - | - | <u>2,249,463</u> | <u>2,094,553</u> |
| At 31 December | | <u>-</u> | | <u>2,249,463</u> |
| <i>Joint venture</i> | | | | |
| At 1 January | - | - | - | - |
| At 31 March | - | - | - | - |
| At 31 December | | <u>-</u> | | <u>-</u> |

Joint venture

The investment in Dhipaya Laos Insurance Company was recorded at cost of Baht 6.40 million in separate financial statement. The Company has recorded a fully provision of allowance for impairment loss for the investment.

The Group and the Company has not recognised losses relating to certain investments accounted for using the equity method where its share of losses exceeds the carrying amount of those investments. As at 31 March 2023, the Group's and Company's cumulative share of unrecognised losses from the latest financial information was Baht 1.12 million (31 December 2022: Baht 1.12 million).

Thai Group Holdings Public Company Limited and its Subsidiaries
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For the three-month periods ended 31 March 2023 (Unaudited)

9 Premises and equipment

Acquisitions, disposals and transfers of premises and equipment during the three-month period ended 31 March 2023 were as follows:

| | Consolidated financial statements | | | | | | |
|---|--|------------------------------------|--|---------------------------------------|---------------------------------|---------------------------|-------------------|
| | Land | Building and building improvements | Furniture, fixtures and office equipment | Vehicles <i>(in thousand Baht)</i> | Assets held for operating lease | Assets under installation | Total |
| Net book value at 1 January 2023 | 2,787,515 | 553,680 | 27,908 | 369,409 | 12,679,503 | 186,750 | 16,604,765 |
| Additions | - | - | 1,233 | 6,375 | 705,282 | - | 712,890 |
| Transfers in (out) - net book value | - | 113 | 63 | - | - | (176) | - |
| Transfers out to inventory | - | - | - | (10,630) | (221,057) | - | (231,687) |
| Disposals for the period - net book value | - | - | (11) | - | - | - | (11) |
| Depreciation for the period | - | (15,279) | (2,409) | (18,314) | (399,207) | - | (435,209) |
| Net book value at 31 March 2023 | 2,787,515 | 538,514 | 26,784 | 346,840 | 12,764,521 | 186,574 | 16,650,748 |

Thai Group Holdings Public Company Limited and its Subsidiaries
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For the three-month periods ended 31 March 2023 (Unaudited)

| | Separate financial statements |
|----------------------------------|--|
| | Furniture, fixtures and office equipment <i>(in thousand Baht)</i> |
| Net book value at 1 January 2023 | 1,509 |
| Additions | 361 |
| Depreciation for the period | (149) |
| Net book value at 31 March 2023 | <u>1,721</u> |

Thai Group Holdings Public Company Limited and its Subsidiaries
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10 Insurance contract liabilities

| | Consolidated financial statements | | | | | |
|---|---------------------------------------|----------------------------------|---------------------------------------|----------------------------------|---------------------------------------|----------------------------------|
| | 31 March 2023 | | | | | |
| | Liabilities under insurance contracts | Life insurance | Liabilities under insurance contracts | Non-life insurance | Liabilities under insurance contracts | Total |
| | Reinsurers' share of liabilities | Reinsurers' share of liabilities | Reinsurers' share of liabilities | Reinsurers' share of liabilities | Reinsurers' share of liabilities | Reinsurers' share of liabilities |
| | Net | Net | Net | Net | Net | Net |
| | <i>(in thousand Baht)</i> | | | | | |
| Long-term technical reserves | 42,769,350 | - | - | - | 42,769,350 | - |
| Short-term technical reserves | | | | | | |
| Loss reserves and outstanding claims | | | | | | |
| - Case reserves | 53,251 | - | 3,763,157 | (2,859,310) | 3,816,408 | (2,859,310) |
| - Incurred but not reported | 254,880 | - | 367,413 | (191,477) | 622,293 | (191,477) |
| Total loss reserve and outstanding claims | 308,131 | - | 4,130,570 | (3,050,787) | 4,438,701 | (3,050,787) |
| Unearned premium reserves | 875,162 | - | 2,318,874 | (1,882,590) | 3,194,036 | (1,882,590) |
| Total short-term technical reserves | 1,183,293 | - | 6,449,444 | (4,933,377) | 7,632,737 | (4,933,377) |
| Unpaid policy benefits | 264,752 | - | - | - | 264,752 | - |
| Other insurance contract liabilities | 474 | - | - | - | 474 | - |
| Total short-term technical reserves | 1,448,519 | - | 6,449,444 | (4,933,377) | 7,897,963 | (4,933,377) |
| Total insurance contract liabilities | 44,217,869 | - | 6,449,444 | (4,933,377) | 50,667,313 | (4,933,377) |
| | | | 44,217,869 | 1,516,067 | 45,733,936 | 45,733,936 |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

| | Consolidated financial statements | | | | | |
|---|--|--|--|--|--|--|
| | 31 December 2022 | | | | | |
| | Life insurance | | Non-life insurance | | Total | |
| | Liabilities under insurance contracts | Reinsurers' share of liabilities | Liabilities under insurance contracts | Reinsurers' share of liabilities | Liabilities under insurance contracts | Reinsurers' share of liabilities |
| | Net | Net | Net | Net | Net | Net |
| | 42,553,223 | - | - | - | 42,553,223 | - |
| Long-term technical reserves | 42,553,223 | - | - | - | 42,553,223 | - |
| Short-term technical reserves | | | | | | |
| Loss reserves and outstanding claims | | | | | | |
| - Case reserves | 64,690 | - | 3,501,501 | (2,512,644) | 3,566,191 | (2,512,644) |
| - Incurred but not reported | 179,437 | - | 432,673 | (183,609) | 612,110 | (183,609) |
| Total loss reserve and outstanding claims | 244,127 | - | 3,934,174 | (2,696,253) | 4,178,301 | (2,696,253) |
| Unearned premium reserves | 632,046 | - | 2,563,075 | (1,814,091) | 3,195,121 | (1,814,091) |
| Total short-term technical reserves | 876,173 | - | 6,497,249 | (4,510,344) | 7,373,422 | (4,510,344) |
| Unpaid policy benefits | 271,139 | - | - | - | 271,139 | - |
| Other insurance contract liabilities | 589 | - | - | - | 589 | - |
| Total short-term technical reserves | 1,147,901 | - | 6,497,249 | (4,510,344) | 7,645,150 | (4,510,344) |
| Total insurance contract liabilities | 43,701,124 | - | 6,497,249 | (4,510,344) | 50,198,373 | (4,510,344) |
| | | | 43,701,124 | 1,986,905 | 45,688,029 | 45,688,029 |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

10.1 Long-term technical reserves

| | Consolidated financial statements | |
|--|--|--------------------------|
| | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | |
| At 1 January | 42,553,223 | 42,464,436 |
| Reserve net increase of new and enforce policies during the period / year | 645,015 | 5,940,680 |
| Reserves released for benefits, lapse and cancel policies during the period / year | <u>(428,888)</u> | <u>(5,851,893)</u> |
| At 31 March 2023 and 31 December 2022 | <u>42,769,350</u> | <u>42,553,223</u> |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

10.2 Short-term technical reserves

10.2.1 Loss reserves and outstanding claims

| | Consolidated financial statements 31 March 2023 | | | | Consolidated financial statements 31 December 2022 | | | |
|---|--|---|---------------------------------------|---|---|---|---------------------------------------|---|
| | Liabilities under insurance contracts | Life insurance Reinsurers' share of liabilities | Liabilities under insurance contracts | Non-life insurance Reinsurers' share of liabilities (in thousand Baht) | Liabilities under insurance contracts | Life insurance Reinsurers' share of liabilities | Liabilities under insurance contracts | Non-life insurance Reinsurers' share of liabilities (in thousand Baht) |
| | | Net | Net | Net | | Net | Net | Net |
| At 1 January | 244,127 | - | 244,127 | 1,237,921 | 4,178,301 | - | 4,178,301 | 2,449,616 |
| Loss incurred during the period | 482,460 | - | 482,460 | 110,075 | 1,439,981 | - | 1,439,981 | 1,942,409 |
| Loss paid during the period | (418,456) | - | (418,456) | (234,169) | (1,112,931) | - | (1,112,931) | (1,752,135) |
| Change in estimation and assumption | - | - | - | (34,044) | (66,650) | - | (66,650) | 7,840,164 |
| At 31 March | 308,131 | - | 308,131 | 1,079,783 | 4,438,701 | - | 4,438,701 | 1,387,914 |
| | | | | | | | | |
| At 1 January | 170,689 | - | 170,689 | 2,278,927 | 5,054,571 | - | 5,054,571 | 2,449,616 |
| Loss incurred during the year | 1,311,104 | - | 1,311,104 | 631,305 | 2,386,768 | - | 2,386,768 | 1,942,409 |
| Loss paid during the year | (1,237,666) | - | (1,237,666) | (514,469) | (1,548,655) | - | (1,548,655) | (1,752,135) |
| Change in estimation and assumption | - | - | - | 7,840,164 | 7,245,336 | - | 7,245,336 | 7,840,164 |
| Loss reserves from transferred a group of insurance contracts | - | - | - | (62,074) | 52,465 | - | 52,465 | (62,074) |
| Deconsolidated | - | - | - | (8,935,932) | (9,012,184) | - | (9,012,184) | (8,935,932) |
| At 31 December | 244,127 | - | 244,127 | 1,237,921 | 4,178,301 | - | 4,178,301 | 1,482,048 |

Thai Group Holdings Public Company Limited and its Subsidiaries
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For the three-month periods ended 31 March 2023 (Unaudited)

10.2.2 Unearned premium reserves

| | Consolidated financial statements | | | | | Total | |
|---|-----------------------------------|---------------------------------------|----------------------------------|--------------------|---------------------------------------|----------------------------------|------------------|
| | 31 March 2023 | | | | | Reinsurers' share of liabilities | |
| | Life insurance | Liabilities under insurance contracts | Reinsurers' share of liabilities | Non-life insurance | Liabilities under insurance contracts | Net | Net |
| At 1 January | - | 632,046 | (1,814,091) | 748,984 | 3,195,121 | (1,814,091) | 1,381,030 |
| Premium written during the period | - | 648,401 | (829,302) | 105,863 | 1,583,566 | (829,302) | 754,264 |
| Earned premium during the period | - | (405,285) | 760,803 | (418,563) | (1,584,651) | 760,803 | (823,848) |
| At 31 March | - | 875,162 | (1,882,590) | 436,284 | 3,194,036 | (1,882,590) | 1,311,446 |
| | | | <i>(in thousand Baht)</i> | | | | |
| | Consolidated financial statements | | | | | Total | |
| | 31 December 2022 | | | | | Reinsurers' share of liabilities | |
| | Life insurance | Liabilities under insurance contracts | Reinsurers' share of liabilities | Non-Life insurance | Liabilities under insurance contracts | Net | Net |
| At 1 January | - | 524,965 | (2,693,165) | 3,236,681 | 6,454,811 | (2,693,165) | 3,761,646 |
| Premium written during the year | - | 1,445,287 | (8,948,620) | 6,924,810 | 17,318,717 | (8,948,620) | 8,370,097 |
| Earned premium during the year | - | (1,338,206) | 9,997,714 | (9,052,244) | (20,388,164) | 9,997,714 | (10,390,450) |
| Unearned premium reserves from transferred a group of insurance contracts | - | - | - | (364,279) | (194,259) | (170,020) | (364,279) |
| Deconsolidated | - | 4,016 | - | 4,016 | 4,016 | - | 4,016 |
| At 31 December | - | 632,046 | (1,814,091) | 748,984 | 3,195,121 | (1,814,091) | 1,381,030 |

No reserve for unexpired risks was established as at 31 March 2023 as the unexpired risk reserve estimated by the Group of Baht 1,130.30 million (31 December 2022: Baht 1,071.00 million) was lower than the unearned premium reserve.

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For the three-month periods ended 31 March 2023 (Unaudited)

10.2.3 Unexpired risk reserves

COVID-19 unexpired risk

| | Consolidated financial statements | | | | | | |
|-----------------------|---------------------------------------|----------------------------------|---------------------------------------|----------------------------------|---------------------------------------|----------------------------------|-------------|
| | 31 December 2022 | | | Total | | | |
| | Life insurance | | Non - Life insurance | | Liabilities under insurance contracts | Reinsurers' share of liabilities | Net |
| | Liabilities under insurance contracts | Reinsurers' share of liabilities | Liabilities under insurance contracts | Reinsurers' share of liabilities | | | |
| At 1 January | - | - | 3,159,426 | (317,081) | 3,159,426 | (317,081) | 2,842,345 |
| Increase | - | - | 2,943,122 | 317,081 | 2,943,122 | 317,081 | 3,260,203 |
| Deconsolidated | - | - | (6,102,548) | - | (6,102,548) | - | (6,102,548) |
| At 31 December | - | - | - | - | - | - | - |

Thai Group Holdings Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month periods ended 31 March 2023 (Unaudited)

10.2.4 Unpaid policy benefits - Life insurance

| | Consolidated financial statements | |
|---|--|---------------------|
| | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | |
| Maturity | 125,460 | 127,417 |
| Expired cheques for benefits and claims | 48,681 | 50,496 |
| Death | 28,471 | 35,474 |
| Disability | 7,965 | 1,437 |
| Others | 54,175 | 56,315 |
| Total | 264,752 | 271,139 |

10.2.5 Other insurance contract liabilities

| | Consolidated financial statements | | | | | |
|---------------------|--|-----------------------|------------|-------------------|-----------------------|------------|
| | 31 March 2023 | | | 31 December 2022 | | |
| | Life insurance | Non-life insurance | Total | Life insurance | Non-life insurance | Total |
| | <i>(in thousand Baht)</i> | | | | | |
| Advance premiums | 474 | - | 474 | 589 | - | 589 |
| Outstanding cheques | - | - | - | - | 8,075 | 8,075 |
| Deconsolidated | - | - | - | - | (8,075) | (8,075) |
| Total | 474 | - | 474 | 589 | - | 589 |

11 Share capital

| | Par value per share <i>(in Baht)</i> | 2023 | | 2022 | |
|--|--|---|-------------------|------------------|-------------------|
| | | Number | Baht | Number | Baht |
| | | <i>(thousand shares/in thousand Baht)</i> | | | |
| Authorised | | | | | |
| At 1 January | | | | | |
| - ordinary shares | 10 | 1,203,357 | 12,033,565 | 1,203,357 | 12,033,565 |
| Reduction of shares | 10 | - | - | (451,259) | (4,512,587) |
| Increase of new shares | 10 | - | - | 451,259 | 4,512,587 |
| At 31 March 2023 and 31 December 2022 | | | | | |
| - ordinary shares | 10 | 1,203,357 | 12,033,565 | 1,203,357 | 12,033,565 |
| Issued and paid-up | | | | | |
| At 1 January | | | | | |
| - ordinary shares | 10 | 752,098 | 7,520,978 | 752,098 | 7,520,978 |
| At 31 March 2023 and 31 December 2022 | | | | | |
| - ordinary shares | 10 | 752,098 | 7,520,978 | 752,098 | 7,520,978 |

Increasing and reduction of the registered capital

At the Annual General Meeting of Shareholder of the Company held on 27 April 2022, the shareholders had resolutions to approve the reduction of the registered share capital to 451,258,698 share at Baht 10 par value and to approve the increase of the registered share capital to 451,258,698 share at Baht 10 par value. The Company already registered of the reduction and the increase of authorised share capital with the Ministry of Commerce on 19 May 2022.

Thai Group Holdings Public Company Limited and its Subsidiaries
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12 Segment information and disaggregation of revenue

(a) Segment information

Management determined that the Group has four reportable segments which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- *Segment 1* Life insurance business
- *Segment 2* Non-life insurance business
- *Segment 3* Financial service business
- *Segment 4* Others businesses

Each segment's performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before income tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

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For the three-month periods ended 31 March 2023 (Unaudited)

| <i>Three-month period ended</i> | Life insurance business | | Non-life insurance business | | Financial service business | | Others businesses | | Intra-group eliminations | | Total | |
|--|-------------------------|------------------|-----------------------------|------------------|----------------------------|------------------|-------------------|----------------|--------------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 | 2023 | 2022 |
| <i>31 March</i> | | | | | | | | | | | | |
| <i>(in thousand Baht)</i> | | | | | | | | | | | | |
| Information about reportable segments | | | | | | | | | | | | |
| Insurance business revenue | 1,442,912 | 1,418,804 | 626,890 | 1,520,213 | - | - | 22,923 | 17,148 | - | - | 2,092,725 | 2,956,165 |
| Finance business revenue | - | - | - | - | 1,115,054 | 1,372,536 | - | - | - | - | 1,115,054 | 1,372,536 |
| Investment income | 448,982 | 404,222 | 9,179 | 10,247 | 7,325 | 5,467 | 9 | 2 | - | - | 465,495 | 419,938 |
| Rental investment properties | - | - | - | - | - | - | 1,232 | 5,298 | - | - | 1,232 | 5,298 |
| Gain (loss) on financial instruments | 56,526 | 3,438 | 3,473 | - | (8,434) | 3,511 | - | 11 | - | - | 51,565 | 6,960 |
| Other income | 429 | 33 | 1,535 | 904 | 3,924 | 9,834 | 2,866 | 71,173 | - | - | 8,754 | 81,944 |
| Inter-segment revenue | 3,021 | 3,951 | 92,566 | 184,987 | 7,508 | 3,033 | 209,585 | 100,499 | (312,680) | (292,470) | - | - |
| Total segment revenue | 1,951,870 | 1,830,448 | 733,643 | 1,716,351 | 1,125,377 | 1,394,381 | 236,615 | 194,131 | (312,680) | (292,470) | 3,734,825 | 4,842,841 |
| Segment profit (loss) before income tax and non-operating item | 1,579 | 19,399 | 116,194 | 620,491 | 13,178 | 69,314 | (6,667) | (30,664) | (5,933) | (86,279) | 118,351 | 592,261 |
| Segment assets as at 31 March / 31 December | 54,143,897 | 53,437,722 | 9,747,654 | 10,681,437 | 16,382,286 | 16,688,413 | 12,713,725 | 12,750,623 | (9,441,605) | (9,407,053) | 83,545,957 | 84,151,142 |
| Segment liabilities as at 31 March / 31 December | 45,611,698 | 45,119,059 | 8,542,437 | 9,545,948 | 15,975,662 | 16,292,248 | 10,404,780 | 10,435,360 | (6,902,636) | (6,861,749) | 73,631,941 | 74,530,866 |

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(b) *Reconciliation of reportable segment profit or loss*

| <i>Three-month period ended 31 March</i> | 2023 | 2022 |
|---|---------------------------|-----------------------|
| | <i>(in thousand Baht)</i> | |
| Reportable segments | 118,351 | 592,261 |
| Unallocated amounts: | | |
| - Share of loss of investments in joint venture | - | - |
| Total | <u>118,351</u> | <u>592,261</u> |

(c) *Geographical segments and major customer*

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

The Group has no customers from a single segment equal to or more than 10% of the Group's total revenue.

(d) *Disaggregation of revenue*

The Group recognises income from operating lease contracts and finance lease contracts on a straight-line basis over the term of the lease and recognises revenue from sale of assets under operating leases at a point in time.

13 Fair value of financial assets and liabilities

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

| <i>At 31 March 2023</i> | <i>Note</i> | <i>Hedging instruments</i> | Carrying amount | | Consolidated financial statement | | | | Fair value |
|--|-------------|----------------------------|-------------------------|--------------------------|---|----------------|----------------|----------------|-------------------|
| | | | <i>measured at</i> | <i>measured at</i> | Total | Level 1 | Level 2 | Level 3 | |
| | | | FVTPL | FVOCI | | | | | |
| | | | | | <i>(in thousand Baht)</i> | | | | |
| Financial assets | | | | | | | | | |
| Other financial assets: | | | | | | | | | |
| Investment in debt instruments | 5 | - | 2,231,429 | 35,284,457 | 37,515,886 | - | 37,515,886 | - | 37,515,886 |
| Investment in equity instruments | 6 | - | - | 12,403,061 | 12,403,061 | 4,973,132 | 7,408,741 | 21,188 | 12,403,061 |
| Derivatives assets | 7 | 88,669 | - | - | 88,669 | - | 88,669 | - | 88,669 |
| Total other financial assets | | <u>88,669</u> | <u>2,231,429</u> | <u>47,687,518</u> | <u>50,007,616</u> | | | | |
| Financial liabilities | | | | | | | | | |
| Other financial liabilities: | | | | | | | | | |
| Derivatives liabilities | 7 | 137,583 | - | - | 137,583 | - | 137,583 | - | 137,583 |
| Total other financial liabilities | | <u>137,583</u> | <u>-</u> | <u>-</u> | <u>137,583</u> | | | | |

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| At 31 December 2022 | Note | Consolidated financial statement | | | | | | | Total |
|--|------|----------------------------------|---|---|-----------------------------|------------|------------|---------|------------|
| | | Hedging instruments | Carrying amount | | Total (in thousand Baht) | Fair value | | | |
| | | | Financial instruments measured at FVTPL | Financial instruments measured at FVOCI | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | | | | | |
| Other financial assets: | | | | | | | | | |
| Investment in debt instruments | 5 | - | 2,694,023 | 33,915,696 | 36,609,719 | - | 36,609,719 | - | 36,609,719 |
| Investment in equity instruments | 6 | - | - | 12,785,501 | 12,785,501 | 4,973,132 | 7,791,181 | 21,188 | 12,785,501 |
| Derivatives assets | 7 | 115,173 | - | - | 115,173 | - | 115,173 | - | 115,173 |
| Total other financial assets | | 115,173 | 2,694,023 | 46,701,197 | 49,510,393 | | | | |
| Financial liabilities | | | | | | | | | |
| Other financial liabilities: | | | | | | | | | |
| Derivatives liabilities | 7 | 122,158 | - | - | 122,158 | - | 122,158 | - | 122,158 |
| Total other financial liabilities | | 122,158 | - | - | 122,158 | | | | |

| At 31 March 2023 | Note | Separate financial statements | | | | | | | Total |
|-------------------------------------|------|-------------------------------|---|---|-----------------------------|------------|---------|---------|---------|
| | | Hedging instruments | Carrying amount | | Total (in thousand Baht) | Fair value | | | |
| | | | Financial instruments measured at FVTPL | Financial instruments measured at FVOCI | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | | | | | |
| Other financial assets: | | | | | | | | | |
| Investment in equity instruments | 6 | - | - | 234,000 | 234,000 | - | - | 234,000 | 234,000 |
| Total other financial assets | | - | - | 234,000 | 234,000 | | | | |

| At 31 December 2022 | Note | Separate financial statements | | | | | | | Total |
|-------------------------------------|------|-------------------------------|---|---|-----------------------------|------------|---------|---------|---------|
| | | Hedging instruments | Carrying amount | | Total (in thousand Baht) | Fair value | | | |
| | | | Financial instruments measured at FVTPL | Financial instruments measured at FVOCI | | Level 1 | Level 2 | Level 3 | |
| Financial assets | | | | | | | | | |
| Other financial assets: | | | | | | | | | |
| Investment in equity instruments | 6 | - | - | 234,000 | 234,000 | - | - | 234,000 | 234,000 |
| Total other financial assets | | - | - | 234,000 | 234,000 | | | | |

Financial instruments measured at fair value

The Company determines Level 2 fair values for debt securities which are listed in the Thai Bond Market Association using the prices on the last business day of the period provided by the Thai Bond Market Association.

The Company determines Level 2 fair values for debt securities which are not listed in the Thai Bond Market Association are based on quotes from a reliable institution at the reporting date.

The Company determines Level 2 fair values for non-listed unit trusts using the net asset value (NAV) on the last business day of the period provided by assets management companies.

The Company determines Level 1 fair values for listed equity securities and unit trusts using the last bid price on the last business day of the period provided by The Stock Exchanges of Thailand.

The Company determines Level 2 fair values for derivative. The fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flow using market interest rate for a similar instrument of the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Company and counterparty when appropriate. In addition, the Company tested for reasonableness by comparing with the market price from financial institutions which are derivative issues.

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The Company determines level 3 fair values for non-listed equity using net asset value per share according to the latest available financial statement for investment in share of T.I.I. Company Limited and using admitted value according to the Notification of the Office of Insurance Commission (“OIC”) for Road Accident Victims Protection Company Limited.

Financial instruments not measured at fair value

The carrying amounts of the following financial assets and financial liabilities are considered to be approximate to their fair value: cash and cash equivalents, accrued investment income, premiums due and uncollected, reinsurance receivables, policy loans, mortgage loans, other loans, other receivables, due to reinsurers, and other payables, except for debt securities measured at amortised cost which fair value is calculated by referencing to the price quoted by Thai Bond Market Association at reporting date.

The fair value of deposits at financial institutions which have remaining terms to maturity of less than 90 days are based on carrying value. For those with remaining terms to maturity greater than 90 days, the fair value is estimated by using a discounted cash flow analysis based on current interest rates for the remaining period to maturity.

The fair value of mortgage loans and other loans which carrying floating interest rates and are fully collateralised is taken to approximate the carrying value. The fair value of fixed interest rate loans is estimated by using discounted cash flow analysis based on current interest rates for the remaining years to maturity.

Transfers between Level 1 and 2 of fair values hierarchy

At 31 March 2023, equity securities measured at fair value through other comprehensive income with a carrying amount of Baht 32.80 million were transferred from Level 1 to Level 2 and equity security measured at fair value through other comprehensive income with a carrying amount of Baht 111.40 million were transferred from level 2 to level 1 (31 December 2022: equity securities measured at fair value through other comprehensive income with a carrying amount of Baht 206 million were transferred from Level 1 to Level 2 and equity securities measured at fair value through other comprehensive income with carry amount of Baht 94 million were transferred from level 2 to level 1). The Company has considered the liquidity of trading these securities in the market.

Reconciliation of Level 3 fair values

| | Consolidated financial statements | | Separate financial statements | |
|--|--------------------------------------|---------------------|----------------------------------|---------------------|
| | 31 March 2023 | 31 December 2022 | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Equity securities</i> | | | | |
| At 1 January | 21,188 | 101,287 | 234,000 | 234,000 |
| Net change in fair value (including unrealised transactions) | | | | |
| - recognised in OCI | - | (80,099) | - | - |
| At 31 March / 31 December | 21,188 | 21,188 | 234,000 | 234,000 |

14 Securities and assets pledged with the Registrar

- 14.1 As at 31 March 2023 and 31 December 2022, investments in debt securities have been pledged with the Registrar in accordance with Sections 20 of the Life Assurance Act (No. 2) B.E. 2551 as follows:

| | Consolidated financial statements | | | |
|------------------|-----------------------------------|---------------|------------------|---------------|
| | 31 March 2023 | | 31 December 2022 | |
| | Book value | Face value | Book value | Face value |
| | <i>(in thousand Baht)</i> | | | |
| Government bonds | 44,989 | 50,000 | 43,103 | 50,000 |

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- 14.2 As at 31 March 2023 and 31 December 2022, investments in debt securities have been placed as life assurance policy reserve with the Registrar in accordance with Sections 24 of the Life Assurance Act (No. 2) B.E. 2551 as follows:

| | Consolidated financial statements | | | |
|---|--|--------------------------|--------------------------|--------------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | Book value | Face value | Book value | Face value |
| | <i>(in thousand Baht)</i> | | | |
| Government and state enterprise debt securities | 9,184,951 | 8,879,500 | 9,008,358 | 8,929,500 |
| Private debt securities | 2,391,823 | 2,278,000 | 2,395,686 | 2,278,000 |
| Total | <u>11,576,774</u> | <u>11,157,500</u> | <u>11,404,044</u> | <u>11,207,500</u> |

- 14.3 As at 31 March 2023 and 31 December 2022, investments in debt securities have been pledged with the Registrar in accordance with the Non-Life Insurance Act (No. 2) B.E. 2551 as follows:

| | Consolidated financial statements | | | |
|-----------------|--|----------------------|----------------------|----------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | Book value | Face value | Book value | Face value |
| | <i>(in thousand Baht)</i> | | | |
| Deposit at bank | 14,000 | 14,000 | 14,000 | 14,000 |
| Total | <u>14,000</u> | <u>14,000</u> | <u>14,000</u> | <u>14,000</u> |

- 14.4 As at 31 March 2023 and 31 December 2022, investments in debt securities have been placed with the Registrar as the reserve fund in accordance with the Notification of the Office of Insurance Commission regarding “Rates, Rules and Procedures for Unearned Premium Reserve of Non-Life Insurance Company B.E. 2557” as follows:

| | Consolidated financial statements | | | |
|--|--|-----------------------|-----------------------|-----------------------|
| | 31 March 2023 | | 31 December 2022 | |
| | Book value | Face value | Book value | Face value |
| | <i>(in thousand Baht)</i> | | | |
| Government and state enterprise debt securities and Bank of Thailand bonds | 227,319 | 230,000 | 228,002 | 230,000 |
| Total | <u>227,319</u> | <u>230,000</u> | <u>228,002</u> | <u>230,000</u> |

15 Restricted and collateral securities

As at 31 March 2023 and 31 December 2022, debt securities and time deposits at banks were pledged as collateral as follows:

| | Consolidated financial statements | |
|--|--|---------------------|
| | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | |
| <i>Deposits at banks - time deposits</i> | | |
| Bail bonds | <u>3,797</u> | <u>2,925</u> |

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16 Commitments with non-related parties

| | Consolidated financial statements | | Separate financial statements | |
|---|--------------------------------------|---------------------|----------------------------------|---------------------|
| | 31 March 2023 | 31 December 2022 | 31 March 2023 | 31 December 2022 |
| | <i>(in thousand Baht)</i> | | | |
| Capital commitments | | | | |
| <i>Contracted but not provided for:</i> | | | | |
| Building and other constructions | 75,176 | 75,176 | - | - |
| Intangible assets and equipment | 13,752 | 13,752 | - | - |
| Total | 88,928 | 88,928 | - | - |
| Future minimum lease payments under non-cancellable operating leases | | | | |
| Within one year | 6,395 | 5,945 | 280 | 280 |
| After one year but within five years | 2,335 | 3,472 | 578 | 648 |
| Total | 8,730 | 9,417 | 858 | 928 |
| Other commitments | | | | |
| Cross currency swap | 3,716,374 | 3,953,684 | - | - |
| Interest rate swap | 5,034,998 | 5,116,148 | - | - |
| Deposit at banks - pledged for - bank guarantees | 736,186 | 577,438 | - | - |
| Total | 9,487,558 | 9,647,270 | - | - |

As at 31 March 2023, the Group have operating lease agreements for other services for the period of 1 year to 5 years (31 December 2022: 1 year to 5 years).

17 Contingent liabilities

As at 31 March 2023, the Group had litigation cases being claimed under normal business for a total compensation of approximately Baht 356.60 million (31 December 2022: Baht 330.50 million). The maximum sum insured of all policies under the litigation cases totaled Baht 62.40 million (31 December 2022: Baht 59.20 million). The outcome of those litigation cases have yet been finalised. However, the Group already considered and set aside provision for losses that may arise amounting to approximately Baht 23.10 million (31 December 2022: Baht 24.50 million), based on reports of independent surveyors and in accordance with the coverage stipulated in the insurance policies. The Group's management believes that the amounts of provision set aside are adequate and should the Group lose these cases, the amount of additional loss net of recovery from reinsurance contracts, in excess of that already recorded by the Group (if any) will not be material to the Group's financial statements.

18 Events after the reporting period

At the Annual General Meeting of Shareholder of the Company held on 27 April 2023, the shareholders had resolutions to approve the reduction of the registered share capital to 451,258,698 share at Baht 10 par value and to approve the increase of the registered share capital to 451,258,698 share at Baht 10 par value. The Company is in the process of registration of the reduction and the increase of authorised share capital with the Ministry of Commerce.

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19 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new TFRS which are relevant to the Group's operations are expected to have significant impact on the Group's financial statements on the date of initial application are as follows:

| | TFRS | Topic |
|---------|-------------|---------------------|
| TFRS 17 | | Insurance contracts |

(a) TFRS 17 - Insurance contracts

TFRS 17 will replace TFRS 4 - Insurance Contracts for the annual periods beginning on or after 1 January 2025.

TFRS 17 introduces the new measurement model which consists of fulfillment cash flows and a contractual service margin. The fulfillment cash flows represent the risk adjusted present value of the insurer's rights and obligations to the policyholders, comprising estimates of expected cash flows, discounting, and an explicit risk adjustment for non-financial risk. The contractual service margin represents the unearned profit from in-force contracts that the Company will recognise as it provides services over the coverage period. The contractual service margin is earned based on a pattern of coverage units, reflecting the quantity of benefits provided. The simplified approach may be chosen to adopt when certain criteria are met.

The Company may elect to recognise the cumulative negative impact on insurance contract liabilities from the adoption of TFRS 17 to retained earnings by applying the straight-line method within the period not exceeding 3 years from transition date.

TFRS 17 also introduces substantial changes in both presentation of the statement of financial position and statement of comprehensive income, as well as more granular disclosure requirements.

Management is presently considering the potential impact of adopting and initially applying those TFRSs on the financial statements.