

3Q21 Analyst Presentation

15 November 2021

Agenda

1 3Q21 and 9M21 performance summary

2 Key Highlights

2.1 Premiums and Business & Operation

2.2 Investments

2.3 P&L and Key accounting change

3 Outlook

4 Q&A

Synopsis of 3Q21 performance

- **3Q21 profit:** Net profit +102% YoY due to higher investment income and lower UW expense. Net profit +57% QoQ due mainly to higher RYP and higher investment income.
- **FYP: BLA -54% vs. industry -2%.**
 - **Bancassurance:** FYP -67% YoY due to the high base from tactical product sold last year as well as Covid lockdown impact on branch closure/change in operating hours.
 - **Agent:** FYP +12% YoY resulted from higher PAR and health product sold. Rider attachment ratio increased to 34% in 3Q21
 - **Other:** FYP from alternative channel showed strong growth, increasing 131% YoY
- **Investment:** ROI increased from 3.54% in 3Q20 to 4.21% in 3Q21 due to higher realized gain while lower interest was offset by higher dividend. The increase QoQ comes from higher realized gain, dividend (seasonality) and interest income.
- **CAR ratio:** increased from 295% in the previous quarter to 299%

Synopsis of 9M21 performance

- **9M21 profit:** Net profit +103% YoY due to higher RYP and no extra provision for PAD reserve
- **FYP: BLA -13% vs. industry +7%. Excluding SP, BLA -16% vs. industry -10%.**
 - **Bancassurance:** FYP -25% YoY due to high base and impact from Covid
 - **Agent:** FYP +9% YoY. Strong performance was support by Smart App usage. PAR product sales and rider attachment ratio continue to increase
 - **Other:** Saw a strong performance for Group, Online and Partnerships. FYP from alternative channel +30% YoY
- **Investment:** ROI declined from 4.37% in 9M20 to 4.03% due to lower realized gain and investment yield.
- **CAR ratio:** increased from 263% in 9M20 to 299% in 9M21

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2.1 Premiums and Business & Operation

2.2 Investments

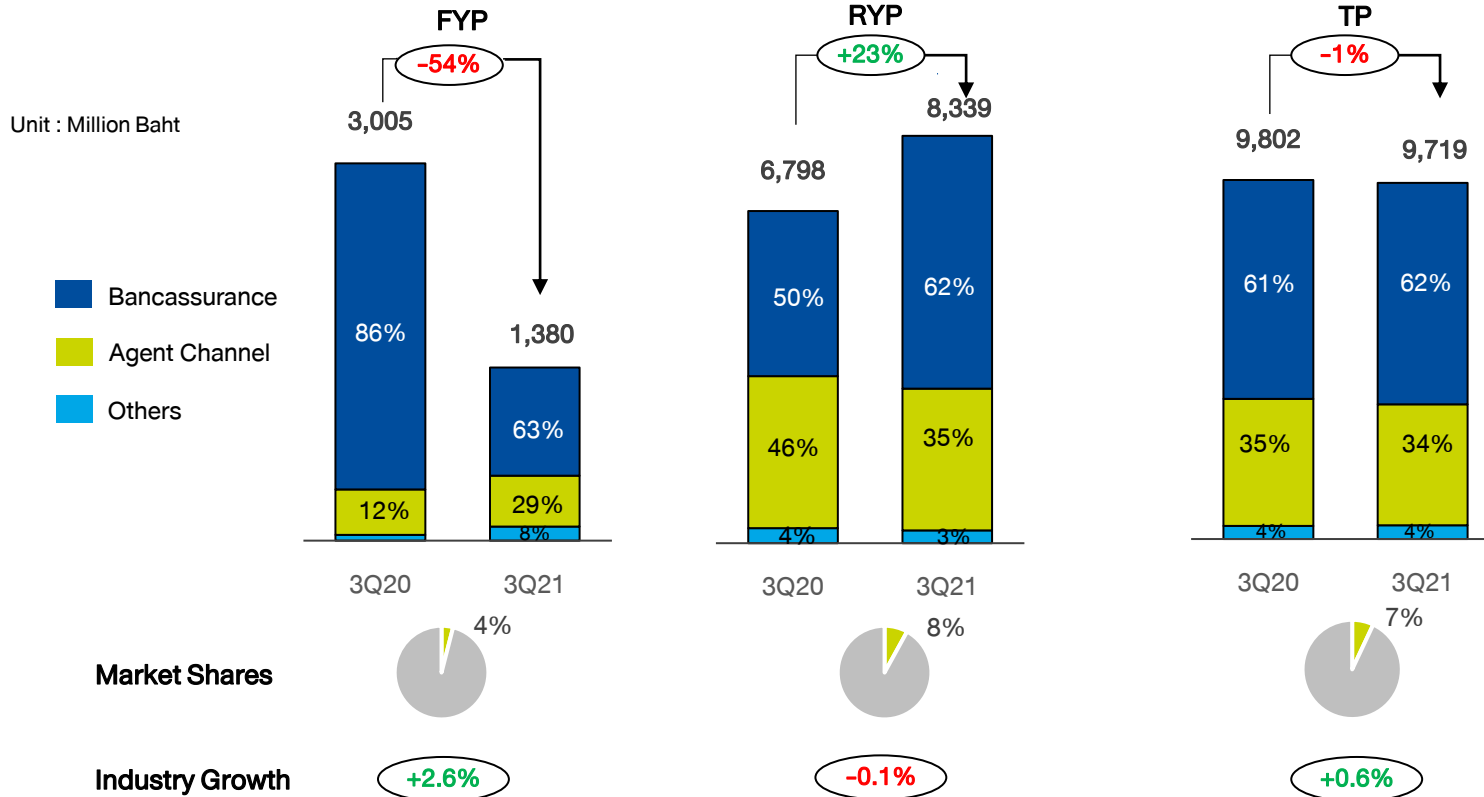
2.3 P&L and Key accounting change

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4 Q&A

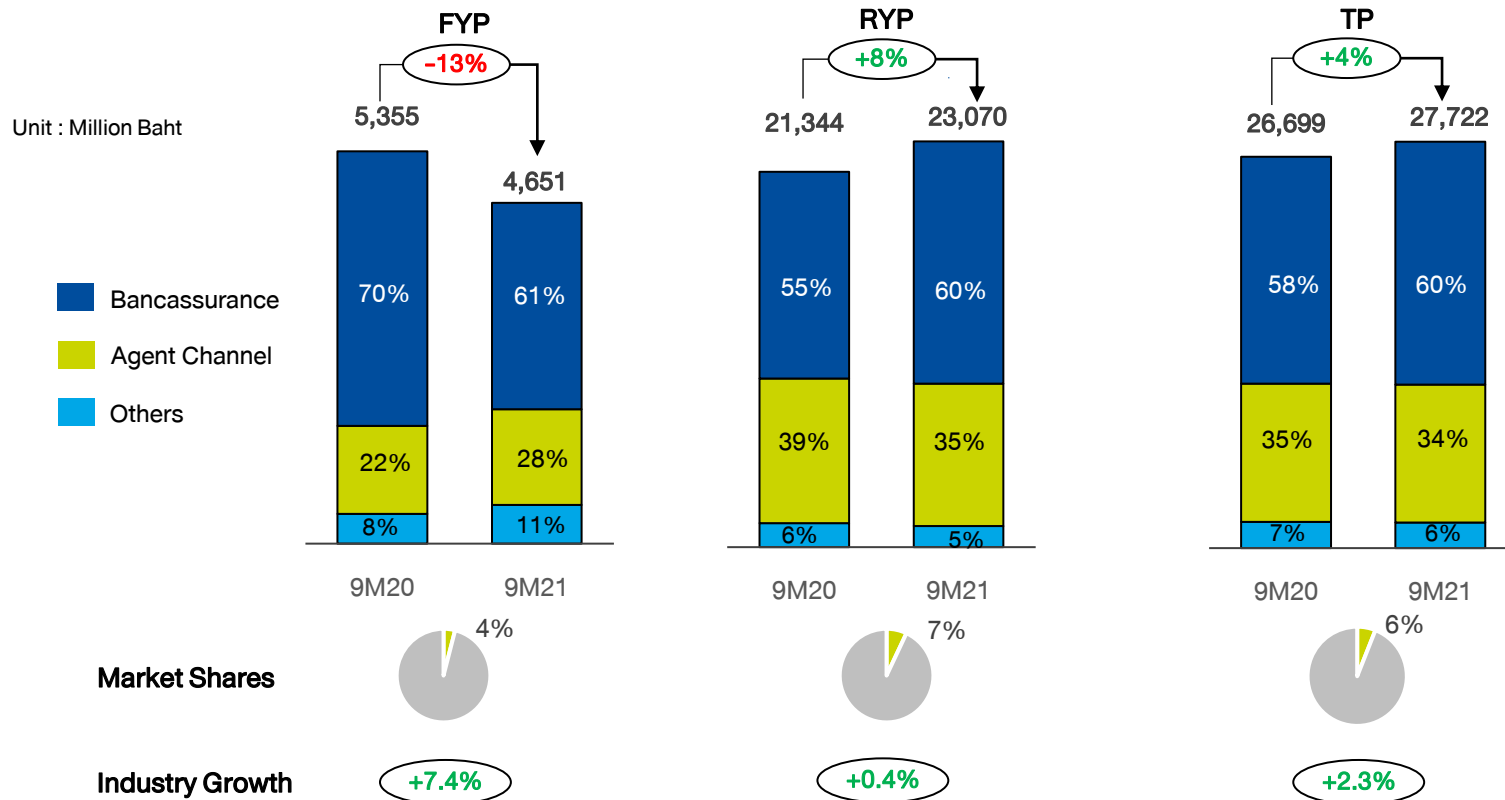
3Q21: FYP -54% due to high base for Banca in the previous year

RYP remains unaffected by Covid-19 and increased 23% YoY

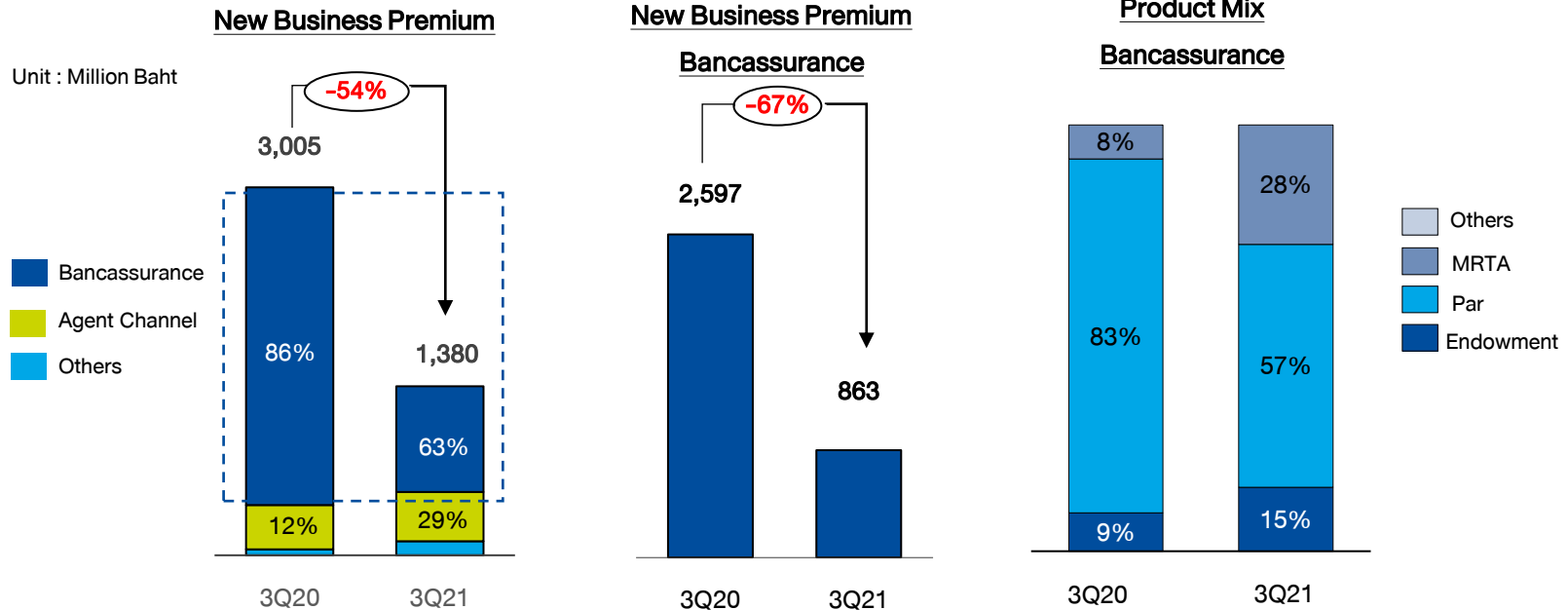


9M21: FYP -13% due to high base for Banca in the previous year

RYP and TP increased 8% YoY and 4% YoY respectively

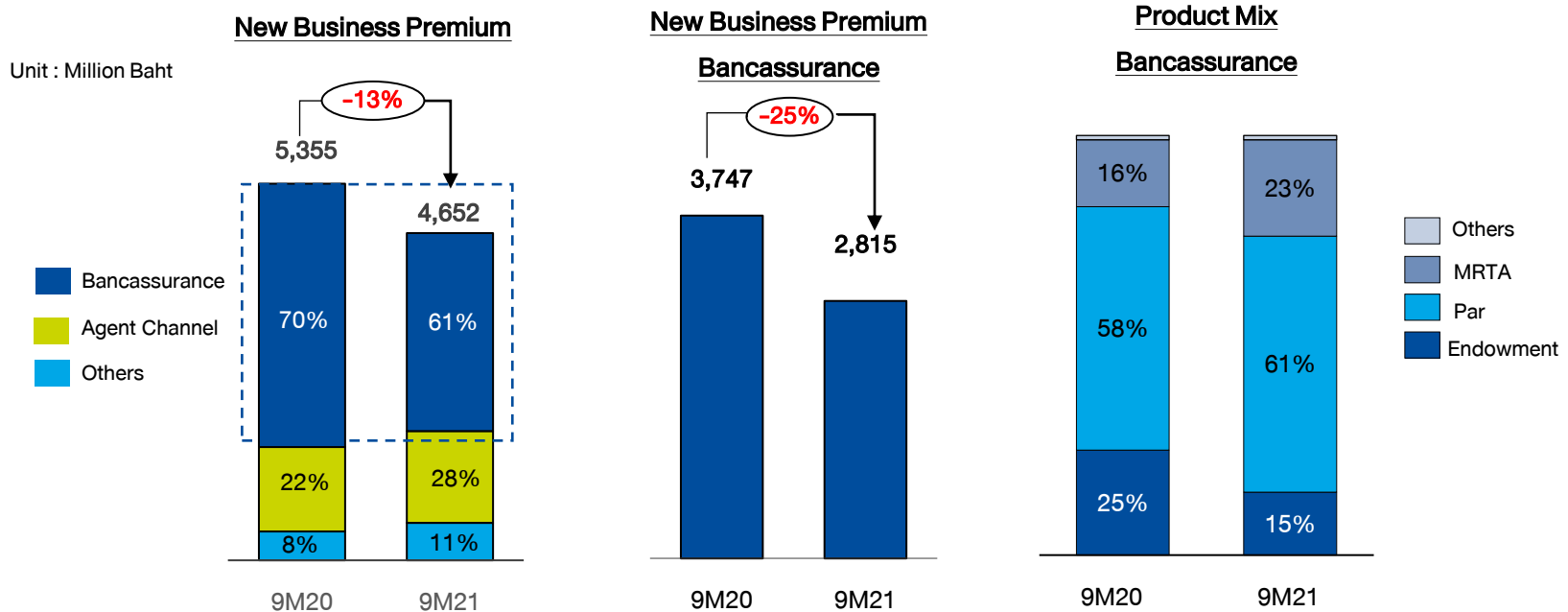


Banc: 3Q21 FYP -67% YoY due to the high base last year as well as Covid lockdown impact on branch closure/change in operating hours

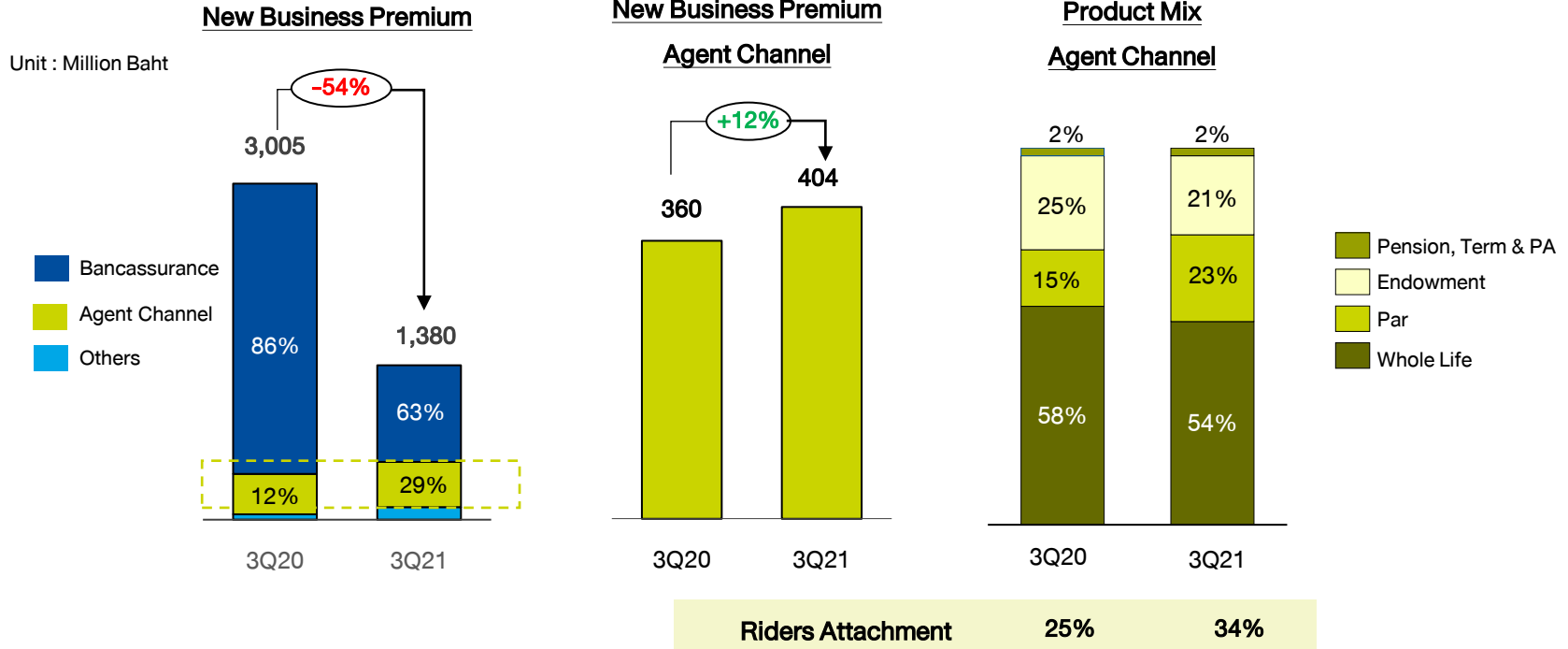


Banc: 9M21 FYP -25% YoY as sales slowed during the lockdown period

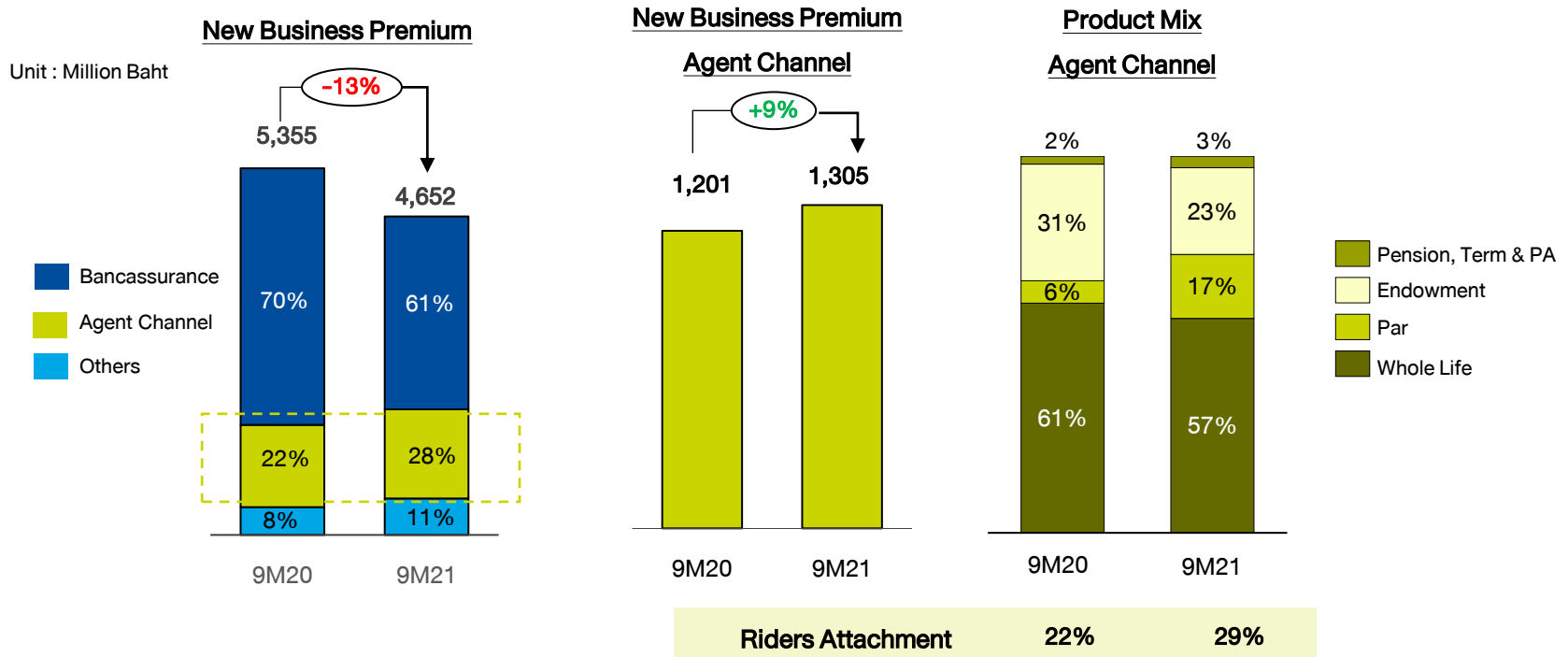
Endowment product contribution declined further to 15% of FYP



Agent: 3Q21: +12%YoY, Rider attachment increased to 34%



Agent: 9M21: +9%YoY with higher sales from Par and health products



9M21: Alternative channel shows strong overall performance

Strong performance for **Group FYP (+47%YoY)**



FYP from **Direct Marketing** is relatively flat.



9M21 FYP Online FYP growth is more than tripled

BLA joined hands with Shopee and starts generating sales



FYP in Partnership nearly doubled due to new partners

as well as higher sales from existing partners



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3Q21 lowered cash to invest in fixed income as yield improved

Investment asset remain unchanged, 1) Market price closed flat QoQ 2) FYP affected by lockdown

Asset Class	2Q21	3Q21	Remark
Short-term Investment	3.8%	3.1%	Cash decreased due to investment in fixed income
Bond	48.5%	48.9%	Increase allocation to Bond and debenture as yield improved
Debenture & Notes	31.0%	31.3%	
Total Fixed Income	83.3%	83.2%	
Equity	8.6%	8.7%	Overall allocation remain unchanged but tilt towards foreign exposure
REIT	5.0%	4.9%	
Loan	3.1%	3.1%	
- Policy loan	2.5%	2.5%	
- Secured loan	0.6%	0.7%	
Total Investment Assets (MB)	339,712	339,541	

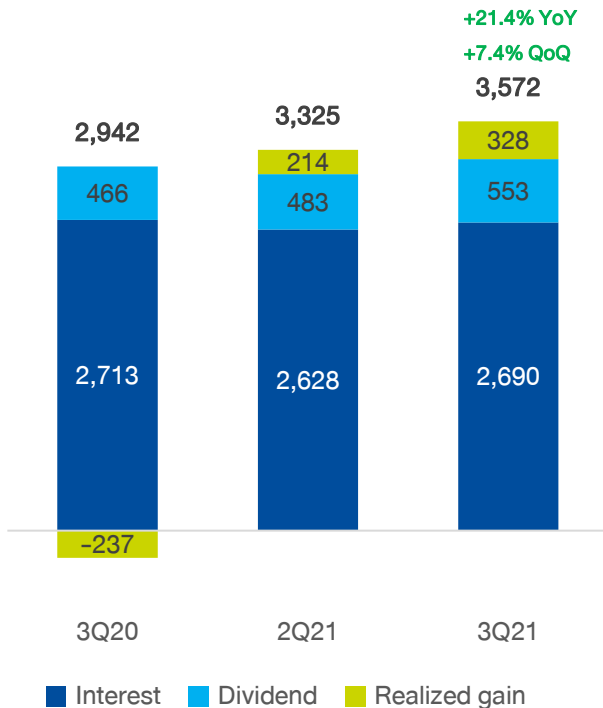
Foreign currencies account for 8.3% (+0.1% QoQ) of investment assets as of Sep 2021

(Fixed income 4.7%, Equity 2.5% (+0.1% QoQ), REIT 1.1%)

3Q21 investment income +21.4% YoY, higher realized gain was a key factor

Investment yield was slightly higher QoQ

Investment income (Million Baht)

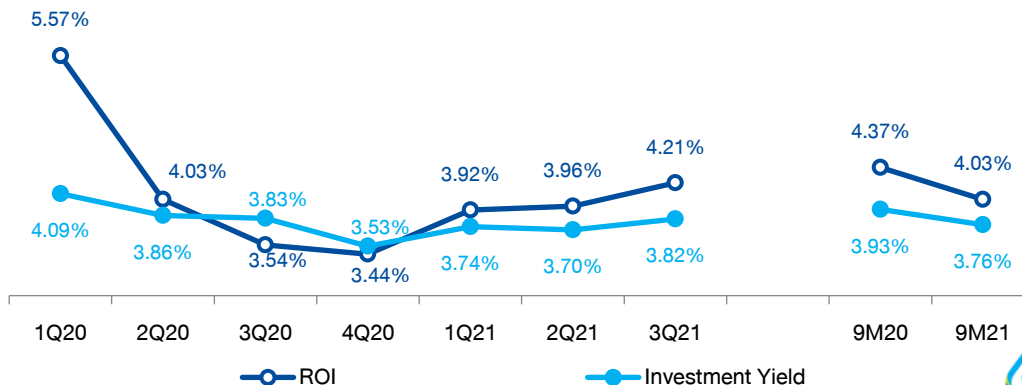


INVESTMENT INCOME: 3Q21 +21.4% YoY and +7.4% QoQ

- The YoY increase is from a combination of higher realized gain and dividend income.
- The QoQ increase is from all combination (1) Higher interest income from higher allocation to Bond & Debenture (2) Higher dividend income mainly from REIT (3) Realised gain

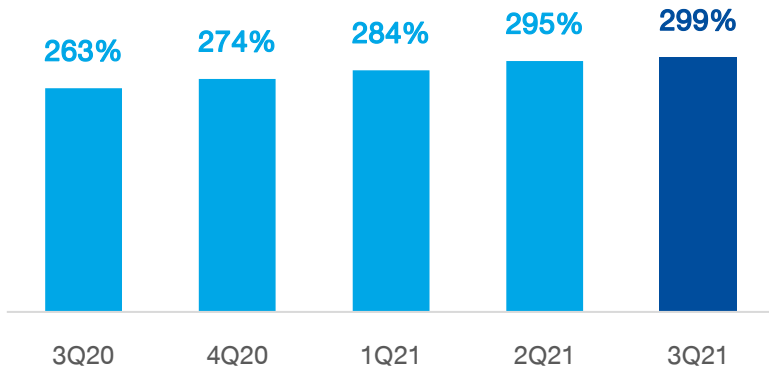
INVESTMENT YIELD (exc. Realized gain/loss): 3Q21: -1 bps YoY, +12 bps QoQ to 3.82%

- YoY slightly decline from lower interest income but mostly offset by higher dividend income
- The QoQ increase is from a combination of
 - Carried yield down QoQ but is offset by higher allocation to Bond/Debenture, net positive to interest income
 - Higher dividend income mainly from REIT



CAR increased from 295% in the previous quarter to 299%

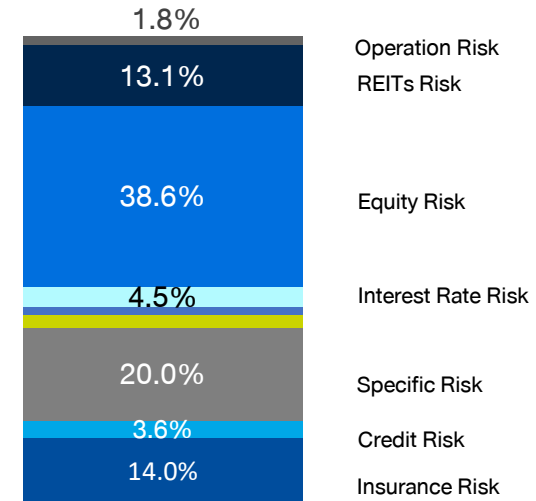
The reasons are 1) Company's profitability 2) Benefit from yield movement



Company	CAR (RBC2)
AIA	379%
TLI	334%
MTL	312%
FWD	310%
AZAY	297%
KTAL	247%

Total Capital Required (TCR)

Risk charged by type to TCR



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Statement of financial positions

	30 Sep 21		31 Dec 20		+ / -	
	MB	%	MB	%	MB	%
Assets						
Cash and cash equivalents	9,159	3%	8,072	2%	1,086	13%
Investment assets	330,558	94%	322,141	95%	8,418	3%
Other assets	10,340	3%	9,565	3%	775	8%
Total assets	350,057	100%	339,778	100%	10,279	3%
Liabilities and owners' equity						
Liabilities						
Insurance contract liabilities	298,620	85%	291,329	86%	7,291	3%
Other liabilities	3,996	1%	2,351	1%	1,644	70%
Total liabilities	302,615	86%	293,680	86%	8,936	3%
Owners' equity	47,442	14%	46,098	14%	1,343	3%
Total liabilities and owners' equity	350,057	100%	339,778	100%	10,279	3%
Owners' equity						
Share capital	1,708	0%	1,708	1%	-	0%
Premium on share capital	3,361	1%	3,361	1%	-	0%
Retained earnings	34,258	10%	31,729	9%	2,529	8%
Other component of equity	8,115	2%	9,301	3%	(1,186)	-13%
Non-controlling interests of the subsidiaries	0.26	0%	0.23	0%	0.04	16%
Total owners' equity	47,442	14%	46,098	14%	1,343	3%

ASSETS increased by 10,279 MB

Increase in total asset YTD is driven by increasing investment asset.

Liabilities increased by 8,936 MB

Ins liabilities increased by 7,291 MB due to insurance obligations from premium received.

Owners' equity increased by 1,343 MB

- RE + 2,529 MB from 3Q21 profitability.
- Other component of equity – 1,186 MB from lower FV from AFS/CF hedge.

3Q21 Financial summary

Million Baht	3Q21	% of TNP	3Q20	% of TNP	%YoY	9M21	% of TNP	9M20	% of TNP	%YoY
First year premium	1,380	14%	3,005	31%	-54%	4,651	18%	5,355	21%	-13%
Renewal premium	8,339	88%	6,798	70%	23%	23,070	87%	21,344	83%	8%
REIN&UPR	(196)	-2%	(60)	-1%	-227%	(1,275)	-5%	(1,068)	-4%	-19%
Total Net Premium (TNP)	9,523	100%	9,743	100%	-2%	26,446	100%	25,631	100%	3%
Investment income	3,767	40%	2,844	29%	32%	10,323	39%	10,846	42%	-5%
Other income	121	1%	237	2%	-49%	538	2%	453	2%	19%
Total Income	13,411	141%	12,824	132%	5%	37,307	141%	36,930	144%	1%
Life policy reserve	1,543	16%	2,090	21%	-26%	7,860	30%	10,630	41%	-26%
Benefit payments	9,197	97%	8,613	88%	7%	22,327	84%	20,814	81%	7%
Commission and Brokerage	686	7%	860	9%	-20%	2,010	8%	2,127	8%	-5%
Other underwriting expense	131	1%	213	2%	-38%	410	2%	426	2%	-4%
Total Underwriting Expense	11,557	121%	11,775	121%	-2%	32,606	123%	33,997	133%	-4%
Operating Expense	425	4%	405	4%	5%	1,179	4%	1,155	5%	2%
Expected Credit Loss	44	0%	(9)	0%	602%	86	0%	211	1%	-59%
Total Expense	12,025	126%	12,171	125%	-1%	33,871	128%	35,363	138%	-4%
Earning before tax	1,386	15%	653	7%	112%	3,435	13%	1,568	6%	119%
Income Tax	(205)	-2%	(70)	-1%	-194%	(513)	-2%	(123)	0%	-318%
Loss for the periods from discontinued	-	0%	(0.04)	0%	100%	-	0%	(0.3)	0%	100%
Net income	1,181	12%	583	6%	102%	2,922	11%	1,445	6%	102%
EPS	0.44		0.37			1.02		0.50		

3Q21

TNP -2% mainly from FYP **-54%**.

Investment income +32% from gain on selling equity and FX gain.

Underwriting exp -2% in line with premium.

Net profit +102% led by investment income

9M21

TNP +3% mainly from RYP **+8%**.

Investment income -5% from lower gain on securities in 1Q20

Underwriting exp -4% from one-time effect of PAD policy recorded in 1Q20.

We always focus on Opex management.

Net profit +102% due to the net impact of PAD policy and increasing TP.

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3. OUTLOOK BY CEO

Bangkok Life Assurance has been
selected into the list of sustainable stocks
(Thailand Sustainability Investment 2021)

Awarded **“Life Insurance Company with
Outstanding Management for 2020”** (Rank 2)



THSI
THAILAND
SUSTAINABILITY
INVESTMENT 2021

 **กรุงเทพ
ประกันชีวิต**
BANGKOK LIFE

กรุงเทพประกันชีวิต
ได้รับคัดเลือกให้อยู่ในรายชื่อ
หุ้นยั่งยืน ประจำปี 2564

ตอกย้ำความแข็งแกร่ง
และมุ่งมั่นดำเนินธุรกิจอย่างยั่งยืน



บริษัทประกันชีวิตที่มีการบริหารงานดีเด่น อันดับที่2 ประจำปี 2563
จากสำนักงานคณะกรรมการกำกับและส่งเสริมการประกอบธุรกิจประกันภัย (คปภ.)

Looking ahead in 4Q21 and 2021

1

Products

- Unit-Linked official launched in Oct

แบบประกันยูนิตลิงค์
แบบใหม่ครบจบในที่

แบบจ่ายคืนชีวิต (SP) VS **แบบจ่ายรวมตลอด (TPP)**

ดีต่อใจ เจาะลึก (BLA Health Link)

- ผู้ถือครองอาจมอบ ความเสี่ยง
- ผู้ถือครองอาจมอบ สิทธิครอบครอง

ดีต่อใจ พรีเมียร์ ลิงค์ (BLA Premier Link)

- ผู้ถือครองมีอำนาจมอบสิทธิ ครอบครองแก่ผู้รับโอนโดยชอบธรรม
- ผู้ถือครองอาจมอบ สิทธิครอบครองแก่ผู้รับโอนโดยชอบธรรม
- ผู้ถือครองอาจมอบ สิทธิครอบครองแก่ผู้รับโอนโดยชอบธรรม
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สิทธิพิเศษสำหรับผู้ถือครองแบบ BLA Health Link

- Tax saving products for tax season

เปิดตัวผลิตภัณฑ์ออนไลน์ใหม่! มีแอลลง บำนาญ 99



ซื้อวันนี้รับฟรีบัตรกำนัล Central
มูลค่าสูงสุด **32,000 บาท**
ตั้งแต่ 15 ต.ค. - 15 พ.ย. 64*

รายละเอียดโปรโมชั่น คลิก

*สำหรับลูกค้าที่ซื้อผลิตภัณฑ์ BLA Health Link หรือ BLA Premier Link

2

Sales & Channels

- First product launch with AIS on 4th Nov 2021

AIS 5G
Insurance Service

อีซี่เซฟวิ่ง 118

สร้างเงินออมที่มีค่าเป้าหมายของทุกคนเป็นจริง
เริ่มต้นเพียง 200 บาท/เดือน

- คุ้มครองชีวิต
- เงินคืน 118%* ตลอดสัญญา
- คุ้มครองโรคร้าย ครอบคลุม
- ผลตอบแทนสูงสุด 100,000 บาท**

สมัครเลย >

- New partners are coming in pipeline
- Maintain expectation for FYP and RYP: around flat and positive respectively.

3

Claim management

- Overall claim still manageable and expect soften Covid-claim in 4Q21

4

Customer

- Launched a comprehensive Health platform

BLA HEALTH SERVICES

บริการสุขภาพ
ครบวงจร
จากประกันชีวิต
สู่บริการสุขภาพ

บริการสุขภาพ
ครบวงจร
จากประกันชีวิต
สู่บริการสุขภาพ

บริการสุขภาพ
ครบวงจร
จากประกันชีวิต
สู่บริการสุขภาพ

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Q&A



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