CHUBB LIFE ASSURANCE PUBLIC COMPANY LIMITED

STATUTORY FINANCIAL STATEMENTS

31 DECEMBER 2025

Independent Auditor's Report

To the shareholders of Chubb Life Assurance Public Company Limited

My opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Chubb Life Assurance Public Company Limited (the Company) as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include material accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the financial statements and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists management in discharging their responsibilities for overseeing the Company's financial reporting process.

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Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

PricewaterhouseCoopers ABAS Ltd.

Paiboon Tunkoon
Certified Public Accountant (Thailand) No. 4298
Bangkok
21 April 2026

Chubb Life Assurance Public Company Limited

Statement of Financial Position

As at 31 December 2025

	Notes	(Audited) 31 December 2025 Baht	(Restated) 31 December 2024 Baht	(Restated) 1 January 2024 Baht
Assets				
Cash and cash equivalents	12	896,816,574	959,553,488	969,212,072
Accrued investment income		90,828,815	99,644,325	99,767,640
Insurance contract assets	5, 10, 18	480,693,571	1,245,776,518	1,242,193,051
Reinsurance contract assets	5, 10, 18	30,172,619	685,331,576	1,532,981
Financial assets - debt instrument	5, 8, 13	23,878,225,121	20,699,619,932	17,558,178,815
Financial assets - equity instrument	5, 8, 14	10,679,451	10,679,451	13,629,780
Leasehold improvements and equipment	15	112,664,060	148,808,204	132,181,485
Intangible assets	5, 16	664,033,243	541,653,644	430,257,376
Other assets	5, 17	221,794,648	264,218,188	284,373,403
Total assets		26,385,908,102	24,655,285,326	20,731,326,603

Chubb Life Assurance Public Company Limited
บริษัท ชับบ์ ไลฟ์ แอสชัวรันซ์ จำกัด (มหาชน)

Ms. Alisa Areepong   Mr. Yahya Adnan Ahmad   Directors

The accompanying notes are an integral part of this financial.

	Notes	(Audited) 31 December 2025 Baht	(Restated) 31 December 2024 Baht	(Restated) 1 January 2024 Baht
Liabilities				
Insurance contract liabilities	5, 10, 18	13,557,449,009	12,861,155,223	5,825,016,359
Reinsurance contract liabilities	5, 10, 18	67,869,693	21,437,315	596,338,757
Investment contract liabilities	10, 19	28,913,860	11,420,025	-
Employee benefit obligations	20	168,685,779	205,356,764	186,093,685
Deferred tax liabilities	5, 21	2,116,906,940	1,874,198,043	2,316,619,877
Other liabilities	5, 22	328,766,753	377,012,177	408,079,169
Other creditors		202,854,285	192,821,189	270,248,306
Accrued expenses	5, 23	50,530,579	184,486,287	73,670,030
Total liabilities		16,521,976,898	15,727,887,023	9,676,066,183
Equity				
Share capital	25			
Registered				
187,625,000 ordinary shares				
of Baht 10 per share		1,876,250,000	1,876,250,000	1,876,250,000
Issued and fully paid-up				
187,625,000 ordinary shares				
of Baht 10 per share		1,876,250,000	1,876,250,000	1,876,250,000
Retained earnings				
Appropriated - legal reserve	26	30,000,000	-	-
Unappropriated	5	7,560,800,841	7,007,144,999	8,924,806,808
Other components of equity	5	396,880,363	44,003,304	254,203,612
Total equity		9,863,931,204	8,927,398,303	11,055,260,420
Total liabilities and equity		26,385,908,102	24,655,285,326	20,731,326,603

The accompanying notes are an integral part of this financial.

Chubb Life Assurance Public Company Limited

Statement of Comprehensive Income

For the year ended 31 December 2025

	Notes	(Audited) 2025 Baht	(Restated) 2024 Baht
Insurance revenue	18, 27	5,453,009,568	4,215,366,488
Insurance service expenses	18, 27	(4,205,300,944)	(7,700,770,458)
Net income (expenses) from reinsurance contracts held	18, 27	(698,070,811)	1,041,076,987
Insurance service result		549,637,813	(2,444,326,983)
Investment income	29	717,198,081	656,854,917
Fair value gains	30	34,146	5
Gain on financial instruments	31	50,228,842	-
Reversal of expected credit loss	32	1,660,258	725,258
Net investment income		769,121,327	657,580,180
Net finance expenses from insurance contracts		(179,378,540)	(66,276,545)
Net finance income (expenses) from reinsurance contract held		(13,518,899)	8,501,339
Net insurance finance expenses		(192,897,439)	(57,775,206)
Net investment income and insurance finance expenses		576,223,888	599,804,974
Other finance costs		(5,367,241)	(11,284,067)
Operating expenses	33	(364,270,285)	(450,614,733)
Other income (expenses)		5,383,491	(3,352,040)
Net profit (loss) before tax		761,607,666	(2,309,772,849)
Tax expense (tax income)	35	(168,810,767)	392,111,040
Net profit (loss)		592,796,899	(1,917,661,809)

	Notes	(Audited) 2025 Baht	(Restated) 2024 Baht
Other comprehensive income (expense)			
Items that will be reclassified subsequently to profit or loss			
Fair value gains on investment in debt instruments measured at fair value through other comprehensive income	36	1,795,503,954	2,003,317,285
Realised gain on investment in debt instruments measured at fair value through other comprehensive income transferred to profit or loss	31, 36	(50,228,842)	-
Finance expenses from insurance contracts		(1,103,756,074)	(2,479,863,579)
Finance income (expenses) from reinsurance contract held		(215,550,704)	225,345,249
Income tax on items that will be reclassified subsequently to profit or loss	21, 36	(85,193,666)	50,240,208
Total items that will be reclassified subsequently to profit or loss		340,774,668	(200,960,837)
Items that will not be reclassified subsequently to profit or loss			
Fair value losses on investment in equity instruments designated at fair value through other comprehensive income		-	(2,950,329)
Transfer of loss on share swap to retained earnings	14, 36	9,141,057	-
Gains (losses) on remeasurements of post-employment benefit obligations	20, 36	4,329,603	(1,331,322)
Income tax relating to items that will not be reclassified subsequently to profit or loss	21, 36	(80,177)	70,586
Total items that will not be reclassified subsequently to profit or loss		13,390,483	(4,211,065)
Other comprehensive income (losses) for the year, net of tax		354,165,151	(205,171,902)
Total comprehensive income (losses) for the year		946,962,050	(2,122,833,711)
Earnings (losses) per share			
Basic earnings (losses) per share	37	3.16	(10.22)

Chubb Life Assurance Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2025

		Retained earnings (deficits)		Other components of equity						
				Other comprehensive income (loss)						
	Issued and fully paid-up share capital Baht	Appropriated - legal reserve Baht	Unappropriated Baht	Debt instruments measured at fair value through other comprehensive income, net of tax Baht	Equity instruments measured at fair value through other comprehensive income, net of tax Baht	Financial reserve from insurance / reinsurance, net of tax Baht	Remeasurements of post-employment benefit obligations, net of tax Baht	Other reserve Baht	Total other components of equity Baht	Total Baht
Beginning balance as at 1 January 2025 - Previously reported	1,876,250,000	-	(680,098,034)	1,785,198,189	(6,056,439)	-	(3,928,720)	72,404,938	1,847,617,968	3,043,769,934
Retrospective adjustments from change in accounting policy (Note 5)	-	-	7,687,243,033	-	-	(1,803,614,664)	-	-	(1,803,614,664)	5,883,628,369
Beginning balance as at 1 January 2025 - Restated	1,876,250,000	-	7,007,144,999	1,785,198,189	(6,056,439)	(1,803,614,664)	(3,928,720)	72,404,938	44,003,304	8,927,398,303
Other comprehensive income for the year										
Net profit	-	-	592,796,899	-	-	-	-	-	-	592,796,899
Appropriation of legal reserve (Note 26)	-	30,000,000	(30,000,000)	-	-	-	-	-	-	-
Gain on remeasuring financial assets measured at fair value through other comprehensive income - net of tax	-	-	-	1,436,403,163	-	-	-	-	1,436,403,163	1,436,403,163
Realised gain on investment in debt instruments measured at fair value through other comperhensive income transferred to profit or loss - net of tax	-	-	-	(40,183,073)	-	-	-	-	(40,183,073)	(40,183,073)
Finance expenses from insurance contracts issued - net of tax	-	-	-	-	-	(883,004,859)	-	-	(883,004,859)	(883,004,859)
Finance expenses from reinsurance contracts held - net of tax	-	-	-	-	-	(172,440,563)	-	-	(172,440,563)	(172,440,563)
Gain on remeasurement of post-employment benefit obligations - net of tax	-	-	-	-	-	-	4,249,426	-	4,249,426	4,249,426
Transfer of loss on share swap to retained earnings (Note 14)	-	-	(9,141,057)	-	9,141,057	-	-	-	9,141,057	-
Equity-settled share-based payment	-	-	-	-	-	-	-	(1,288,092)	(1,288,092)	(1,288,092)
Total other comprehensive income for the year	-	30,000,000	553,655,842	1,396,220,090	9,141,057	(1,055,445,422)	4,249,426	(1,288,092)	352,877,059	936,532,901
Ending balance as at 31 December 2025	1,876,250,000	30,000,000	7,560,800,841	3,181,418,279	3,084,618	(2,859,060,086)	320,706	71,116,846	396,880,363	9,863,931,204

The accompanying notes are an integral part of this financial.

Chubb Life Assurance Public Company Limited

Statement of Changes in Equity (Cont'd)

For the year ended 31 December 2025

			Other components of equity						
			Other comprehensive income (loss)						
	Issued and fully paid-up share capital Baht	Retained earnings (deficits) Baht	Debt instruments measured at fair value through other comprehensive income, net of tax Baht	Equity instruments measured at fair value through other comprehensive income, net of tax Baht	Financial reserve from insurance / reinsurance, net of tax Baht	Remeasurements of post-employment benefit obligations, net of tax Baht	Other reserve Baht	Total other components of equity Baht	Total Baht
Beginning balance as at 1 January 2024 - Previously reported	1,876,250,000	(425,466,191)	182,544,362	(3,696,176)	-	(2,077,918)	77,433,344	254,203,612	1,704,987,421
Retrospective adjustments from change in accounting policy (Note 5)	-	9,350,272,999	-	-	-	-	-	-	9,350,272,999
Beginning balance as at 1 January 2024 - Restated	1,876,250,000	8,924,806,808	182,544,362	(3,696,176)	-	(2,077,918)	77,433,344	254,203,612	11,055,260,420
Other comprehensive income for the year									
Net loss	-	(1,917,661,809)	-	-	-	-	-	-	(1,917,661,809)
Gain (loss) on remeasuring financial assets measured at fair value through other comprehensive income - net of tax	-	-	1,602,653,827	(2,360,263)	-	-	-	1,600,293,564	1,600,293,564
Finance expenses from insurance contracts issued - net of tax	-	-	-	-	(1,983,890,863)	-	-	(1,983,890,863)	(1,983,890,863)
Finance income from reinsurance contracts held - net of tax	-	-	-	-	180,276,199	-	-	180,276,199	180,276,199
Loss on remeasurement of post-employment benefit obligations - net of tax	-	-	-	-	-	(1,850,802)	-	(1,850,802)	(1,850,802)
Equity-settled share-based payment	-	-	-	-	-	-	(5,028,406)	(5,028,406)	(5,028,406)
Total other comprehensive income for the year	-	(1,917,661,809)	1,602,653,827	(2,360,263)	(1,803,614,664)	(1,850,802)	(5,028,406)	(210,200,308)	(2,127,862,117)
Ending balance as at 31 December 2024	1,876,250,000	7,007,144,999	1,785,198,189	(6,056,439)	(1,803,614,664)	(3,928,720)	72,404,938	44,003,304	8,927,398,303

The accompanying notes are an integral part of this financial.

Chubb Life Assurance Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2025

	Notes	(Audited) 2025 Baht	(Restated) 2024 Baht
Cash flows from operating activities			
Written premium received from direct insurance	18	9,091,010,682	8,260,342,432
Premiums paid net of expenses directly related to reinsurance	18	(330,801,810)	(153,065,477)
Recoveries from reinsurance	18	105,252,731	169,289,015
Other investment income		722,193,867	679,880,568
Other income		5,449,642	1,927,448
Claims and other directly attributable expenses paid	18	(5,035,234,866)	(4,877,116,572)
Insurance acquisition cashflow	18	(2,629,825,073)	(2,382,214,557)
Operating expenses		(666,291,822)	(420,459,817)
Income tax expense		(11,375,713)	(7,284,655)
Cash received for financial assets		2,175,674,543	407,000,000
Cash paid for financial assets		(3,364,514,164)	(1,571,207,647)
Cash received from investment contracts		18,950,516	6,910,973
Net cash from operating activities		80,488,533	114,001,711
Cash flows from investing activities			
Cash received in relation to equipment		40,350	-
Cash paid in relation to leasehold improvement and equipment		(18,480,096)	(1,132,336)
Cash paid in relation to computer software		(87,664,337)	(84,469,995)
Net cash used in investing activities		(106,104,083)	(85,602,331)
Cash flows from financing activities			
Cash paid for lease liabilities		(30,308,374)	(30,352,306)
Cash paid for finance cost		(6,812,990)	(7,705,658)
Net cash used in financing activities		(37,121,364)	(38,057,964)
Net decrease in cash and cash equivalents		(62,736,914)	(9,658,584)
Cash and cash equivalents at beginning of period	12	959,553,488	969,212,072
Cash and cash equivalents at end of period		896,816,574	959,553,488
Non-cash transaction			
Acquisition of right-of-use assets	17.1	4,644,691	-
Payable from purchasing equipment		-	16,680,113
Payable from purchasing computer software		13,552,198	19,170,065
Payable from purchasing financial assets		188,764,791	-

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

1 General information

Chubb Life Assurance Public Company Limited ("the Company") was registered as a limited company under the law of Thailand on 23 June 1997. The Company was converted to a public company limited and registered with the Ministry of Commerce on 16 October 2012.

The address of its registered office is as follows:

21st and 22nd floor, 130 - 132 Sindhorn Tower 3, Wireless Road, Lumpini, Pathumwan, Bangkok 10330.

The principal business operation of the Company is to provide life insurance.

The major shareholder of the Company is Eksupsiri Company Limited, which was incorporated in Thailand, holding 75% of shares. The ultimate parent is Chubb Limited, which is incorporated in Switzerland.

The financial statements were authorised for issue by the Board of Directors on 21 April 2026.

2 Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRSs). In addition, the financial statements presentations have been prepared based on the format of life insurance financial statements attached in an Office of Insurance Commission's notification "Principle, methodology, condition and timing for preparation, submission and reporting of financial statements and operation performance for life insurance company B.E. 2566" dated on 8 February 2023 ("OIC Notification") and the additional disclosures in accordance with the aforementioned OIC Notification have been made in the notes to financial statements.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with Thai Generally Accepted Accounting Principles requires the use of certain critical accounting estimates. It also requires management's judgement in applying the Company's accounting policies. The areas where assumptions and estimates are significant to the financial statements are disclosed in Note 6.

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

3 New and amended financial reporting standards

3.1 New financial reporting standard that is effective for the accounting period beginning on or after 1 January 2025 which is relevant and has significant impacts on the Company

TFRS 17 Insurance Contracts the Company adopted TFRS 17 Insurance Contracts on 1 January 2025, applying Fair Value Approach. This transition to the new financial reporting standard resulted in significant changes to the accounting policies. The impacts from initial application of the new financial reporting standards were disclosed in Note 5.

4 Material accounting policies

The material accounting policies used in the preparation of the financial statements are as follows:

4.1 New accounting policies from the initial adoption of new reporting standards

4.1.1 Insurance contracts and reinsurance contracts

a) Measurement

According to TFRS 17, there are three measurement models. Insurance contracts

- with direct participation features (DPF) are measured under with the Variable Fee Approach (VFA); or
- without direct participation features (DPF) are measured under the General Measurement Model GMM); or
- without direct participation features can be measured under the Premium Allocation Approach (PAA), if selected instead of GMM and eligibility criteria are fulfilled.

The Company generally applies the same accounting policies to reinsurance contracts held as to insurance contracts issued.

For the measurement of a group of reinsurance contracts held, the Company applies the same accounting policies as insurance contracts issued without direct participation features, with following adjustments:

The estimates of the present value of future cash flows are measured using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

b) Classification

Insurance contracts are classified as contracts with direct participation features (DPF) or contracts without direct participation features. The classification of insurance contracts forms the basis for the measurement model applied. Direct participating contracts are contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the Company expects to pay the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

The Company uses judgement to assess whether the amounts expected to be paid to the policyholder constitute a substantial share of the fair value returns on the underlying items.

c) Level of aggregation

To allocate individual insurance contracts to a group of contracts, the Company first defines groups which include contracts with similar risks that are managed together. These groups are subdivided into groups of contracts on the basis of profitability and annual cohorts which are:

- contracts that are onerous at initial recognition;
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- a group of remaining contracts.

Overview of portfolio grouping is as follows.

	Portfolio Grouping Consideration	Measurement model
Insurance contract	Ordinary individual life and riders	General Measurement Model
	Unit-linked	Variable Fee Approach
	Personal accident	General Measurement Model
	Group business	General Measurement Model

	Contract Group	Portfolio Grouping Consideration	Measurement model
Reinsurance contract	Excess treaty reinsurance	Ordinary individual life and riders, Unit-linked, and Personal accident	General Measurement Model
	Proportional treaty reinsurance	Riders	General Measurement Model
	Excess of Loss Coverage	All types of contract groups	General Measurement Model

d) Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Company determines that a group of contracts becomes onerous.

Reinsurance contracts held are recognised as follows:

- a group of reinsurance contracts held that provide proportionate coverage (quota share reinsurance) is recognised at the later of:
  - the beginning of the coverage period of the Company; and
  - the initial recognition of any underlying insurance contract;
- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the reinsurance contracts held; unless the Company entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the reinsurance contracts held, in which case the reinsurance contract held is recognised at the same time as the underlying insurance contracts is recognised.

e) Accounting for contract modification and derecognition

The Company derecognises a contract when it is extinguished or its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

f) Fulfilment cash flows within contract boundary

The fulfillment cash flows represent the risk adjusted present value of the Company's rights and obligations to the policyholders, comprising the estimates of expected future cash flows, discounting, and an explicit risk adjustment for non-financial risk. The estimates of future cash flows comprise all cash flows expected to arise as the insurance contract is fulfilled with an adjustment to reflect the time value of money and the financial risks related to future cash flows. In estimating these future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. The Company performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts. Cash flows within the boundary of a contract relate directly to the fulfillment of the contract, including those for which the Company has discretion over the amount or timing. These include premiums from policyholders, payments to (or on behalf of) policyholders, insurance acquisition cash flows, and other costs incurred in fulfilling the contracts.

g) Contract boundary

The Company uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

a) the Company has the practical ability to reassess the risks of and reprice the particular policyholder or change the level of benefits so that the price fully reflects those risks; or

b) both of the following criteria are satisfied:
   i. the Company has the practical ability to reprice the contract or a group of contracts so that the price fully reflects the reassessed risk of that group; and
   ii. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

In assessing the practical ability to reprice, risks transferred from the policyholder to the Company, such as insurance risk and financial risk, are considered; other risks, such as lapse or surrender and expense risk, are not included.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, that are issued together with the main insurance contracts form part of a single insurance contract with all of the cash flows within its boundary.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

Cash flows are within the boundaries of investment contracts with DPF if they result from a substantive obligation of the Company to deliver cash at a present or future date.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Company that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or in which the Company has a substantive right to receive insurance contract services from the reinsurer.

Quota share reinsurance contracts held by the Company are indefinite. However, for new underlying contracts, either party can terminate them on ninety days' notice. The Company, therefore considers such reinsurance contracts as continuation of the underlying contracts issued within ninety days. Estimation of future cash flows arising from all underlying contracts issued and expected to be issued within the ninety-day limit are included in the measurement of the reinsurance contracts.

Excess of loss reinsurance contracts held by the Company provide coverage for claims incurred during the accident year, and therefore all cash flows arising from claims incurred and expected to incur during the accident year are included in the measurement of the reinsurance contracts. This includes mandatory or voluntary reinstatement premiums that meet the requirements of the contracts which therefore are within the scope of the relevant reinsurance contracts.

h) Insurance acquisition costs

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the group of contracts to which the group belongs. Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to the group of insurance contracts are allocated:

a) to that group; and
b) to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a group of contracts are allocated to groups of contracts in the group or expected to be in the group.

Cash flows used to acquire insurance coverage that occur before the recognition of the related group of contracts are recognised as an asset. Such asset is to be allocated to and recognised in each groups that share insurance acquisition costs. The asset is to be derecognised entirely or partially when the cash flows used to acquire insurance coverage are incorporated into the measurement of the related group of contracts.

For amounts arising from unallocated acquisition cash flows, the Company is required to assess recoverability. Under any certain circumstances, if there is any indication that the asset might be impaired, the impairment loss will reduce the carrying amount of the assets. This loss is recognised as insurance service expenses. The previous impairment loss recognition is to be reversed, equivalent to impairment indicator no longer existed or have been improved.

The recoverability assessment is performed in two steps, as follows:

1. The Company must recognise impairment losses in profit or loss and reduce the carrying amount of the insurance acquisition cash flow assets, so that the carrying amount of this asset does not exceed the expected net cash inflows for the related group of insurance contracts.

2. Additionally, when the Company allocates insurance acquisition cash flows to the group of contracts expected to arise from the renewal of insurance contracts within that group, these cash flows should not exceed the anticipated net cash inflows for the expected renewals. This amount is determined based on the cash flow expected to be received at the initial recognition of the expected renewal. An impairment loss will be recognized for any excess amount that was not recognized in step (1) above.

Cash flows that are not directly attributable to a group of insurance contracts, such as advertisement and consultant costs, are recognised in other operating expenses as incurred.

i) Risk adjustment for non-financial risk

The risk adjustment reflects the compensation an entity would require for bearing non-financial risks, i.e., the uncertainty of cash flows that arise from insurance contracts, other than the uncertainty arising from financial risks. Such non-financial risks include insurance risks, lapse and expense risk. The Company applies a confidence level approach.

j) Contracts not measured under PAA

Initial measurement

On initial recognition, the Company measures a group of contracts as the total of:

a) the fulfilment cash flows, which comprise estimates of future cash flows, an adjustment to reflect time value of money and associated financial risks, and a risk adjustment for non-financial risk; and
b) the contractual service margin (CSM).

For insurance contracts issued, on initial recognition, the Company measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows.

For reinsurance contracts held, on initial recognition, the Company measures the remaining coverage at the amount of ceding premiums paid, plus broker fees paid to a party other than the reinsurer and any amounts arising from the derecognition of any other relevant pre-recognition cash flows.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

a. the LRC; and
b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

a. the remaining coverage; and
b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Company will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous, or insurance revenue and insurance service expenses are recognised as in (d) below) arising from:

a. the initial recognition of the FCF;
b. cash flows arising from the contracts in the group at that date;
c. the derecognition of any insurance acquisition cash flows asset; and
d. the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

When the above calculation results in a net outflow, the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the statement of financial position on initial recognition, and a loss component is established in the amount of loss recognised (refer to the Onerous contracts - Loss component section below).

For groups of reinsurance contracts held, any net gain or cost at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events, in which case the Company recognises the net cost immediately in the statement of profit or loss and other comprehensive income.

For reinsurance contracts held, the CSM represents a deferred gain or loss that the Company will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future and is calculated as the sum of:

a. the initial recognition of the FCF;
b. cash flows arising from the contracts in the group at that date;
c. the amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
d. any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or in addition of onerous underlying insurance contracts to that group.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised in (d) above. This amount is calculated by multiplying the loss recognised on the underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Company expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Subsequent measurement

At subsequent measurement, the CSM gets adjusted for changes in cash flows related to future services and for the interest accretion at interest rates locked in at initial recognition of the group of contracts. A release from the CSM is recognised in profit or loss each period to reflect the services provided in that period based on “coverage units”.

The carrying amount at the end of each reporting period of a group of insurance contracts issued and reinsurance contracts held is the sum of:

a. the remaining coverage, comprising:
   i. the FCF related to future service allocated to the group at that date; and
   ii. the CSM of the group at that date; and
b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

a. increase for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
b. decrease for insurance acquisition cash flows paid in the period;
c. decrease for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
d. increase for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

a. increase for ceding premiums paid in the period;
b. increase for broker fees paid in the period; and
c. decrease for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period.

The Company adjusts liabilities for the remaining coverage for reinsurance contracts for the effects of time value of money, using a current discount rate.

The Company adjusts liabilities for the remaining coverage for reinsurance contracts held for the effect of the risk of reinsurer's inability to meet its performance obligation.

Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component.

Where applicable, resulting changes in the loss component are disaggregated between insurance service expenses and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein.

The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Company expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

Changes in fulfilment cash flows

The FCF are updated by the Company for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

a. changes that relate to current or past service are recognised in profit or loss; and
b. changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC.

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

a. experience adjustments - arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
b. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
c. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and
d. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (a), (b) and (d) above are measured using discount rates determined on initial recognition (locked-in discount rates).

For insurance contracts under the GMM, the following adjustments do not adjust the CSM:

a. changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
b. changes in the FCF relating to the LIC;
c. experience adjustments - arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and
d. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

When no commitment is specified, the effect of all changes in assumptions that relate to financial risk and changes thereof on the FCF is recognised in insurance finance income or expenses.

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

a. changes in the amount of the Company's share of the fair value of the underlying items; and
b. changes in the FCF that do not vary based on the returns of underlying items:
   i. changes in the effect of the time value of money and financial risks including the effect of financial guarantees;
   ii. experience adjustments arising from premiums received in the period that relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes;
   iii. changes in estimates of the present value of future cash flows in the LRC, except those described in the following paragraph;
   iv. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and
   v. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (ii)-(v) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not adjust the CSM:

a. changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;
b. changes in the FCF that do not vary based on the returns of underlying items:
   i. changes in the FCF relating to the LIC; and
   ii. experience adjustments arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and
   iii. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

The Company does not have any products with complex guarantees and does not use derivatives as economic hedges of the risks.

Changes to the contractual service margin

For insurance contracts issued, at the end of reporting period the carrying amount of the CSM is adjusted by the Company to reflect the effect of the following changes:

a. The effect of any new contracts added to the group.
b. For contracts measured under the GMM, interest accreted on the carrying amount of the CSM.
c. Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent that the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.
d. The effect of any currency exchange differences.
e. The amount recognised as insurance revenue for insurance contract services provided during the period, determined after all other adjustments above.

The Company has made an accounting policy choice to apply the year-to-date approach for the accounting for insurance contracts. Therefore, the treatment of accounting estimates under TFRS 17 will be applied prospectively and affect financial statement reported in previous reporting period.

For reinsurance contracts held, at the end of reporting period, the carrying amount of the CSM is adjusted by the Company to reflect the effect of the following changes:

a. The effect of any new contracts added to the group.
b. Interest accreted on the carrying amount of the CSM.
c. Income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised.
d. Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held.
e. Changes in the FCF, to the extent that the change relates to future service, unless the change results from a change in FCF allocated to a group of underlying insurance contracts that does not adjust the CSM for the group of underlying insurance contracts.
f. The effect of any currency exchange differences.
g. The amount recognised in profit or loss for insurance contract services received during the period, determined after all other adjustments above.

Income referred to in (c) above is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Company expects to recover from the reinsurance contract held that is entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

For the purposes of (c)–(e) above, when underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

The Company does not have any reinsurance contracts held measured under the GMM with underlying contracts measured under the PAA.

Interest accretion on the CSM

Under the GMM, interest accretion on the CSM is calculated using locked-in rate determined at initial recognition applied to specified cash flows that are not variable based on the return on the underlying items. When new contracts are added to the group in subsequent reporting periods, the discount curve will be updated by applying a weighted-average discount rate over the period in which the contracts in group are recognised. The weighted-average discount curve is calculated by multiplying the contractual service margin of the new contracts by the corresponding discount curve and dividing it by the total contractual service margin of the group.

Adjusting the CSM for changes in the FCF relating to future service

The CSM is adjusted for changes in the FCF, measured applying the discount rates as specified in the Changes in fulfilment cash flows section above.

Release of the CSM to profit or loss

The amount of the CSM recognised in profit or loss for insurance contract services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

The coverage period is defined as a period during which the entity provides insurance contract services. Insurance contract services include coverage for an insured event (Insurance coverage), the generation of an investment return for the policyholder, if applicable (Investment-return service) for the contracts under the GMM, and the management of underlying items on behalf of the policyholder (Investment-related service) for the contracts under the VFA. The period of investment-return service or investment-related service ends at or before the date when all amounts due to current policyholders relating to those services have been paid. Investment-return services are provided only when an investment component exists in insurance contracts or the policyholder has a right to withdraw an amount, and the Company expects these amounts to include an investment return that is achieved by the Company by performing investment activities to generate that investment return.

For contracts issued, the Company determines the coverage period for the CSM recognition as follows:

a. for direct participating contracts, insurance coverage period is within the period of investment-related services and, thus, the coverage period is determined by the period in which investment-related services are expected to be provided;
b. for term life insurance contracts, no investment-return services are provided and, thus, the coverage period is determined by insurance coverage.

The total number of coverage units in a group is the quantity of service provided by the contracts in the group over the expected coverage period. The coverage units are determined at each reporting period-end prospectively by considering:

a. the quantity of benefits provided by contracts in the group;
b. the expected coverage period of contracts in the group; and
c. the likelihood of insured events occurring, only to the extent that they affect the expected coverage period of contracts in the group.

The Company uses the amount that it expects the policyholder to be able to validly claim in each period if an insured event occurs as the basis for the quantity of benefits with respect to insurance coverage. For investment-return and investment-related services, policyholders' account values are used to determine the quantity of benefits provided.

The Company defined coverage units as follows:

a. For contracts that are non-participating (i.e., contracts that do not provide variable investment returns) the coverage units should reflect only the insurance coverages.
b. For deferred annuities, the contract boundary includes annuitization period in which the rate of annuitization is guaranteed; the coverage units reflect both mortality and longevity protections within contract boundary (i.e., maximum of amount payable upon death and annuity payable).
c. For unit-linked, coverage units reflect both insurance and investment services, face amount (i.e., benefit amount payable upon death, typically 101% or 105% of account value) is used.
d. For contracts that do not provide investment returns the coverage units should be based on total benefits offered to the policyholder during the coverage period, including both basic and rider coverages.
e. For contracts where multiple different services that are not directly comparable are provided, a single coverage unit should be derived by taking a weighted combination of the benefits provided under the different services (e.g., weighted combinations of sum assured or expected payments).
f. For contracts where different benefits that are mutually exclusive are provided, the maximum of the benefit amounts should be used.

The Company reflects the time value of money in the allocation of the CSM to coverage units, using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items,

For reinsurance contracts held, the CSM is released to profit or loss as insurance contract services are received from the reinsurer in the period.

Coverage units for the proportionate term life reinsurance contracts held are based on the insurance coverage provided by the reinsurer, and they are determined by the ceded policies' fixed face values, taking into account new business projected within the reinsurance contract boundary.

The coverage period for these contracts is determined based on the coverage period of all underlying contracts whose cash flows are included in the reinsurance contract boundary.

Onerous contracts - Loss component

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Company recognises the excess in insurance service expenses, and it records the excess as a loss component of the LRC.

When a loss component exists, the Company allocates the following between the loss component and the LRC for the respective group of contracts, based on the ratio of the loss component to the FCF relating to the expected future cash outflows:

a. expected incurred claims and other directly attributable expenses for the period;
b. changes in the risk adjustment for non-financial risk for the risk expired; and
c. finance income (expenses) from insurance contracts issued.

The amounts of loss component allocation in (a) and (b) above reduce the respective components of insurance revenue and are reflected in insurance service expenses.

Decreases in the FCF relating to future service in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF relating to future service in subsequent periods increase the loss component.

Reinsurance contracts held - Loss-recovery component

A loss-recovery component is established or adjusted within the asset for remaining coverage for reinsurance contracts held for the amount of income recognised in profit or loss when the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts. The loss-recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held.

The loss-recovery component determines the amounts that are presented as a reduction of incurred claims recovery from reinsurance contracts held and are consequently excluded from the reinsurance expenses determination.

For insurance contracts issued, insurance acquisition cash flows allocated to a group are deferred and recognised over the coverage period of contracts in a group. For reinsurance contracts held, broker fees are recognised over the coverage period of contracts in a group.

k) Insurance revenue

For contracts under the GMM or VFA, the insurance revenue is recognised as the Company provides services under groups of insurance contracts and the insurance revenue relating to services provided for each reporting period represents the total of the changes in the LRC that relate to services for which the Company expects to receive consideration, and comprises the following items:

- a release of the CSM, measured based on coverage units provided;
- changes in the risk adjustment for non-financial risk relating to current services;
- claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year, excluding amounts allocated to a potential loss component, repayments of investment components, insurance acquisition expenses, and amounts that relate to transaction-based taxes collected on behalf of third parties; and
- other amounts, including experience adjustments for premium receipts for current and past services.

l) Insurance service expenses

Insurance service expenses include the following:

a. incurred claims and benefits, excluding investment components reduced by loss component allocations;
b. other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
c. Amortisation of insurance acquisition cash flows is equal to the amount of insurance revenue recognised in the period that relates to recovering insurance acquisition cash flows;
d. changes that relate to past service - changes in the FCF relating to the LIC;
e. changes that relate to future service - changes in the FCF that result in onerous contract losses or reversals of those losses; and
f. insurance acquisition cash flows assets impairment, net of reversals.

m) Net income (expenses) from reinsurance contracts held

The Company presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

a. reinsurance expenses;
b. incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
c. other incurred directly attributable expenses;
d. changes that relate to past service – changes in the FCF relating to incurred claims recovery;
e. effect of changes in the risk of reinsurers' non-performance; and
f. amounts relating to accounting for onerous groups of underlying insurance contracts issued:
   i. income on initial recognition of onerous underlying contracts;
   ii. reinsurance contracts held under the GMM: reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held; and
   iii. reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

For groups of reinsurance contracts held measured under the GMM, reinsurance expenses comprise the following amounts relating to the changes in the remaining coverage:

a. claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
   - amounts allocated to the loss-recovery component;
   - repayments of investment components; and
   - amounts related to the risk adjustment for non-financial risk;

b. changes in the risk adjustment for non-financial risk, excluding:
   - changes included in finance income (expenses) from reinsurance contracts held;
   - changes that relate to future coverage (which adjust the CSM); and
   - amounts allocated to the loss-recovery component;

c. amounts of the CSM recognised for the services received in the period; and
d. experience adjustments - arising from premiums paid in the period other than those that relate to future service.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued is part of incurred claims recovery.

n) Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from the effect of the time value of money and changes in the time value of money; and the effect of financial risk and changes in financial risk.

For the insurance contracts without direct participation features, the main amounts within insurance finance income or expenses are interest accreted on the FCF and the CSM; and the effect of changes in interest rates and other financial assumptions.

For the insurance contracts with direct participation features, insurance finance income or expenses comprise changes in the value of underlying items (excluding additions and withdrawals).

For contracts measured under the GMM, the Company represents the insurance finance income or expenses arising from the risk mitigation in separation; between profit or loss, and other comprehensive income (OCI), using a systematic allocation.

For the contracts measured using the VFA, the OCI option is applied. Since the Company holds the underlying items for these contracts, the use of the OCI option results in the elimination of accounting mismatches, with income or expenses included in profit or loss on the underlying assets held. The amount that exactly matches income or expenses recognised in profit or loss on underlying assets is included in finance income or expenses from insurance contracts issued. The remaining amount of finance income or expenses from insurance contracts issued for the period is recognised in OCI.

4.1.2 Financial assets

a) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

b) Classification and measurement

<u>Debt instruments</u>

The Company classifies its debt instrument financial assets depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in net gains or losses from financial assets. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- Fair value through other comprehensive income (FVOCI): Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except i) for the recognition of impairment losses (reversal), ii) interest income using the effective interest method, and iii) foreign exchange gains or losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in net gains or losses from financial instruments. Interest income presented in investment income. Impairment expenses are presented separately in the statement of comprehensive income.
- Fair value through profit or loss (FVPL): Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within fair value gains (losses) on financial instruments in the period in which it arises.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

<u>Equity instruments</u>

Except for equity instruments held for trading, which are measured at FVPL, the Company makes an irrevocable election at the time of initial recognition, classifying its equity instruments into two measurement categories.

- FVPL: the equity instruments are measured at fair value and changes in the fair value are recognised in fair value gains (losses) on financial instruments in the statement of comprehensive income.
- FVOCI: the equity instruments are measured at fair value and changes in the fair value are recognised in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value.

Dividends from such investments (FVPL/FVOCI) continue to be recognised in profit or loss as investment income when the right to receive payments is established.

c) Impairment

The Company measures expected credit losses using the following methods:

a) Simplified approach : The Company uses the simplified approach to calculate the allowance for expected credit losses, considering the expected credit losses over the lifetime for other receivables.

b) General approach : For financial assets that are debt instruments measured at fair value through other comprehensive income and at amortized cost, the Company uses the general approach according to TFRS 9 to measure expected credit losses. This approach requires consideration of expected losses within 12 months or over the asset's lifetime, depending on whether there has been a significant increase in credit risk. The Company recognizes impairment losses from the initial recognition of such financial assets. The Company assesses changes in the credit quality of financial assets in three stages, with each stage defining different methodologies for measuring impairment allowances and calculating effective interest rates, as follows:

- Stage 1 When the credit risk of financial assets has not increased significantly relative to its initial recognition, allowance for expected credit losses is recognised equal to the credit losses expected from defaults occurring over the next 12 months.
- Stage 2 When the credit risk of financial assets has increased significantly increase relative to its initial recognition, allowance for expected credit losses is recognised equal to the credit losses expected over the full lifetime of the asset.
- Stage 3 When financial assets are considered to be credit-impaired, allowance for expected credit losses is recognised equal to the credit losses expected over the full lifetime of the asset.

The Company evaluates the credit risk of the financial assets at the end of each reporting period to determine whether there has been a significant increase since the initial recognition (comparing the risk of default as of the reporting date with the risk of default as of the initial recognition date).

The Company assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted present value of estimated cash shortfall. The cash shortfall is the difference between all contractual cash flows that are due to the Company and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Company reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

4.2 Leasehold improvements and equipment

Leasehold improvements and equipment are stated at historical cost less accumulated depreciation and impairment losses.

Depreciation is calculated using the straight-line method over the estimated useful lives as follows:

Leasehold improvements	3 - 9 years
Office equipment	5 years
Furniture and fixtures	5 - 9 years
Computers	3 - 7 years

The assets' depreciation calculation method, residual values and useful lives are reviewed and adjusted if appropriate, at the end of each financial year.

4.3 Computer software

Computer software is stated at cost less accumulated amortisation and is amortised using straight-line method over the estimated useful life of 5 - 7 years.

4.4 Leases

The Company leases building and equipment. Rental contracts are typically made for fixed periods 3 years but may have extension options.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise the underlying asset value equal or less than USD 5,000.

4.5 Employee benefits

4.5.1 Provident fund

The Company established a contributory registered provident fund in accordance with the Provident Fund Act B.E. 2530. The registered provident fund plan was approved by the Ministry of Finance on 13 January 1997.

Under the plan, the provident fund is funded by payments from employees and by contribution from the Company. The Company appointed a fund manager to manage the fund in accordance with the terms and conditions as prescribed in the Ministerial Regulations under Provident Fund Act B.E. 2530.

The Company's contributions to the provident fund are charged to profit or loss in the year to which they relate.

4.5.2 Retirement benefit

A defined benefit plan is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

Under Labour Laws applicable in Thailand and the Company's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 60 years. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 400 days of final salary.

The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

Gains or losses on remeasurement of employee benefit obligation are charged or credited to other components of equity through other comprehensive income (loss) in the period which they arise.

Past-service costs are recognised immediately in profit or loss.

4.5.3 Share-based payment

The Company's parent company operates equity-settled share-based compensation plans. The total expense is recognised over the vesting period which is the period over which all of the specified vesting conditions are to be satisfied and is determined by reference to the fair value on the date of the grant. The Company presents it under other components of equity and recognises the recharge from parent company as employee benefit obligations.

4.6 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

(b) Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency using the exchange rate at the reporting date.

5 Impacts from initial application of the new financial reporting standards

This note explains the impact of the initial application of TFRS 17 Insurance Contracts, TFRS 7 Financial Instruments: Disclosure and TFRS 9 Financial Instruments on the Company's financial statements on 1 January 2025. The retrospective adjustments from changes in accounting policy applied from 1 January 2024 were disclosed in Note 4.1.

TFRS 7 and TFRS 9 are effective for the accounting period beginning on or after 1 January 2020. However, The Company passes criteria and elect to apply temporary exemption from the standards under TFRS 4 Insurance Contracts. The Company applies the 'Financial Instruments and Disclosure for Insurance Companies' accounting guidelines' ('The Accounting Guidance') for financial statement preparation for the prior period. On 1 January 2025, the Company has adopted TFRS 7 Financial Instruments: Disclosure and TFRS 9 Financial Instruments, with a corresponding of TFRS 17, which is effective for the accounting period beginning on or after 1 January 2025.

The impact on retained earnings as at 31 December 2025 and 2024 from first-time adoption of new financial reporting standards are as follows:

	2025 Baht	2024 Baht
Unappropriated retained earnings (deficits)		
As at 1 January - As previously reported	(680,098,034)	(425,466,191)
Impacts from initial application of the new financial reporting standards and changes in accounting policy		
TFRS 17 Insurance contracts	7,687,243,033	9,350,272,999
TFRS 9 Financial instruments	-	-
Unappropriated retained earnings		
As at 1 January - Restated	7,007,144,999	8,924,806,808

Statement of financial position	Notes	31 December 2023 As previously reported Baht	Impacts from TFRS 9 (Note 5.1) Baht	Impacts from TFRS 17 Baht	1 January 2024 Restated Baht
Assets					
Premiums receivable		634,588,286	-	(634,588,286)	-
Amount due from reinsurance		30,521,764	-	(30,531,764)	-
Investment assets					
Investment in securities	5.1	17,571,808,595	(17,571,808,595)	-	-
Loans and accrued interest		517,341,185	-	(517,341,185)	-
Insurance contract assets		-	-	1,242,193,051	1,242,193,051
Reinsurance contract assets		-	-	1,532,981	1,532,981
Financial assets - Debt instrument	5.1	-	17,558,178,815	-	17,558,178,815
Financial assets - Equity instrument	5.1	-	13,629,780	-	13,629,780
Deferred tax asset		20,948,374	-	(20,948,374)	-
Other asset		411,040,070	-	(126,666,667)	284,373,403
Total assets affected		19,186,258,274	-	(86,350,244)	19,099,908,030
Liabilities					
Insurance contract liabilities		17,439,073,709	-	(11,614,057,350)	5,825,016,359
Amount due to reinsurance		153,379,069	-	(153,379,069)	-
Reinsurance contract liabilities		-	-	596,338,757	596,338,757
Deferred tax liabilities		-	-	2,316,619,877	2,316,619,877
Other liabilities		310,715,808	-	97,363,361	408,079,169
Accrued commission expenses		272,485,180	-	(272,485,180)	-
Accrued expenses		480,693,669	-	(407,023,639)	73,670,030
Total liabilities affected		18,656,347,435	-	(9,436,623,243)	9,219,724,192
Unappropriated retained earnings (deficits)		(425,466,191)	-	9,350,272,999	8,924,806,808
Other components of equity		254,203,612	-	-	254,203,612
Total equity affected		(171,262,579)	-	9,350,272,999	9,179,010,420

Statement of financial position	Notes	31 December 2024 As previously reported Baht	Impacts from TFRS 9 (Note 5.1) Baht	Impacts from TFRS 17 Baht	1 January 2025 Restated Baht
Assets					
Premiums receivables		661,487,732	-	(661,487,732)	-
Amount due from reinsurance		46,181,533	-	(46,181,533)	-
Investment assets					
Investment in securities	5.1	20,710,250,543	(20,710,250,543)	-	-
Loans and accrued interest		609,611,052	-	(609,611,052)	-
Financial assets - Debt instrument	5.1	-	20,699,619,932	-	20,699,619,932
Financial assets - Equity instrument	5.1	-	10,679,451	-	10,679,451
Insurance contract assets		-	-	1,245,776,518	1,245,776,518
Reinsurance contract assets		-	-	685,331,576	685,331,576
Assets held to cover linked liabilities	5.1	48,840	(48,840)	-	-
Intangible assets		418,320,311	-	123,333,333	541,653,644
Other assets		415,755,983	-	(151,537,795)	264,218,188
Total assets affected		22,861,655,994	-	585,623,315	23,447,279,309
Liabilities					
Insurance contract liabilities		18,728,608,831	-	(5,867,453,608)	12,861,155,223
Amount due to reinsurance		176,434,388	-	(176,434,388)	-
Reinsurance contract liabilities		-	-	21,437,315	21,437,315
Deferred tax liabilities		403,290,950	-	1,470,907,093	1,874,198,043
Other liabilities		263,747,883	-	113,264,294	377,012,177
Accrued commission expenses		402,267,085	-	(402,267,085)	-
Accrued expenses		641,944,962	-	(457,458,675)	184,486,287
Total liabilities affected		20,616,294,099	-	(5,298,005,054)	15,318,289,045
Unappropriated retained earnings (deficits)		(680,098,034)	-	7,687,243,033	7,007,144,999
Other components of equity		1,847,617,968	-	(1,803,614,664)	44,003,304
Total equity affected		1,167,519,934	-	5,883,628,369	7,051,148,303

5.1 Financial Instruments

As at 1 January 2024, there was no change in measurement and carrying amounts of financial assets and liabilities, but only a change in classification and presentation.

6 Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Critical accounting estimates, assumptions, and judgements are as follows.

6.1 Transition

These financial statements have been prepared in accordance with TFRS 17 using the Fair Value Approach at the transition date due to being impracticable in applying retrospectively. The entity has used supporting and reasonable information but has not been able to obtain the supporting and reasonable information necessary to apply the retrospective method and the modified retrospective method. Therefore, the entity applies the Fair Value Approach at the transition date.

In applying the Fair Value Approach, the Company determines contractual service margin or loss component of the liability for the remaining coverage at the transition date, equivalent to the difference between the fair value of the group of insurance contracts at that date and the fulfilment cash flows measured at that date.

6.2 Discount rate

The Company adjusts the future cash flows assumption to reflect the time value of money and the associated financial risks, to the extent that the financial risks are not included in the estimates of the cash flows. The discount rate used in the assumption of future cash flows is as follows.

- reflects the time value of money, the characteristics of the cash flows and the liquidity of the insurance contract,
- is consistent with the current observable market price (if any) of the financial instrument whose cash flows have similar characteristics to those of the insurance contract, for example in terms of timing, currency and liquidity, and
- excludes the effects of observable market prices, but do not affect the future cash flow of the insurance contract.

Insurance liabilities are calculated by applying a discount rate to expected future cash flows. For the discount rate, the Company uses a bottom-up approach using the risk-free rate and liquidity to reflect the difference between the liquidity characteristics of the financial instrument referenced in the market and the liquidity characteristics of the insurance contract (Illiquidity Premium).

For the risk-free rate of return, the Company uses the reference yield of government bond.

The discount rates as at 31 December 2025, 31 December 2024 and 1 January 2024 are as follows.

	Discount rate (%)					
Period (Year)	0.25	1	2	3	5	10
31 December 2025	1.99	2.01	2.03	2.07	2.19	2.59
31 December 2024	2.84	2.88	2.92	2.94	2.99	3.22
1 January 2024	2.95	3.22	3.19	3.20	3.30	3.57

6.3 Fulfilment Cash Flows

In measuring the value of an insurance contract, the Company calculates cash flows upon fulfilment as part of the contract value, which are an unbiased and explicit probability-weighted estimate (i.e. expected value) of the present value of future cash outflow, less the present value of future cash inflows that would occur if the Company fulfills the insurance contract, plus risk adjustments for non-financial risks.

Significant methods and assumptions used are discussed below

a. Mortality

The Company derives mortality rates assumptions from the recent credible national mortality tables published by the Life Insurance Actuarial Society. An investigation into the Company's experience over the most recent three years is performed, and statistical methods are used to adjust the mortality tables to produce the probability-weighted expected mortality rates in the future over the duration of the insurance contracts. Mortality rates are differentiated between policyholder groups, based on gender and age.

Assumptions and methods used to derive mortality rate have no change between the year 2025 and 2024.

	2025 %		2024 %	
	Male	Female	Male	Female
Ordinary individual life and riders	30 - 45	20 - 50	30 - 45	20 - 70
Unit-Linked	30 - 45	20 - 50	30 - 45	20 - 70
Personal accident	-	-	-	-
Group	15 - 85	15 - 105	15 - 90	15 - 85

b. Persistency

The Company derives assumptions about lapse and surrender rates based on the Company's own experience. Historical lapse and surrender rates are derived from the Company's policy administration data. An analysis is then performed of the Company's historical rates in comparison to the assumptions previously used. Statistical methods are used to derive adjustments to reflect the Company's own experience and any trends in the data, to arrive at the probability-weighted expected lapse and surrender rates. Analysis is performed and assumptions are set by major product line.

Changes in assumptions in year 2025 reflect new projections by using the most recent experience. Methods used to derive these assumptions have no change between the year 2025 and 2024.

	Year 1-10	
	2025	2024
	%	%
Ordinary individual life and riders	2 - 30	1.5 - 30
Unit-Linked	4 - 12	4 - 12
Personal accident	10 - 50	10 - 50
Group	0.1 - 28	0.1 - 70

c. Expenses

The Company projects estimate of future expenses relating to fulfilment of contracts within the scope of TFRS 17 using current expense levels adjusted for inflation. Expenses comprise expenses directly attributable to the groups of contracts, including an allocation of fixed and variable overheads. In addition, under certain methods used to assess estimates of future claim payments are adjusted for inflation.

The expense inflation assumption is based on inflation swap curve, adjusted to the Company's experience, and it is considered to be a non-financial risk. Assumptions and methods used to project expenses in the future have no change between the year 2025 and 2024.

Increases in expense assumptions increase estimates of future cash outflows and thus decrease the CSM within the LRC for contracts measured under the GMM. For a sensitivity analysis, refer to Note 7.1.

6.4 Risk adjustment for non-financial risk

Risk adjustment for non-financial risks reflects the uncertainty of the liability for incurred claims and liability for remaining coverage. Non-financial risk adjustments which include insurance risk, lapse risk and expense risk are categorized by underwriting type, using the RBC Framework's volatility allowance (PAD) with a confidence level of 75 percentile for non-financial risk adjustments of which the resulting amount is higher than a confidence level of 75 percentile at the Company level.

6.5 Determination of coverage unit

Contractual service margin of the group of insurance contracts is recognised as insurance income in each period based on the coverage unit provided during that period, which is determined by the volume of services, the expected period of coverage and the time value of money.

The volume of services under insurance contracts may include insurance coverage, return form investment management services and investment-related services, as applicable. In evaluating the services under insurance contracts, consideration is given to the terms and conditions and characteristics of the benefits of the contracts.

For contracts that mostly provide insurance coverage, the service volume is determined on a contract-by-contract basis based on the maximum expected policy benefit. For contracts that provide multiple services, the service volume is determined based on the policyholder's expected policy benefit from each service, with relative weight calculation applied using various factors.

The expected duration of coverage is calculated based on the probability that the insured event will occur to the extent that it affects the expected duration of the group of insurance contracts. The determination of the expected duration of coverage is subject to judgment as it involves the estimation of the timing of the occurrence of the claim and the lapse of the policy.

6.6 Product classification

The Company issues contracts that transfer insurance risk or financial risk or both. Insurance contracts are those contracts that transfer significant insurance risk, while investment contracts are those contracts without significant insurance risk. The Company exercises significant judgment to determine whether there is a scenario (other than those lacking commercial substance) in which an insured event would require the Company to pay significant additional benefits to its customers.

In the event the Company has to pay significant additional benefits to its customers, the contract is accounted for as an insurance contract. The accounting policy on product classification is described in Note 4.1.1 (b).

6.7 Employee benefits

The Company has legal commitment on post-retirement benefits to employee on reaching retirement age. The present value of employee benefit liabilities recognised in statements of financial position is determined on present value of defined benefit obligation which depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including discounting assumption. Any changes in these assumptions will have an impact on the carrying amount of defined benefit obligation. The assumptions used in determining the net year cost for employee benefits includes the salary and years of services of respective employees which are payable in the future year and interest rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

On a yearly basis, the Company revises the appropriate discount rate, which represents the discount rate that should be used to determine the present value of future cash flows to settle the nearly reach retired employee benefits. In determining the appropriate discount rate, the Company considers the market yield of government bonds that are nominated in the currency in which the benefits will be paid and that have terms to maturity approximately the terms of the related pension liabilities.

Chubb Limited (Parent Company) has a Long-term Incentive Plan. The total expense is recognised over the vesting period which is the period over which all of the specified vesting conditions are to be satisfied and is determined by reference to the fair value on the date of the grant. The weighted average fair value of options granted during the period are determined using the Black-Scholes option-pricing valuation model. The significant inputs into the model were exercise price at the grant date, volatility, dividend yield and an annual risk-free interest rate.

6.8 Deferred tax

Deferred tax liabilities are provided in full on all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The Company considers future taxable income and tax loss carried forward in assessing whether to recognise deferred tax assets.

6.9 Determination of lease terms

Critical judgement in determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Company.

6.10 Determination of discount rate applied to leases

The Company determines the incremental borrowing rate as follows:

a) Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
b) Make adjustments specific to the lease, e.g. term, country, currency and security.

6.11 Impairment of financial assets

The impairment losses on financial assets are based on assumptions about default risk and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Company's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

7 Risk management

As an insurer, the Company's activities expose it to a variety of insurance risks and financial risks. The Company applies a risk management policy that is embedded in management processes and controls. In addition, the Company has established the enterprise risk management function for managing and monitoring the enterprise-wide risks.

The Company has no policy to speculate or trade in any derivative financial instruments.

The following section summarises the Company's risk management.

7.1 Insurance risk management

Insurance risk is risks undertaken by life insurance companies through contracts they underwrite. The risks within this category are associated with the perils covered (e.g. death, accident, illnesses) and with the specific processes associated with the conduct of life insurance business.

The risk that the Company faces under its insurance contracts is that the actual claims and benefit payments exceed the carrying amount of the insurance contract liabilities. This could occur because the frequency or severity of claims and benefits or the amount of future expenses are greater than estimated. Insurance risk relates to changes in claims experience, business expenses, and the acquisition and persistency of insurance business. This also includes changes to assumptions regarding future experience for these risks.

The Company prepared product pricing guidelines following actuarial principle, underwriting guidelines, underwriting authorities and claims approval and settlement authorities to mitigate the insurance risks that are associated with product design, pricing and underwriting and claims management.

Concentration

The management considers the concentration risk of insurance products from various perspectives to avoid a concentration risk when the event of loss occurs. The Company has maintained a broad range and well-mixes of insurance products such as whole life, saving, accident and health, and credit life to various group of customers in order to ensure group diversification. The Company considered proportion of various products and monitored the concentration risk by the board of management.

The following table presents the concentration of insurance liabilities separated by group product for the years ended 31 December 2025 and 2024.

	31 December 2025				
	Insurance contracts issued liabilities (assets)		Reinsurance contracts held liabilities (assets)		
	Remaining coverage Baht	Incurred claims Baht	Remaining coverage Baht	Incurred claims Baht	Net Baht
Ordinary individual life and riders	12,943,561,000	301,191,279	364,368,718	(300,044,200)	13,309,076,797
Unit-linked	5,410,234	643,215	443,043	-	6,496,492
Personal accident	120,392,158	11,854,902	(3,634,028)	(22,683)	128,509,349
Group	(1,020,916,148)	714,618,798	(732,143)	(22,681,633)	(329,711,126)
Total	12,048,447,244	1,028,308,194	360,445,590	(322,748,516)	13,114,452,512

	31 December 2024				
	Insurance contracts issued liabilities (assets)		Reinsurance contracts held liabilities (assets)		
	Remaining coverage Baht	Incurred claims Baht	Remaining coverage Baht	Incurred claims Baht	Net Baht
Ordinary individual life and riders	12,445,774,222	151,201,317	(367,265,192)	(311,099,187)	11,918,611,160
Personal accident	111,882,943	6,055,304	(177,200)	(22,981)	117,738,066
Group	(1,557,487,113)	457,952,032	38,128,689	(23,458,390)	(1,084,864,782)
Total	11,000,170,052	615,208,653	(329,313,703)	(334,580,558)	10,951,484,444

Mortality and Morbidity

The deviation of actual claims experience and mortality and morbidity assumption used can significantly impact the operating result. The experience is volatile at the individual group product level, particularity for smaller group products such as basic term assurances. Experience study on mortality and morbidity rates is carried out on an annual basis. The mortality and morbidity rates are in line with actual experience and are compared with other life insurers. The Company's mortality and morbidity assumptions vary by group product type and considered to be adequate. The mortality and morbidity assumptions are reviewed annually.

Lapse

Experience study on lapse is carried out on an annual basis using statistical method. Lapse assumptions vary by group product type and policy duration. The lapse rates for riders are assumed to follow the same lapse rates as the attached base products. For new products that still do not have credible lapse experience, best estimates from experience of comparable products will be used. The lapse assumption is reviewed annually.

Expenses

The expense assumptions were set in line with actual expenses. The Company derived unit costs assumptions from actual expenses varied by product type and expenses assumption is inflated annually to reflect higher cost of underwriting, issuing and maintaining the policies. The expense assumption is reviewed annually.

Sensitivity analysis to underwriting risk variables

The following tables present information on how reasonably possible changes in assumptions made by the Company with regard to underwriting risk variables impact CSM and profit or loss and equity before and after risk mitigation by reinsurance contracts held. The analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions might be correlated.

Sensitivity analysis regarding the discount rate, credit risk, and liquidity risk is disclosed in Note 7.2.

	For the year ended 31 December 2025 (Audited)		
	Impact on CSM Baht	Impact on profit before income tax Baht	Impact on equity before income tax Baht
Mortality and Morbidity rate - increase by 10%			
Insurance contract	(300,499,310)	(1,237,805,672)	(1,237,805,672)
Reinsurance contract	167,880,335	-	-
Net insurance contract	(132,618,975)	(1,237,805,672)	(1,237,805,672)
Mortality and Morbidity - decrease by 10%			
Insurance contract	381,051,915	1,175,709,212	1,175,709,212
Reinsurance contract	(162,436,909)	-	-
Net insurance contract	218,615,006	1,175,709,212	1,175,709,212
Lapse - increase by 10%			
Insurance contract	(241,202,015)	(293,699,606)	(293,699,606)
Reinsurance contract	(9,657,537)	-	-
Net insurance contract	(250,859,552)	(293,699,606)	(293,699,606)
Lapse - decrease by 10%			
Insurance contract	271,368,496	318,079,715	318,079,715
Reinsurance contract	13,385,194	-	-
Net insurance contract	284,753,690	318,079,715	318,079,715
Expenses - increase by 10%			
Insurance contract	(55,459,152)	(197,437,522)	(197,437,522)
Reinsurance contract	-	-	-
Net insurance contract	(55,459,152)	(197,437,522)	(197,437,522)
Expenses - decrease by 10%			
Insurance contract	57,347,774	197,437,522	197,437,522
Reinsurance contract	-	-	-
Net insurance contract	57,347,774	197,437,522	197,437,522

	For the year ended 31 December 2024 (Restated)		
	Impact on CSM Baht	Impact on profit before income tax Baht	Impact on equity before income tax Baht
Mortality and Morbidity rate - increase by 10%			
Insurance contract	(167,307,339)	(1,518,567,640)	(1,584,567,640)
Reinsurance contract	278,712,610	-	-
Net insurance contract	115,405,271	(1,518,567,640)	(1,518,567,640)
Mortality and Morbidity - decrease by 10%			
Insurance contract	185,404,089	1,576,249,788	1,576,249,788
Reinsurance contract	(280,700,515)	-	-
Net insurance contract	(95,296,426)	1,576,249,788	1,576,249,788
Lapse - increase by 10%			
Insurance contract	(157,243,710)	(38,587,025)	(38,587,025)
Reinsurance contract	(150,940,470)	-	-
Net insurance contract	(308,184,180)	(38,587,025)	(38,587,025)
Lapse - decrease by 10%			
Insurance contract	175,306,479	13,343,132	13,343,132
Reinsurance contract	180,702,423	-	-
Net insurance contract	356,008,902	13,343,132	13,343,132
Expenses - increase by 10%			
Insurance contract	(43,442,934)	(185,141,881)	(185,141,881)
Reinsurance contract	-	-	-
Net insurance contract	(43,442,934)	(185,141,881)	(185,141,881)
Expenses - decrease by 10%			
Insurance contract	43,442,934	185,141,881	185,141,881
Reinsurance contract	-	-	-
Net insurance contract	43,442,934	185,141,881	185,141,881

7.2 Financial risk management

7.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Market risk consists of three types of risks: foreign exchange risk, interest rate risk and price risk.

Foreign exchange risk

As at 31 December 2025 and 2024, the Company has foreign currency risks expressed in Baht as follows:

	2025 U.S. Dollar Baht	2024 U.S. Dollar Baht
Assets		
Financial assets – debt instrument	44,923	9,177
Other assets	7,051,432	2,733,526
Liabilities		
Insurance contract liabilities	56,167,503	45,495,910
Reinsurance contract liabilities	10,816,224	5,566,781
Other creditors	1,346,105	1,350,347

Sensitivity

The table below summarises the impact of increase/decrease of foreign exchange rate USD/THB on the Company's pre-tax profit for the year. The analysis is based on the assumption that the foreign exchange rate had increased by 0.5% or decreased by 0.5%, respectively.

	Impact to pre-tax profit increase (decrease)	
	2025 Baht	**2024 Baht**
Foreign exchange rate by increase 0.5%*	(306,167)	(248,352)
Foreign exchange rate by decrease 0.5%*	306,167	248,352

* Holding all other variables constant

Interest rate risk

The Company manages interest rate risk primarily by matching the timing of cash flows from debt instruments with the timing of cash flows from insurance and reinsurance contracts.

The Company monitors interest rate risk by calculating the mean duration of the investment group and the insurance contracts. The mean duration is an indicator of the sensitivity of the assets and liabilities to changes in interest rates. The mean duration of insurance liabilities is determined by means of projecting expected cash flows from the contracts. The mean duration of the assets is calculated in a consistent manner. Any gap between the mean duration of the assets and the mean duration of the liabilities is minimised by means of buying and selling fixed-interest securities of different durations.

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk relates primarily to investments in debt securities and deposit at financial institutions. The majority of the Company's financial assets bear fixed interest rate and are long term and, therefore, their value may fluctuate due to changes in market interest rate.

The table below summarises the nature of the interest rate risk associated with financial assets as at 31 December 2025 and 2024 by interest rate types as follows:

	2025						
	Fixed interest rate						
	< 1 year Baht	1 - 5 years Baht	> 5 years Baht	Floating interest rate Baht	No interest rate Baht	Total Baht	Interest rate (% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	426,900,736	469,915,838	896,816,574	0.01 - 1.10
Accrued Investment income	-	-	-	-	90,828,815	90,828,815	-
Financial assets - debt instrument	724,687,958	2,849,882,543	20,300,167,143	-	3,487,477	23,878,225,121	2.44 - 6.15
Financial assets - equity instrument	-	-	-	-	10,679,451	10,679,451	-
Other assets	-	-	-	-	20,769,972	20,769,972	-
	724,687,958	2,849,882,543	20,300,167,143	426,900,736	595,681,553	24,897,319,933	

	2024 (Restated)						
	Fixed interest rate						
	< 1 year Baht	1 - 5 years Baht	> 5 years Baht	Floating interest rate Baht	No interest rate Baht	Total Baht	Interest rate (% p.a.)
Financial assets							
Cash and cash equivalents	-	-	-	298,628,804	660,924,684	959,553,488	0.05 - 1.15
Accrued Investment income	-	-	-	-	99,644,325	99,644,325	-
Financial assets - debt instrument	162,824,979	3,975,827,286	16,560,883,255	-	84,412	20,699,619,932	2.50 - 7.99
Financial assets - equity instrument	-	-	-	-	10,679,451	10,679,451	-
Other assets	-	-	-	-	19,297,521	19,297,521	-
	162,824,979	3,975,827,286	16,560,883,255	298,628,804	790,630,393	21,788,794,717	

Sensitivity

Profit or loss may be sensitive to higher or lower interest income from bank deposits as a result of changes in interest rates. Other components of equity changes as a result of an increase or decrease in the fair value of investment in securities measured at fair value through other comprehensive income.

Interest incomes from bank deposits are immaterially sensitive to the changes in interest rate. The table below shows the interest rate sensitivity for the investments measured at FVOCI held as at reporting date.

	Impact to other components of equity increase (decrease)	
	2025 Baht	2024 Baht
Interest rate – increase by 0.5%*	(1,966,894,688)	(1,431,132,787)
Interest rate - decrease by 0.5%*	2,355,500,476	1,682,875,706

* Holding all other variables constant

An analysis of the Company's sensitivity to 0.5% basis points parallel increase or decrease in yield curves at the reporting date, assuming that all other variables remain constant, is presented below.

	For the year ended 31 December 2025		
	Impact on CSM Baht	Impact on profit before income tax Baht	Impact on equity before income tax Baht
Interest rate - increase by 0.5%			
Insurance contract	252,305,502	116,870,764	1,476,315,507
Reinsurance contract	(15,070,126)	-	342,256
Net insurance contract	237,235,376	116,870,764	1,476,657,763
Interest rate - decrease by 0.5%			
Insurance contract	(309,682,809)	(132,399,116)	(1,710,662,063)
Reinsurance contract	17,366,191	-	2,900,355
Net insurance contract	(292,316,618)	(132,399,116)	(1,707,761,708)

	For the year ended 31 December 2024 (Restated)		
	Impact on CSM Baht	Impact on profit before income tax Baht	Impact on equity before income tax Baht
Interest rate - increase by 0.5%			
Insurance contract	1,861,329,449	169,701,142	1,658,365,763
Reinsurance contract	(21,428,564)	-	(140,623,826)
Net insurance contract	1,839,900,885	169,701,142	1,517,741,937
Interest rate - decrease by 0.5%			
Insurance contract	(2,212,469,520)	(195,094,881)	(1,957,437,083)
Reinsurance contract	25,322,324	-	174,062,512
Net insurance contract	(2,187,147,196)	(195,094,881)	(1,783,374,571)

<u>Price risk</u>

Price risk refers to the loss affecting income and/or equity from a movement in equity securities prices. The Company's exposure to the price risk of equity securities arises from investments held by the Company which are classified as fair value through other comprehensive income (FVOCI).

To manage its price risk arising from investments in equity securities, the Company invested in equity investments which are publicly traded and are included in SET100 Index.

The Company's unit trusts are in Thai mutual funds with an investment policy of investing in debt instruments or issuers that hold investment grade rating, and equity instruments which the Company has diversification policy to mitigate price risk. Investment function manages investment groups according to investment plan approved by Investment Committee and Board of Directors, in accordance with investment policies under related Notification of Office of Insurance Commission.

Sensitivity

The table below summarises the impact of increase/decrease of the equity index on the Company's equity for the year. The analysis is based on the assumption that the price index had increased by 0.5% or decreased by 0.5%, respectively.

	Impact to other components of equity increase (decrease)	
	2025 Baht	**2024 Baht**
Thailand Stock Exchange		
Equity prices increase by 0.5%*	53,575	53,575
Equity prices decrease by 0.5%*	(53,575)	(53,575)

* Holding all other variables constant

As at 31 December 2025, entire investment in debts of the Company is classified as investment measured at FVOCI, price risk of equity securities does not impact profit or loss. Other components of equity would increase or decrease as a result of gains/losses on equity securities.

7.2.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at a) amortised cost, b) at fair value through other comprehensive income (FVOCI) and c) at fair value through profit or loss (FVPL) and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables. This also includes amount due from reinsurance contracts held with the risk of default when the payment was due.

a) Risk management of financial assets

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

The Company's financial assets in debt instruments are considered to be low risk investments. The Company regularly monitors the credit ratings of the investments for credit deterioration.

b) Impairment of financial assets

The Company has cash and cash equivalents, accrued investment income, financial assets - debt instrument measured at FVOCI and other assets as financial assets that are subject to the expected credit loss model.

While cash and cash equivalents and other assets are also subject to the impairment requirements of the TFRS9, the identified impairment loss was immaterial.

Financial assets – debt instruments

The Company considers that financial assets - debt instrument measured at FVOCI have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected credit losses. Management consider 'low credit risk' for bonds to be an investment grade credit rating with at least one major rating agency.

In some case, certain financial assets - debt instrument measured at FVOCI that have significant increase in credit risk relative to the initial recognition, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.

Financial assets – debt instruments measured at fair value through other comprehensive income (FVOCI) include listed debt securities. The loss allowance is recognised in profit or loss and changes on the fair value otherwise recognised in OCI.

The reconciliation of allowances of expected credit loss for financial assets - debt instrument measured at FVOCI for the year ended 31 December 2025 are disclosed in Note 13.

c) Credit quality analysis for reinsurance contract assets held

Reinsurance is used to manage insurance risk. This does not, however, discharges the Company's liability as the primary insurer. If a reinsurer fails to pay a claim for any reason, the Company remains liable for the payment to the policyholder. The Company structures its acceptable risk level by limiting the risk of having a single reinsurer, by selecting reinsurers who have at least an investment-grade credit rating from an independent credit rating agency.

The amounts that represent the maximum exposure to credit risk in reinsurance contract assets held at the reporting dates are classified for each reinsurer by credit rating as belows.

	2025 Baht	2024 Baht
Reinsurance contract assets held		
Investment grade	59,672,536	997,558,359
Below investment grade	-	-
Not rated	-	-
Total	59,672,536	997,558,359

7.2.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Company's financial assets mainly comprised of cash and deposits with bank and financial assets in debt and equity instruments which are highly liquid and able to be sold quickly at close to their fair value when the Company wishes to raise fund.

a) Maturity of financial liabilities

The table below analyses the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2025				
Investment contract liabilities	5,398,588	2,514,052	21,001,220	28,913,860
Other liabilities	39,666,956	-	-	39,666,956
Lease liabilities	36,523,764	142,671,456	17,527,482	196,722,702
Other creditors	202,854,285	-	-	202,854,285
Total financial liabilities	284,443,593	145,185,508	38,528,702	468,157,803

	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
As at 31 December 2024				
Investment contract liabilities	378,611	1,262,036	9,779,378	11,420,025
Other liabilities	76,967,639	-	-	76,967,639
Lease liabilities	36,015,714	140,219,856	52,582,446	228,818,016
Other creditors	192,821,189	-	-	192,821,189
Total financial liabilities	306,183,153	141,481,892	62,361,824	510,026,869

b) Liquidity risk related to insurance contract

The following table shows an analysis of the maturity of insurance contract liabilities and reinsurance contract liabilities held, classified by their contractual maturity or expected maturity. The amounts are presented at their discounted present value as at 31 December 2025 and 2024.

	2025		2024	
	Insurance contract liabilities Baht	Reinsurance contract liabilities Baht	Insurance contract liabilities Baht	Reinsurance contract liabilities Baht
Within 1 year	(1,594,806,978)	(191,763,406)	(1,682,392,477)	7,197,641
1 - 2 years	(1,320,521,083)	40,011,592	(1,217,362,988)	1,530,479
2 - 3 years	(1,106,156,961)	33,269,113	(1,148,226,467)	1,284,693
3 - 4 years	(783,290,007)	22,617,859	(968,132,413)	999,322
4 - 5 years	(626,432,872)	24,452,364	(671,097,872)	754,792
Over 5 years	14,499,748,205	173,876,877	14,538,107,162	3,065,635
Total	9,068,540,304	102,464,399	8,850,894,945	14,832,562

c) Amounts payable on demand

For insurance contracts issued, the amounts payable on demand and the carrying amount of the respective groups of contracts are presented in the following table:

	2025		2024	
	Amount payable on demand Baht	Carrying amount Baht	Amount payable on demand Baht	Carrying amount Baht
Ordinary individual life and riders	14,719,097,721	13,244,752,279	13,471,762,908	12,596,975,539
Unit-linked	9,264,847	6,053,449	-	-
Personal accident	-	132,247,060	-	117,938,247
Group	1,564,351,680	(306,297,350)	1,816,111,278	(1,099,535,081)
Total	16,292,714,248	13,076,755,438	15,287,874,186	11,615,378,705

8 Fair value

8.1 Fair value estimation

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

- Level 1: The fair value of financial instruments is based on closing price and net asset value quoted in an active market for the same asset or liability and the Company has access to that market at the measurement date.
- Level 2: The fair value of financial instruments is measured using valuation techniques that use materially observable inputs and rely as little as possible on the company's own estimates.
- Level 3: The fair value of financial instruments is measured using valuation techniques that are not based on observable market data.

The following table presents the Company's financial assets that are measured at fair value by level as of 31 December 2025 and 2024.

	2025			
	Level 1 Baht	**Level 2 Baht**	**Level 3 Baht**	**Total Baht**
Financial assets				
Financial assets - debt instruments				
Debt instrument measured at fair value through profit or loss				
Mutual funds	68,258	-	-	68,258
Mutual fund - policyholders'	3,419,219	-	-	3,419,219
Debt instrument measured at fair value through other comprehensive income				
Government and state enterprise securities	-	18,713,633,320	-	18,713,633,320
Debentures	-	5,161,104,324	-	5,161,104,324
Financial assets - equity instruments				
Equity instrument designated at fair value through other comprehensive income				
Onshore equity securities	10,679,451	-	-	10,679,451
Total	14,166,928	23,874,737,644	-	23,888,904,572

	2024			
	Level 1 Baht	**Level 2 Baht**	**Level 3 Baht**	**Total Baht**
Financial assets				
Financial assets - debt instruments				
Debt instrument measured at fair value through profit or loss				
Mutual funds	35,572	-	-	35,572
Mutual fund - policyholders'	48,840	-	-	48,840
Debt instrument measured at fair value through other comprehensive income				
Government and state enterprise securities	-	14,255,053,352	-	14,255,053,352
Debentures	-	6,444,482,168	-	6,444,482,168
Financial assets - equity instruments				
Equity instrument designated at fair value through other comprehensive income				
Onshore equity securities	10,679,451	-	-	10,679,451
Total	10,763,863	20,699,535,520	-	20,710,299,383
Financial liabilities				
Investment contract liabilities	48,840	-	-	48,840
Total	48,840	-	-	48,840

There were no significant inter-level transfers during the year.

8.2 Valuation techniques used to measure fair value level 1

The fair value of financial instruments traded in an active market is based on the closing price and net asset value on the financial statement date from the Stock Exchange of Thailand.

8.3 Valuation techniques used to measure fair value level 2

Investments in debt instruments whose fair value is at level 2 are measured at fair value using the yield curve of the Thai Bond Market Association on the last business day of the financial statement date.

9 Capital risk management

The objectives when managing capital are to safeguard the ability to continue as a going concern in order to meet policyholder liabilities whilst provide returns for shareholders and benefits for other stakeholders.

The Company monitors solvency capital in compliance with the requirement of the Office of Insurance Commission under the Risk-Based Capital framework under Life Insurance Act B.E 2535 and amended by Life Insurance Act No.2 B.E 2551, No.3 B.E 2558 and No.4 B.E 2562 for the purpose of assessing the solvency capital requirement.

10 Components of statement of financial position

The analysis of amounts presented in the financial statements for insurance contracts as at 31 December 2025 and 2024 is presented in the following table.

	2025 Baht	2024 Baht
Insurance contract assets		
- Insurance contract assets excluding pre-recognition cash flows	(480,693,571)	(1,245,776,518)
- Pre-recognition cash flows	-	-
Insurance contract assets	(480,693,571)	(1,245,776,518)
Insurance contract liabilities		
- Insurance contract liabilities excluding pre-recognition cash flows	13,557,449,009	12,861,155,223
- Pre-recognition cash flows	-	-
Insurance contract liabilities	13,557,449,009	12,861,155,223
Reinsurance contract assets	(30,172,619)	(685,331,576)
Reinsurance contract liabilities	67,869,693	21,437,315
Investment contract liabilities	28,913,860	11,420,025

11 Classification of financial assets and financial liabilities

As at 31 December 2025

	Fair value Through profit or loss Baht	Fair value through other comprehensive income Baht	Amortised cost Baht	Total Baht	Underlying asset insurance contracts Baht	Other Baht
Financial assets						
Cash and cash equivalent	-	-	896,816,574	896,816,574	108,353	896,708,221
Accrued investment income	-	-	90,828,815	90,828,815	-	90,828,815
Financial assets - debt instrument	3,487,477	23,874,737,644	-	23,878,225,121	3,419,219	23,874,805,902
Financial assets - equity instrument	-	10,679,451	-	10,679,451	-	10,679,451
Other assets	-	-	20,769,972	20,769,972	-	20,769,972
Total	3,487,477	23,885,417,095	1,008,415,361	24,897,319,933	3,527,572	24,893,792,361
Financial liabilities						
Investment contract liabilities	-	-	28,913,860	28,913,860	-	28,913,860
Other liabilities	-	-	146,855,818	146,855,818	-	146,855,818
Lease liabilities	-	-	178,910,935	178,910,935	-	178,910,935
Other creditors	-	-	202,854,285	202,854,285	-	202,854,285
Total	-	-	560,534,898	560,534,898	-	560,534,898

As at 31 December 2024

	Fair value through profit or loss Baht	Fair value through other comprehensive income Baht	Amortised cost Baht	Total Baht	Underlying asset insurance contracts Baht	Other Baht
Financial assets						
Cash and cash equivalent	-	-	959,553,488	959,553,488	124,000	959,429,488
Accrued investment income	-	-	99,644,325	99,644,325	-	99,644,325
Financial assets - debt instrument	48,840	20,699,571,092	-	20,699,619,932	48,840	20,699,571,092
Financial assets -equity instrument	-	10,679,451	-	10,679,451	-	10,679,451
Other assets	-	-	19,297,521	19,297,521	-	19,297,521
Total	48,840	20,710,250,543	1,078,495,334	21,788,794,717	172,840	21,788,621,877
Financial liabilities						
Investment contract liabilities	-	-	11,420,025	11,420,025	-	11,420,025
Other liabilities	-	-	172,437,558	172,437,558	-	172,437,558
Lease liabilities	-	-	204,574,619	204,574,619	-	204,574,619
Other creditors	-	-	192,821,189	192,821,189	-	192,821,189
Total	-	-	581,253,391	581,253,391	-	581,253,391

12 Cash and cash equivalents

	2025 Baht	2024 Baht
Cash on hand	888,074	402,250
Deposits held at call with bank	895,928,500	959,151,238
Total cash and cash equivalents	896,816,574	959,553,488

13 Financial assets - debt instrument

	2025		
	Cost Baht	Unrealised gain (loss) Baht	Fair value Baht
Debt instruments measured at fair value through profit or loss			
Mutual fund	67,500	758	68,258
Mutual fund - policyholders'	3,385,826	33,393	3,419,219
Total debt instruments measured at fair value through profit or loss	3,453,326	34,151	3,487,477
Debt instruments measured at fair value through other comprehensive income			
Government and state enterprise securities			
Government bonds	15,069,604,220	3,644,029,100	18,713,633,320
Private sector instruments			
Debentures	4,832,654,829	328,449,495	5,161,104,324
Total debt instruments measured at fair value through other comprehensive income	19,902,259,049	3,972,478,595	23,874,737,644
Total financial assets - debt instrument	19,905,712,375	3,972,512,746	23,878,225,121

	2024		
	Cost Baht	Unrealised gain (loss) Baht	Fair value Baht
Debt instruments measured at fair value through profit or loss			
Mutual fund	36,000	(428)	35,572
Mutual fund - policyholders'	48,835	5	48,840
Total debt instruments measured at fair value through profit or loss	84,835	(423)	84,412
Debt instruments measured at fair value through other comprehensive income			
Government and state enterprise securities			
Government bonds	12,147,990,592	2,107,062,760	14,255,053,352
Private sector instruments			
Debentures	6,326,001,275	118,480,893	6,444,482,168
Total debt instruments measured at fair value through other comprehensive income	18,473,991,867	2,225,543,653	20,699,535,520
Total financial assets - debt instrument	18,474,076,702	2,225,543,230	20,699,619,932

The details of expected credit loss are as follows:

	2025		2024	
	Fair value Baht	Allowance for expected credit loss recognised in OCI Baht	Fair value Baht	Allowance for expected credit loss recognised In OCI Baht
Debt instrument credit risk has not significantly increased (Stage 1)	23,275,471,509	1,627,464	20,020,775,232	2,410,291
Debt instrument which credit risk has significantly increased (Stage 2)	599,266,135	2,666,791	678,760,288	3,544,222
Credit-impaired investments in debt instrument (Stage 3)	-	-	-	-
Total	23,874,737,644	4,294,255	20,699,535,520	5,954,513

The Company disclosed information about restriction of its investments in Notes 40 and 41.

During the year 2025, the Company has received cash from selling investment amounted to Baht 1,568,040,616 and gain from selling such investment amounted to Baht 50,228,842 (2024: nil).

14 Financial assets - equity instrument

	2025		
	Cost Baht	Unrealised gain (loss) Baht	Fair value Baht
Equity instruments designated at fair value through other comprehensive income			
Onshore equity instruments	9,108,943	1,570,508	10,679,451
Total equity instruments designated at fair value through other comprehensive income	9,108,943	1,570,508	10,679,451

	2024		
	Cost Baht	Unrealised gain (loss) Baht	Fair value Baht
Equity instruments designated at fair value through other comprehensive income			
Onshore equity instruments	18,250,000	(7,570,549)	10,679,451
Total equity instruments designated at fair value through other comprehensive income	18,250,000	(7,570,549)	10,679,451

The Company invested in onshore equity instruments with the objective of long-term holding to support strategic goals rather than holding for short-term trading. The Company elected to measure equity instruments at fair value through other comprehensive income because they were not held for trading and to reflect the true intention of holding and to reduce the volatility of profit or loss recognised in the year.

On April 28, 2025, the Company proceeded the tender offer by share swap at 1:1 ratio from Ngern Tid Lor Public Company Limited to Tidlor Holdings Public Company Limited. The company derecognised equity instruments of Ngern Tid Lor Public Company Limited which recognised loss from swap of financial assets for 9,141,057 Baht and recognised equity instruments of Tidlor Holdings Public Company Limited at fair value on the initial recognition date.

Apart from which mentioned above, for the year ended 31 December 2025, there were no sales of equity instrument measured at fair value through other comprehensive income (2024: nil).

15 Leasehold improvements and equipment

2025

	Cost							Accumulated depreciation					
	Beginning balance Baht	Additions Baht	Write-off Baht	Disposal Baht	Transfer Baht	Adjustment Baht	Ending balance Baht	Beginning balance Baht	Additions Baht	Write-off Baht	Disposal Baht	Ending balance Baht	Net balance Baht
Leasehold improvements	109,249,642	112,050	(4,202,523)	-	-	(326,317)	104,832,852	37,530,314	11,688,384	(4,138,719)	-	45,079,979	59,752,873
Leasehold in progress	-	2,058,207	-	-	-	-	2,058,207	-	-	-	-	-	2,058,207
Office equipment	7,577,551	96,040	(556,447)	(244,926)	-	-	6,872,218	4,606,129	1,153,852	(550,532)	(244,799)	4,964,650	1,907,568
Furniture and fixture	22,614,554	312,046	(161,531)	(86,000)	-	-	22,679,069	11,484,451	4,394,336	(132,715)	(77,541)	15,668,531	7,010,538
Computer	133,139,137	27,820	(153,010)	-	2,091,743	-	135,105,690	73,049,709	20,274,116	(153,009)	-	93,170,816	41,934,874
Hardware in progress	2,897,923	308,588	-	-	(2,091,743)	(1,114,768)	-	-	-	-	-	-	-
Total	275,478,807	2,914,751	(5,073,511)	(330,926)	-	(1,441,085)	271,548,036	126,670,603	37,510,688	(4,974,975)	(322,340)	158,883,976	112,664,060

2024

	Cost					Accumulated depreciation				
	Beginning balance Baht	Additions Baht	Write-off Baht	Transfer Baht	Ending balance Baht	Beginning balance Baht	Additions Baht	Write-off Baht	Ending balance Baht	Net balance Baht
Leasehold improvements	109,026,012	223,630	-	-	109,249,642	25,800,673	11,729,641	-	37,530,314	71,719,328
Office equipment	7,517,628	369,701	(309,778)	-	7,577,551	3,735,045	1,176,123	(305,039)	4,606,129	2,971,422
Furniture and fixture	21,517,611	1,337,653	(240,710)	-	22,614,554	7,393,676	4,227,031	(136,256)	11,484,451	11,130,103
Computer	83,290,239	12,983,541	(2,330,460)	39,195,817	133,139,137	52,240,611	21,881,737	(1,072,639)	73,049,709	60,089,428
Hardware in progress	-	2,897,923	-	-	2,897,923	-	-	-	-	2,897,923
Total	221,351,490	17,812,448	(2,880,948)	39,195,817	275,478,807	89,170,005	39,014,532	(1,513,934)	126,670,603	148,808,204

16 Intangible assets

	2025									
	Cost					Accumulated amortisation				
	Beginning balance Baht	Additions Baht	Contracts expiration Baht	Transfer Baht	Ending balance Baht	Beginning balance Baht	Additions Baht	Contracts Expiration Baht	Ending balance Baht	Net balance Baht
Software	689,686,862	-	-	116,371,155	806,058,017	358,427,012	111,508,538	-	469,935,550	336,122,467
Software in progress	87,060,461	82,046,470	-	(116,371,155)	52,735,776	-	-	-	-	52,735,776
Partnership agreement	185,000,000	378,210,000	(185,000,000)	-	378,210,000	61,666,667	226,368,333	(185,000,000)	103,035,000	275,175,000
Total	961,747,323	460,256,470	(185,000,000)	-	1,237,003,793	420,093,679	337,876,871	(185,000,000)	572,970,550	664,033,243

	2024 (Restated)									
	Cost					Accumulated amortisation				
	Beginning balance Baht	Additions Baht	Write-off Baht	Transfer Baht	Ending balance Baht	Beginning balance Baht	Additions Baht	Write-off Baht	Ending balance Baht	Net balance Baht
Software	533,080,222	-	(14,053,969)	170,660,609	689,686,862	296,416,876	72,140,967	(10,130,831)	358,427,012	331,259,850
Software in progress	193,594,030	103,640,060	-	(210,173,629)	87,060,461	-	-	-	-	87,060,461
Partnership agreement	-	185,000,000	-	-	185,000,000	-	61,666,667	-	61,666,667	123,333,333
Total	726,674,252	288,640,060	(14,053,969)	(39,513,020)	961,747,323	296,416,876	133,807,634	(10,130,831)	420,093,679	541,653,644

17 Other assets

	2025 Baht	(Restated) 2024 Baht
Security and deposits	12,659,897	11,796,862
Prepaid tax	27,785,465	25,764,493
Prepaid expenses	3,510,647	21,985,841
Right-of-use assets	169,728,564	197,170,333
Others	8,110,075	7,500,659
Total other assets	221,794,648	264,218,188

17.1 Right-of-use assets

	2025						
	Cost			Accumulated amortisation			
	Beginning Balance Baht	Addition Baht	Ending Balance Baht	Beginning balance Baht	Amortisation charge Baht	Ending balance Baht	Right-of-use assets Baht
Buildings and improvements	373,869,421	1,713,492	375,582,913	176,928,729	31,354,684	208,283,413	167,299,500
Vehicle	4,529,490	2,931,199	7,460,689	4,299,849	731,776	5,031,625	2,429,064
Total	378,398,911	4,644,691	383,043,602	181,228,578	32,086,460	213,315,038	169,728,564

	2024						
	Cost			Accumulated amortisation			
	Beginning balance Baht	Addition Baht	Ending balance Baht	Beginning balance Baht	Amortisation charge Baht	Ending balance Baht	Right-of-use assets Baht
Buildings and improvements	373,510,539	358,882	373,869,421	144,830,400	32,098,329	176,928,729	196,940,692
Vehicle	4,529,490	-	4,529,490	3,381,278	918,571	4,299,849	229,641
Total	378,040,029	358,882	378,398,911	148,211,678	33,016,900	181,228,578	197,170,333

Related lease liabilities are disclosed in Note 22.1.

For the year ended 31 December 2025, the Company recorded rental expense for low value assets and service contracts which are not capitalized amounted to Baht 226,992 (2024: Baht 226,992).

18 Insurance and reinsurance contract liabilities

Since the insurance and reinsurance contract liabilities as at 31 December 2025 related to contracts measured using the VFA method are immaterial, the Company does not separately disclose those groups of contracts.

18.1 Insurance contracts issued

18.1.1 Reconciliation of the liability for remaining coverage and the liability for incurred claims

	Contracts not measured under the PAA			
	LRC			
Insurance contracts issued	**Excluding Loss component Baht**	**Loss component Baht**	**LIC Baht**	**Total Baht**
Opening insurance contract liabilities	9,153,926,408	3,516,373,717	190,855,098	12,861,155,223
Opening insurance contract assets	(2,047,304,495)	377,174,422	424,353,555	(1,245,776,518)
Net opening balance as at 1 January 2025	7,106,621,913	3,893,548,139	615,208,653	11,615,378,705
Insurance revenue	(5,453,009,568)	-	-	(5,453,009,568)
Insurance service expenses				
Incurred claims and other directly attributable expenses	259,017,460	(397,323,584)	4,201,080,087	4,062,773,963
Changes that relate to past service	-	-	3,720,873	3,720,873
Losses and reversal of losses on onerous contracts	-	(762,769,304)	-	(762,769,304)
Insurance acquisition cash flows amortisation	901,575,412	-	-	901,575,412
Insurance service expenses	1,160,592,872	(1,160,092,888)	4,204,800,960	4,205,300,944
Insurance service result	(4,292,416,696)	(1,160,092,888)	4,204,800,960	(1,247,708,624)
Net finance expenses from insurance contracts	1,202,678,230	80,105,631	350,753	1,283,134,614
Total amounts recognised in comprehensive income	(3,089,738,466)	(1,079,987,257)	4,205,151,713	35,425,990
Investment components	(1,243,182,694)	-	1,243,182,694	-
Cash flows				
Premiums received	9,091,010,682	-	-	9,091,010,682
Incurred claims and other directly attributable expenses paid	-		(5,035,234,866)	(5,035,234,866)
Insurance acquisition cash flows	(2,629,825,073)	-	-	(2,629,825,073)
Total cash flows	6,461,185,609	-	(5,035,234,866)	1,425,950,743
Closing insurance contract liabilities	11,355,552,453	1,834,364,181	367,532,375	13,557,449,009
Closing insurance contract assets	(2,120,666,091)	979,196,701	660,775,819	(480,693,571)
Net closing balance as at 31 December 2025	9,234,886,362	2,813,560,882	1,028,308,194	13,076,755,438

Insurance contracts issued	**Contracts not measured under the PAA**			
	LRC			
	Excluding Loss component Baht	**Loss component Baht**	**LIC Baht**	**Total Baht**
Opening insurance contract liabilities	5,569,351,386	48,696,652	206,968,321	5,825,016,359
Opening insurance contract assets	(1,875,352,119)	225,575,670	407,583,398	(1,242,193,051)
Net opening balance as at 1 January 2024	3,693,999,267	274,272,322	614,551,719	4,582,823,308
Insurance revenue	(4,215,366,488)	-	-	(4,215,366,488)
Insurance service expenses				
Incurred claims and other directly attributable expenses	152,379,114	(436,279,936)	3,579,770,663	3,295,869,841
Changes that relate to past service	-	-	(1,833,444)	(1,833,444)
Losses and reversal of losses on onerous contracts	-	3,946,351,618	-	3,946,351,618
Insurance acquisition cash flows amortisation	460,382,443	-	-	460,382,443
Insurance service expenses	612,761,557	3,510,071,682	3,577,937,219	7,700,770,458
Insurance service result	(3,602,604,931)	3,510,071,682	3,577,937,219	3,485,403,970
Net finance expenses from insurance contracts	2,436,935,989	109,204,135	-	2,546,140,124
Total amounts recognised in comprehensive income	(1,165,668,942)	3,619,275,817	3,577,937,219	6,031,544,094
Investment components	(1,299,836,287)	-	1,299,836,287	-
Cash flows				
Premiums received	8,260,342,432	-	-	8,260,342,432
Claims and other directly attributable expenses paid	-	-	(4,877,116,572)	(4,877,116,572)
Insurance acquisition cash flows	(2,382,214,557)	-	-	(2,382,214,557)
Total cash flows	5,878,127,875	-	(4,877,116,572)	1,001,011,303
Closing insurance contract liabilities	9,153,926,408	3,516,373,717	190,855,098	12,861,155,223
Closing insurance contract assets	(2,047,304,495)	377,174,422	424,353,555	(1,245,776,518)
Net closing balance as at 31 December 2024	7,106,621,913	3,893,548,139	615,208,653	11,615,378,705

18.1.2 Reconciliation of the measurement components of insurance contract balances

The table below excludes contracts measured under PAA

Insurance contracts issued	Present value of future cash flows Baht	Risk adjustment for non-financial risk Baht	CSM Baht	Total Baht
Opening insurance contract liabilities	8,850,894,945	2,471,750,664	1,538,509,614	12,861,155,223
Opening insurance contract assets	(1,790,168,575)	444,106,000	100,286,057	(1,245,776,518)
Net opening balance as at 1 January 2025	7,060,726,370	2,915,856,664	1,638,795,671	11,615,378,705
Changes that relate to current service				
CSM recognised for the services provided	-	-	(184,548,308)	(184,548,308)
Change in the risk adjustment for non-financial risk for the risk expired	-	(287,110,277)	-	(287,110,277)
Experience adjustments - relating to insurance service expenses	(14,579,595)	-	-	(14,579,595)
	(14,579,595)	(287,110,277)	(184,548,308)	(486,238,180)
Changes that relate to future service				
Changes in estimates that adjust the CSM	711,114,994	7,001,237	(718,116,231)	-
Changes in estimates that result in onerous contract losses and reversals of those losses	(350,121,506)	(583,765,508)	-	(933,887,014)
Contracts initially recognised in the year	(1,940,568,033)	500,223,706	1,611,462,037	171,117,710
	(1,579,574,545)	(76,540,565)	893,345,806	(762,769,304)
Changes that relate to past service				
Changes that relate to past service	(1,868,518)	3,167,378	-	1,298,860
	(1,868,518)	3,167,378	-	1,298,860
Insurance service result	(1,596,022,658)	(360,483,464)	708,797,498	(1,247,708,624)
Net finance expenses from insurance contracts issued	1,210,480,143	-	72,654,471	1,283,134,614
Total amounts recognised in comprehensive income	(385,542,515)	(360,483,464)	781,451,969	35,425,990
Cash flows				
Premiums received	9,091,010,682	-	-	9,091,010,682
Claims and directly attributable expenses paid	(5,035,234,866)	-	-	(5,035,234,866)
Insurance acquisition cash flows	(2,629,825,073)	-	-	(2,629,825,073)
Total cash flows	1,425,950,743	-	-	1,425,950,743
Closing insurance contract liabilities	9,068,540,304	2,132,466,826	2,356,441,879	13,557,449,009
Closing insurance contract assets	(967,405,706)	422,906,374	63,805,761	(480,693,571)
Net closing balance as at 31 December 2025	8,101,134,598	2,555,373,200	2,420,247,640	13,076,755,438

Insurance contracts issued	Present value of future cash flows Baht	Risk adjustment for non-financial risk Baht	CSM Baht	Total Baht
Opening insurance contract liabilities	3,438,433,532	1,634,456,129	752,126,698	5,825,016,359
Opening insurance contract assets	(1,670,333,456)	421,624,956	6,515,449	(1,242,193,051)
Net opening balance as at 1 January 2024	1,768,100,076	2,056,081,085	758,642,147	4,582,823,308
Changes that relate to current service				
CSM recognised for the services provided	-	-	(128,146,843)	(128,146,843)
Change in the risk adjustment for non-financial risk for the risk expired	-	(283,128,312)	-	(283,128,312)
Experience adjustments - relating to insurance service expenses	(47,839,049)	-	-	(47,839,049)
	(47,839,049)	(283,128,312)	(128,146,843)	(459,114,204)
Changes that relate to future service				
Changes in estimates that adjust the CSM	1,021,079,555	142,458,976	(1,163,538,531)	-
Changes in estimates that result in onerous contract losses or reversals of those losses	3,300,122,413	533,127,031	-	3,833,249,444
Contracts initially recognised in the year	(2,472,194,820)	469,151,328	2,116,145,666	113,102,174
	1,849,007,148	1,144,737,335	952,607,135	3,946,351,618
Changes that relate to past service				
Changes that relate to past service	-	(1,833,444)	-	(1,833,444)
	-	(1,833,444)	-	(1,833,444)
Insurance service result	1,801,168,099	859,775,579	824,460,292	3,485,403,970
Net finance expenses from insurance contracts issued	2,490,446,892	-	55,693,232	2,546,140,124
Total amounts recognised in comprehensive income	4,291,614,991	859,775,579	880,153,524	6,031,544,094
Cash flows				
Premiums received	8,260,342,432	-	-	8,260,342,432
Claims and other directly attributable expenses paid	(4,877,116,572)	-	-	(4,877,116,572)
Insurance acquisition cash flows	(2,382,214,557)	-	-	(2,382,214,557)
Total cash flows	1,001,011,303	-	-	1,001,011,303
Closing insurance contract liabilities	8,850,894,945	2,471,750,664	1,538,509,614	12,861,155,223
Closing insurance contract assets	(1,790,168,575)	444,106,000	100,286,057	(1,245,776,518)
Net closing balance as at 31 December 2024	7,060,726,370	2,915,856,664	1,638,795,671	11,615,378,705

18.1.3 Impact of insurance contracts issued recognised in the year

The table below excludes contracts measured under PAA

Insurance contacts issued	2025 Non-onerous contracts originated Baht	2025 Onerous contracts originated Baht	2025 Total Baht	2024 (Restated) Non-onerous contracts originated Baht	2024 (Restated) Onerous contracts originated Baht	2024 (Restated) Total Baht
Estimates of the present value of future cash outflows						
- Insurance acquisition cash flows	2,048,138,363	277,994,571	2,326,132,934	1,654,025,620	195,667,354	1,849,692,974
- Insurance cash flow excluding insurance acquisition cash flows	7,297,086,893	986,851,554	8,283,938,447	7,265,163,810	750,224,147	8,015,387,957
Estimates of the present value of future cash outflows	9,345,225,256	1,264,846,125	10,610,071,381	8,919,189,431	945,891,501	9,865,080,932
Estimates of the present value of future cash inflows	(11,370,191,853)	(1,180,447,561)	(12,550,639,414)	(11,444,535,508)	(892,740,244)	(12,337,275,752)
Risk adjustment for non-financial risk	413,504,560	86,719,146	500,223,706	409,200,411	59,950,917	469,151,328
CSM	1,611,462,037	-	1,611,462,037	2,116,145,666	-	2,116,145,666
Increase in insurance contract liabilities from contracts recognised in the year	-	171,117,710	171,117,710	-	113,102,174	113,102,174

18.1.4 Amount determined on transition to TFRS17

Insurance contracts issued	New contracts Baht	Contracts measured under the fair value approach at transition Baht	Total Baht
Beginning CSM as at 1 January 2025	1,281,709,145	357,086,526	1,638,795,671
Changes that relate to current service			
CSM recognised in profit or loss for the services provided	(181,898,359)	(2,649,949)	(184,548,308)
Changes that relate to future service			
Changes in estimates that adjust CSM	(361,927,408)	(356,188,823)	(718,116,231)
Contracts initially recognised in the period	1,611,462,037	-	1,611,462,037
Finance expenses from insurance contracts issued	61,292,937	11,361,534	72,654,471
Total amounts recognised in comprehensive income	1,128,929,207	(347,477,238)	781,451,969
Ending CSM as at 31 December 2025	2,410,638,352	9,609,288	2,420,247,640
Beginning CSM as at 1 January 2024	-	758,642,147	758,642,147
Changes that relate to current service			
CSM recognised in profit or loss for the services provided	(104,251,634)	(23,895,209)	(128,146,843)
Changes that relate to future service			
Changes in estimates that adjust CSM	(763,130,156)	(400,408,374)	(1,163,538,530)
Contracts initially recognised in the period	2,116,145,666	-	2,116,145,666
Experience adjustments –arising from premiums received in the period that relate to future service	-	-	-
Finance expenses from insurance contracts issued	32,945,269	22,747,962	55,693,231
Total amounts recognised in comprehensive income	1,281,709,145	(401,555,621)	880,153,524
Ending CSM as at 31 December 2024	1,281,709,145	357,086,526	1,638,795,671

18.2 Reinsurance contracts held

18.2.1 Reconciliation of the remaining coverage and incurred claims components.

	Contracts not measured under the PAA			
	Remaining coverage			
Reinsurance contracts held	**Excluding loss recovery component Baht**	**Loss recovery component Baht**	**Incurred claims Baht**	**Total Baht**
Opening reinsurance contract assets	(614,599,035)	990,940,485	308,990,126	685,331,576
Opening reinsurance contract liabilities	(52,412,476)	5,384,729	25,590,432	(21,437,315)
Net opening balance as at 1 January 2025	(667,011,511)	996,325,214	334,580,558	663,894,261
Net income (expenses) from reinsurance contracts held				
Reinsurance expenses	(47,800,717)	-	-	(47,800,717)
Directly attributable expenses paid	(2,667,229)	-	-	(2,667,229)
Incurred claims recovery	-	(19,643,758)	103,266,801	83,623,043
Other changes	-	(728,390,252)	(2,797,015)	(731,187,267)
Effect of changes in the risk of reinsurers' non-performance	(38,641)	-	-	(38,641)
Net income (expenses) from reinsurance	(50,506,587)	(748,034,010)	100,469,786	(698,070,811)
Finance expense from reinsurance contracts held	(238,224,174)	9,154,571	-	(229,069,603)
Total amounts recognised in comprehensive income	(288,730,761)	(738,879,439)	100,469,786	(927,140,414)
Investment components	7,049,097	-	(7,049,097)	-
Cash flows				
Premiums paid net directly attributable expenses	330,801,810	-	-	330,801,810
Recoveries from reinsurance	-	-	(105,252,731)	(105,252,731)
Total cash flows	330,801,810	-	(105,252,731)	225,549,079
Closing reinsurance contract assets	(514,696)	4,920,694	25,766,621	30,172,619
Closing reinsurance contract liabilities	(617,376,669)	252,525,081	296,981,895	(67,869,693)
Net closing balance as at 31 December 2025	(617,891,365)	257,445,775	322,748,516	(37,697,074)

Reinsurance contracts held	Contracts not measured under the PAA			
	Remaining coverage			
	Excluding loss recovery component Baht	Loss recovery component Baht	Incurred claims Baht	Total Baht
Opening reinsurance contract assets	264,266	253,539	1,015,176	1,532,981
Opening reinsurance contract liabilities	(940,215,717)	21,738,194	322,138,766	(596,338,757)
Net opening balance as at 1 January 2024	(939,951,451)	21,991,733	323,153,942	(594,805,776)
Net income (expenses) from reinsurance contracts held				
Reinsurance expenses	(64,462,577)	-	-	(64,462,577)
Directly attributable expenses paid	1,976,969	-	-	1,976,969
Incurred claims recovery	-	(141,545,708)	173,585,770	32,040,062
Other changes	-	1,071,518,775	-	1,071,518,775
Effect of changes in the risk of reinsurers' non-performance	3,758	-	-	3,758
Net income (expenses) from reinsurance contracts held	(62,481,850)	929,973,067	173,585,770	1,041,076,987
Finance income from reinsurance contracts held	189,486,174	44,360,414	-	233,846,588
Total amounts recognised in comprehensive income	127,004,324	974,333,481	173,585,770	1,274,923,575
Investment components	(7,129,861)	-	7,129,861	-
Cash flows				
Premiums paid net of ceding commissions directly attributable expenses paid	153,065,477	-	-	153,065,477
Recoveries from reinsurance	-	-	(169,289,015)	(169,289,015)
Total cash flows	153,065,477	-	(169,289,015)	(16,223,538)
Closing reinsurance contract assets	(614,599,035)	990,940,485	308,990,126	685,331,576
Closing reinsurance contract liabilities	(52,412,476)	5,384,729	25,590,432	(21,437,315)
Net closing balance as at 31 December 2024	(667,011,511)	996,325,214	334,580,558	663,894,261

18.2.2 Reconciliation of the measurement components of insurance contract balances

The table below excludes contracts measured under the PAA

Reinsurance contracts held	Present value of future cash flows Baht	Risk adjustment for non-financial risk Baht	CSM Baht	Total Baht
Opening reinsurance contract assets	645,865,671	226,795,467	(187,329,562)	685,331,576
Opening reinsurance contract liabilities	(14,832,562)	4,919,374	(11,524,127)	(21,437,315)
Net opening balance as at 1 January 2025	631,033,109	231,714,841	(198,853,689)	663,894,261
Changes that relate to current service				
CSM recognised for the services provided	-	-	33,165,942	33,165,942
Change in the risk adjustment for non-financial risk for the risk expired	-	(3,099,108)	-	(3,099,108)
Experience adjustments	(20,313,943)	-	-	(20,313,943)
	(20,313,943)	(3,099,108)	33,165,942	9,752,891
Changes that relate to future service				
Changes in estimates that adjust the CSM	(712,541,374)	(42,273,010)	754,814,384	-
Contracts initially recognised in the year	(26,876,268)	7,397,225	19,479,043	-
CSM adjustment on onerous underlying contracts	-	-	(728,390,252)	(728,390,252)
	(739,417,642)	(34,875,785)	45,903,175	(728,390,252)
Changes that relate to past service				
Changes that relate to past service	20,605,191	-	-	20,605,191
	20,605,191	-	-	20,605,191
Effect of changes in the risk of reinsurers' non-performance	(38,641)	-	-	(38,641)
Net income (expenses) from reinsurance contracts held	(739,165,035)	(37,974,893)	79,069,117	(698,070,811)
Finance income from reinsurance contracts held	(201,641,572)	(203,939)	(27,224,092)	(229,069,603)
Total amounts recognised in comprehensive income	(940,806,607)	(38,178,832)	51,845,025	(927,140,414)
Cash flows				
Premiums paid net of directly attributable expenses paid	330,801,810	-	-	330,801,810
Recoveries from reinsurance	(105,252,731)	-	-	(105,252,731)
Total cash flows	225,549,079	-	-	225,549,079
Closing reinsurance contract assets	18,239,980	1,231,858	10,700,781	30,172,619
Closing reinsurance contract liabilities	(102,464,399)	192,304,151	(157,709,445)	(67,869,693)
Net closing balance as at 31 December 2025	(84,224,419)	193,536,009	(147,008,664)	(37,697,074)

Reinsurance contracts held	Present value of future cash flows Baht	Risk adjustment for non-financial risk Baht	CSM Baht	Total Baht
Opening reinsurance contract assets	1,204,073	330,290	(1,382)	1,532,981
Opening reinsurance contract liabilities	(641,534,068)	102,797,077	(57,601,766)	(596,338,757)
Net opening balance as at 1 January 2024	(640,329,995)	103,127,367	(57,603,148)	(594,805,776)
Changes that relate to current service				
CSM recognised for the services provided	-	-	(36,070,329)	(36,070,329)
Change in the risk adjustment for non-financial risk for the risk expired	-	(8,532,008)	-	(8,532,008)
Experience adjustments	14,156,791	-	-	14,156,791
	14,156,791	(8,532,008)	(36,070,329)	(30,445,546)
Changes that relate to future service				
Changes in estimates that adjust the CSM	1,081,404,006	130,943,337	(1,212,347,343)	-
Contracts initially recognised in the year	(3,573,884)	6,176,145	(2,602,261)	-
CSM adjustment on onerous underlying contracts	-	-	1,071,518,775	1,071,518,775
	1,077,830,122	137,119,482	(143,430,829)	1,071,518,775
Changes that relate to past service				
Experience adjustments	-	-	-	-
	-	-	-	-
Effect of changes in the risk of reinsurers	3,758	-	-	3,758
Net income (expenses) from reinsurance contracts held	1,091,990,670	128,587,475	(179,501,158)	1,041,076,987
Finance income from reinsurance contracts held	195,595,971	-	38,250,617	233,846,588
Total amounts recognised in comprehensive income	1,287,586,641	128,587,475	(141,250,541)	1,274,923,575
Cash flows				
Premiums paid net of directly attributable expenses paid	153,065,477	-	-	153,065,477
Recoveries from reinsurance	(169,289,015)	-	-	(169,289,015)
Total cash flows	(16,223,538)	-	-	(16,223,538)
Closing reinsurance contract assets	645,865,671	226,795,467	(187,329,562)	685,331,576
Closing reinsurance contract liabilities	(14,832,562)	4,919,374	(11,524,127)	(21,437,315)
Net closing balance as at 31 December 2024	631,033,109	231,714,841	(198,853,689)	663,894,261

18.2.3 Impact of contracts recognised in the year

The table below excludes contracts measured under PAA

	2025				
	Contracts originated not in a net gain		Contracts originated in a net gain		
Reinsurance contracts held	Contracts purchased Baht	Contracts acquired Baht	Contracts purchased Baht	Contracts acquired Baht	Total Baht
Estimates of the present value of future cash inflows	89,785,409	-	4,018,936	-	93,804,345
Estimates of the present value of future cash outflows	(119,721,246)	-	(959,367)	-	(120,680,613)
Risk adjustment for non-financial risk	7,081,515	-	315,710	-	7,397,225
CSM	22,854,322	-	(3,375,279)	-	19,479,043

	2024 (Restated)				
	Contracts originated not in a net gain		Contracts originated in a net gain		
Reinsurance contracts held	Contracts purchased Baht	Contracts acquired Baht	Contracts purchased Baht	Contracts acquired Baht	Total Baht
Estimates of the present value of future cash inflows	41,077,287	-	50,653,451	-	91,730,738
Estimates of the present value of future cash outflows	(54,607,450)	-	(40,697,172)	-	(95,304,622)
Risk adjustment for non-financial risk	2,704,349	-	3,471,796	-	6,176,145
CSM	10,825,814	-	(13,428,075)	-	(2,602,261)

18.2.4 Amount determined on transition to TFRS17

Reinsurance contracts held	New contracts Baht	Contracts measured under the fair value approach at transition Baht	Total Baht
Beginning CSM as at 1 January 2025	(8,776,810)	(190,076,879)	(198,853,689)
Changes that relate to current service			
CSM recognised in profit or loss for the services provided	16,009,126	17,156,816	33,165,942
Changes that relate to future service			
Changes in estimates that adjust CSM	12,953,053	741,861,331	754,814,384
Contracts initially recognised in the period	19,479,043	-	19,479,043
CSM adjustment on onerous underlying contracts	1,664,459	(730,054,711)	(728,390,252)
Finance income from reinsurance contracts held	336,885	(27,560,977)	(27,224,092)
Total amounts recognised in comprehensive income	50,442,566	1,402,459	51,845,025
Ending CSM as at 31 December 2025	41,665,756	(188,674,420)	(147,008,664)
Beginning CSM as at 1 January 2024	-	(57,603,148)	(57,603,148)
Changes that relate to current service			
CSM recognised in profit or loss for the services provided	1,235,490	(37,305,819)	(36,070,329)
Changes that relate to future service			
Changes in estimates that adjust CSM	(12,310,475)	(1,200,036,868)	(1,212,347,343)
Contracts initially recognised in the period	(2,602,261)	-	(2,602,261)
CSM adjustment on onerous underlying contracts	4,935,880	1,066,582,895	1,071,518,775
Finance income from reinsurance contracts held	(35,444)	38,286,061	38,250,617
Total amounts recognised in comprehensive income	(8,776,810)	(132,473,731)	(141,250,541)
Ending CSM as at 31 December 2024	(8,776,810)	(190,076,879)	(198,853,689)

18.3 Claim development

18.3.1 Gross claim development table

The claim paid is compared with the estimated amount of the undiscounted amount of the previously projected claim according to the gross of reinsurance claim development table as at 31 December 2025.

	Report Year						
	2020 Baht	**2021 Baht**	**2022 Baht**	**2023 Baht**	**2024 Baht**	**2025 Baht**	**Total Baht**
As at 31 December 2025							
Estimate of ultimate claim costs (gross of reinsurance, undiscounted)							
- At the end of accident year	823,990,277	861,221,919	1,092,431,730	1,439,736,881	1,562,320,506	1,458,099,713	7,237,801,026
- 1 year later	919,007,770	972,133,877	1,205,115,718	1,573,473,238	1,721,728,207	-	6,391,458,810
- 2 year later	927,739,285	980,022,041	1,213,327,467	1,583,907,097	-	-	4,704,995,890
- 3 year later	928,159,965	984,632,026	1,215,325,966	-	-	-	3,218,117,957
- 4 year later	934,190,623	985,126,307	-	-	-	-	1,919,316,930
- 5 year later	935,795,650	-	-	-	-	-	935,795,650
Cumulative gross claims	(919,378,896)	(974,224,733)	(1,199,936,198)	(1,542,373,857)	(1,659,642,117)	(1,329,778,969)	(7,625,335,770)
Gross cumulative claims liabilities – accident years from 2020 to 2025	16,416,754	10,900,574	15,389,768	41,533,240	62,086,090	128,320,744	274,647,170
Gross cumulative claims liabilities – prior accident years							24,981,235
IBNR reserve							140,339,247
Effect of discounting							-
Effect of the risk adjustment margin for non-financial risk							12,200,859
Directly attributable expenses paid and others							576,139,683
Gross LIC							1,028,308,194

18.3.2 Net claim development table

The claim paid is compared with the estimated amount of the undiscounted amount of the claim according to the net claim development table as at 31 December 2025.

	Report Year						
	2020	**2021**	**2022**	**2023**	**2024**	**2025**	**Total**
	Baht	**Baht**	**Baht**	**Baht**	**Baht**	**Baht**	**Baht**
As at 31 December 2025							
Estimate of ultimate claim costs (net of reinsurance, undiscounted)							
- At the end of accident year	760,418,451	794,777,628	1,008,149,328	1,328,659,476	1,441,785,629	1,345,605,593	6,679,396,105
- 1 year later	848,105,232	897,132,596	1,112,139,612	1,452,077,914	1,588,894,836	-	5,898,350,190
- 2 year later	856,163,100	904,412,180	1,119,717,816	1,461,706,788	-	-	4,341,999,884
- 3 year later	856,551,324	908,666,499	1,121,562,128	-	-	-	2,886,779,951
- 4 year later	862,116,710	909,122,645	-	-	-	-	1,771,239,355
- 5 year later	863,597,907	-	-	-	-	-	863,597,907
Cumulative net claims	(862,219,924)	(908,207,677)	(1,120,270,347)	(1,458,220,587)	(1,583,683,478)	(1,334,834,656)	(7,267,436,699)
Net cumulative claims liabilities - accident years from 2020 to 2025	1,377,983	914,968	1,291,781	3,486,201	5,211,358	10,770,937	23,053,228
Net cumulative claims liabilities - prior accident years							2,096,866
IBNR reserve							140,339,247
Effect of discounting							-
Effect of the risk adjustment margin for non-financial risk							12,200,859
Directly attributable expenses paid and others							527,869,478
Net LIC							705,559,678

19 Investment contract liabilities

	2025 Baht	2024 Baht
Investment contract liabilities without discretionary participation features	28,913,860	11,371,185
Unit-linked contract liabilities (Note 13)	-	48,840
Total investment contract liabilities	28,913,860	11,420,025

Movement of investment contract liabilities without discretionary participation features during the year is as follows:

	2025 Baht	2024 Baht
Beginning balance	11,371,185	-
Reserves increased from contract recognized in the year	9,738,332	11,371,185
Reserves increased from in-force policies in the year	13,779,251	-
Reserves released for benefits payment, lapse, and cancelled policies during the year	(5,974,908)	-
Ending balance	28,913,860	11,371,185

20 Employee benefit obligations

	2025 Baht	2024 Baht
Short-term employee benefits	9,648,009	54,589,133
Long-term employee benefits	69,252,354	69,252,354
Post-employment benefits	89,785,416	81,515,277
Total employee benefit obligations	168,685,779	205,356,764

Post-employment benefit obligations from defined benefit plan

The amounts recognised in the statements of financial position are as follows:

	2025 Baht	2024 Baht
Present value of post-employment benefit obligations	89,785,416	81,515,277
Total obligations	89,785,416	81,515,277

The amounts recognised in profit or loss are as follows:

	2025 Baht	2024 Baht
Current service costs	11,165,171	9,647,433
Interest costs	1,434,571	2,044,253
	12,599,742	11,691,686

Changes in the present value of post-employment benefit obligations are as follows:

	2025 Baht	**2024 Baht**
Beginning balance as at 1 January	81,515,277	74,336,490
Current service costs	11,165,171	9,647,433
Interest costs	1,434,571	2,044,253
Remeasurements:		
Gain from change in demographic assumptions	(7,869,955)	-
Loss (gain) from change in financial assumptions	5,865,961	(2,518,631)
Loss (gain) from experience	(2,325,609)	3,849,953
Less benefits paid during the year	-	(5,844,221)
Closing balance as at 31 December	89,785,416	81,515,277

Significant assumptions used in the actuarial calculation are summarised as follows:

	2025	**2024**
Discount rate	1.50%	2.50%
Mortality rate	Thai Mortality Ordinary Table 2017	Thai Mortality Ordinary Table 2017
Retirement age	60 years old	60 years old
Salary increase rate	3.5%	3.8%
Average turnover rate	3% - 20%	0% - 20%

Sensitivity analysis on key assumptions changes are as follows:

	Change in assumption		**Impact on defined benefit obligations**			
			Increase in assumption		**Decrease in assumption**	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Discount rate	1.00%	1.00%	Decrease by 5.00%	Decrease by 6.00%	Increase by 6.00%	Increase by 6.00%
Salary increase rate	1.00%	1.00%	Increase by 6.00%	Increase by 7.00%	Decrease by 6.00%	Decrease by 6.00%
Average turnover rate	20.00%	20.00%	Decrease by 7.00%	Decrease by 6.00%	Increase by 9.00%	Increase by 8.00%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the post-employment benefit obligations recognised within the statement of financial position.

	2025 Years	**2024 Years**
Weighted average duration of the defined benefit obligations	5.43	6.06

Maturity analysis of undiscounted post-employment benefits:

	2025 Baht	**2024 Baht**
Maturity analysis of benefits expected to be paid		
Benefits expected to be paid within 1 year	22,599,788	19,016,409
Benefits expected to be paid after 1 year but within 5 years	26,328,641	19,755,211
Benefits expected to be paid after 5 years	49,109,706	57,263,695

21 Deferred tax

	2025 Baht	(Restated) 2024 Baht
Deferred tax assets	30,014,811	41,801,900
Deferred tax liabilities	(2,146,921,751)	(1,915,999,943)
Deferred tax assets (liabilities), net	(2,116,906,940)	(1,874,198,043)

Movements in deferred tax assets and liabilities are as follows:

	(Restated) 1 January 2025 Baht	Increase (decrease) in profit or loss Baht	Increase (decrease) in other comprehensive income Baht	31 December 2025 Baht
Deferred tax assets				
- Employee benefit	9,740,244	6,621,787	(80,177)	16,281,854
- Expected credit loss	708,844	150,007	-	858,851
- Foreign exchange revaluation	-	209,788	-	209,788
- Tax losses	31,352,812	(18,688,494)	-	12,664,318
	41,801,900	(11,706,912)	(80,177)	30,014,811
Deferred tax liabilities				
- Unrealised gains on change in fair value of investments	(444,785,437)	-	(349,055,022)	(793,840,459)
- Foreign exchange revaluation	(307,413)	307,413	-	-
- Impacts from initial application of new financial reporting standard	(1,470,907,093)	(146,035,555)	263,861,356	(1,353,081,292)
	(1,915,999,943)	(145,728,142)	(85,193,666)	(2,146,921,751)
Deferred tax assets (liabilities) - net	(1,874,198,043)			(2,116,906,940)

	(Restated) 1 January 2024 Baht	Increase (decrease) in profit or loss Baht	Increase (decrease) in other comprehensive income Baht	(Restated) 31 December 2024 Baht
Deferred tax assets				
- Employee benefit	6,060,589	4,199,135	(519,480)	9,740,244
- IBNR	24,340,391	(24,340,391)	-	-
- Expected credit loss	914,258	(205,414)	-	708,844
- Foreign exchange revaluation	78,813	(78,813)	-	-
- Tax losses	59,599,702	(28,246,990)	-	31,352,812
	90,993,753	(48,672,373)	(519,480)	41,801,900
Deferred tax liabilities				
- Unrealised gains on change in fair value of investments	(44,712,045)	-	(400,073,392)	(444,785,437)
- Prepaid expense	(25,333,334)	25,333,334	-	-
- Foreign exchange revaluation	-	(307,413)	-	(307,413)
- Impacts from initial application of new financial reporting standard	(2,337,568,251)	415,757,492	450,903,666	(1,470,907,093)
	(2,407,613,630)	440,783,413	50,830,274	(1,915,999,943)
Deferred tax assets (liabilities) - net	(2,316,619,877)			(1,874,198,043)

The Company had temporary tax difference that the Company did not recognise as deferred tax assets in the financial statements as follows:

	2025	
	Expiry date	
	Within 12 months Baht	**Over 12 months Baht**
Employee benefit	-	32,785,009
Accrued commission expenses	68,963,982	-
IBNR	135,042,281	-
Lease liabilities	-	9,232,371
Allowance for doubtful accounts	394,064	-
Depreciation	-	47,148,423
Claim provision	112,536,437	-
Accrued expenses	149,682,952	-
	466,619,716	89,165,803

	2024	
	Expiry date	
	Within 12 months Baht	**Over 12 months Baht**
Employee benefit	31,175,539	34,560,157
Accrued commission expenses	62,837,715	-
IBNR	117,218,990	-
Expected credit loss	2,410,291	-
Lease liabilities	-	7,754,285
Allowance for doubtful accounts	394,064	-
Depreciation	-	32,613,812
Claim provision	104,946,915	-
Accrued expenses	188,559,124	-
Assets written-off	5,180,958	-
	512,723,569	74,928,254

22 Other liabilities

	2025 Baht	**(Restated) 2024 Baht**
Tax payable	32,362,687	23,186,053
Lease liabilities	178,910,935	204,574,619
Expired cheque	77,826,175	72,283,866
Others	39,666,956	76,967,639
Total	328,766,753	377,012,177

22.1 Lease liabilities

The maturity analysis of lease liabilities is aged as follows:

Maturing	2025 Baht	2024 Baht
Within 1 year	30,750,582	29,349,900
Between 1 to 2 years	31,851,705	29,416,923
Between 2 to 3 years	32,424,361	30,458,334
Between 3 to 4 years	32,724,503	31,536,613
Between 4 to 5 years	33,809,040	32,653,064
Later than 5 years	17,350,744	51,159,785
Total	178,910,935	204,574,619
Including: - Principal	*196,722,702*	*228,818,016*
- Deferred interest expense	*(17,811,767)*	*(24,243,397)*

For the year ended 31 December 2025, interest expense on lease liabilities amounted to Baht 6,812,990 is recorded as "Other finance costs" in the statement of comprehensive income (2024 : Baht 7,705,658).

23 Accrued expenses

	2025 Baht	(Restated) 2024 Baht
Accrued IT related expenses	29,285,372	117,749,931
Accrued expenses - related party	7,306,228	3,235,302
Accrued investment management fee	1,412,648	5,111,190
Others	12,526,331	58,389,864
Total accrued expenses	50,530,579	184,486,287

24 Share-based payment

Chubb Limited (Parent Company), which is listed on the New York Stock Exchange, has a stock option plan, a restricted stock plan and an employee share participation plan. As at 31 December 2025, total liabilities for share-based payment in the statement of financial position are amounted to Baht 69,252,354 (2024: Baht 69,252,354) presented in employee benefit obligations.

Stock Option Plan

Under Chubb Limited's long-term incentive plan, restrictive share options were granted to eligible employees of the Company. The exercisable price of these options is the fair market value at grant date. These options vest at various dates over a 3 year period from the grant date and any unvested options are cancelled on termination of employment. This plan is a group scheme with expenses incurred under the scheme charged out by Chubb Limited to the Company on an annual basis. Any option not exercised or cancelled pursuant to the terms of plan will be forfeited by the tenth anniversary from the date of grant. The total value of the options granted during the year 2025 was USD 625,730 (2024: USD 446,480).

Movements in the number of outstanding share options and their related weighted average exercise prices are as follows:

	2025		2024	
	Average exercise price per share (USD)	Options (Shares)	Average exercise price per share (USD)	Options (Shares)
At 1 January	204.17	5,526	189.25	7,748
Granted	289.69	2,160	254.84	1,752
Transferred in(out)	-	-	255.86	72
Exercised	280.25	(654)	253.71	(1,431)
Forfeited	-	(1,043)	-	(2,615)
Expired	-	-	-	-
At 31 December	236.20	5,989	204.17	5,526

As at 31 December 2025, out of the 5,989 outstanding options (2024: 5,526 options), 2,769 options (2024: 2,495 options) were exercisable.

For exercised options during the year ended 31 December 2025, the weighted-average fair value of stock was USD 280.25 per share (2024: USD 253.71 per share).

Share options outstanding at the end of the year have the following expiry date and exercise prices as follows:

Expiry year	Exercise price per share (USD)	Options (Shares) 2025	Options (Shares) 2024
2025	114.78	-	36
2026	118.39	-	170
2027	139.01	58	339
2028	143.07	-	-
2029	133.90	-	-
2030	150.10	266	266
2031	164.89	595	635
2032	199.03	843	1,089
2033	208.60	1,019	1,444
2034	254.84	1,183	1,547
2035	289.69	2,025	-
Outstanding balance		5,989	5,526

The weighted average fair value of options granted during the year, determined by using the Black-Scholes option-pricing valuation model, was USD 74.75 per option (2024: USD 64.15). The significant inputs into the model were exercise price of USD 289.69 (2024: USD 254.84) at the grant date, the exercise price shown above, volatility of 23.00% (2024: 22.00%), dividend yield of 1.26% (2024: 1.43%), an expected option life of 10 years and an annual risk-free interest rate of 4.00% (2024: 4.30%).

Restricted Stock Plan

Under Chubb Limited's long-term incentive plan, there were 1,524 restricted stocks, with weighted average fair value at USD 289.69 per share, awarded to eligible employees during the year ended 31 December 2025 (2024: 1,163 restricted stocks, with weighted average fair value at USD 254.84 per share). These shares vest at various dates over a 4-year period from the grant dates and any unvested shares are cancelled on termination of the employment of the eligible employees. This plan is a group scheme with expenses incurred under the scheme charged out by Chubb Limited to the Company. The annual expense is based on an amortised calculation that is reflective of the current year's expense portion of all restricted stock grants issued in the current and prior years and is consistent with the treatment required by TFRS 2: Share-based payment. There is liability to the Company for the unamortised portion of the restrictive stock grants issued. The amortised calculation incorporates the fair market value of Chubb Limited's common stock in determining the expense amount. Expected future dividend payments in relation to the restrictive stock grants issued are made directly by Chubb Limited to the eligible employees. The total expense for the year 2025 was Baht 5,412,490 (2024: Baht 331,286).

Employee Share Participation Plan

The Company collects money from local eligible employees and acquires ordinary shares in Chubb Limited on behalf of the employees on a bi-annual basis. Annual purchases by eligible employees are limited to USD 25,000. The price paid by the eligible employees is set at a discount of 15% to the fair value of the ordinary shares at the date of acquisition; this discount is incurred at the group level by Chubb Limited and not charged to the Company. During the year 2025, employees paid for purchase of ordinary shares of Chubb Limited Baht 2,153,627 (2024: Baht 2,584,918).

25 Share capital

	Ordinary shares issued and fully paid-up	
	Number of shares	**Baht**
At 31 December 2023	187,625,000	1,876,250,000
Issue of shares	-	-
At 31 December 2024	187,625,000	1,876,250,000
Issue of shares	-	-
At 31 December 2025	187,625,000	1,876,250,000

26 Legal reserve

	2025 Baht	**2024 Baht**
At 31 January	-	-
Appropriate during the year	30,000,000	-
At 31 December	30,000,000	-

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

27 Insurance revenue and expenses

27.1 Insurance revenue and insurance service performance

	Contracts not measured under the PAA	
	For the year ended 31 December	
	2025	2024
	Baht	Baht
Insurance revenue		
Contracts not measured under the PAA		
Amounts relating to the changes in the LRC		
Expected claims incurred and other directly attributable expenses excluding loss component	4,100,259,025	3,379,713,017
Changes in the risk adjustment for non-financial risk excluding loss component	264,204,810	247,124,185
CSM recognised for the services provided	184,548,308	128,146,843
Other changes	2,422,013	-
Insurance acquisition cash flows recovery	901,575,412	460,382,443
Total insurance revenue	5,453,009,568	4,215,366,488
Insurance service expenses		
Incurred claims and directly attributable expenses	(4,062,773,963)	(3,295,869,841)
Changes that relate to past service	(3,720,873)	1,833,444
Reversal (increase) on losses on onerous contracts	762,769,304	(3,946,351,618)
Insurance acquisition cash flows amortisation	(901,575,412)	(460,382,443)
Total insurance service expenses	(4,205,300,944)	(7,700,770,458)
Net income (expenses) from reinsurance contracts held		
Reinsurance expenses – contracts not measured under the PAA		
Amounts relating to the changes in the remaining coverage		
Expected incurred claims and directly attributable expenses recovery	(120,913,514)	(161,405,948)
Changes in the risk adjustment for risk expired	(3,099,108)	(8,532,008)
CSM recognised for the services received	52,809,699	105,475,379
Other changes	23,402,206	-
Reinsurance expenses - contracts not measured under PAA		
Incurred directly attributable expenses	(47,800,717)	(64,462,577)
Changes in the risk of reinsurers' non-performance	(2,667,229)	1,976,969
Incurred claims recovery	(38,641)	3,758
Other changes	83,623,043	32,040,062
	(731,187,267)	1,071,518,775
Total net revenue (expenses) from reinsurance contracts held	(698,070,811)	1,041,076,987
Total insurance service result	549,637,813	(2,444,326,983)

27.2 Expected recognition of the contractual service margin

An analysis of the expected recognition of the CSM remaining at the end of the reporting period in profit or loss is provided in the following table:

	Insurance contracts issued					Reinsurance contracts held				
Number of years until expected to be recognised	Ordinary individual life and riders Baht	Unit-linked Baht	Personal accident Baht	Group Baht	Total Baht	Ordinary individual life and riders Baht	Unit-linked Baht	Personal accident Baht	Group Baht	Total Baht
As at 31 December 2025										
1	155,891,558	1,226,803	13,678	17,215,055	174,347,094	(7,342,262)	(83,284)	927,579	(8,575,928)	(15,073,895)
2	142,674,337	1,202,905	11,811	254,567	144,143,620	(1,220,805)	(79,263)	(168,164)	(258,963)	(1,727,195)
3	135,074,036	1,205,203	10,550	251,274	136,541,063	(382,767)	(75,571)	(96,457)	(192,140)	(746,935)
4	129,657,852	1,208,010	9,097	239,657	131,114,616	357,469	(72,057)	(55,590)	(142,555)	87,267
5	125,101,318	1,212,632	8,383	238,884	126,561,217	1,016,229	(68,827)	(32,275)	(105,943)	809,184
6 - 10	521,714,227	5,593,600	28,154	540,976	527,876,957	12,982,690	(303,701)	(43,257)	(238,987)	12,396,745
> 10	1,164,748,642	14,877,600	23,307	13,524	1,179,663,073	151,407,766	(435,169)	7,924	282,972	151,263,493
Total	2,374,861,970	26,526,753	104,980	18,753,937	2,420,247,640	156,818,320	(1,117,872)	539,760	(9,231,544)	147,008,664
As at 31 December 2024										
1	92,500,272	-	7,178	22,896,657	115,404,107	24,161,895	-	46,162	5,742,156	29,950,213
2	83,196,276	-	4,713	8,628,156	91,829,145	11,062,536	-	16,984	2,678,981	13,758,501
3	77,494,253	-	4,083	6,974,584	84,472,920	10,457,429	-	9,442	1,196,731	11,663,602
4	72,841,369	-	3,535	5,373,495	78,218,399	9,813,138	-	5,304	516,752	10,335,194
5	68,680,516	-	3,016	3,231,277	71,914,809	9,205,217	-	3,026	212,985	9,421,228
6 - 10	263,935,579	-	9,161	4,422,648	268,367,388	(8,392,513)	-	(1,478)	(60,342)	(8,454,333)
> 10	923,821,709	-	14,376	4,752,818	928,588,903	132,027,688	-	5,292	146,304	132,179,284
Total	1,582,469,974	-	46,062	56,279,635	1,638,795,671	188,335,390	-	84,732	10,433,567	198,853,689

28 Investment income and insurance finance expense

An analysis of net investment income and net insurance finance expenses is presented below.

Since the amount of net investment income and net insurance finance expenses for the year ended 31 December 2025 relating to the underlying assets of contracts measured under VFA method are immaterial, the Company does not separately disclose the portion of those contract groups.

	2025 Baht	2024 Baht
As at 31 December		
Net investment income (expenses) - Investment		
Interest income	748,452,699	692,794,115
Dividend income	488,742	163,439
Fair value gains	34,146	5
Gains on financial instruments	50,228,842	-
Reversal (increasement) of expected credit loss	1,660,258	725,258
Net gains on investments in debt securities measured at FVOCI	1,745,275,112	2,003,317,285
Net gains on investments in equity securities measured at FVOCI	-	(2,950,329)
Transfer of loss on share swap to retained earnings	9,141,057	-
Investment expenses	(31,743,360)	(36,102,637)
Net investment income (expenses)	2,523,537,496	2,657,947,136
Net investment income (expenses) - others		
Net change in investment contract liabilities	1,445,491	(3,578,409)
Net investment income (expenses) - others	1,445,491	(3,578,409)
Total net investment income	2,524,982,987	2,654,368,727

	2025 Baht	2024 Baht
As at 31 December		
Finance income (expenses) from insurance contracts issued		
Changes in value of underlying assets of contracts measured under the VFA	(30,439)	-
Interest accreted	(179,348,101)	(66,276,545)
Effect of changes in interest rates and other financial assumptions	(1,103,756,074)	(2,479,863,579)
Finance income (expenses) from insurance contracts issued	(1,283,134,614)	(2,546,140,124)
Finance income (expenses) from reinsurance contracts held		
Interest accreted	(13,518,899)	8,501,339
Effect of changes in interest rates and other financial assumptions	(215,550,704)	225,345,249
Finance income (expenses) from reinsurance contracts held	(229,069,603)	233,846,588
Net insurance finance expenses	(1,512,204,217)	(2,312,293,536)
Summary of the amounts recognised in profit or loss		
Net investment income	769,121,327	657,580,180
Net investment income (expenses) - others	1,445,491	(3,578,409)
Net insurance finance expenses	(192,897,439)	(57,775,206)
Net insurance and investment result recognised in profit or loss	577,669,379	596,226,565
Summary of the amounts recognised in OCI		
Net investment income	1,754,416,169	2,000,366,956
Net insurance finance expenses	(1,319,306,778)	(2,254,518,330)
Net insurance and investment result recognised in OCI	435,109,391	(254,151,374)
Summary of the amounts recognised		
Net investment income	2,524,982,987	2,654,368,727
Net insurance finance expenses	(1,512,204,217)	(2,312,293,536)
Net investment income and insurance finance expense	1,012,778,770	342,075,191

29 Investment income

	2025 Baht	2024 Baht
Interest income	748,452,699	692,794,115
Dividend income	488,742	163,439
Less: Investment expense	(31,743,360)	(36,102,637)
Total investment income	717,198,081	656,854,917

30 Fair value gains on financial instruments

	2025 Baht	2024 Baht
Fair value gains		
Investment in debt securities measured at fair value through profit or loss	34,146	5
Total fair value gains on financial instruments	34,146	5

31 Gains on financial instruments

	2025 Baht	2024 Baht
Gains on financial instruments		
Gain on sale of debt instruments measured at FVOCI	50,228,842	-
Total gains on financial instruments	50,228,842	-

32 Expected credit loss

	2025 Baht	2024 Baht
Debt instruments measured at fair value through other comprehensive income (Note 13)	1,660,258	725,258
Total reversal of expected credit loss	1,660,258	725,258

33 Operating expenses

	2025 Baht	2024 Baht
Employee expenses not relating to underwriting expenses and claim management expenses	600,644,591	538,909,713
Property and equipment expenses not relating to underwriting expenses	299,933,100	312,239,898
Tax expenses	1,020,343	881,718
Selling and administrative expenses	238,436,315	253,598,123
Other operating expenses	273,189,279	185,056,224
Deduct Expense attributable to insurance acquisition cash flow and insurance contract	(1,048,953,343)	(840,070,943)
Total operating expenses	364,270,285	450,614,733

34 Employee benefit expenses

	2025 Baht	2024 Baht
Salary	447,636,359	394,756,856
Social security fund	2,244,855	2,155,039
Contribution to defined benefit plan	19,469,410	15,456,233
Bonus	84,722,129	68,177,626
Other employee benefit expenses	104,302,240	108,678,848
Deduct Employee benefit expenses related to insurance acquisition cash flows, claim handing costs, and policy administration and maintenance costs	(57,730,402)	(50,314,889)
Total employee benefit expenses	600,644,591	538,909,713

35 Income tax expenses

	2025 Baht	(Restated) 2024 Baht
Current tax:		
Current income tax on taxable profits for the year	(11,375,713)	-
Total current tax	(11,375,713)	-
Deferred tax:		
Decrease in deferred tax assets (Note 21)	(11,706,912)	(48,672,373)
(Increase) decrease in deferred tax liabilities (Note 21)	(145,728,142)	440,783,413
Total deferred tax	(157,435,054)	392,111,040
Total income tax credited (expenses)	(168,810,767)	392,111,040

Below is a reconciliation between effective tax rate and income tax rate used.

	2025 Baht	(Restated) 2024 Baht
Profit (loss) for the year	761,607,666	(2,309,772,849)
Tax rate	20%	20%
Tax calculated at a tax rate of 20%	(152,321,533)	461,954,570
Tax credit from reversal of previously recognised deferred tax liabilities	-	25,333,334
Tax expense from reversal of previously recognised deferred tax assets	-	(52,871,509)
Tax expenses from unrecognised deferred tax assets in current year	(3,575,900)	(43,948,797)
Effect of non-taxable income and non-deductible expenses	(1,537,621)	1,643,442
Adjustments from the previous period	(11,375,713)	-
Income tax credited (expenses)	(168,810,767)	392,111,040

The Company is a member of a multinational Group that is within the scope of the Organisation for Economic Co-operation and Development ("OECD") Inclusive Framework on Income Inclusion Rules. The rules are aimed at ensuring that multinational groups are subject to a minimum taxation of 15% in each of the jurisdictions in which they operate. The Company is a tax resident in Thailand which has enacted Pillar Two. The rules are effective in Thailand from periods beginning on or after 1 January 2025.

Under the legislation, the Company is liable to pay a top-up tax for the difference between its GloBE effective tax rate in the jurisdiction of the Company and the 15% minimum rate.

The Company has GloBE effective tax rates above 15%. So, there's no current tax expense arising from the Pillar Two rules for the year ended 31 December 2025.

36 Tax effects from other comprehensive income (loss)

	2025			2024 (Restated)		
	Before tax Baht	Tax benefit (expense) Baht	Net of tax Baht	Before tax Baht	Tax benefit (expense) Baht	Net of tax Baht
Remeasurement of post-employment benefit obligations	4,329,603	(80,177)	4,249,426	(1,331,322)	(519,480)	(1,850,802)
Remeasurements of investments measured at fair value through other comprehensive income	1,754,416,169	(349,055,022)	1,405,361,147	2,000,366,956	(400,073,392)	1,600,293,564
Finance income (expenses) from insurance contracts and reinsurance contracts held	(1,319,306,778)	263,861,356	(1,055,445,422)	(2,254,518,330)	450,903,666	(1,803,614,664)
Total	439,438,994	(85,273,843)	354,165,151	(255,482,696)	50,310,794	(205,171,902)

37 Earnings (losses) per share

Basic earnings (losses) per share for the year ended 31 December 2025 and 2024 is calculated by dividing the net profit (loss) for the year attributable to shareholders by the weighted average number of ordinary shares in issue and paid-up during the years as follows:

	2025	2024
Net profit (loss) (Baht)	592,796,899	(1,917,661,809)
Weighted average number of ordinary shares in issue and paid-up during the year (shares)	187,625,000	187,625,000
Basic earnings (losses) per share (Baht per share)	3.16	(10.22)

There are no potential dilutive ordinary shares issued for the years ended 31 December 2025 and 2024.

38 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The related party transactions are mainly transacted with the group companies of Chubb Limited as follows:

a) Significant transactions with related parties

	2025 Baht	2024 Baht
Affiliate Company		
Premium ceded to reinsurers	5,249,443	5,566,781
Commissions and brokerages	11,080,855	6,847,921
Other underwriting expenses	28,019,320	27,950,336
Operating expenses	124,747,622	132,769,154

b) Significant balances with related parties

	2025 Baht	2024 Baht
Assets		
Affiliate Company		
Other assets	9,915,632	2,733,526
Liabilities		
Parent Company		
Employee benefit obligations	69,252,354	69,252,354
Affiliate Company		
Amount due to reinsurance	10,816,224	5,566,781
Other liabilities	39,343,473	31,124,865
Other creditors	1,346,105	1,350,347
Accrued other underwriting expenses	55,748,939	36,642,189
Accrued expenses	21,763,601	4,664,190
Equity		
Parent Company		
Other reserve	71,116,846	72,404,938

39 Key management's compensation

Key management personnel are those persons having authorities and responsibilities for planning, directing and controlling the activities of the Company. Their compensations for the years are as follows:

	2025 Baht	2024 Baht
Short-term employee benefits	153,926,237	165,690,838
Long-term employee benefits	951,669	1,018,968
Total	154,877,906	166,709,806

40 Assets deposited with Insurance Registrar

As at 31 December 2025 and 2024, the Company deposited certain assets with the Registrar of the Office of Insurance Commission in accordance with the Life Insurance Act (No. 2) Section 20 B.E. 2535 as follows:

	Carrying value	
	2025 Baht	2024 Baht
Financial assets - debt instruments government bonds	34,275,385	32,519,773

41 Assets pledged as reserve with registrar

As at 31 December 2025 and 2024, the Company deposited certain assets with the Registrar of the Office of Insurance Commission in accordance with the Life Insurance Act (No. 2) Section 24 B.E. 2551 as follows:

	Carrying value	
	2025 Baht	2024 Baht
Financial assets - debt instruments government bonds	5,325,061,602	4,847,189,184

42 Contribution to Life Insurance Fund

In compliance with the Life Insurance Act, as at 31 December 2025, the Company had recognised the contribution to Life Insurance Fund amounting to Baht 85,246,840 (2024: Baht 76,050,489).

Amount of contribution expense during the year as following.

	2025 Baht	2024 Baht
Contribution to Office of Insurance Commission	17,177,578	15,437,896
Contribution to Life Insurance Fund	9,196,351	8,295,320

43 Commitments

As at 31 December 2025 and 2024, the Company had future aggregate minimum lease payments under non-cancellable low-value assets leases and other general service agreements as follows:

	2025		
	Operating lease Baht	Service fee and others Baht	Total Baht
Due within 1 year	226,992	102,395,905	102,622,897
Due more than 1 year but no later than 5 years	333,984	321,350,000	321,683,984
	560,976	423,745,905	424,306,881

	2024		
	Operating lease Baht	Service fee and others Baht	Total Baht
Due within 1 year	226,992	205,261,674	205,488,666
Due more than 1 year but no later than 5 years	500,976	176,800,000	177,300,976
	727,968	382,061,674	382,789,642