

THREL: Management Discussion and Analysis for 1Q/2024 ending Mar 31, 2024

15 May 2024

Subject: Management Discussion and Analysis for 1Q/2024 ended Mar 31, 2024

To President
The Stock Exchange of Thailand

Thaire Life Assurance Public Company Limited would like to explain the operating performances for 1Q/2024 in which the equity method presented that had been reviewed by auditor as follows:

(Unit Million baht)

Description	1Q/2024	1Q/2023	YoY
Reinsurance premium written	788	668	18%
Earned Premium	879	712	23%
Reinsurance expense	973	739	32%
Earnings (Loss) on Underwriting	(95)	(27)	-253%
Net Investment Income and Other Income	16	15	12%
Operating Expenses	31	28	11%
Profit (Loss) before Income Tax expenses	(110)	(40)	-172%
Net Profit (Loss)	(87)	(15)	-494%
COMBINED RATIO	115.2%	108.2%	

Operating performances for 1Q/2024

The Company's financial statements in which the equity method presented a net loss for 1Q/2024 at Baht 87 million, loss increased by Baht 72 million or 494% from the previous year mainly due to:

1. **Earning on Underwriting** Loss on Underwriting amounted to Baht 95 million, decreased by Baht 68 million or 253% from the previous year comprises:
 - A. The Company has reinsurance premiums written amounted to Baht 788 million, increased by Baht 120 million or 18% from the previous year with the earned premiums amounted to Baht 879 million, increased by Baht 167 million or 23%. This increase is a result of the growth of both individual and group health insurance products.
 - B. Reinsurance expenses amounted to Baht 973 million, increased by Baht 235 million or 32% this resulting in a Combined Ratio of 115.2% for 1Q2024, which increased by 7.0 percentage point from the previous year mainly from:
 - Total claim expenses increased by Baht 188 million due to the increase in claim expenses of health insurance products, following the industry's situation where medical cost inflation has risen higher than the adjusted insurance premium rates.
 - Commission expenses increased by Baht 38 million from the previous year mainly due to the increase in line with the growth of premiums.



THAIRE LIFE ASSURANCE PUBLIC COMPANY LIMITED

In 2024, the company conducted a review and adjusted the premiums for some health insurance contracts, especially those for contract renewals. Additionally, they are in the process of refining contracts that impact on performance, aiming to bring the loss ratio and combined ratio back to target levels in the future.

2. Investment Income and Other Income

In 1Q/2024, the Company has net investment income of Baht 16 million, which is close to the previous year. This was due to increased interest income, following the increased return rates of Thai government bonds.

Please be informed accordingly.

Yours sincerely

-Signed-

(Sutti Rajitrangson)

President