

CHUBB LIFE ASSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2020



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of Chubb Life Assurance Public Company Limited

I have reviewed the interim financial information of Chubb Life Assurance Public Company Limited, which comprises the statement of financial position as at 30 June 2020, the related statements of comprehensive income for the three-month and six-month periods then ended, changes in equity, and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read 'Sakuna Y', with a stylized flourish below it.

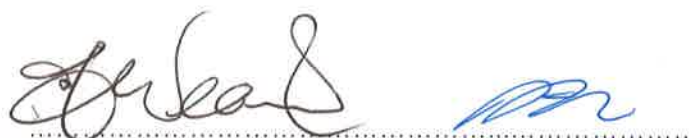
Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
Bangkok
14 August 2020

Chubb Life Assurance Public Company Limited

Statement of Financial Position

As at 30 June 2020

		(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
	Notes		
Assets			
Cash and cash equivalents	7	740,679,857	669,466,169
Premium receivable	8	692,795,679	475,414,400
Accrued investment income		90,033,710	132,557,700
Amount due from reinsurance	9	11,598,832	11,623,652
Invested assets			
Investments in securities	6, 10, 26, 27	14,407,895,901	14,278,776,750
Loans and accrued interest receivables	11	363,908,294	318,540,571
Equipment	12	39,109,412	37,269,865
Intangible assets	13	124,341,578	122,656,324
Other assets	14, 24	149,895,998	100,652,661
Total assets		16,620,259,261	16,146,958,092



Directors

CHUBB

Chubb Life Assurance Public Company Limited
บริษัท ชับบ์ไลฟ์ แอสชูรันส์ จำกัด (มหาชน)

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

Chubb Life Assurance Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 June 2020

	Notes	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Liabilities and equity			
Liabilities			
Insurance liabilities	15	11,961,496,347	11,376,534,031
Amount due to reinsurance	16, 24	55,039,511	57,139,358
Income tax payable		22,300,085	21,963,386
Employee benefit obligations	24	138,994,608	142,121,128
Deferred tax liabilities	17	467,209,931	518,871,460
Other liabilities	18, 24	82,792,051	30,039,261
Other creditors	24	82,501,516	27,146,605
Accrued commission expenses	24	270,336,116	299,154,018
Accrued expenses	24	271,158,625	284,743,992
Total liabilities		<u>13,351,828,790</u>	<u>12,757,713,239</u>
Equity			
Share capital	19		
Registered			
139,025,000 ordinary shares of Baht 10 per share		<u>1,390,250,000</u>	<u>1,390,250,000</u>
Issued and fully paid-up			
139,025,000 ordinary shares of Baht 10 per share		1,390,250,000	1,390,250,000
Deficits		(114,334,321)	(176,206,011)
Other components of equity			
Remeasurements of investments measured at fair value through other comprehensive income - net of tax		1,983,411,775	2,169,914,110
Remeasurements of employee benefit obligations - net of tax		(2,479,539)	63,380
Other reserve	24	11,582,556	5,223,374
Total equity		<u>3,268,430,471</u>	<u>3,389,244,853</u>
Total liabilities and equity		<u>16,620,259,261</u>	<u>16,146,958,092</u>

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

Chubb Life Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2020

	Notes	2020 Baht	2019 Baht
Revenue			
Gross written premiums		1,469,825,494	1,441,039,873
<u>Less</u> premiums ceded to reinsurers	24	<u>(26,893,627)</u>	<u>(28,762,749)</u>
Net written premiums		1,442,931,867	1,412,277,124
<u>Less</u> net change in unearned premium reserve		<u>(1,688,196)</u>	979,834
Net earned premiums		1,441,243,671	1,413,256,958
Fee and commission income		2,848,795	2,817,696
Investment income		<u>112,544,036</u>	<u>105,630,219</u>
Total revenue		<u>1,556,636,502</u>	<u>1,521,704,873</u>
Expenses			
Change in long-term technical reserve		227,816,330	263,536,821
Gross benefits and claim paid		444,236,424	424,437,903
<u>Less</u> benefits and claim paid recovered from reinsurers		<u>(15,170,220)</u>	<u>(13,989,356)</u>
Commissions and brokerages	24	615,133,223	620,390,088
Other underwriting expenses		19,316,212	16,441,873
Operating expenses	20, 21, 24	164,571,548	156,079,527
Other expenses		292,511	68,134
Finance cost	18.1	441,222	-
Expected credit loss	22	<u>199,643</u>	<u>-</u>
Total expenses		<u>1,456,836,893</u>	<u>1,466,964,990</u>
Profit before income tax expense		99,799,609	54,739,883
Income tax (expense) credited		<u>(20,978,530)</u>	<u>17,303,831</u>
Net profit		<u>78,821,079</u>	<u>72,043,714</u>

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

Chubb Life Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 June 2020

	<u>Note</u>	<u>2020</u> <u>Baht</u>	<u>2019</u> <u>Baht</u>
Other comprehensive income (loss)			
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Remeasurements of post-employment benefit obligations		-	8,778
Income tax relating to items that will not be reclassified subsequently to profit or loss		-	746,340
Total items that will not be reclassified subsequently to profit or loss		-	755,118
<u>Items that will be reclassified subsequently to profit or loss</u>			
Gain on remeasuring investments measured at fair value through other comprehensive income		154,367,297	452,871,725
Realised gain from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		-	-
Income tax relating to items that will be reclassified subsequently to profit or loss		(31,137,287)	(90,574,345)
Total items that will be reclassified subsequently to profit or loss		123,230,010	362,297,380
Other comprehensive income for the period - net of tax		<u>123,230,010</u>	<u>363,052,498</u>
Total comprehensive income for the period		<u><u>202,051,089</u></u>	<u><u>435,096,212</u></u>
Earnings (loss) per share	23		
Basic earnings per share		<u>0.57</u>	<u>0.52</u>

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

Chubb Life Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2020

	Notes	2020 Baht	2019 Baht
Revenue			
Gross written premiums		2,970,146,223	2,718,059,101
<u>Less</u> premiums ceded to reinsurers	24	(50,902,059)	(51,065,211)
Net written premiums		2,919,244,164	2,666,993,890
<u>Less</u> net change in unearned premium reserve		(31,823,566)	(42,689,615)
Net earned premiums		2,887,420,598	2,624,304,275
Fee and commission income		6,546,268	5,478,254
Investment income		224,034,228	208,286,704
Total revenue		3,118,001,094	2,838,069,233
Expenses			
Change in long-term technical reserve		476,757,365	483,772,709
Gross benefits and claim paid		876,509,566	796,714,486
<u>Less</u> benefits and claim paid recovered from reinsurers		(28,663,743)	(22,973,268)
Commissions and brokerages	24	1,341,791,729	1,180,034,420
Other underwriting expenses		37,497,546	33,040,775
Operating expenses	20, 21, 24	324,456,744	315,685,149
Other expenses		485,658	8,994
Finance cost	18.1	1,002,243	-
Expected credit loss	22	6,900,982	-
Total expenses		3,036,738,090	2,786,283,265
Profit before income tax expense		81,263,004	51,785,968
Income tax (expense) credited		(17,899,868)	19,010,291
Net profit		63,363,136	70,796,259

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Chubb Life Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the six-month period ended 30 June 2020

	Note	2020 Baht	2019 Baht
Other comprehensive income (loss)			
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Remeasurements of post-employment benefit obligations		(3,178,649)	8,778
Income tax relating to items that will not be reclassified subsequently to profit or loss		635,730	746,340
Total items that will not be reclassified subsequently to profit or loss		<u>(2,542,919)</u>	<u>755,118</u>
<u>Items that will be reclassified subsequently to profit or loss</u>			
Gain (loss) on remeasuring investments measured at fair value through other comprehensive income		(234,447,059)	527,916,517
Realised gain from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		-	-
Income tax relating to items that will be reclassified subsequently to profit or loss		46,625,584	(105,583,303)
Total items that will be reclassified subsequently to profit or loss		<u>(187,821,475)</u>	<u>422,333,214</u>
Other comprehensive income (loss) for the period - net of tax		<u>(190,364,394)</u>	<u>423,088,332</u>
Total comprehensive income (loss) for the period		<u><u>(127,001,258)</u></u>	<u><u>493,884,591</u></u>
Earnings (loss) per share	23		
Basic earnings per share		<u>0.46</u>	<u>0.51</u>

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

Chubb Life Assurance Public Company Limited
Statement of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2020

	Other components of equity						
	Issued and fully paid-up share capital Baht	Deficits Baht	Remeasurements of investments measured at fair value through other comprehensive income, net of tax Baht		Remeasurements of post-employment benefit obligations, net of tax Baht		Total components of equity Baht
			Baht	Baht	Other reserve Baht	Baht	
Beginning balance as at 1 January 2020	1,390,250,000	(176,206,011)	2,169,914,110	63,380	5,223,374	2,175,200,864	3,389,244,853
Retrospective adjustment from adoption of new financial reporting standards (Note 4)	-	(1,491,446)	1,319,140	-	-	1,319,140	(172,306)
Beginning balance after adjustment	1,390,250,000	(177,697,457)	2,171,233,250	63,380	5,223,374	2,176,520,004	3,389,072,547
Net profit	-	63,363,136	-	-	-	-	63,363,136
Equity-settled share-based payment	-	-	-	-	6,359,182	6,359,182	6,359,182
Remeasurements of post-employment benefit obligations	-	-	-	(2,542,919)	-	(2,542,919)	(2,542,919)
Loss on remeasuring investments measured at fair value through other comprehensive income	-	-	(187,821,475)	-	-	(187,821,475)	(187,821,475)
Realised gain from sale of investments at fair value through other comprehensive income and impairment loss transferred to profit or loss	-	-	-	-	-	-	-
Ending balance as at 30 June 2020	1,390,250,000	(114,334,321)	1,983,411,775	(2,479,539)	11,582,556	1,992,514,792	3,268,430,471
Beginning balance as at 1 January 2019	1,390,250,000	(335,220,251)	596,432,637	(691,738)	-	595,740,899	1,650,770,648
Net profit	-	70,796,259	-	-	-	-	70,796,259
Equity-settled share-based payment	-	-	-	-	3,080,888	3,080,888	3,080,888
Share-based payment reclassified to liabilities	-	-	-	-	(3,080,888)	(3,080,888)	(3,080,888)
Remeasurements of post-employment benefit obligations	-	-	-	755,118	-	755,118	755,118
Change in value of available-for-sale investments	-	-	422,333,214	-	-	422,333,214	422,333,214
Realised gain from sale of available-for-sale investment transferred to profit or loss	-	-	-	-	-	-	-
Ending balance as at 30 June 2019	1,390,250,000	(264,423,992)	1,018,765,851	63,380	-	1,018,829,231	2,144,655,239

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

Chubb Life Assurance Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2020

	Notes	2020 Baht	2019 Baht
Cash flows provided by (used in) operating activities			
Written premium received from direct insurance		2,727,298,166	2,613,284,415
Cash paid to reinsurance		(17,767,075)	(16,299,581)
Net investment income		233,705,764	209,202,756
Other expenses		(500,656)	(25,477)
Gross benefits and claim paid from direct insurance		(802,544,254)	(789,198,476)
Commissions and brokerages from direct insurance		(1,395,068,840)	(1,051,241,165)
Other underwriting expenses		(38,437,467)	(33,505,004)
Operating expenses		(209,708,517)	(287,423,012)
Income tax expense		(24,410,715)	(6,550,754)
Cash received for investment in securities		-	43,203,847
Cash paid for investment in securities		(385,177,177)	(705,014,014)
Cash received from loan repayments		88,141,883	68,929,629
Cash paid for loan drawdowns		(56,418,741)	(44,561,945)
		<u>119,112,371</u>	<u>801,219</u>
Net cash provided by operating activities			
Cash flows provided by (used in) investing activities			
Cash received in relation to equipment		15,000	16,500
Cash paid in relation to equipment		(10,590,262)	(10,218,903)
Cash paid in relation to computer software	13	(18,264,829)	(16,066,526)
		<u>(28,840,091)</u>	<u>(26,268,929)</u>
Net cash used in investing activities			
Cash flows provided by (used in) financing activities			
Cash paid for lease liabilities		(18,888,556)	-
		<u>(18,888,556)</u>	<u>-</u>
Net cash used in financing activities			
Net increase (decrease) in cash and cash equivalents		71,383,724	(25,467,710)
Cash and cash equivalents at beginning of the period	7	<u>669,466,169</u>	<u>490,799,978</u>
Cash and cash equivalents at the end of the period		<u>740,849,893</u>	<u>465,332,268</u>

Non-cash transaction

The Company had the significant non-cash transaction as follows:

Payable from purchasing equipment	1,323,055	245,396
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The accompanying condensed notes to interim financial information are an integral part of this 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:

11th - 12th floor, 130 - 132 Sindhorn Tower 1, 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, a local Thai affiliate of Chubb Limited, which is incorporated in Switzerland.

The interim financial information was authorised for issue by the Board of Directors on 14 August 2020.

The interim financial information has been reviewed, but not audited.

2 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in Company's equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. In addition, the interim financial information presentation is based on the formats of life insurance interim financial information attached in an Office of Insurance Commission's notification "Principle, methodology, condition and timing for preparation, submission and reporting of financial statements and operation performance for life insurance company (No.2) B.E. 2562" dated on 4 April 2019 ("OIC Notification"). The notes to the interim financial information are prepared in a condensed format. Additional notes are presented as required by the aforementioned OIC Notification.

The interim financial information should be read together with the annual financial statements for the year ended 31 December 2019.

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

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2019, except for the following:

- 1) the adoption of the new financial reporting standards as described in Note 4
- 2) the Company applied the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) announced by the Federation of Accounting Professions (TFAC) for the reporting period ended 30 June 2020 on lease modification related to rent concession as described in Note 18.1.

4 Adoption of new financial reporting standards and changes in accounting policies

4.1 Adoption of new financial reporting standards

On 1 January 2020, the Company passes criteria of temporary exemption from TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures under TFRS 4 (revised 2018) Insurance Contracts. The Company is eligible to apply the 'financial instruments and disclosures for insurance companies' accounting guidance' ('the Accounting Guidance').

The Company has adopted financial reporting standards relating to financial instruments (TAS 32, and the Accounting Guidance) and leases standard (TFRS 16) retrospectively from 1 January 2020 but has not restated comparatives for the 2019 reporting period, as permitted in the standards. The reclassifications and adjustments arising from the new requirements are therefore recognised in the opening statement of financial position on 1 January 2020.

The following tables show the adjustments and reclassifications made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and the Accounting Guidance) and leases standard (TFRS 16):

	As at 31 December 2019 Previously reported Baht	TAS 32 and the Accounting Guidance Reclassifications and adjustments Baht	TFRS 16 Adjustments Baht	As at 1 January 2020 Restated Baht
Assets				
Cash and cash equivalents	669,466,169	(172,306)	-	669,293,863
Accrued investment income	132,557,700	(44,645,883)	-	87,911,817
Loans and accrued interest receivables	318,540,571	44,645,883	-	363,186,454
Other assets	100,652,661	-	78,946,212	179,598,873
Total assets	1,221,217,101	(172,306)	78,946,212	1,299,991,007
Liabilities and equity				
Liabilities				
Other liabilities	30,039,261	-	78,946,212	108,985,473
Total liabilities	30,039,261	-	78,946,212	108,985,473
Equity				
Remeasurements of investments measured at fair value through other comprehensive income - net of tax	2,169,914,110	1,319,140	-	2,171,233,250
Deficits	(176,206,011)	(1,491,446)	-	(177,697,457)
Total equity	1,993,708,099	(172,306)	-	1,993,535,793
Total liabilities and equity	2,023,747,360	(172,306)	78,946,212	2,102,521,266

4 Adoption of new financial reporting standards and changes in accounting policies (Cont'd)

4.1 Adoption of new financial reporting standards (Cont'd)

The adoption of the new financial reporting standards on financial instruments mainly affects the accounting treatment as follow:

Impairment

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. The Company accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the Company measures impairment losses and applies the effective interest rate method. As of 1 January 2020, the Company recognised impairment losses for deposits with bank and financial institution of Baht 172,306 and investments in securities of Baht 1,319,140. The transition adjustment will be recognised as an adjustment to the opening balance of deficits.

On adoption of TFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 3.09%.

	<u>Baht</u>
Operating lease commitments disclosed as at 31 December 2019	56,665,589
<u>Less</u> discounted using the lessee's incremental borrowing rate of at the date of initial application	(2,376,995)
<u>Less</u> low-value leases recognised on a straight-line basis as expense	(1,680,070)
<u>Add</u> adjustments as a result of a different treatment of extension and termination options	318,750
<u>Add</u> adjustments relating to service agreements	<u>26,018,938</u>
Lease liability recognised as at 1 January 2020	<u>78,946,212</u>

The associated right-of-use assets for property leases were measured on a retrospective basis as if the new rules had always been applied. The right-of use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepayment relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

	<u>30 June 2020 Baht</u>	<u>1 January 2020 Baht</u>
Buildings and improvements	59,714,905	77,522,434
Vehicle	1,364,445	1,773,778
Total right-of-use assets	<u>61,079,350</u>	<u>79,296,212</u>

4 Adoption of new financial reporting standards and changes in accounting policies (Cont'd)

4.1 Adoption of new financial reporting standards (Cont'd)

Practical expedients applied

In applying TFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4 Determining whether an Arrangement contains a Lease.

4.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases

Investments in securities

Classification and measurements

From 1 January 2020, the Company classifies its financial assets as investments measured at fair value through other comprehensive income (FVOCI).

The Company initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

Impairment

From 1 January 2020, the Company assesses expected credit loss on a forward-looking basis for its financial assets which are debt securities carried at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the Company measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

The expected credit loss will be recognised in profit or loss.

4 Adoption of new financial reporting standards and changes in accounting policies (Cont'd)

4.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases (Cont'd)

Right-of-use assets and lease liabilities

The Company leases buildings and improvements and vehicle. Rental contracts are typically made for fixed periods of 3 years. Before 2020 financial year, leases of buildings and improvements and vehicle were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2020, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. 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. Right-of-use assets are recorded as part of "Other assets" in the statement of financial positions.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

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 comprising the following:

- the amount of the initial measurement of lease liability
- any lease prepayments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

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.

5 Estimates

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

In preparing this interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2019.

6 Fair value

6.1 Fair value estimation

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

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

The following table presents the Company's assets that are measured at fair value as at 30 June 2020 and 31 December 2019.

	30 June 2020 (Unaudited)			Total Baht
	Level 1 Baht	Level 2 Baht	Level 3 Baht	
Assets				
Investments in securities				
Investments measured at fair value through other comprehensive income				
- Government and state enterprise securities	-	10,563,214,200	-	10,563,214,200
- Private enterprise securities	-	3,844,681,701	-	3,844,681,701
Total assets	-	14,407,895,901	-	14,407,895,901
	31 December 2019 (Audited)			Total Baht
	Level 1 Baht	Level 2 Baht	Level 3 Baht	
Assets				
Investments in securities				
Available-for-sale securities				
- Government and state enterprise securities	-	10,722,821,313	-	10,722,821,313
- Private enterprise securities	-	3,555,955,437	-	3,555,955,437
Total assets	-	14,278,776,750	-	14,278,776,750

There were no transfers between Levels during the period.

6.2 Valuation techniques used to derive Level 2 fair values

Level 2 debt investments of marketable securities are fair valued based on the yield curve of the Thai Bond Market Association at the close of business on the statements of financial position date.

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7 Cash and cash equivalents

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Cash	110,400	102,500
Deposits held at call with bank	740,739,493	669,363,669
Total	740,849,893	669,466,169
<u>Less</u> expected credit loss	(170,036)	-
Total cash and cash equivalents	<u>740,679,857</u>	<u>669,466,169</u>

8 Premium receivable

As at 30 June 2020 and 31 December 2019, the balances of premium receivable are aged as follows:

	From direct insurance	
	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Current	676,871,865	475,414,400
Overdue	15,923,814	-
Total premium receivable	<u>692,795,679</u>	<u>475,414,400</u>

9 Amount due from reinsurance

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Due from reinsurers	11,598,832	11,623,652
Total amount due from reinsurance	<u>11,598,832</u>	<u>11,623,652</u>

10 Investments in securities

The details of investments in securities are as follows:

	(Unaudited) 30 June 2020		
	Cost Baht	Unrealised gain Baht	Fair value Baht
<u>Investments measured at fair value through other comprehensive income</u>			
Government and state enterprise securities			
- Government bonds	8,175,752,020	2,340,051,220	10,515,803,240
- Debentures	30,000,000	17,410,960	47,410,960
Private enterprise debt securities			
- Debentures	3,731,101,554	113,580,147	3,844,681,701
Total investments measured at fair value through other comprehensive income	<u>11,936,853,574</u>	<u>2,471,042,327</u>	<u>14,407,895,901</u>
	(Audited) 31 December 2019		
	Cost Baht	Unrealised gain Baht	Fair value Baht
<u>Available-for-sale securities</u>			
Government and state enterprise securities			
- Government bonds	8,186,654,590	2,490,256,795	10,676,911,385
- Debentures	30,000,000	15,909,928	45,909,928
Private enterprise debt securities			
- Debentures	3,349,729,522	206,225,915	3,555,955,437
Total available-for-sale securities	<u>11,566,384,112</u>	<u>2,712,392,638</u>	<u>14,278,776,750</u>

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10 Investments in securities (Cont'd)

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

	(Unaudited) 30 June 2020	Expected credit loss recognised in other comprehensive income
	Fair value Baht	Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	13,894,399,278	1,714,176
Investment in debt securities which credit risk has significantly increased (Stage 2)	513,496,623	6,508,216
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	14,407,895,901	8,222,392

The Company disclosed information regarding the restricted amount of investments in Notes 26 and 27.

During the three-month and six-month periods ended 30 June 2020, the Company recognised interest income amounted to Baht 115,350,275 and Baht 229,004,056, respectively (for the three-month and six-month periods ended 30 June 2019: Baht 105,589,390 and Baht 207,543,309, respectively).

During the three-month and six-months periods ended 30 June 2020, the Company has no sales of investments measured at fair value through other comprehensive income (for the three-month and six-month periods ended 30 June 2019: Nil).

11 Loans and accrued interest receivables

The details of loans and accrued interest receivables are as follows:

	(Unaudited) 30 June 2020			(Audited) 31 December 2019		
	Principal Baht	Accrued interest income Baht	Total Baht	Principal Baht	Accrued interest income Baht	Total Baht
Policy loans						
Current	316,052,169	47,856,125	363,908,294	318,540,571	44,645,883	363,186,454
Overdue	-	-	-	-	-	-
Total	316,052,169	47,856,125	363,908,294	318,540,571	44,645,883	363,186,454
Less Allowance for doubtful accounts	-	-	-	-	-	-
Policy loans	<u>316,052,169</u>	<u>47,856,125</u>	<u>363,908,294</u>	<u>318,540,571</u>	<u>44,645,883</u>	<u>363,186,454</u>

Cash values of insurance policies were used as collateral of the policy loans.

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12 Equipment

	30 June 2020 (Unaudited)									
	Cost					Accumulated depreciation				
	Beginning balance Baht	Additions Baht	Disposals Baht	Transfer Baht	Ending Balance Baht	Beginning balance Baht	Additions Baht	Disposals Baht	Ending balance Baht	Net balance Baht
Leasehold improvements	41,567,172	158,717	-	-	41,725,889	29,316,657	3,260,517	-	32,577,174	9,148,715
Leasehold improvements in progress	-	-	-	-	-	-	-	-	-	-
Office equipment	19,506,386	11,274	(251,151)	-	19,266,509	18,274,555	224,843	(251,149)	18,248,249	1,018,260
Furniture & fixtures	6,232,871	34,000	-	-	6,266,871	4,378,098	245,816	-	4,623,914	1,642,957
Computers	56,647,786	3,064,256	-	3,894,800	63,606,842	35,132,340	4,612,223	-	39,744,563	23,862,279
Hardware in progress	417,300	6,914,701	-	(3,894,800)	3,437,201	-	-	-	-	3,437,201
Total	124,371,515	10,182,948	(251,151)	-	134,303,312	87,101,650	8,343,399	(251,149)	95,193,900	39,109,412

	31 December 2019 (Audited)										
	Cost					Accumulated depreciation					
	Beginning balance Baht	Additions Baht	Disposals Baht	Write-off Baht	Transfer Baht	Ending balance Baht	Beginning balance Baht	Additions Baht	Disposals Baht	Ending balance Baht	Net balance Baht
Leasehold improvements	40,560,878	540,202	-	-	466,092	41,567,172	26,393,829	2,922,828	-	29,316,657	12,250,515
Leasehold improvements in progress	86,984	480,092	-	(86,984)	(480,092)	-	-	-	-	-	-
Office equipment	19,078,898	625,304	(197,816)	-	-	19,506,386	17,490,008	971,779	(187,232)	18,274,555	1,231,831
Furniture & fixtures	5,441,343	777,528	-	-	14,000	6,232,871	3,946,042	432,056	-	4,378,098	1,854,773
Computers	44,399,001	9,137,225	-	-	3,111,560	56,647,786	27,528,600	7,603,740	-	35,132,340	21,515,446
Hardware in progress	-	3,528,860	-	-	(3,111,560)	417,300	-	-	-	-	417,300
Total	109,567,104	15,089,211	(197,816)	(86,984)	-	124,371,515	75,358,479	11,930,403	(187,232)	87,101,650	37,269,865

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13 Intangible assets

Intangible assets as at 30 June 2020 and 31 December 2019 comprised:

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Computer software beginning balance	116,529,477	123,006,671
Additions	1,019,575	7,418,198
Transfer in	8,850,413	17,100,552
Amortisation charges	(16,579,575)	(30,995,944)
Computer software ending balance	<u>109,819,890</u>	<u>116,529,477</u>
Computer software in progress beginning balance	6,126,847	1,714,948
Additions	17,245,254	21,512,451
Transfer out	(8,850,413)	(17,100,552)
Computer software in progress ending balance	<u>14,521,688</u>	<u>6,126,847</u>
Total intangible assets	<u>124,341,578</u>	<u>122,656,324</u>

14 Other assets

Other assets as at 30 June 2020 and 31 December 2019 comprised:

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Security and deposits	13,447,158	13,472,017
Prepaid tax	2,448,869	1,537
Prepaid expense	66,726,114	81,498,156
Right-of-use assets	61,079,350	-
Others	6,194,507	5,680,951
Total other assets	<u>149,895,998</u>	<u>100,652,661</u>

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14 Other assets (Cont'd)

14.1 Right-of-use assets

	30 June 2020 (Unaudited)							
	Cost			Accumulated amortisation				
	Beginning balance 1 January 2020 Baht	Addition Baht	Change in contract Baht	Ending balance 30 June 2020 Baht	Beginning balance 1 January 2020 Baht	Amortisation charge Baht	Ending balance 30 June 2020 Baht	Right-of-use assets Baht
Buildings and improvements	77,522,434	1,688,417	-	79,210,851	-	19,495,946	19,495,946	59,714,905
Vehicle	1,773,778	-	-	1,773,778	-	409,333	409,333	1,364,445
Total	79,296,212	1,688,417	-	80,984,629	-	19,905,279	19,905,279	61,079,350

The related lease liabilities are disclosed in Note 18.

For the three-month and six-month periods ended 30 June 2020, the Company has low value leases from lease and service contracts which are not capitalised amounted to Baht 167,658 and Baht 335,316, respectively.

For the three-month and six-month periods ended 30 June 2020, the Company has short-term leases from lease and service contracts which are not capitalised amounted to Baht 9,600 and Baht 9,600, respectively.

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15 Insurance liabilities

	30 June 2020 (Unaudited)			31 December 2019 (Audited)		
	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht
Long-term technical reserves	10,966,072,325	-	10,966,072,325	10,489,314,960	-	10,489,314,960
Claim liability						
- Reported claim	189,912,453	(16,133,541)	173,778,912	156,237,084	(22,662,943)	133,574,141
- Claims incurred but not reported	125,533,793	-	125,533,793	125,090,619	-	125,090,619
Premium liability						
- Unearned premium reserve	378,147,497	-	378,147,497	346,323,931	-	346,323,931
Unpaid policy benefits	273,148,770	(34,601,877)	238,546,893	234,930,753	(17,300,887)	217,629,866
Due to insured	28,681,509	-	28,681,509	24,636,684	-	24,636,684
Total	11,961,496,347	(50,735,418)	11,910,760,929	11,376,534,031	(39,963,830)	11,336,570,201

The Company's unexpired risk reserve (URR) is lower than unearned premium reserve (UPR), so no disclosure for unexpired risk reserve required.

15 Insurance liabilities (Cont'd)

15.1 Long-term technical reserves

The movement of long-term technical reserves are as follows:

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Beginning balance for the period/year	10,489,314,960	9,289,261,178
Policy reserve movement for new policies and inforce policies during the period/year	765,398,861	1,777,516,083
Net movement in benefits payable to life policyholders for death, maturity, surrenders, other policyholders benefits and claims	(288,641,496)	(577,462,301)
Closing balance at the end of period/year	<u>10,966,072,325</u>	<u>10,489,314,960</u>

15.2 Short-term technical reserves

The movement of short-term technical reserves are as follows:

15.2.1 Claim liability

The movement of claim liability are as follows:

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Beginning balance for the period/year	281,327,703	272,568,573
Insurance claims and loss adjustment expenses incurred during the period/year	402,360,258	822,549,558
Change in claim reserve and assumptions	443,174	20,419,825
Insurance claims and loss adjustment expenses paid during the period/year	(368,684,889)	(834,210,253)
Closing balance at the end of period/year	<u>315,446,246</u>	<u>281,327,703</u>

15.2.2 Unearned premium reserve

The movement of unearned premium reserve are as follows:

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Beginning balance for the period/year	346,323,931	288,917,037
Premium written for the period/year	1,498,202,827	2,891,232,120
Premium earned in the period/year	(1,466,379,261)	(2,833,825,226)
Closing balance at the end of period/year	<u>378,147,497</u>	<u>346,323,931</u>

15 Insurance liabilities (Cont'd)

15.3 Unpaid policy benefits

The details of unpaid policy benefits are as follows:

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Death benefits	80,260,405	47,752,315
Coupon	162,041,374	158,819,594
Expired cheque	30,846,991	28,358,844
Total	<u>273,148,770</u>	<u>234,930,753</u>

16 Amount due to reinsurance

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Outward premium payable	55,039,511	57,139,358
Total amount due to reinsurance	<u>55,039,511</u>	<u>57,139,358</u>

17 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Deferred tax assets:		
Deferred tax asset to be settled within 12 months	32,227,663	31,974,936
Deferred tax asset to be settled after 12 months	7,082,016	6,298,798
	<u>39,309,679</u>	<u>38,273,734</u>
Deferred tax liabilities:		
Deferred tax liability to be settled within 12 months	(9,156,679)	(8,000,000)
Deferred tax liability to be settled after 12 months	(497,362,931)	(549,145,194)
	<u>(506,519,610)</u>	<u>(557,145,194)</u>
Deferred tax assets (liabilities) - net	<u>(467,209,931)</u>	<u>(518,871,460)</u>

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17 Deferred income taxes (Cont'd)

As at 30 June 2020 and 31 December 2019, the Company had unutilised deductible temporary difference that the Company did not recognise as deferred tax assets in the statement of financial position as follows:

	(Unaudited)	
	30 June 2020	
	Expiry date	
	Within 12 months	Over 12 months
	Baht	Baht
Employee benefit obligations	-	18,516,286
Leasehold demolishing cost	-	6,426,153
Expected credit loss	-	6,508,216
	-	<u>31,450,655</u>

	(Audited)	
	31 December 2019	
	Expiry date	
	Within 12 months	Over 12 months
	Baht	Baht
Employee benefit obligations	-	18,012,193
Leasehold demolishing cost	-	6,181,079
	-	<u>24,193,272</u>

18 Other liabilities

	(Unaudited)	(Audited)
	30 June	31 December
	2020	2019
	Baht	Baht
Tax payable	11,420,749	21,033,751
Lease liabilities	61,858,566	-
Others	9,512,736	9,005,510
Total	<u>82,792,051</u>	<u>30,039,261</u>

18 Other liabilities (Cont'd)

18.1 Lease liabilities

The maturity analysis of lease liabilities is aged as follows:

	(Unaudited) 30 June 2020 Baht
Maturing	
Within 1 year	39,753,597
Between 1 to 2 years	20,926,244
Between 2 to 3 years	580,266
Between 3 to 4 years	598,459
Between 4 to 5 years	-
Later than 5 years	-
Total	61,858,566
<i>Including: - Principal</i>	<i>63,297,554</i>
<i>- Deferred interest expense</i>	<i>(1,438,988)</i>

For the three-month and six-month periods ended 30 June 2020, interest expense on lease liabilities amounted to Baht 441,222 and Baht 1,002,243 is recorded as "Finance cost" in the statement of comprehensive income.

During the interim period ended 30 June 2020, the Company received discounts in the lease payments from lessor due to the COVID-19 situation. The Company has reduced the lease liabilities, reversed depreciation charge on the right-of-use assets and interest expenses on the lease liabilities and recognised the difference in profit or loss according to TFAC announcement on the temporary measures to relieve the impact from COVID-19. The adjustment is immaterial to the interim financial information.

19 Share capital

	Ordinary shares	
	Number of shares	Baht
At 31 December 2018	139,025,000	1,390,250,000
Issue of shares	-	-
At 31 December 2019	139,025,000	1,390,250,000
Issue of shares	-	-
At 30 June 2020	139,025,000	1,390,250,000

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20 Operating expenses

	(Unaudited)	
	For the three-month periods ended	
	30 June 2020 Baht	30 June 2019 Baht
Employee expenses not relating to underwriting expenses and claim management expenses	79,667,180	76,522,384
Property and equipment expenses not relating to underwriting expenses	29,237,280	28,518,588
Tax expenses	120,495	245,342
Selling and administrative expenses	43,860,045	39,540,117
Other operating expenses	11,686,548	11,253,096
Total operating expenses	164,571,548	156,079,527

	(Unaudited)	
	For the six-month periods ended	
	30 June 2020 Baht	30 June 2019 Baht
Employee expenses not relating to underwriting expenses and claim management expenses	150,762,468	153,100,823
Property and equipment expenses not relating to underwriting expenses	58,918,630	63,074,592
Tax expenses	446,379	587,842
Selling and administrative expenses	90,905,154	76,705,203
Other operating expenses	23,424,113	22,216,689
Total operating expenses	324,456,744	315,685,149

21 Employee benefit expenses

	(Unaudited)	
	For the three-month periods ended	
	30 June 2020 Baht	30 June 2019 Baht
Salary	54,238,198	53,901,514
Social security fund	185,574	379,963
Contribution to employee benefit plan	2,578,731	2,335,617
Bonus	22,993,320	13,758,236
Other employee benefit expenses	13,983,771	16,836,167
Total employee benefit expenses	93,979,594	87,211,497

	(Unaudited)	
	For the six-month periods ended	
	30 June 2020 Baht	30 June 2019 Baht
Salary	107,610,160	105,178,923
Social security fund	567,705	769,992
Contribution to employee benefit plan	4,308,091	4,582,885
Bonus	35,354,019	36,156,278
Other employee benefit expenses	29,118,939	27,765,363
Total employee benefit expenses	176,958,914	174,453,441

22 Expected credit loss

	(Unaudited) For the three-month period ended
	30 June 2020 Baht
Cash and cash equivalents	49,806
Investments in securities	149,837
Total expected credit loss	199,643

	(Unaudited) For the six-month period ended
	30 June 2020 Baht
Cash and cash equivalents	(2,271)
Investments in securities	6,903,253
Total expected credit loss	6,900,982

23 Earnings (loss) per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

	(Unaudited) For the three-month periods ended	
	30 June 2020	30 June 2019
Net profit for the period (Baht)	78,821,079	72,043,714
Weighted average number of ordinary shares in issue during the period (shares)	139,025,000	139,025,000
Basic earnings per share (Baht)	0.57	0.52

	(Unaudited) For the six-month periods ended	
	30 June 2020	30 June 2019
Net profit for the period (Baht)	63,363,136	70,796,259
Weighted average number of ordinary shares in issue during the period (shares)	139,025,000	139,025,000
Basic earnings per share (Baht)	0.46	0.51

There are no potential dilutive ordinary shares in issue for the periods ended 30 June 2020 and 2019.

24 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) Statements of comprehensive income

	(Unaudited) For the three-month periods ended		(Unaudited) For the six-month periods ended	
	30 June 2020 Baht	30 June 2019 Baht	30 June 2020 Baht	30 June 2019 Baht
Affiliates Company				
Premium ceded to reinsurers	776,652	1,064,726	1,037,198	2,266,380
Commissions and brokerages	178,048	218,944	372,861	453,910
Operating expenses	2,042,926	3,340,530	4,112,474	7,037,092

b) Statements of financial position

	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Assets		
Affiliate Company		
Other assets	2,915,876	2,827,645
Liabilities		
Parent Company		
Employee benefit obligations	69,572,418	69,572,418
Affiliate Company		
Amount due to reinsurance	1,037,198	3,935,397
Other liabilities	2,714,959	4,987,734
Other creditors	73,044	73,038
Accrued commission expenses	602,944	620,129
Accrued expenses	8,615,261	4,327,860
Equity		
Parent Company		
Share-based payment	11,582,556	5,223,374

25 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 are as follows:

	(Unaudited) For the three-month periods ended		(Unaudited) For the six-month periods ended	
	30 June 2020 Baht	30 June 2019 Baht	30 June 2020 Baht	30 June 2019 Baht
Short-term benefits	18,674,317	21,181,615	54,523,124	47,938,100
Retirement benefits	320,764	107,378	641,527	214,755
Total	18,995,081	21,288,993	55,164,651	48,152,855

26 Assets deposited with Insurance Registrar

As at 30 June 2020 and 31 December 2019, the Company pledged certain assets with the Registrar of the Office of Insurance Commission in accordance with the Life Insurance Act Section 20 B.E. 2535 as follows:

	Carrying value	
	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Government bonds	37,694,222	37,898,449

27 Assets pledged as reserve with registrar

As at 30 June 2020 and 31 December 2019, the following assets have been pledged as life assurance policy reserve 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	
	(Unaudited) 30 June 2020 Baht	(Audited) 31 December 2019 Baht
Government bonds	3,169,420,340	3,228,551,540

28 Contribution to Life Insurance Fund

In compliance with the Life Insurance Act, as at 30 June 2020, the Company had cumulative contribution to Life Insurance Fund amounting to Baht 42,485,792 (31 December 2019: Baht 39,515,646).

29 Commitments

As indicated in Note 4, the Company has adopted IFRS 16 retrospectively from 1 January 2020, but has not restated comparatives for the 2019 reporting period as permitted under the specific transition provisions in the standard.

As at 30 June 2020, the Company had future aggregate minimum lease payments under non-cancellable low-value assets leases and other general service agreements not within the scope of TFRS 16. Prior to the adoption of IFRS 16, the Company had future aggregate minimum lease payments under non-cancellable buildings and improvements and vehicle leases as follows:

	(Unaudited) 30 June 2020		
	Operating lease Baht	Service fee and others Baht	Total Baht
Due within 1 year	582,832	7,732,899	8,315,731
Due more than 1 year but no later than 5 years	781,122	1,865,573	2,646,695
	<u>1,363,954</u>	<u>9,598,472</u>	<u>10,962,426</u>
	(Audited) 31 December 2019		
	Operating lease Baht	Service fee and others Baht	Total Baht
Due within 1 year	24,327,050	5,490,373	29,817,423
Due more than 1 year but no later than 5 years	24,471,152	2,377,014	26,848,166
	<u>48,798,202</u>	<u>7,867,387</u>	<u>56,665,589</u>