

CHUBB LIFE ASSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2021



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 September 2021, the related statements of comprehensive income for the three-month and nine-month periods then ended, changes in equity, and cash flows for the nine-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 "Paiboon Tunkoon", written over a horizontal line.

Paiboon Tunkoon

Certified Public Accountant (Thailand) No. 4298

Bangkok

11 November 2021

Chubb Life Assurance Public Company Limited
Statement of Financial Position
As at 30 September 2021

		(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
	Notes		
Assets			
Cash and cash equivalents	6	1,027,144,846	1,118,641,635
Premium receivable	7	448,712,422	540,998,839
Accrued investment income		152,117,837	97,101,724
Amount due from reinsurance	8	11,730,852	11,730,852
Invested assets			
Investments in securities	5, 9, 24, 25	15,630,776,767	15,043,357,884
Loans and accrued interest receivables	10	376,014,831	372,180,521
Equipment	11	28,578,989	34,889,519
Intangible assets	12	197,062,559	145,239,828
Other assets	13, 22	248,114,482	98,286,395
Total assets		18,120,253,585	17,462,427,197



Mrs. Angela Julie Hunter



Mr. Adrian Clive O'Brien

Directors

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 September 2021

		(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
	Notes		
Liabilities and equity			
Liabilities			
Insurance liabilities	14	13,636,950,219	12,616,196,867
Amount due to reinsurance	15, 22	72,484,058	54,793,274
Income tax payable		-	5,908,378
Employee benefit obligations	22	157,180,622	150,338,536
Deferred tax liabilities	16	300,841,964	475,625,261
Other liabilities	17, 22	59,097,677	79,928,087
Other creditors	22	168,721,045	173,815,239
Accrued commission expenses	22	182,599,868	228,747,491
Accrued expenses	22, 28	592,141,313	329,204,464
Total liabilities		<u>15,170,016,766</u>	<u>14,114,557,597</u>
Equity			
Share capital	18		
Registered			
187,625,000 ordinary shares of Baht 10 per share		<u>1,876,250,000</u>	<u>1,390,250,000</u>
Issued and fully paid-up			
187,625,000 ordinary shares of Baht 10 per share		1,876,250,000	1,390,250,000
Deficits		(153,711,239)	(92,720,669)
Other components of equity			
Remeasurements of investments measured at fair value through other comprehensive income - net of tax		1,197,068,640	2,036,346,773
Remeasurements of employee benefit obligations - net of tax		(2,479,539)	(2,479,539)
Other reserve	22	33,108,957	16,473,035
Total equity		<u>2,950,236,819</u>	<u>3,347,869,600</u>
Total liabilities and equity		<u>18,120,253,585</u>	<u>17,462,427,197</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 September 2021

	Notes	2021 Baht	2020 Baht
Revenue			
Gross written premiums		1,534,835,823	1,267,188,562
<u>Less</u> premiums ceded to reinsurers	22	<u>(35,627,553)</u>	<u>(27,587,344)</u>
Net written premiums		1,499,208,270	1,239,601,218
<u>Add (Less)</u> net change in unearned premium reserve		<u>(65,609,180)</u>	<u>23,540,495</u>
Net earned premiums		1,433,599,090	1,263,141,713
Fee and commission income		5,089,191	2,923,887
Investment income		130,351,826	116,659,855
Realised gain on investment		9,502	-
Other income		<u>22,186</u>	<u>86,719</u>
Total revenue		<u>1,569,071,795</u>	<u>1,382,812,174</u>
Expenses			
Change in long-term technical reserve		260,742,034	227,131,816
Gross benefits and claim paid		434,437,817	404,774,054
<u>Less</u> benefits and claim paid recovered from reinsurers		<u>(14,971,227)</u>	<u>(17,195,842)</u>
Commissions and brokerages	22	698,448,895	532,681,234
Other underwriting expenses		16,400,537	17,910,849
Operating expenses	19, 22	168,130,117	163,735,369
Finance cost	17.1	112,417	425,541
Expected credit loss	21	<u>686,789</u>	<u>(51,445)</u>
Total expenses		<u>1,563,987,379</u>	<u>1,329,411,576</u>
Profit before income tax expense		5,084,416	53,400,598
Income tax expense		<u>4,378,880</u>	<u>11,632,835</u>
Net profit		<u>705,536</u>	<u>41,767,763</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 September 2021

	2021	2020
	Baht	Baht
Other comprehensive income (loss)		
<u>Items that will be reclassified subsequently to profit or loss</u>		
Loss on remeasuring investments measured at fair value through other comprehensive income	(108,738,718)	(108,419,550)
Realised gain on investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss	(9,502)	-
Income tax relating to items that will be reclassified subsequently to profit or loss	<u>21,749,644</u>	<u>21,683,910</u>
Total items that will be reclassified subsequently to profit or loss	<u>(86,998,576)</u>	<u>(86,735,640)</u>
Other comprehensive loss for the period - net of tax	<u>(86,998,576)</u>	<u>(86,735,640)</u>
Total comprehensive loss for the period	<u><u>(86,293,040)</u></u>	<u><u>(44,967,877)</u></u>
Earnings (loss) per share		
Basic earnings per share	<u><u>0.00</u></u>	<u><u>0.30</u></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 nine-month period ended 30 September 2021

	Notes	2021 Baht	2020 Baht
Revenue			
Gross written premiums		4,578,841,758	4,237,334,785
<u>Less</u> premiums ceded to reinsurers	22	<u>(86,843,698)</u>	<u>(78,489,403)</u>
Net written premiums		4,491,998,060	4,158,845,382
<u>Less</u> net change in unearned premium reserve		<u>(145,477,351)</u>	<u>(8,283,071)</u>
Net earned premiums		4,346,520,709	4,150,562,311
Fee and commission income		12,258,293	9,470,155
Investment income		376,795,572	340,694,083
Realised gain on investment		<u>17,381</u>	<u>-</u>
Total revenue		<u>4,735,591,955</u>	<u>4,500,726,549</u>
Expenses			
Change in long-term technical reserve		825,947,129	703,889,181
Gross benefits and claim paid		1,326,960,159	1,281,283,620
<u>Less</u> benefits and claim paid recovered from reinsurers		<u>(39,808,078)</u>	<u>(45,859,585)</u>
Commissions and brokerages	22	2,060,598,130	1,874,472,963
Other underwriting expenses		57,052,691	55,408,395
Operating expenses	19, 22	524,289,170	488,192,113
Other expenses		252,928	398,939
Finance cost	17.1	583,776	1,427,784
Expected credit loss	21	<u>5,670,385</u>	<u>6,849,537</u>
Total expenses		<u>4,761,546,290</u>	<u>4,366,062,947</u>
Profit (loss) before income tax expense		(25,954,335)	134,663,602
Income tax expense		<u>35,036,235</u>	<u>29,532,703</u>
Net profit (loss)		<u>(60,990,570)</u>	<u>105,130,899</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 nine-month period ended 30 September 2021

	2021	2020
	Baht	Baht
	<u> </u>	<u> </u>
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)
Income tax relating to items that will not be reclassified subsequently to profit or loss	-	635,730
	<u> </u>	<u> </u>
Total items that will not be reclassified subsequently to profit or loss	-	(2,542,919)
	<u> </u>	<u> </u>
<u>Items that will be reclassified subsequently to profit or loss</u>		
Loss on remeasuring investments measured at fair value through other comprehensive income	(1,049,080,285)	(342,866,609)
Realised gain on investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss	(17,381)	-
Income tax relating to items that will be reclassified subsequently to profit or loss	209,819,533	68,309,494
	<u> </u>	<u> </u>
Total items that will be reclassified subsequently to profit or loss	(839,278,133)	(274,557,115)
	<u> </u>	<u> </u>
Other comprehensive loss for the period - net of tax	(839,278,133)	(277,100,034)
	<u> </u>	<u> </u>
Total comprehensive loss for the period	<u>(900,268,703)</u>	<u>(171,969,135)</u>
	<u> </u>	<u> </u>
Earnings (loss) per share		
Basic earnings (loss) per share	<u>(0.33)</u>	<u>0.76</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 nine-month period ended 30 September 2021

	Other components of equity										
	Other comprehensive income (loss)										
	Issued and fully paid-up share capital	Deficits		Remeasurements of investments measured at fair value through other comprehensive income, net of tax		Remeasurements of post-employment benefit obligations, net of tax		Other reserve		Total other components of equity	
Baht		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Total Baht
Beginning balance as at 1 January 2021	1,390,250,000	(92,720,669)	2,036,346,773	(2,479,539)	16,473,035	2,050,340,269	3,347,869,600				
Net loss	-	(60,990,570)	-	-	-	-	(60,990,570)				
Proceeds from shares issued	486,000,000	-	-	-	-	-	486,000,000				
Equity-settled share-based payment	-	-	-	-	16,635,922	16,635,922	16,635,922				
Loss on remeasuring investments measured at fair value through other comprehensive income	-	-	(839,264,228)	-	-	(839,264,228)	(839,264,228)				
Realised gain from investments at fair value through other comprehensive income and impairment loss transferred to profit or loss	-	-	(13,905)	-	-	(13,905)	(13,905)				
Ending balance as at 30 September 2021	1,876,250,000	(153,711,239)	1,197,068,640	(2,479,539)	33,108,957	1,227,698,058	2,950,236,819				
Beginning balance as at 1 January 2020	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	-	105,130,899	-	-	-	-	105,130,899				
Equity-settled share-based payment	-	-	-	-	8,606,900	8,606,900	8,606,900				
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	-	-	(274,557,115)	-	-	(274,557,115)	(274,557,115)				
Realised gain from investments at fair value through other comprehensive income and impairment loss transferred to profit or loss	-	-	-	-	-	-	-				
Ending balance as at 30 September 2020	1,390,250,000	(72,566,558)	1,896,676,135	(2,479,539)	13,830,274	1,908,026,870	3,225,710,312				

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 nine-month period ended 30 September 2021

	Notes	2021 Baht	2020 Baht
Cash flows provided by (used in) operating activities			
Written premium received from direct insurance		4,573,592,611	4,111,405,747
Cash paid to reinsurance		(17,086,543)	(29,249,250)
Investment income		339,817,071	314,100,604
Other expenses		(252,928)	(413,940)
Gross benefits and claim paid from direct insurance		(1,276,157,485)	(1,270,009,624)
Commissions and brokerages from direct insurance		(2,101,964,244)	(1,975,770,273)
Other underwriting expenses		(59,247,204)	(58,313,615)
Operating expenses		(340,838,775)	(281,244,632)
Income tax expense		(9,538,862)	(47,934,599)
Cash received for investment in securities		960,812,391	60,000,000
Cash paid for investment in securities		(2,625,392,628)	(777,208,213)
Cash received from loan repayments		185,930,874	155,678,367
Cash paid for loan drawdowns		(86,863,396)	(80,503,403)
Net cash provided by (used in) operating activities		<u>(457,189,118)</u>	<u>120,537,169</u>
Cash flows provided by (used in) investing activities			
Cash received in relation to equipment		-	15,000
Cash paid in relation to equipment		(7,663,385)	(13,512,031)
Cash paid in relation to computer software	12	(80,871,893)	(29,611,966)
Net cash used in investing activities		<u>(88,535,278)</u>	<u>(43,108,997)</u>
Cash flows provided by (used in) financing activities			
Cash paid for lease liabilities		(31,772,393)	(29,401,382)
Cash received from issue of ordinary shares	18	486,000,000	-
Net cash provided by (used in) financing activities		<u>454,227,607</u>	<u>(29,401,382)</u>
Net increase (decrease) in cash and cash equivalents		(91,496,789)	48,026,790
Cash and cash equivalents at beginning of the period	6	<u>1,118,641,635</u>	<u>669,466,169</u>
Cash and cash equivalents at the end of the period		<u><u>1,027,144,846</u></u>	<u><u>717,492,959</u></u>

Non-cash transaction

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

Payable from purchasing equipment	892,380	91,530
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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 11 November 2021.

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 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. 2563" 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 2020.

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 2020, except for the following.

- A) At 1 January 2021, the Company chooses to apply a practical expedient where the lessee receives a rent concession as a direct consequence of the COVID-19. A lessee may elect not to assess whether a rent concession that reducing or refraining of the lease payments due by 30 June 2022 is a lease modification. The impact for such practical expedient is included in the interim period ended 30 September 2021 as disclosed in Note 17.1.

4 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 2020.

5 Fair value

5.1 Fair value estimation

Financial assets carried at fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the closing price by reference to the Stock Exchange of Thailand.
 Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
 Level 3: The fair value of financial instruments is not based on observable market data.

The following table presents the Company's assets that are measured at fair value as at 30 September 2021 and 31 December 2020.

	30 September 2021 (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	-	10,563,549,036	-	10,563,549,036
- Private enterprise debt securities	-	5,050,477,731	-	5,050,477,731
- Equity securities	16,750,000	-	-	16,750,000
Total assets	16,750,000	15,614,026,767	-	15,630,776,767

5 Fair value (Cont'd)

5.1 Fair value estimation (Cont'd)

The following table presents the Company's assets that are measured at fair value as at 30 September 2021 and 31 December 2020. (Cont'd)

	31 December 2020 (Audited)			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	-	10,704,150,041	-	10,704,150,041
- Private enterprise debt securities	-	4,339,207,843	-	4,339,207,843
Total assets	-	15,043,357,884	-	15,043,357,884

There were no transfers between levels during the period.

5.2 Valuation techniques used to derive Level 1 fair values

The fair value of financial instruments in level one is based on the closing price at the statement of financial position date. The closing price used for financial assets held by the Company is obtained from the Stock Exchange of Thailand.

5.3 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.

6 Cash and cash equivalents

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Cash	197,900	114,400
Deposits held at call with bank	1,026,946,946	1,118,527,235
Total cash and cash equivalents	1,027,144,846	1,118,641,635

Chubb Life Assurance Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 September 2021

7 Premium receivable

As at 30 September 2021 and 31 December 2020, the balances of premium receivable are aged as follows:

	From direct insurance	
	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Current	448,712,422	540,998,839
Overdue not over 30 days	-	-
Overdue 31 - 60 days	-	-
Overdue 61 - 90 days	-	-
Overdue 91 days - 1 year	-	63,900
Overdue over 1 year	394,064	330,164
Total	449,106,486	541,392,903
<u>Less</u> Allowance for doubtful accounts	(394,064)	(394,064)
Total premium receivable	<u>448,712,422</u>	<u>540,998,839</u>

8 Amount due from reinsurance

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Due from reinsurers	11,730,852	11,730,852
Total amount due from reinsurance	<u>11,730,852</u>	<u>11,730,852</u>

Chubb Life Assurance Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 September 2021

9 Investments in securities

The details of investments in securities are as follows:

	(Unaudited) 30 September 2021		
	Cost Baht	Unrealised gain (loss) Baht	Fair value Baht
<u>Investments measured at fair value through other comprehensive income</u>			
Government and state enterprise securities			
- Government bonds	9,091,556,224	1,423,236,573	10,514,792,797
- Debentures	30,000,000	18,756,239	48,756,239
Private enterprise debt securities			
- Debentures	5,010,352,642	40,125,089	5,050,477,731
Equity securities	18,250,000	(1,500,000)	16,750,000
Total investments measured at fair value through other comprehensive income	<u>14,150,158,866</u>	<u>1,480,617,901</u>	<u>15,630,776,767</u>
	(Audited) 31 December 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	8,265,221,912	2,391,153,009	10,656,374,921
- Debentures	30,000,000	17,775,120	47,775,120
Private enterprise debt securities			
- Debentures	4,212,750,020	126,457,823	4,339,207,843
Total investments measured at fair value through other comprehensive income	<u>12,507,971,932</u>	<u>2,535,385,952</u>	<u>15,043,357,884</u>

Chubb Life Assurance Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 September 2021

9 Investments in securities (Cont'd)

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

	(Unaudited) 30 September 2021		(Audited) 31 December 2020	
	Fair value Baht	Expected credit loss recognised in other comprehensive income Baht	Fair value Baht	Expected credit loss recognised in other comprehensive income Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	14,764,754,236	3,424,630	14,366,621,326	1,869,179
Investment in debt securities which credit risk has significantly increased (Stage 2)	849,272,531	12,293,270	676,736,558	8,178,336
Credit-impaired investments in debt securities (Stage 3)	-	-	-	-
Total	15,614,026,767	15,717,900	15,043,357,884	10,047,515

The Company disclosed information regarding the restricted amount of investments in Notes 24 and 25.

For the three-month and nine-month periods ended 30 September 2021, the Company recognised interest income amounted to Baht 133,106,158 and Baht 384,759,106, respectively (for the three-month and nine-month periods ended 30 September 2020: Baht 117,416,021 and Baht 346,420,077, respectively).

For the three-month period ended 30 September 2021, the Company has no sales of investments. For the nine-month period ended 30 September 2021, the Company has sales of investments amounted to Baht 300,000,000 and gain from selling such investment amounted to Baht 7,879 (for the three-month and nine-month periods ended 30 September 2020: Nil).

Chubb Life Assurance Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 30 September 2021

10 Loans and accrued interest receivables

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

	(Unaudited) 30 September 2021			(Audited) 31 December 2020		
	Principal Baht	Accrued interest income Baht	Total Baht	Principal Baht	Accrued interest income Baht	Total Baht
Policy loans						
Current	321,176,609	54,838,222	376,014,831	322,787,930	49,392,591	372,180,521
Overdue	-	-	-	-	-	-
Total	321,176,609	54,838,222	376,014,831	322,787,930	49,392,591	372,180,521
Less Allowance for doubtful accounts	-	-	-	-	-	-
Policy loans	<u>321,176,609</u>	<u>54,838,222</u>	<u>376,014,831</u>	<u>322,787,930</u>	<u>49,392,591</u>	<u>372,180,521</u>

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

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11 Equipment

	30 September 2021 (Unaudited)									
	Cost					Accumulated depreciation				
	Beginning balance Baht	Additions Baht	Transfer Baht	Ending Balance Baht	Beginning balance Baht	Additions Baht	Ending balance Baht	Net balance Baht		
Leasehold improvements	41,725,889	144,450	-	41,870,339	35,558,168	4,276,594	39,834,762	2,035,577		
Leasehold improvements in progress	-	384,205	-	384,205	-	-	-	384,205		
Office equipment	18,329,085	205,177	-	18,534,262	17,250,774	334,412	17,585,186	949,076		
Furniture & fixtures	6,381,111	45,270	-	6,426,381	4,880,122	392,458	5,272,580	1,153,801		
Computers	55,743,970	4,102,158	5,318,430	65,164,558	35,440,940	6,866,833	42,307,773	22,856,785		
Hardware in progress	5,839,468	678,507	(5,318,430)	1,199,545	-	-	-	1,199,545		
Total	128,019,523	5,559,767	-	133,579,290	93,130,004	11,870,297	105,000,301	28,578,989		

	31 December 2020 (Audited)									
	Cost					Accumulated depreciation				
	Beginning balance Baht	Additions Baht	Disposals Baht	Ending balance Baht	Beginning balance Baht	Additions Baht	Disposals Baht	Write-off Baht	Ending balance Baht	Net balance Baht
Leasehold improvements	41,567,172	158,717	-	41,725,889	29,316,657	6,241,511	-	-	35,558,168	6,167,721
Office equipment	19,506,386	283,456	(251,150)	18,329,085	18,274,555	436,846	(251,149)	(1,209,478)	17,250,774	1,078,311
Furniture & fixtures	6,232,871	148,240	-	6,381,111	4,378,098	502,024	-	-	4,880,122	1,500,989
Computers	56,647,786	4,224,223	-	55,743,970	35,132,340	9,319,791	-	(9,011,191)	35,440,940	20,303,030
Hardware in progress	417,300	9,316,968	-	5,894,800	-	(3,894,800)	-	-	-	5,839,468
Total	124,371,515	14,131,604	(251,150)	128,019,523	87,101,650	16,500,172	(251,149)	(10,220,669)	93,130,004	34,889,519

12 Intangible assets

Intangible assets as at 30 September 2021 and 31 December 2020 comprised:

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Computer software beginning balance	113,668,864	116,529,477
Additions	59,679,747	1,019,575
Disposal	-	(5,361,780)
Transfer in	-	29,912,983
Amortisation charges	(29,049,162)	(28,431,391)
Computer software ending balance	<u>144,299,449</u>	<u>113,668,864</u>
Computer software in progress beginning balance	31,570,964	6,126,847
Additions	21,192,146	55,357,100
Transfer out	-	(29,912,983)
Computer software in progress ending balance	<u>52,763,110</u>	<u>31,570,964</u>
Total intangible assets	<u>197,062,559</u>	<u>145,239,828</u>

13 Other assets

Other assets as at 30 September 2021 and 31 December 2020 comprised:

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Security and deposits	13,467,158	13,467,158
Prepaid tax	3,632,021	1,537
Prepaid expense	214,121,205	36,386,065
Right-of-use assets	11,344,100	41,185,250
Others	5,549,998	7,246,385
Total other assets	<u>248,114,482</u>	<u>98,286,395</u>

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Condensed Notes to the Interim Financial Information (Unaudited)
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13 Other assets (Cont'd)

13.1 Right-of-use assets

	30 September 2021 (Unaudited)						
	Cost			Accumulated amortisation			
	Beginning balance 1 January 2021 Baht	Addition Baht	Change in contract Baht	Ending balance 30 September 2021 Baht	Beginning balance 1 January 2021 Baht	Amortisation charge 30 September 2021 Baht	Right-of-use assets Baht
Buildings and improvements	79,210,851	-	-	79,210,851	38,980,712	29,227,150	11,002,989
Vehicle	1,773,778	-	-	1,773,778	818,667	614,000	341,111
Total	80,984,629	-	-	80,984,629	39,799,379	29,841,150	11,344,100

The related lease liabilities are disclosed in Note 17.1.

For the three-month and nine-month periods ended 30 September 2021, the Company has low value leases from lease and service contracts which are not capitalised amounted to Baht 103,458 and Baht 331,774, respectively (For the three-month and nine-month periods ended 30 September 2020 : 167,658 and Baht 502,974, respectively).

For the three-month and nine-month periods ended 30 September 2021, the Company has short-term leases from lease and service contracts which are not capitalised amounted to Baht 43,800 and Baht 131,400, respectively (For the three-month and nine-month periods ended 30 September 2020 : Baht 28,800 and Baht 38,400, respectively).

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13 Other assets (Cont'd)

13.1 Right-of-use assets (Cont'd)

	31 December 2020 (Audited)						
	Cost			Accumulated amortisation			
	Beginning balance 1 January 2020 Baht	Addition Baht	Change in contract 31 December 2020 Baht	Ending balance 31 December 2020 Baht	Beginning balance 1 January 2020 Baht	Amortisation charge 31 December 2020 Baht	
Buildings and improvements	77,522,434	1,688,417	-	79,210,851	-	38,980,712	40,230,139
Vehicle	1,773,778	-	-	1,773,778	-	818,667	955,111
Total	79,296,212	1,688,417	-	80,984,629	-	39,799,379	41,185,250

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14 Insurance liabilities

	30 September 2021 (Unaudited)		31 December 2020 (Audited)	
	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht
Long-term technical reserves	12,507,085,234	-	11,681,138,106	-
Claim liability				
- Reported claim	159,235,206	(22,593,780)	151,178,324	(19,788,239)
- Claims incurred but not reported	113,335,130	-	111,295,221	-
Premium liability				
- Unearned premium reserve	528,102,728	-	382,625,377	-
Unpaid policy benefits	285,066,130	(73,899,619)	249,446,263	(57,359,683)
Due to insured	44,125,791	-	40,513,576	-
Total	13,636,950,219	(96,493,399)	12,616,196,867	(77,147,922)
		13,540,456,820		12,539,048,945

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

14 Insurance liabilities (Cont'd)

14.1 Long-term technical reserves

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

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Beginning balance for the period/year	11,681,138,106	10,489,314,960
Policy reserve movement for new policies and inforce policies during the period/year	1,323,142,620	1,947,698,355
Net movement in benefits payable to life policyholders for death, maturity, surrenders, other policyholders benefits and claims	<u>(497,195,492)</u>	<u>(755,875,209)</u>
Closing balance at the end of period/year	<u>12,507,085,234</u>	<u>11,681,138,106</u>

14.2 Short-term technical reserves

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

14.2.1 Claim liability

The movement of claim liability are as follows:

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Beginning balance for the period/year	262,473,545	281,327,703
Insurance claims and loss adjustment expenses incurred during the period/year	533,864,373	771,086,217
Change in claim reserve and assumptions	2,039,909	(13,795,398)
Insurance claims and loss adjustment expenses paid during the period/year	<u>(525,807,491)</u>	<u>(776,144,977)</u>
Closing balance at the end of period/year	<u>272,570,336</u>	<u>262,473,545</u>

14.2.2 Unearned premium reserve

The movement of unearned premium reserve are as follows:

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Beginning balance for the period/year	382,625,377	346,323,931
Premium written for the period/year	2,050,469,324	2,628,850,581
Premium earned in the period/year	<u>(1,904,991,973)</u>	<u>(2,592,549,135)</u>
Closing balance at the end of period/year	<u>528,102,728</u>	<u>382,625,377</u>

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14 Insurance liabilities (Cont'd)

14.3 Unpaid policy benefits

The details of unpaid policy benefits are as follows:

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Death benefits	62,183,672	51,723,831
Coupon	194,158,942	167,889,899
Expired cheque	28,723,516	29,832,533
Total	285,066,130	249,446,263

15 Amount due to reinsurance

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Outward premium payable	72,484,058	54,793,274
Total amount due to reinsurance	72,484,058	54,793,274

16 Deferred income taxes

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

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Deferred tax assets:		
Deferred tax asset to be settled within 12 months	619,885	32,535,995
Deferred tax asset to be settled after 12 months	38,888,645	7,592,104
	39,508,530	40,128,099
Deferred tax liabilities:		
Deferred tax liability to be settled within 12 months	(16,085,595)	(6,442,305)
Deferred tax liability to be settled after 12 months	(324,264,899)	(509,311,055)
	(340,350,494)	(515,753,360)
Deferred tax assets (liabilities) - net	(300,841,964)	(475,625,261)

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16 Deferred income taxes (Cont'd)

The movement in deferred tax assets and deferred tax liabilities during the period/year is as follows:

	Employee benefit Baht	Accrued commission expenses Baht	IBNR Baht	Expected credit loss Baht	Lease liabilities Baht	Tax losses Baht	Total Baht
Deferred tax assets							
At 1 January 2021	8,774,764	5,396,177	25,308,584	373,836	274,738	-	40,128,099
Increase (decrease) to profit or loss	208,296	(5,396,177)	(25,308,584)	(373,836)	(274,738)	30,525,470	(619,569)
Increase (decrease) to other comprehensive income (loss)	-	-	-	-	-	-	-
At 30 September 2021	8,983,060	-	-	-	-	30,525,470	39,508,530
At 1 January 2020	7,776,874	2,375,149	28,121,711	-	-	-	38,273,734
Increase (decrease) to profit and loss	362,160	3,021,028	(2,813,127)	373,836	274,738	-	1,218,635
Increase (decrease) to other comprehensive income (loss)	635,730	-	-	-	-	-	635,730
At 31 December 2020	8,774,764	5,396,177	25,308,584	373,836	274,738	-	40,128,099

	Unrealised gains on changes in fair value of investments Baht	Prepaid expense Baht	Total Baht
Deferred tax liabilities			
At 1 January 2021	(509,086,693)	(6,666,667)	(515,753,360)
(Increase) decrease to profit or loss	-	(34,416,667)	(34,416,667)
(Increase) decrease to other comprehensive income (loss)	209,819,533	-	209,819,533
At 30 September 2021	(299,267,160)	(41,083,334)	(340,350,494)
At 1 January 2020	(542,478,527)	(14,666,667)	(557,145,194)
(Increase) decrease to profit or loss	-	8,000,000	8,000,000
(Increase) decrease to other comprehensive income (loss)	33,391,834	-	33,391,834
At 31 December 2020	(509,086,693)	(6,666,667)	(515,753,360)

Chubb Life Assurance Public Company Limited
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17 Other liabilities

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Tax payable	14,204,691	21,009,587
Lease liabilities	11,020,323	42,208,940
Others	33,872,663	16,709,560
Total	<u>59,097,677</u>	<u>79,928,087</u>

17.1 Lease liabilities

The maturity analysis of lease liabilities is aged as follows:

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Maturing		
Within 1 year	10,435,561	40,907,573
Between 1 to 2 years	584,762	712,075
Between 2 to 3 years	-	589,292
Between 3 to 4 years	-	-
Between 4 to 5 years	-	-
Later than 5 years	-	-
Total	<u>11,020,323</u>	<u>42,208,940</u>
<i>Including: - Principal</i>	11,096,305	42,871,901
<i>- Deferred interest expense</i>	(75,982)	(662,961)

For the three-month and nine-month periods ended 30 September 2021, interest expense on lease liabilities amounted to Baht 112,417 and Baht 583,776 is recorded as "Finance cost" in the statement of comprehensive income (For the three-month and nine-month periods ended 30 September 2020 : Baht 425,541 and Baht 1,427,784, respectively).

During the third quarter of 2021, 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.

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18 Share capital

	Ordinary shares	
	Number of shares	Baht
At 31 December 2019	139,025,000	1,390,250,000
Issue of shares	-	-
At 31 December 2020	139,025,000	1,390,250,000
Issue of shares	48,600,000	486,000,000
At 30 September 2021	<u>187,625,000</u>	<u>1,876,250,000</u>

On 5 January 2021, the shareholders at the Annual General Meeting passed a resolution to approve the increase of registered share capital amounting to Baht 486,000,000 from Baht 1,390,250,000 to Baht 1,876,250,000 by issuing the ordinary share of 48,600,000 shares with par value of Baht 10 per share. On 25 January 2021, the issued shares were fully paid-up.

19 Operating expenses

	(Unaudited)	
	For the three-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht
Employee expenses not relating to underwriting expenses and claim management expenses	88,861,715	68,289,720
Property and equipment expenses not relating to underwriting expenses	38,168,785	36,285,433
Tax expenses	192,460	139,030
Selling and administrative expenses	26,027,885	46,834,231
Other operating expenses	14,879,272	12,186,955
Total operating expenses	<u>168,130,117</u>	<u>163,735,369</u>

	(Unaudited)	
	For the nine-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht
Employee expenses not relating to underwriting expenses and claim management expenses	236,451,477	219,052,188
Property and equipment expenses not relating to underwriting expenses	108,171,574	95,204,063
Tax expenses	632,691	585,409
Selling and administrative expenses	140,866,285	137,739,385
Other operating expenses	38,167,143	35,611,068
Total operating expenses	<u>524,289,170</u>	<u>488,192,113</u>

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20 Employee benefit expenses

	(Unaudited)	
	For the three-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht
Salary	62,785,313	51,184,167
Social security fund	219,618	225,613
Contribution to employee benefit plan	2,641,064	2,415,568
Bonus	18,704,808	15,165,731
Other employee benefit expenses	15,920,856	12,244,144
Total employee benefit expenses	<u>100,271,659</u>	<u>81,235,223</u>

	(Unaudited)	
	For the nine-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht
Salary	178,834,089	158,794,327
Social security fund	942,319	793,318
Contribution to employee benefit plan	7,333,056	6,723,659
Bonus	46,442,962	50,519,750
Other employee benefit expenses	44,304,547	41,363,083
Total employee benefit expenses	<u>277,856,973</u>	<u>258,194,137</u>

21 Expected credit loss

	(Unaudited)	
	For the three-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht
Cash and cash equivalents	-	(170,035)
Investments in securities	686,789	118,590
Total expected credit loss	<u>686,789</u>	<u>(51,445)</u>

	(Unaudited)	
	For the nine-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht
Cash and cash equivalents	-	(172,306)
Investments in securities	5,670,385	7,021,843
Total expected credit loss	<u>5,670,385</u>	<u>6,849,537</u>

22 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 nine-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht	30 September 2021 Baht	30 September 2020 Baht
Affiliates Company				
Premium ceded to reinsurers	891,526	637,039	3,217,324	1,674,237
Commissions and brokerages	149,503	166,658	459,009	539,519
Operating expenses	6,215,283	1,999,670	13,459,646	6,112,144

22 Related party transactions (Cont'd)

b) Statements of financial position

	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Assets		
Affiliate Company		
Other assets	3,549,427	3,208,284
Liabilities		
Parent Company		
Employee benefit obligations	69,572,418	69,252,354
Affiliate Company		
Amount due to reinsurance	3,217,324	1,417,155
Other liabilities	26,842,595	9,670,334
Other creditors	73,044	73,044
Accrued commission expenses	587,289	597,160
Accrued expenses	10,727,273	7,189,891
Equity		
Parent Company		
Other reserve	33,108,957	16,473,035

23 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 nine-month periods ended	
	30 September 2021 Baht	30 September 2020 Baht	30 September 2021 Baht	30 September 2020 Baht
Short-term benefits	24,691,728	15,613,605	84,222,407	70,136,729
Retirement benefits	235,800	247,826	707,400	889,353
Total	24,927,528	15,861,431	84,929,807	71,026,082

24 Assets deposited with Insurance Registrar

As at 30 September 2021 and 31 December 2020, 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. 2551 as follows:

	Carrying value	
	(Unaudited) 30 September 2021 Baht	(Audited) 31 December 2020 Baht
Government bonds	<u>33,814,610</u>	<u>37,612,283</u>

25 Assets pledged as reserve with registrar

As at 30 September 2021 and 31 December 2020, 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 September 2021 Baht	(Audited) 31 December 2020 Baht
Government bonds	<u>3,389,247,146</u>	<u>3,211,473,294</u>

26 Contribution to Life Insurance Fund

In compliance with the Life Insurance Act, for the three-month and nine-month periods ended 30 September 2021, the Company had contribution to Life Insurance Fund amounting to Baht 1,534,836 and Baht 4,505,791 respectively (for the three-month and nine-month periods ended 30 September 2020 : Baht 1,340,239 and Baht 4,310,394, respectively).

27 Commitments

As at 30 September 2021 and 31 December 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 as follows:

	(Unaudited)		
	30 September 2021		
	Operating lease Baht	Service fee and others Baht	Total Baht
Due within 1 year	457,632	6,703,279	7,160,911
Due more than 1 year but no later than 5 years	263,832	400,000	663,832
	<u>721,464</u>	<u>7,103,279</u>	<u>7,824,743</u>
	(Audited)		
	31 December 2020		
	Operating lease Baht	Service fee and others Baht	Total Baht
Due within 1 year	492,832	7,407,620	7,900,452
Due more than 1 year but no later than 5 years	574,206	1,200,000	1,774,206
	<u>1,067,038</u>	<u>8,607,620</u>	<u>9,674,658</u>

28 Events occurring after the reporting period

As at 30 September 2021, the Company had accrued expenses related to distribution license fee amounting to Baht 205,000,000. In October 2021, such distribution license fee accrual was fully paid.