

AXA INSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2019



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of AXA Insurance Public Company Limited

I have reviewed the interim financial information of AXA Insurance Public Company Limited, which comprises the statement of financial position as at 30 September 2019, the statements of comprehensive income for the three-month and nine-month period then ended, and the related statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, and condensed notes to 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 Yamsakul', with a stylized flourish at the end.

Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
Bangkok
8 November 2019

AXA Insurance Public Company Limited
Statement of Financial Position
As at 30 September 2019

		Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
	Notes		
Assets			
Cash and cash equivalents	5	267,154,449	179,233,953
Premium receivable, net	6	331,832,184	414,614,804
Accrued investment income, net		20,139,052	19,771,011
Reinsurance assets, net	7, 19	907,662,382	679,974,920
Amounts due from reinsurance, net	8, 19	120,551,649	104,334,805
Investment assets			
Investment in securities, net	9	3,443,181,183	3,601,123,185
Property and equipment, net	10	31,606,553	40,226,634
Intangible assets, net	11	6,925,033	9,358,593
Deferred acquisition cost		142,220,347	145,742,612
Deferred tax assets, net	12	435,980,427	443,025,812
Other assets	13, 19	138,166,716	80,879,339
Total assets		5,845,419,975	5,718,285,668

Director _____

Date _____



The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2019

	Notes	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Liabilities and equity			
Liabilities			
Insurance liabilities	14	3,284,932,821	3,207,056,146
Due to reinsurers	15, 19	250,568,162	212,731,023
Employee benefit obligations		104,517,539	95,253,921
Accrued expenses		115,163,117	61,026,466
Commission payable		46,786,537	43,731,530
Other liabilities	19	91,369,197	168,623,678
Total liabilities		3,893,337,373	3,788,422,764
Equity			
Share capital	16		
Registered			
36,726,421 ordinary shares of par Baht 100 each		<u>3,672,642,100</u>	<u>3,672,642,100</u>
Issued and paid-up			
36,726,421 ordinary shares of par Baht 100 each		3,672,642,100	3,672,642,100
Discount on paid-up capital		(1,068,106,516)	(1,068,106,516)
Retained (Deficits) earnings			
Appropriated			
Legal reserve		30,670,999	30,670,999
Unappropriated		(704,934,897)	(697,198,776)
Other components of equity		<u>21,810,916</u>	<u>(8,144,903)</u>
Total equity		1,952,082,602	1,929,862,904
Total liabilities and equity		5,845,419,975	5,718,285,668



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The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 30 September 2019

	Notes	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Revenues			
Gross written premium	19	715,196,392	614,385,812
<u>Less</u> Reinsurance premium ceded	19	(156,992,156)	(150,151,279)
Net written premium		558,204,236	464,234,533
<u>(Less) add</u> Change in unearned premium reserve		(676,219)	156,859,136
Net earned premium		557,528,017	621,093,669
Commission and brokerage fees	19	20,895,710	25,064,259
Net investment income		17,459,573	16,728,350
Other income		3,277,967	(1,963)
Total revenues		599,161,267	662,884,315
Expenses			
Losses and loss adjustment expenses	19	431,811,878	499,697,301
<u>Less</u> Claim recovered from reinsurers	19	(138,383,075)	(52,178,526)
Commissions and brokerages expenses	19	85,300,059	100,555,782
Other underwriting expenses	19	110,809,564	81,027,945
Operating expenses	17, 19	96,135,986	89,380,489
Other expenses		-	(9,153)
Total expenses		585,674,412	718,473,838
Profit (loss) before income taxes		13,486,855	(55,589,523)
Income taxes (expense) credited		(3,623,709)	8,014,777
Profit (loss) for the period		9,863,146	(47,574,746)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Changes in value of available-for-sale investments		23,027,196	(13,338,545)
Income tax relating to items that will be reclassified		(4,605,439)	2,667,709
Total items that will be reclassified subsequently to profit or loss		18,421,757	(10,670,836)
Other comprehensive income (expense) for the period, net of tax		18,421,757	(10,670,836)
Total comprehensive income (expense) for the period		28,284,903	(58,245,582)
Earnings (loss) per share			
Basic earnings (loss) per share (Baht)	18	0.27	(1.30)

The accompanying notes form part of this interim financial information.

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AXA Insurance Public Company Limited
Statement of Comprehensive Income
For the nine-month period ended 30 September 2019

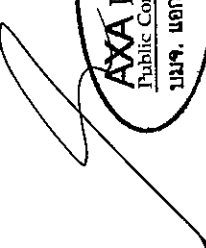
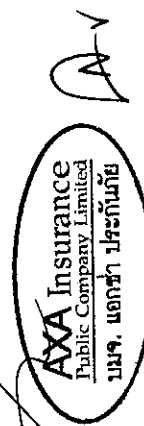
	Notes	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Revenues			
Gross written premium	19	1,987,530,188	2,075,413,878
<u>Less</u> Reinsurance premium ceded	19	(402,064,426)	(434,633,819)
Net written premium		1,585,465,762	1,640,780,059
<u>Add</u> Change in unearned premium reserve		38,608,045	307,771,825
Net earned premium		1,624,073,807	1,948,551,884
Commission and brokerage fees	19	60,692,135	89,566,070
Net investment income		52,077,927	49,841,478
Gains on investments		176,258	267,607
Other income		5,528,528	440,302
Total revenues		1,742,548,655	2,088,667,341
Expenses			
Losses and loss adjustment expenses	19	1,323,745,922	1,852,016,797
<u>Less</u> Claim recovered from reinsurers	19	(411,752,750)	(369,720,254)
Commissions and brokerages expenses	19	254,035,889	318,769,087
Other underwriting expenses	19	301,788,042	272,367,406
Operating expenses	17, 19	282,911,243	292,299,807
Other expenses		-	1,635,509
Total expenses		1,750,728,346	2,367,368,352
Loss before income taxes		(8,179,691)	(278,701,011)
Income taxes credited		443,570	53,859,756
Loss for the period		(7,736,121)	(224,841,255)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Changes in value of available-for-sale investments		41,075,239	(27,809,197)
Realised gain from sale of available-for-sale investments transferred to profit or loss		(176,258)	(267,607)
Income tax relating to items that will be reclassified		(8,179,796)	5,615,361
Total items that will be reclassified subsequently to profit or loss		32,719,185	(22,461,443)
Other comprehensive income (expense) for the period, net of tax		32,719,185	(22,461,443)
Total comprehensive income (expense) for the period		24,983,064	(247,302,698)
Loss per share			
Basic loss per share (Baht)	18	(0.21)	(6.12)

The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Changes in Equity (Unaudited)
For the nine-month period ended 30 September 2019

	Other components of equity									
	Other comprehensive income					Unrealised				
	Issued and paid-up share capital Baht	Discount on paid-up capital Baht	Retained earnings (Deficits) Legal reserve Baht	Unappropriated Baht	Remeasurements of post-employment benefit obligations Baht	gain(loss) on the change in value of investment Baht	Other reserve Baht	Total other component of equity Baht	Total Baht	
Beginning balance as at 1 January 2019	3,672,642,100	(1,068,106,516)	30,670,999	(697,198,776)	5,522,163	(3,841,413)	(9,825,653)	(8,144,903)	1,929,862,904	
Loss for the period	-	-	-	(7,736,121)	-	-	-	-	(7,736,121)	
Equity-settled share-based payment	-	-	-	-	-	-	3,747,094	3,747,094	3,747,094	
Share-based payment reclassified to liabilities	-	-	-	-	-	-	(6,510,460)	(6,510,460)	(6,510,460)	
Change in value of available-for-sale investment	-	-	-	-	-	-	-	-	-	
Realised gain from sale of available-for-sale investments transferred to profit or loss	-	-	-	-	-	-	-	-	-	
Closing balance as at 30 September 2019	3,672,642,100	(1,068,106,516)	30,670,999	(704,934,897)	5,522,163	(3,841,413)	(12,589,019)	(10,908,269)	1,919,363,417	

	Other components of equity									
	Other comprehensive income					Unrealised				
	Issued and paid-up share capital Baht	Discount on paid-up capital Baht	Retained earnings (Deficits) Legal reserve Baht	Unappropriated Baht	Remeasurements of post-employment benefit obligations Baht	gain(loss) on the change in value of investment Baht	Other reserve Baht	Total other component of equity Baht	Total Baht	
Beginning balance as at 1 January 2018	3,672,642,100	(1,068,106,516)	30,670,999	(456,072,945)	2,268,442	11,934,721	(11,743,594)	2,459,569	2,181,593,207	
Loss for the period	-	-	-	(224,841,255)	-	-	-	-	(224,841,255)	
Equity-settled share-based payment	-	-	-	-	-	-	3,510,893	3,510,893	3,510,893	
Share-based payment reclassified to liabilities	-	-	-	-	-	-	(3,317,984)	(3,317,984)	(3,317,984)	
Change in value of available-for-sale investment	-	-	-	-	-	(22,247,357)	-	(22,247,357)	(22,247,357)	
Realised gain from sale of available-for-sale investments transferred to profit or loss	-	-	-	-	-	(214,086)	-	(214,086)	(214,086)	
Closing balance as at 30 September 2018	3,672,642,100	(1,068,106,516)	30,670,999	(680,914,200)	2,268,442	(10,526,722)	(11,550,685)	(19,808,965)	1,934,483,418	

 AXA Insurance
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AXA Insurance Public Company Limited
Statement of Cash Flows
For the nine-month period ended 30 September 2019

	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Cash flows from operating activities		
Written premium received from direct insurance	2,029,054,076	2,244,209,106
Cash paid for reinsurance	(113,647,277)	(150,105,253)
Interest income received	3,916,778	17,344,425
Investment income received	52,677,534	50,046,246
Other income received	5,502,129	440,302
Losses paid from direct insurance	(1,155,765,359)	(1,502,143,082)
Commission and brokerage paid from direct insurance	(244,183,513)	(281,578,363)
Other underwriting expenses	(281,608,368)	(272,463,740)
Operating expenses	(390,780,660)	(217,307,887)
Other expenses	-	(50,257)
Income tax (paid) received	(9,124,218)	4,317,297
Cash received from investment in securities	1,158,627,766	763,507,029
Cash paid for investment in securities	(967,620,876)	(1,293,266,550)
Cash received from investment in deposits at financial Institutions	241,570,259	1,171,255,867
Cash paid for investment in deposits at financial Institutions	(238,444,337)	(451,369,525)
Net cash received from operating activities	90,173,934	82,835,615
Cash flows from investing activities		
Proceeds from disposal of equipment	27,991	26,723
Purchase of equipment and computer software	(2,281,429)	(5,530,498)
Net cash used in investing activities	(2,253,438)	(5,503,775)
Net increase in cash and cash equivalents	87,920,496	77,331,840
Cash and cash equivalents at beginning of the period	179,233,953	227,257,196
Cash and cash equivalents at end of the period	267,154,449	304,589,036





The accompanying notes form part of this interim financial information.

1 General information

AXA Insurance Public Company Limited ("the Company") is a public limited company incorporated and domiciled in Thailand. The address of its registered office is as follows:

23rd Floor, Lumpini Tower, 1168/67 Rama 4 Road, Sathorn, Bangkok.

The principal business operation of the Company is general insurance. The Company operates only in Thailand.

These interim financial information was authorised for issue by the Company's management on 8 November 2019.

This interim financial information has been reviewed, not audited.

2 Accounting policies

2.1 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 shareholders' 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 are based on the formats of 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 non-life insurance company dated on 4 March 2016. The notes to the interim financial information are prepared in a condensed format and additional notes are presented as required by the aforementioned OIC notification.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018.

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.

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 2018.

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.

Income taxes in the interim periods are accrued by using the expected income taxes in the interim period.

2 Accounting policies (Cont'd)

2.2 Financial reporting standards are effective for annual periods beginning on or after 1 January 2019.

TFRS 2 (revised 2018)	Share-based Payment
TFRS 4 (revised 2018)	Insurance Contracts

TFRS 2 clarifies;

- The measurement basis for cash-settled share-based payments
- Where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the award is treated as if it is wholly equity-settled.
- The accounting for modifications from cash-settled awards to equity-settled awards

TFRS 4 provides insurance companies an optional exemption from compliance with TFRS 9 and TFRS 7. The exemption is temporarily effective and not mandatory. Entities who choose to use the exemption must follow the 'financial instruments and disclosure for insurance companies' accounting guidelines issued by the Federation of Accounting Professions until TFRS 17 becomes effective.

The above standards do not have significant impact on the Company.

2.3 Financial reporting standards are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Company. The Company has not yet adopted these revised standards.

2.3.1 Financial instruments

The new financial reporting standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement and derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

2.3.2 TFRS 16 Leases

TFRS 16 will result in almost all leases where the Company is a lessee being recognised on the balance sheet as the distinction between operating and finance lease is removed. An asset (the right to use the leased item) and financial liability to pay rentals are recognised, with exception on short-term and low-value leases.

The Company's management is currently assessing the impacts from these standards.



3 Estimates

The preparation of interim financial information requires management to make judgements, 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 judgements 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 2018.

4 Fair value

4.1 Fair value estimation

The table below analyses financial instruments 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.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the financial assets that are measured at fair value at 30 September 2019 and 31 December 2018.

	30 September 2019 (Unaudited)			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Asset				
Available-for-sale financial assets				
Government securities	-	2,435,970,734	-	2,435,970,734
Private enterprises securities	-	694,515,004	-	694,515,004
Total assets	-	3,130,485,738	-	3,130,485,738
	31 December 2018 (Audited)			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Asset				
Available-for-sale financial assets				
Government securities	-	2,763,882,832	-	2,763,882,832
Private enterprises securities	-	471,520,459	-	471,520,459
Total assets	-	3,235,403,291	-	3,235,403,291

There were no transfers between Levels 1 and 2 during the period/year.

There were no change in valuation techniques during the period/year.

4.2 Valuation techniques used to derive level 2 fair value

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

AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2019

5 Cash and cash equivalents

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Cash on hand	351,087	351,086
Cheque on hand	8,771	30,119
Bank deposits held at call	176,894,156	121,769,147
Short-term investment	89,900,435	57,083,601
Total cash and cash equivalents	267,154,449	179,233,953

6 Premium receivable, net

The balances of premium receivable were aged as follows:

	From direct channel	
	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Undue	217,419,885	362,444,937
Less than 30 days	54,106,763	22,338,509
30 - 60 days	12,273,391	9,349,462
60 - 90 days	7,052,580	5,024,623
90 days - 1 year	40,051,812	17,376,296
More than 1 year	15,679,018	10,414,975
Total premium receivable	346,583,449	426,948,802
Less Allowance for doubtful accounts	(14,751,265)	(12,333,998)
Premium receivable, net	331,832,184	414,614,804

7 Reinsurance assets, net

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Reinsurance recoveries on technical reserve (Note 14)		
Claim reserve	741,561,144	540,956,753
Premium reserve		
- Unearned premium reserve (UPR)	166,101,238	139,018,167
Reinsurance assets, net	907,662,382	679,974,920



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AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2019

8 Amounts due from reinsurance, net

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Reinsurance premium receivable	120,565,393	104,447,200
<u>Less</u> Allowance for doubtful account	(13,744)	(112,395)
Amounts due from reinsurance, net	<u>120,551,649</u>	<u>104,334,805</u>

9 Investment in securities, net

Investment in securities as at 30 September 2019 and 31 December 2018 are as follows:

	Unaudited 30 September 2019		Audited 31 December 2018	
	Cost / Amortise cost Baht	Fair value Baht	Cost / Amortise cost Baht	Fair value Baht
<u>Available-for-sale investments</u>				
Government securities	2,408,860,896	2,435,970,734	2,767,845,850	2,763,882,832
Private enterprises securities	685,528,370	694,515,004	472,359,848	471,520,459
Total	3,094,389,266	3,130,485,738	3,240,205,698	3,235,403,291
<u>Add / (less)</u> Unrealised gains (losses)	36,096,472	-	(4,802,407)	-
Total available-for-sale Investments	<u>3,130,485,738</u>	<u>3,130,485,738</u>	<u>3,235,403,291</u>	<u>3,235,403,291</u>
<u>Held-to-maturity investments</u>				
Private enterprises securities	17,519,400		17,519,400	
Deposits at financial Institutions with maturity over 3 months from the acquisition	312,413,628		365,438,077	
Total	329,933,028		382,957,477	
<u>Less</u> Impairment charge	(17,519,400)		(17,519,400)	
Total held-to-maturity investments	<u>312,413,628</u>		<u>365,438,077</u>	
<u>General investments</u>				
Non-marketable equity securities	891,069		891,069	
<u>Less</u> Impairment charge	(609,252)		(609,252)	
Total general investments	<u>281,817</u>		<u>281,817</u>	
Total investment in securities	<u>3,443,181,183</u>		<u>3,601,123,185</u>	

As at 30 September 2019, the deposits at financial institutions with maturity over 3 months from issuance at par value amounting to Baht 1,080,113 were placed as bail bonds (31 December 2018: Baht 1,068,477).





9 Investment in securities, net (Cont'd)

For the three-month periods ended 30 September 2019 and 2018, the Company has revenues relating to investment as follows:

- Interest income from available-for-sale investments with amounting to Baht 16.8 million (2018: Baht 14.1 million).
- Interest income from held-to-maturity investments with amounting to Baht 0.7 million (2018: Baht 2.4 million).
- Amount received from selling available-for-sale investments with totaling amounting to Baht 521.6 million (2018: Baht 678.1 million) with no gain from selling available-for-sale investments with totaling amounting to Baht zero (2018: nil).

For the nine-month periods ended 30 September 2019 and 2018, the Company has revenues relating to investment as follows:

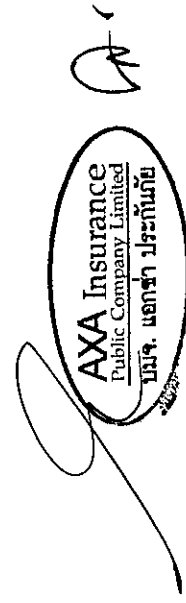
- Interest income from available-for-sale investments with amounting to Baht 50 million (2018: Baht 39.1 million).
- Interest income from held-to-maturity investments with amounting to Baht 3.1 million (2018: Baht 11.3 million).
- Amount received from selling available-for-sale investments with totaling amounting to Baht 2,215.6 million (2018: Baht 1,507 million) and gain from selling available-for-sale investments with totaling amounting to Baht 0.2 million (2018: Baht 0.3 million).

  
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AXA Insurance Public Company Limited
 Condensed Notes to Interim Financial Information (Unaudited)
 For the nine-month period ended 30 September 2019

10 Property and equipment, net

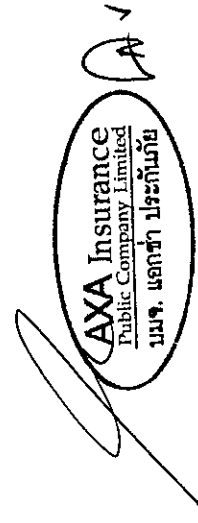
	30 September 2019 (Unaudited)									
	Cost			Accumulated depreciation				Net property and equipment		
	For the nine-month period			For the nine-month period						
Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	Ending Baht	Ending Baht	Net property and equipment Baht
Condo - office	54,347,560	-	-	54,347,560	(34,125,132)	-	(34,125,132)	20,222,428		20,222,428
Office furniture and equipment	213,414,017	865,721	(638,769)	213,640,969	(196,469,325)	637,177	(204,603,971)	9,036,998		9,036,998
Motor vehicles	5,441,299	-	-	5,441,299	(2,381,785)	(712,387)	(3,094,172)	2,347,127		2,347,127
Total	273,202,876	865,721	(638,769)	273,429,828	(232,976,242)	637,177	(241,823,275)	31,606,553		31,606,553
	31 December 2018 (Audited)									
	Cost			Accumulated depreciation				Net property and equipment		
	For the year			For the year						
Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	Ending Baht	Ending Baht	Net property and equipment Baht
Condo - office	54,347,560	-	-	54,347,560	(34,125,132)	-	(34,125,132)	20,222,428		20,222,428
Office furniture and equipment	229,369,428	998,782	(16,954,193)	213,414,017	(191,689,212)	13,718,651	(196,469,325)	16,944,692		16,944,692
Motor vehicles	5,367,000	74,299	-	5,441,299	(1,434,577)	(947,208)	(2,381,785)	3,059,514		3,059,514
Assets under installation	182,000	-	(182,000)	-	-	-	-	-		-
Total	289,265,988	1,073,081	(17,136,193)	273,202,876	(227,248,921)	13,718,651	(232,976,242)	40,226,634		40,226,634



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11 Intangible assets, net

	30 September 2019 (Unaudited)											
	Cost					Accumulated depreciation					Net intangible assets Baht	
	For the nine-month period		For the nine-month period			For the nine-month period		For the nine-month period				
Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	
Computer software	117,043,747	855,120	-	117,898,867	(108,125,328)	(3,849,268)	-	(111,974,596)	(108,125,328)	(3,849,268)	-	5,924,271
Assets under installation	440,174	1,000,762	(440,174)	1,000,762	-	-	-	-	-	-	-	1,000,762
Total	117,483,921	1,855,882	(440,174)	118,899,629	(108,125,328)	(3,849,268)	-	(111,974,596)	(108,125,328)	(3,849,268)	-	6,925,033
	31 December 2018 (Audited)											
	Cost					Accumulated depreciation					Net intangible assets Baht	
	For the year		For the year			For the year		For the year				
Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	
Computer software	112,275,864	4,767,883	-	117,043,747	(102,382,122)	(5,743,206)	-	(108,125,328)	(102,382,122)	(5,743,206)	-	8,918,419
Assets under installation	6,499,999	440,174	(6,499,999)	440,174	-	-	-	-	-	-	-	440,174
Total	118,775,863	5,208,057	(6,499,999)	117,483,921	(102,382,122)	(5,743,206)	-	(108,125,328)	(102,382,122)	(5,743,206)	-	9,358,593



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12 Deferred income tax

Deferred tax assets and liabilities presented in statements of financial position and changes in deferred tax for the nine-month period ended 30 September 2019 arises from the following items:

	Audited 31 December 2018 Baht	Transaction in profit or loss Baht	Transaction in other comprehensive income Baht	Transaction in other reserve Baht	Unaudited 30 September 2019 Baht
Deferred tax assets					
- Allowance for doubtful accounts	2,489,279	463,723	-	-	2,953,002
- Unearned premium reserve	62,973,247	(5,885,399)	-	-	57,087,848
- Loss reserve and outstanding claims	266,197,083	(22,240,548)	-	-	243,956,535
- Provision for impairment of investments	3,625,731	-	-	-	3,625,731
- Depreciation for computers	2,546,117	(577,611)	-	-	1,968,506
- Provision for retirement benefits	7,023,438	641,147	-	-	7,664,585
- Accrued expenses	3,462,861	826,444	-	690,841	4,980,146
- Unrealised losses on investments	960,354	-	(960,354)	-	-
- Loss carry forward	130,693,851	27,215,814	-	-	157,909,665
	<u>479,971,961</u>	<u>443,570</u>	<u>(960,354)</u>	<u>690,841</u>	<u>480,146,018</u>
Deferred tax liabilities					
- Deferred acquisition cost	36,946,149	-	-	-	36,946,149
- Unrealised gains on Investments	-	-	7,219,442	-	7,219,442
	<u>36,946,149</u>	<u>-</u>	<u>7,219,442</u>	<u>-</u>	<u>44,165,591</u>
Deferred income tax, net	<u>443,025,812</u>				<u>435,980,427</u>

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. As at 30 September 2019, the Company did not recognise deferred income tax assets of Baht 28.2 million (31 December 2018: Baht 28.2 million) in respect of loss amounting to Baht 141.1 million (31 December 2018: Baht 141.1 million) that can be carried forward against future taxable income. Loss amounting to Baht 141.1 million expires in 2019.

13 Other assets

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Income tax receivable and undue valued added tax	56,992,991	48,089,102
Prepaid expenses and refundable deposits	12,298,949	18,973,148
Reserve withheld for claims	31,378,611	2,832,104
Amount due from related companies (Note 19)	1,775,092	2,184,754
Others	35,721,073	8,800,231
Total other assets	<u>138,166,716</u>	<u>80,879,339</u>

Reserve withheld for claims is cash withheld from premiums received on Thai Rice Insurance Scheme which is the Government's Scheme co-operating with Thai General Insurance Association for payments for losses and other expenses which the Company will receive this cash when the coverage period in the insurance contracts is over.

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14 Insurance liabilities

	Unaudited 30 September 2019			Audited 31 December 2018		
	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht
Claims reserve						
- Reported claim	1,167,889,863	(450,562,643)	717,327,220	1,182,867,371	(332,216,626)	850,650,745
- Claim incurred but not reported	793,453,955	(290,998,501)	502,455,454	689,074,798	(208,740,127)	480,334,671
Total claims reserve	1,961,343,818	(741,561,144)	1,219,782,674	1,871,942,169	(540,956,753)	1,330,985,416
Premium reserve						
- Unearned premium reserve (UPR)	1,323,589,003	(166,101,238)	1,157,487,765	1,335,113,977	(139,018,167)	1,196,095,810
Total	3,284,932,821	(907,662,382)	2,377,270,439	3,207,056,146	(679,974,920)	2,527,081,226

14.1 Insurance reserve for short-term insurance contract

14.1.1 Claims reserve

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Beginning balance	1,871,942,169	1,739,853,184
Claims incurred during the period/year	1,248,218,534	1,971,127,050
Changes in claims reserve and assumptions method on claims reserve	37,657,124	243,738,040
Claims paid during the period/year	(1,196,474,009)	(2,082,776,105)
Closing balance	1,961,343,818	1,871,942,169

14.1.2 Unearned premium reserve

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Beginning balance	1,335,113,977	1,714,270,215
Premium written for the period/year	1,987,530,188	2,777,239,700
Premium earned for the period/year	(1,999,055,162)	(3,156,395,938)
Closing balance	1,323,589,003	1,335,113,977

15 Due to reinsurers

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Reinsurance premium payable	130,568,093	99,544,559
Fund withheld from reinsurance	75,891,364	110,332,934
Reinsurance payable - others	44,108,705	2,853,530
Total due to reinsurers	250,568,162	212,731,023

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16 Share capital

For the nine-month period ended 30 September 2019 and for the year ended 31 December 2018.

	Number of Ordinary shares Shares	Ordinary Shares Baht	Share discount Baht	Total Baht
At 1 January 2018	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584
Issue of shares	-	-	-	-
At 31 December 2018	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584
At 1 January 2019	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584
Issue of shares	-	-	-	-
At 30 September 2019	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584

17 Operating expenses

	For the three-month period ended	
	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Employee expenses not relating to underwriting and claim expenses	49,511,401	41,130,654
Property and equipment expenses not relating to underwriting expenses	21,422,772	19,509,535
Tax expenses	5,400,777	(1,803,099)
Bad debt and doubtful accounts (reversal)	1,297,056	(12,600)
Other operating expenses	18,503,980	30,555,999
Total operating expenses	96,135,986	89,380,489

	For the nine-month period ended	
	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Employee expenses not relating to underwriting and claim expenses	135,700,526	132,526,719
Property and equipment expenses not relating to underwriting expenses	65,670,880	72,605,950
Tax expenses	5,804,382	84,759
Bad debt and doubtful accounts	2,391,235	1,213,609
Other operating expenses	73,344,220	85,868,770
Total operating expenses	282,911,243	292,299,807

  
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18 Basic earnings (loss) per share

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

	For the three-month period ended	
	Unaudited 30 September 2019	Unaudited 30 September 2018
Net profit (loss) for the period attributable to ordinary shareholders (Baht)	9,863,146	(47,574,746)
Weighted average number of ordinary shares in issue during the period (Shares)	36,726,421	36,726,421
Basic earnings (loss) per share (Baht)	0.27	(1.30)

	For the nine-month period ended	
	Unaudited 30 September 2019	Unaudited 30 September 2018
Net loss for the period attributable to ordinary shareholders (Baht)	(7,736,121)	(224,841,255)
Weighted average number of ordinary shares in issue during the period (Shares)	36,726,421	36,726,421
Basic loss per share (Baht)	(0.21)	(6.12)

There are no potential dilutive ordinary shares in issue for the nine-month periods ended 30 September 2019 and 2018.

19 Related parties 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 Company is a subsidiary company of AXA SA whose incorporated and domiciled in France.

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19 Related parties transactions (Cont'd)

The Company had the significant transactions with entities under the same group as follows:

	For the three-month period ended	
	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	85,690,134	77,739,190
Reinsurance premium ceded	(95,053,088)	(107,608,793)
Commission and brokerage fees	12,126,702	16,040,300
Expenses		
Losses and loss adjustment expenses	2,755,230	19,641,459
Claim recovered from reinsurers	(31,935,746)	(63,162,371)
Commission and brokerage expenses	13,944,713	12,423,437
Other underwriting expenses	1,433,241	2,934,656
Operating expenses		
Other expenses recoveries	(3,243,531)	(2,369,600)
Management and service fees	20,524,033	20,536,385
For the nine-month period ended		
	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	243,126,360	268,853,285
Reinsurance premium ceded	(289,996,246)	(342,292,523)
Commission and brokerage fees	39,104,156	55,527,913
Expenses		
Losses and loss adjustment expenses	12,875,056	22,764,579
Claim recovered from reinsurers	(245,636,493)	(180,294,647)
Commission and brokerage expenses	39,116,175	43,226,722
Other underwriting expenses	3,805,894	4,014,521
Operating expenses		
Other expenses recoveries	(9,419,031)	(6,730,778)
Management and service fees	60,939,792	59,705,004

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19 Related parties transactions (Cont'd)

Outstanding balances are as follows:

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Statement of financial position		
Assets		
Reinsurance assets, net	385,591,685	282,776,343
Amount due from reinsurance, net	82,093,944	61,992,356
Other assets		
Amount due from related companies	1,775,092	2,184,754
Liabilities		
Due to reinsurers	122,974,394	79,689,121
Other liabilities	12,466,184	55,946,280

Key management compensation

The compensation paid or payable to key management for employee service for the three-month and nine-month periods ended 30 September 2019 and 2018 are shown below:

	For the three-month period ended	
	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Short-term employee benefits	17,279,629	14,338,613
Post-employee benefits	254,311	267,375
Total	17,533,940	14,605,988
	For the nine-month period ended	
	Unaudited 30 September 2019 Baht	Unaudited 30 September 2018 Baht
Short-term employee benefits	53,639,287	48,572,774
Post-employment benefits	762,933	802,126
Total	54,402,220	49,374,900



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20 Deposits with Registrar

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, government bonds amounting to Baht 330,000,000 (31 December 2018: Baht 330,000,000) have been placed at the Office of Insurance Commission.

21 Contribution to Non-life guarantee fund

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, For the three-month periods ended 30 September 2019 and 30 September 2018 the Company contributes to Non-life guarantee fund amounting to 1,734,769 Baht (2018: 1,479,028 Baht).

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, For the nine-month periods ended 30 September 2019 and 30 September 2018 the Company contributes to Non-life guarantee fund amounting to 4,871,722 Baht (2018: 4,968,799 Baht).

22 Operating lease commitments

The future minimum lease payments under operating leases are as follows:

	Unaudited 30 September 2019 Baht	Audited 31 December 2018 Baht
Not later than 1 year	15,001,218	17,123,938
Later than 1 year but not later than 5 years	8,685,951	12,157,887
More than 5 years	-	-
Total operating lease commitments	23,687,169	29,281,825



