

AXA INSURANCE PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2017



Independent auditor's report

To the Shareholders of AXA Insurance Public Company Limited

My opinion

In my opinion, the financial statements of AXA Insurance Public Company Limited (the Company) present fairly, in all material respects, the financial position of the Company as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2017;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

Responsibilities of management for the financial statements

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

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



Auditor's responsibilities for the audit of the financial statements

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
Bangkok
10 April 2018

AXA Insurance Public Company Limited
Statement of Financial Position
As at 31 December 2017

		2017	2016
	Notes	Baht	Baht
Assets			
Cash and cash equivalents	7	227,257,196	340,531,089
Premium receivable, net	8	525,974,551	491,640,440
Accrued investment income, net		24,053,948	21,067,332
Reinsurance assets, net	9, 28	760,945,105	1,534,997,041
Amounts due from reinsurance, net	10, 28	140,092,469	114,896,390
Investment assets			
Investment in securities	11	3,871,667,836	3,044,399,106
Property and equipment, net	12	62,017,067	81,659,930
Intangible assets, net	13	16,393,741	20,066,738
Deferred acquisition cost	14	183,232,922	176,834,940
Deferred tax assets, net	15	402,522,020	345,151,188
Other assets	16, 28	169,102,650	251,539,835
Total assets		6,383,259,505	6,422,784,029

Director _____

Date _____



The accompanying notes on pages 8 to 41 form part of this financial statements.

AXA Insurance Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2017

	Notes	2017 Baht	2016 Baht
Liabilities and equity			
Liabilities			
Insurance liabilities	17	3,454,123,399	4,041,672,855
Due to reinsurers	18, 28	422,228,856	431,483,790
Employee benefit obligation	19	84,688,003	97,120,323
Accrued expenses		75,059,670	84,387,581
Commission payable		62,931,382	59,851,122
Other liabilities	28	102,634,988	78,844,938
Total liabilities		4,201,666,298	4,793,360,609
Equity			
Share capital	23		
Registered			
36,726,421 ordinary shares of par Baht 100 each		3,672,642,100	-
28,126,421 ordinary shares of par Baht 100 each		-	2,812,642,100
Issued and paid-up			
36,726,421 ordinary shares of par Baht 100 each		3,672,642,100	-
28,126,421 ordinary shares of par Baht 100 each		-	2,812,642,100
Discount on paid-up capital		(1,068,106,516)	(1,068,106,516)
Retained (Deficits) earnings			
Appropriated			
Legal reserve	22	30,670,999	30,670,999
Unappropriated		(456,072,945)	(144,402,597)
Remeasurements of post-employment benefit obligations		2,268,442	(365,885)
Unrealised gains (losses) on the change in value of investment	20	11,934,721	(1,014,681)
Other components of equity - Other reserve		(11,743,594)	-
Total equity		2,181,593,207	1,629,423,420
Total liabilities and equity		6,383,259,505	6,422,784,029

The accompanying notes on pages 8 to 41 form part of this financial statements.

AXA Insurance Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2017

	Notes	2017 Baht	2016 Baht
Revenues			
Gross written premium	28	3,456,830,533	3,506,316,198
<u>Less</u> Reinsurance premium ceded	28	(744,563,910)	(822,677,768)
Net written premium		2,712,266,623	2,683,638,430
<u>Less</u> Change in unearned premium reserve		(55,294,452)	69,901,554
Net earned premium		2,656,972,171	2,753,539,984
Commission and brokerage fees	28	146,397,548	124,790,056
Net investment income		62,669,808	61,092,170
Gains on investments		483,305	175,523
Other income		9,344,644	729,034
Total revenues		<u>2,875,867,476</u>	<u>2,940,326,767</u>
Expenses			
Losses and loss adjustment expenses	28	1,744,484,113	2,160,145,272
<u>Less</u> Claim recovered from reinsurers	28	193,010,773	(253,154,814)
Commissions and brokerages expenses	28	469,671,502	473,202,249
Other underwriting expenses		431,246,419	335,751,144
Operating expenses	24, 28	407,455,883	475,187,331
Total expenses		<u>3,245,868,690</u>	<u>3,191,131,182</u>
Loss before income taxes		(370,001,214)	(250,804,415)
Income taxes credit	26	58,330,866	50,559,126
Loss for the year		<u>(311,670,348)</u>	<u>(200,245,289)</u>
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of post-employment benefit obligations	21	3,292,909	(457,357)
Income tax relating to items that will not be reclassified	21	(658,582)	91,472
Total items that will not be reclassified subsequently to profit or loss		<u>2,634,327</u>	<u>(365,885)</u>
Items that will be reclassified subsequently to profit or loss			
Change in value of available-for-sale investments	21	16,670,057	(10,219,971)
Realised gain (loss) from sale of available-for-sale investments transferred to profit or loss	21	(483,305)	175,523
Income tax relating to items that will be reclassified	21	(3,237,350)	2,008,890
Total items that will be reclassified subsequently to profit or loss		<u>12,949,402</u>	<u>(8,035,558)</u>
Other comprehensive income (expense) for the year, net of tax		<u>15,583,729</u>	<u>(8,401,443)</u>
Total comprehensive expense for the year		<u>(296,086,619)</u>	<u>(208,646,732)</u>
Loss per share			
Basic loss per share (Baht)	27	(9.80)	(7.12)



The accompanying notes on pages 8 to 41 form part of this financial statements.

AXA Insurance Public Company Limited
Statement of Changes in Equity (Unaudited)
For the year ended 31 December 2017

2017

Note	Other components of equity									
	Other comprehensive income					Other components of equity				
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings (Deficits)	Remeasurements of post-employment benefit obligations	Unrealised gains (losses) on the change in value of investment	Other reserve	Total other component of equity	Other reserve	Total other component of equity	Total Baht
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning balance as at 1 January 2017	2,812,642,100	(1,068,106,516)	30,670,999	(144,402,597)	(1,014,681)	-	(1,380,566)	-	(1,380,566)	1,629,423,420
Capital increase	860,000,000	-	-	-	-	-	-	-	-	860,000,000
Loss for the year	-	-	-	(311,670,348)	-	-	-	-	-	(311,670,348)
Equity-settled share-based payment	-	-	-	-	-	-	-	-	-	-
Share-based payment reclassified to liabilities	-	-	-	-	-	-	-	-	-	-
Remeasurements of post-employment benefit obligations	-	-	-	-	-	6,878,638	6,878,638	6,878,638	6,878,638	6,878,638
Change in value of available-for-sale investments	-	-	-	-	-	(18,622,232)	(18,622,232)	(18,622,232)	(18,622,232)	(18,622,232)
Realised gain from sale of available-for-sale investments transferred to profit or loss	-	-	-	-	-	2,634,327	2,634,327	2,634,327	2,634,327	2,634,327
Closing balance as at 31 December 2017	3,672,642,100	(1,068,106,516)	30,670,999	(456,072,945)	11,934,721	(11,743,594)	2,459,569	(11,743,594)	2,459,569	2,181,593,207

2016

Note	Other components of equity									
	Other comprehensive income					Other components of equity				
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings (Deficits)	Remeasurements of post-employment benefit obligations	Unrealised gains (losses) on the change in value of investment	Other reserve	Total other component of equity	Other reserve	Total other component of equity	Total Baht
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning balance as at 1 January 2016	2,812,642,100	(1,068,106,516)	30,670,999	55,842,692	7,020,877	-	7,020,877	-	7,020,877	1,838,070,152
Loss for the year	-	-	-	(200,245,289)	-	-	-	-	-	(200,245,289)
Equity-settled share-based payment	-	-	-	-	-	-	-	-	-	-
Share-based payment reclassified to liabilities	-	-	-	-	-	-	-	-	-	-
Remeasurements of post-employment benefit obligations	-	-	-	-	-	12,208,590	12,208,590	12,208,590	12,208,590	12,208,590
Change in value of available-for-sale investments	-	-	-	-	-	(12,208,590)	(12,208,590)	(12,208,590)	(12,208,590)	(12,208,590)
Realised gain from sale of available-for-sale investments transferred to profit or loss	-	-	-	-	-	(365,885)	(365,885)	(365,885)	(365,885)	(365,885)
Closing balance as at 31 December 2016	2,812,642,100	(1,068,106,516)	30,670,999	(144,402,597)	140,419	(1,014,681)	(1,380,566)	(1,014,681)	(1,380,566)	1,629,423,420

AXA Insurance
Public Company Limited
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AXA Insurance Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2017

	2017 Baht	2016 Baht
Cash provided from (used in) operating activities		
Written premium received from direct insurance	3,264,020,973	3,377,245,273
Cash paid for reinsurance	(117,547,637)	(165,988,615)
Interest income received	25,759,399	43,739,910
Investment income received	47,188,982	37,916,794
Other income received	8,857,164	628,871
Losses paid from direct insurance	(2,131,473,141)	(2,092,574,049)
Commission and brokerage paid from direct insurance	(435,079,140)	(436,484,513)
Other underwriting expenses	(422,027,636)	(341,331,085)
Operating expenses paid	(396,025,146)	(608,323,149)
Income tax received (paid)	17,226,732	(15,268,907)
Cash received from investment in securities	1,007,263,439	1,330,759,190
Cash paid for investment in securities	(2,097,845,029)	(1,766,924,215)
Cash received from investment in deposits		
at financial institutions	1,417,019,644	1,446,738,835
Cash paid for investment in deposits		
at financial institutions	(1,148,410,972)	(885,081,644)
Net cash used in operating activities	(961,072,368)	(74,947,304)
Cash provided from (used in) investing activities		
<u>Cash provided from</u>		
Equipment	517,795	133,365
Cash provided from investing activities	517,795	133,365
<u>Cash used in</u>		
Equipment and computer software	(12,719,320)	(22,636,902)
Cash used in investing activities	(12,719,320)	(22,636,902)
Net cash used in investing activities	(12,201,525)	(22,503,537)
Cash provided from financing activities		
Cash received from capital increase	860,000,000	-
Net cash provided from financing activities	860,000,000	-
Net decrease in cash and cash equivalents	(113,273,893)	(97,450,841)
Cash and cash equivalents at beginning of the year	340,531,089	437,981,930
Cash and cash equivalents at end of the year	227,257,196	340,531,089



AXA Insurance
 Public Company Limited
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The accompanying notes on pages 8 to 41 form part of this financial statements.

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 financial statements have been approved by the Board of Directors on 10 April 2018.

2 Accounting policies

2.1 Basis of preparation

These financial information are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547. In addition, the financial information presentation are based on the formats of 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 B.E. 2559" dated on 4 March 2016.

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

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

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

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2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

2.2.1 New financial reporting standards and revised accounting standards, which are effective on 1 January 2017 and relevant to the Company are as follows;

a) Revised financial reporting standards which have significant changes and are relevant to the Company:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 38 (revised 2016)	Intangible assets

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- Other comprehensive income ("OCI") arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

The above revised standards have been applied.

  
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2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018. The Company has not yet early adopted these revised standards.

TAS 7 (revised 2017)	Statement of Cash Flows
TAS 12 (revised 2017)	Income taxes

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

The Company's management assessed and considered that the above revised standards will not have a material impact on the Company.

2.2.3 The FAP has announced new standard, TFRS15 Revenue from contracts with customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Company has not yet adopted this revised standard.

TFRS 15 will replace the following standards and interpretations:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.

A new five-step process must be applied before revenue can be recognised:

- 1) identify contracts with customers
- 2) identify the performance obligations in the contract
- 3) determine the transaction price of the contract
- 4) allocate the transaction price to each of the separate performance obligations
- 5) recognise the revenue as each performance obligation is satisfied

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.3 The FAP has announced new standard, TFRS15 Revenue from contracts with customers. This standard will become effective for annual periods beginning on or after 1 January 2019. The Company has not yet adopted this revised standard. (Cont'd)

Key changes to current practice are:

- Any bundled goods or services that are distinct must be separately recognised, and any discounts or rebates on the contract price must generally be allocated to the separate elements
- Revenue may be recognised earlier than under current standards if the consideration varies for any reasons (such as for incentives, rebates, performance fees, royalties, success of an outcome etc) - minimum amounts must be recognised if they are not at significant risk of reversal
- The point at which revenue is able to be recognised may shift: some revenue which is currently recognised at a point in time at the end of a contract may have to be recognised over the contract term and vice versa
- There are new specific rules on licenses, warranties, non-refundable upfront fees and, consignment arrangements
- As with any new standard, there are also increased disclosures.

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures.

The Company's management is currently assessing the impact of initial adoption of this standard.

2.3 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits held at call at financial institutions and short-term highly liquid investment with maturity of three months or less from the acquisition date.

2.4 Premium receivable

Premium receivable is carried at anticipated realisable value. An estimate is made for doubtful accounts based on a review of all outstanding amounts at the year end. Bad debts are written off during the year in which they are identified.

The Company makes allowance for doubtful accounts based on past experiences of uncollectable and long past due accounts.

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2 Accounting policies (Cont'd)

2.5 Reinsurance assets

Reinsurance assets are stated at the outstanding of balance insurance reserve refundable from reinsurers.

Insurance reserve refundable from reinsurers is estimated based on the related reinsurance contract of premium, loss reserve and outstanding claims in accordance with the law regarding insurance reserve calculation.

The allowance for reinsurance asset impairment is recognised when the objective evidences in related to credit risks of reinsurer incurred before closing date.

2.6 Amount due from reinsurance and amount due to reinsurance

Outward reinsurance premiums are accounted for in the same manner as the related gross premium written.

- (a) Amount due from reinsurance is stated at the outstanding balance of amount due from reinsurers and amount of deposit on reinsurance.

Amount due from reinsurers consist of reinsurance commission receivables, reinsurance outstanding claim and other items receivable from reinsurers. The Company recognises an allowance for doubtful accounts which may incur from uncollection being based on consideration of historical collection experience and current status of due from reinsurers at the end of reporting period.

- (b) Amounts due to reinsurance is stated at the outstanding balance of amount due to reinsurers and amounts withheld on reinsurance.

Amounts due to reinsurers consist of reinsurance premiums and other items payable to reinsurers, excluding claims reserve.

The reinsurance transactions in statements of financial position shall be presented net when these contracts meet setoff requirements in contractual clauses.

2.7 Investment in securities

Investments are classified into the following categories: held-to-maturity investment, available-for-sale investment and general investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale.

Investments in non-marketable equity securities are classified as general investments.

Purchases and sales of investments are recognised on the trade date, which is the date that the Company commits to purchase or sell the investments. Cost of investment includes transaction costs.

2 Accounting policies (Cont'd)

2.7 Investment in securities (Cont'd)

Available-for-sale investments are subsequently carried at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Thai Bond Dealing Centre. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

Held-to-maturity investments are carried at amortised cost using the effective yield method.

General investments are carried at cost less impairment.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statements of comprehensive income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statements of comprehensive income. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

2.8 Premises and equipment

All premises and equipment are initially recorded at cost. Cost is measured by the cash or cash equivalent price of obtaining the asset and bringing it to the location and condition necessary for its intended use. All assets are stated at historical cost less accumulated depreciation.

Depreciation is calculated on the straight line method to write off the cost of each asset to its residual value over the estimated useful life as follows:

Building	20 years
Office furniture and equipment	3 - 5 years
Motor vehicles	5 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Repairs and maintenance are charged to the statements of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the assets when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other income/expenses, net in statement of comprehensive income.

2.9 Intangible assets

Intangible assets are software cost which is stated at cost less accumulated amortisation and is amortised using the straight-line method over the estimated useful life of 3 - 4 years.


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2 Accounting policies (Cont'd)

2.10 Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11 Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the statements of comprehensive income on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.12 Current and deferred income tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in statements of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the Revenue department.

Deferred income tax is provided in full, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. The temporary differences arise from allowance for doubtful accounts, unearned premium reserve, loss reserve and outstanding claims, provision for impairment of investments, depreciation on computers, provision for retirement benefits, accrued expenses, deferred acquisition cost and unrealised gains (losses) on investments.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Accounting policies (Cont'd)

2.13 Insurance liabilities

Loss reserve and outstanding claims

The purpose of loss reserve and outstanding claims is to cover the ultimate cost of settling an insurance claim. Claims reserves are not discounted.

The loss reserve and outstanding claims include the claims incurred and reported, claims incurred but not reported (IBNR) as well as claim handling costs and unallocated loss adjustment expenses (ULAE). IBNR are based on historical claims data, current trends, and actual payment patterns for all insurance business lines or anything else that could impact amounts to be paid in accordance with actuarial technique.

Unearned premium reserve

Unearned premium reserve (UPR) represents the prorated portion of written premiums less reinsurance ceded that relates to unexpired risks. It is calculated on the following basis:

Fire, marine, motor, miscellaneous and travel accident (coverage period more than 6 months)	- Daily pro-rata basis (1/365th basis)
Marine cargo - single trip	- Net premium written for the coverage period
Travel accident (coverage period less than 6 months)	- Net premium written for the coverage period

Unexpired risk reserve and premium deficiency reserve

Unexpired risk reserve (URR) represents future insurance cost after reinsurance transaction of the related unexpired risks. The Company recognises premium deficiency reserve when the URR is higher than UPR.

2.14 Employee benefits

Defined contribution plans

The Company has established a provident fund which is a defined contribution plan, and the assets of the provident fund are held separately from those of the Company in funds independently administered by a fund manager who is authorised by the Securities and Exchange Commission. The provident fund is funded by payments from employees and by the Company. Contributions to the provident fund are charged to the statements of comprehensive income in the year to which they relate.

Defined benefit plans

The Company provides for post employment benefits called severance benefit, payable to employees under the Thai Labour Law. The amounts payable in the future depend on the salary and years of service of the respective employees.

The liability in respect of employee benefits is measured, using the projected unit credit method which is calculated in accordance with the actuarial technique. The present value of the defined benefit obligation is determined by discounting estimated contingent future cash flows using the yield on government bonds which have terms to maturity approximating the terms of the related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, mortality, length of service and other factors.

2 Accounting policies (Cont'd)

2.14 Employee benefits (Cont'd)

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in statement of comprehensive income.

Short-term employee benefits

Short-term employee benefits are recognized on an accrual basis.

2.15 Sharebase payment

The Company is a subsidiary company of AXA whose domiciled and listed in stock exchange in France. The Company has a stock plan to eligible key employees. The key employees have the right to receive at the settlement date, a certain number of AXA shares based on criteria defined by AXA. Those shares vest over 3 and 4 years from the grant dates and any unvested shares are cancelled on termination of the employment. The annual expense is based on an amortisation calculated over the vesting period of the current year's expense portion of all restricted stock grants issued in the prior to current year. Expenses under this plan will be charged out by AXA after the settlement of the shares. The Company presents obligation under employee benefit obligation.

2.16 Provisions

Provisions except for insurance transactions and defined employee benefits are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

2.17 Recognition of revenues and expenses

Premium income is recognised as revenue on the effective date of the related insurance policies net of reinsurance ceded and change in unearned premium reserve.

Interest income is recognised using the effective interest method. Dividend income is accounted for on the declaration date.

Other income is recognised on an accrual basis.

Loss and loss adjustment expenses are recorded in the accounts upon receipt of claim advice, including change in claim incurred but not reported as of the statements of financial position date.

Acquisition costs, such as commissions and brokerage, are deferred in recognition that they represent a future benefit. Deferred acquisition cost is calculated on the same basis as unearned premium reserve.

All other expenses are recorded on the accrual basis.

2 Accounting policies (Cont'd)

2.18 Foreign currency transactions

a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Thai Baht which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss.

2.19 Financial instruments

Financial assets carried on the statements in financial position include cash and cash equivalents, accrued income on investments, premium receivables, investment in securities, and certain balances of other assets. Financial liabilities carried on the statements in financial position are certain balances of other liabilities.

3 Estimates

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

3.1 Impairment of premium receivable

The Company maintains an allowance for doubtful accounts to reflect impairment of premium due and uncollected relating to estimated losses that may be incurred in collection of the premium due. The allowance for doubtful accounts is based on collection experience and a review of current status of the premium due as at the statement of financial position date.

3.2 Impairment on reinsurance assets

The objective evidence of impairment on reinsurance assets is based on latest credit rating or solvency capital data available as at closing date and other public information.

3.3 Premises and equipment and intangible assets

Management determines the estimated useful lives and residual values for the premises and equipment and intangible assets. Management will revise the depreciation charge where useful lives and residual values are different to previous estimates, or will write off or write down technically obsolete assets that have been abandoned or sold.

3 Estimates

3.4 Deferred tax

Deferred taxes are provided in full on all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The Company considers future taxable income and ongoing prudent and feasible tax planning strategies in assessing whether to recognise deferred tax assets. The Company's assumptions regarding the future profitability and the anticipated timing of utilisation of deductible temporary differences and significant changes in these assumptions from period to period may have a material impact on the Company's reported financial position and results of operations.

3.5 Unexpired risk reserve

Unexpired risks reserve is calculated using an actuarial method, based on a best estimate of the claims expected to incur over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at the time

3.6 Loss reserves and outstanding claims

Throughout the course of the financial year, management regularly re-assesses claims and related provisions both on an individual and class basis, based on independent surveyor advice and reports, other available information and management's own assessment.

3.7 Employee benefit

The Company has a commitment on post-retirement benefits to employees. Employee benefit liabilities recognised in the statement of financial position is determined on an estimation basis utilising various assumptions. The assumptions used in determining the cost for employee benefits include the rate of salary inflation and employee turnover. Any changes in these assumptions will impact the cost recorded for employee benefits. On an annual basis the Company determines the appropriate assumptions, which represents the provision expected to be required to settle the employee benefits.

Additional information of other key assumptions for retirement benefit obligations is disclosed in note 19.

3.8 Liabilities adequacy testing

At the end of each reporting period, the company assesses the adequacy of insurance liabilities recognised in the financial position by comparing to the present value of the estimated future cash flows from insurance contracts. If the assessment shows that the carrying amount of insurance liabilities less related deferred acquisition cost is inadequate when compared to the estimated future cash flows. The liabilities is increased by the deficiency and it is charged to profit or loss.

4 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

5 Insurance risk

Underwriting risk

Underwriting risk is the risk that the total costs of claims, claim adjustment expenses and premium acquisition expenses will exceed premiums received, and the risk that actual claims and other expenses can differ adversely from the assumptions included in setting of reserves which might affect the adequacy of premium and loss reserves. Underwriting standards and underwriting guidelines are developed in order to manage the risk and to ensure that premiums received will be sufficient considering the total risks that may arise. Loss reserve and unexpired risk reserve are reviewed by an actuary and regional risk team. Underwriting principles are individually developed for each group of risk based on each type of insurance. The principles also limit insurance proportion for each risk group to control the concentration of risks.

Reinsurance risk

Reinsurance risk is the risk that in-force reinsurance contracts are inadequate for risk transfers according to the Company's risk appetite level, and also the risk that reinsurers cannot fulfil their obligations according to reinsurance contracts. Reinsurance risk management guideline was developed in order to manage the risks including reinsurance guidelines and reinsurance plan selection. Overall risk monitoring has been conducted in order to ensure that retained risks are according to risk management policy. In addition, reinsurer selection principles were developed for both domestic and foreign reinsurers to ensure that they will be able to fulfil their obligations.

Concentration risk

Concentration risk will increase the possibility of load of claims to incur at the same time and may result in actual claim losses deviated from expectation. Concentration risk also includes the risk from natural catastrophes or man-made events that could result in significant underwriting losses. The Company mitigates the risks by diversifying business portfolio across all lines of business and through reinsurance including proportional treaties, non-proportional treaties and facultative reinsurance which cover such events.

5 Insurance risk (Cont'd)

Concentration risk (Cont'd)

Net earned premium and net claim reserve concentration

	2017					
	Fire Baht	Marine Baht	Motor Baht	Personal accident Baht	Miscellaneous Baht	Total Baht
Gross written premium						
Less Reinsurance premium ceded	146,133,552 (32,605,905)	179,484,911 (28,721,044)	1,389,118,655 (16,946,920)	137,009,957 (1,556,746)	1,605,083,458 (664,733,295)	3,456,830,533 (744,563,910)
Net written premium	113,527,647	150,763,867	1,372,171,735	135,453,211	940,350,163	2,712,266,623
Add (Less) Change in unearned premium reserve	(7,230,842)	(5,888,488)	13,703,636	(5,668,877)	(50,209,881)	(55,294,452)
Net earned premium	106,296,805	144,875,379	1,385,875,371	129,784,334	890,140,282	2,656,972,171
Claim reserve	71,873,542	62,112,779	503,500,710	22,032,456	1,080,333,697	1,739,853,184
Claim reserve recovered from reinsurance	(1,056,821)	(16,942,897)	3,627,650	(36,684)	(517,274,247)	(531,682,999)
Net claim reserve	70,816,721	45,169,882	507,128,360	21,995,772	563,059,450	1,208,170,185
	2016					
	Fire Baht	Marine Baht	Motor Baht	Personal accident Baht	Miscellaneous Baht	Total Baht
Gross written premium						
Less Reinsurance premium ceded	140,531,609 (23,632,221)	152,136,662 (22,515,985)	1,448,842,892 (10,287,793)	120,364,375 (2,670,701)	1,644,440,660 (763,571,068)	3,506,316,198 (822,677,768)
Net written premium	116,899,388	129,620,677	1,438,555,099	117,693,674	880,869,592	2,683,638,430
Add (Less) Change in unearned premium reserve	2,984,314	474,790	67,074,145	8,081,040	(8,712,735)	69,901,554
Net earned premium	119,883,702	130,095,467	1,505,629,244	125,774,714	872,156,857	2,753,539,984
Claim reserve	39,153,159	91,712,139	482,850,541	18,954,679	1,644,276,386	2,276,948,904
Claim reserve recovered from reinsurance	(234,954)	(42,587,729)	(5,516,795)	(153,243)	(1,151,494,027)	(1,199,986,748)
Net claim reserve	38,918,205	49,124,410	477,333,746	18,801,436	492,784,359	1,076,962,156

  
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6 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 31 December 2017 and 2016.

	2017			Total Baht
	Level 1 Baht	Level 2 Baht	Level 3 Baht	
Asset				
Available-for-sale financial assets				
• Government securities				
Thai government bonds	-	2,279,783,412	-	2,279,783,412
Treasury bills	-	188,478,592	-	188,478,592
Total government securities	-	2,468,262,004	-	2,468,262,004
• Private enterprises securities				
Corporate debentures	-	267,545,192	-	267,545,192
Unit trust	-	48,771	-	48,771
Total private enterprises securities	-	267,593,963	-	267,593,963
Total assets	-	2,735,855,967	-	2,735,855,967
	2016			Total Baht
	Level 1 Baht	Level 2 Baht	Level 3 Baht	
Asset				
Available-for-sale financial assets				
• Government securities				
Thai government bonds	-	1,239,833,931	-	1,239,833,931
Treasury bills	-	249,038,776	-	249,038,776
Total government securities	-	1,488,872,707	-	1,488,872,707
• Private enterprises securities				
Corporate debentures	-	151,058,087	-	151,058,087
Unit trust	-	47,771	-	47,771
Total private enterprises securities	-	151,105,858	-	151,105,858
Total assets	-	1,639,978,565	-	1,639,978,565

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

Valuation techniques used to derive Level 2 fair values

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.

6 Fair value estimation (Cont'd)

The fair value of financial assets which are not measured at fair value as of 31 December 2017 and 2016 are as follows:

	2017			Total Baht
	Level 1 Baht	Level 2 Baht	Level 3 Baht	
Assets				
Held-to-maturity investments	-	1,135,530,053	-	1,135,530,053

	2016			Total Baht
	Level 1 Baht	Level 2 Baht	Level 3 Baht	
Assets				
Held-to-maturity investments	-	1,404,138,724	-	1,404,138,724

Other financial instruments not carried at fair value are typically short-term in nature and reprice to current market rate frequently. Accordingly, their carrying amount is a reasonable approximation of fair value. This includes cash and cash equivalents, accrued income on investments and premium receivables.

As the Company has a general investment in limited companies which the Company's shareholding was insignificant, the Company has no controlling and decision making power in the invested companies resulting in difficulty in obtaining the information to support the fair value valuation in practice. These investments are not in the stock exchange and do not have any market prices which can be used as fair value. The Company also do not have any plan for selling these investments, so the Company did not assess the fair value for the general investment. Therefore, the Company cannot disclose the fair value of the general investment in the notes to financial statements and have stated these investments at cost net allowance for impairment (if any).

The Company's policy is to recognise transfers into and transfer out of fair value hierarchy levels as of the date if the event or change in circumstances that caused the transfer.

There were no other changes in valuation techniques during the year.

7 Cash and cash equivalents

	2017 Baht	2016 Baht
Cash on hand	361,086	305,086
Cheque on hand	782,452	34,914
Bank deposits held at call	196,116,272	215,265,813
Short-term investment	29,997,386	124,925,276
Cash and cash equivalents	227,257,196	340,531,089

8 Premium receivable, net

The balances of premium receivable were aged as follows:

	From Direct channel	
	2017 Baht	2016 Baht
Undue	381,556,179	382,542,963
Less than 30 days	83,509,394	50,651,229
30 - 60 days	22,111,435	21,423,907
60 - 90 days	13,274,350	20,223,644
90 days - 1 year	28,040,413	17,061,154
More than 1 year	9,379,240	9,113,777
Total premium receivable	537,871,011	501,016,674
Less Allowance for doubtful accounts	(11,896,460)	(9,376,234)
Premium receivable, net	525,974,551	491,640,440

9 Reinsurance assets, net

	2017 Baht	2016 Baht
Reserve of recovery from reinsurers		
Loss reserve	531,682,999	1,199,986,748
Premium reserve		
- Unearned premium reserve (UPR)	229,262,106	335,010,293
Reinsurance assets, net	760,945,105	1,534,997,041

The movement in loss reserve recovery is as follows:

	2017 Baht	2016 Baht
Balance as at 1 January	1,199,986,748	1,285,431,489
Claim insured recovered during the year	546,332,301	307,440,985
Change in claim reserve and assumptions	(739,343,074)	(54,286,136)
Reserve recovered during the year	(475,292,976)	(338,599,590)
Balance as at 31 December	531,682,999	1,199,986,748

The movement in reinsurance premium reserve is as follows:

	2017 Baht	2016 Baht
Balance as at 1 January	335,010,293	254,689,987
Reinsurance premium ceded during the year	744,563,910	822,677,768
Premium ceded recognised during the year	(850,312,097)	(742,357,462)
Balance as at 31 December	229,262,106	335,010,293

10 Amounts due from reinsurance, net

	2017 Baht	2016 Baht
Reinsurance premium receivable	140,172,242	114,995,144
<u>Less</u> Allowance for doubtful account	(79,773)	(98,754)
Amounts due from reinsurance, net	<u>140,092,469</u>	<u>114,896,390</u>

Reinsurance premium receivable aged based on due date is as follows:

	2017 Baht	2016 Baht
Undue Overdue	109,444,514	92,438,524
Less than 12 months	43,759,276	42,031,090
1 - 2 years	8,047,797	2,086,455
More than 2 years	-	361,872
Total reinsurance premium receivable	161,251,587	136,917,941
<u>Less</u> Due to reinsurer with setoff arrangement	(21,079,345)	(21,922,797)
<u>Less</u> Allowance for doubtful account	(79,773)	(98,754)
Due from reinsurers, net	<u>140,092,469</u>	<u>114,896,390</u>

11 Investments in securities

Investments in securities as at 31 December 2017 and 2016 comprise:

	2017		2016	
	Cost / Amoritse cost Baht	Fair value Baht	Cost / Amoritse cost Baht	Fair value Baht
<u>Available-for-sale investments</u>				
Government securities	2,455,714,121	2,468,262,003	1,490,239,035	1,488,872,707
Private enterprises securities	265,224,978	267,593,963	151,011,735	151,105,858
Total	2,720,939,099	2,735,855,966	1,641,250,770	1,639,978,565
<u>Add (less) Unrealised gains (losses)</u>	14,916,867	-	(1,272,205)	-
Total available-for-sale Investments	<u>2,735,855,966</u>	<u>2,735,855,966</u>	<u>1,639,978,565</u>	<u>1,639,978,565</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	1,135,530,053	1,135,530,053	1,404,138,724	1,404,138,724
Total	1,153,049,453	1,135,530,053	1,421,658,124	1,404,138,724
<u>Less</u> Impairment charge	(17,519,400)	-	(17,519,400)	-
Total held-to-maturity investments	<u>1,135,530,053</u>	<u>1,135,530,053</u>	<u>1,404,138,724</u>	<u>1,404,138,724</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>3,871,667,836</u>		<u>3,044,399,106</u>	

11 Investments in securities (Cont'd)

Investment in securities as at 31 December 2017 and 2016 will be due as follows:

	2017			
	Period to maturity			Total
	Within 1 year	1 - 5 years	Over 5 years	
	Baht	Baht	Baht	
Available-for-sales investment				
Government securities	510,832,671	1,880,705,530	76,723,801	2,468,262,003
Private enterprises securities	64,344,750	203,249,213	-	267,593,963
Held to maturity investment				
Deposits at financial institutions with maturity over 3 months	1,135,530,053	-	-	1,135,530,053
Total	1,710,707,475	2,083,954,773	76,723,801	3,871,386,019
	2016			
	Period to maturity			Total
	Within 1 year	1 - 5 years	Over 5 years	
	Baht	Baht	Baht	
Available-for-sales investment				
Government securities	597,042,542	866,596,703	25,233,462	1,488,872,707
Private enterprises securities	12,338,248	138,719,840	-	151,058,088
Held to maturity investment				
Deposits at financial institutions with maturity over 3 months	1,404,138,724	-	-	1,404,138,724
Total	2,013,519,514	1,005,316,543	25,233,462	3,044,069,519

As at 31 December 2017, the government bonds and deposits at financial institutions with maturity over 3 months from issuance at par value amounting to Baht 2,507,882 were placed as bail bonds (2016: Baht 12,658,580).

12 Property and equipment, net

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13 Intangible assets, net

	Computer software Baht	Assets under installation Baht	Total Baht
At 1 January 2017			
Cost	107,786,447	9,631,999	117,418,446
<u>Less</u> Accumulated amortisation	<u>(97,351,708)</u>	<u>-</u>	<u>(97,351,708)</u>
Net book amount	<u>10,434,739</u>	<u>9,631,999</u>	<u>20,066,738</u>
For the year ended 31 December 2017			
Opening net book amount	10,434,739	9,631,999	20,066,738
Addition during the year	2,821,678	154,700	2,976,378
Transfer during the year	1,812,740	(1,812,740)	-
Write off	(145,001)	(1,473,960)	(1,618,961)
Amortisation charge	<u>(5,030,414)</u>	<u>-</u>	<u>(5,030,414)</u>
Closing net book amount	<u>9,893,742</u>	<u>6,499,999</u>	<u>16,393,741</u>
At 31 December 2017			
Cost	112,275,864	6,499,999	118,775,863
<u>Less</u> Accumulated amortisation	<u>(102,382,122)</u>	<u>-</u>	<u>(102,382,122)</u>
Net book amount	<u>9,893,742</u>	<u>6,499,999</u>	<u>16,393,741</u>

14 Deferred acquisition cost

Movements in deferred acquisition cost for the years ended 31 December 2017 and 2016 is as follow:

	2017 Baht	2016 Baht
Balance as at 1 January	176,834,940	194,133,095
Acquisition cost incurred during the year	329,671,935	331,114,039
Acquisition cost recognised during the year	<u>(323,273,953)</u>	<u>(348,412,194)</u>
Balance as at 31 December	<u>183,232,922</u>	<u>176,834,940</u>

15 Deferred income tax

The movements on the deferred income tax for the years ended 31 December 2017 and 2016 are as follows:

	2017 Baht	2016 Baht
Beginning balance	345,151,188	292,491,700
Credit to the statements of comprehensive income (Note 26)	61,266,764	50,559,126
Deferred income tax from unrealised (gains) losses on investments in equity (Note 21)	<u>(3,895,932)</u>	<u>2,100,362</u>
Ending balance	<u>402,522,020</u>	<u>345,151,188</u>

15 Deferred income tax (Cont'd)

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

	2017 Baht	2016 Baht
Deferred tax assets:		
Deferred tax asset to be recovered within 12 months	255,504,636	176,945,388
Deferred tax asset to be recovered after 12 months	186,947,213	203,667,404
	<u>442,451,849</u>	<u>380,612,792</u>
Deferred tax liabilities:		
Deferred tax liabilities to be settled within 12 months	37,169,556	35,461,604
Deferred tax liabilities to be settled after 12 months	2,760,273	-
	<u>39,929,829</u>	<u>35,461,604</u>
Deferred tax assets, net	<u>402,522,020</u>	<u>345,151,188</u>

Deferred tax assets and liabilities presented in statements of financial position and changes in deferred tax for the year ended 31 December 2017 arises from the following items:

	31 December 2016 Baht	Transaction in profit or loss Baht	Transaction in other comprehensive income Baht	Transaction in other Reserve Baht	31 December 2017 Baht
Deferred tax assets					
- Allowance for doubtful accounts	1,894,998	500,248	-	-	2,395,246
- Unearned premium reserve	72,659,104	9,741,903	-	-	82,401,007
- Loss reserve and outstanding claims	215,392,431	26,241,606	-	-	241,634,037
- Provision for impairment of investments	3,625,731	-	-	-	3,625,731
- Depreciation for computers	696,357	2,542,337	-	-	3,238,694
- Provision for retirement benefits	6,102,423	(88,633)	(658,582)	-	5,355,208
- Accrued expenses	2,614,411	(1,387,858)	-	2,935,898	4,162,451
- Loss carry forward	77,373,667	22,265,808	-	-	99,639,475
- Unrealised losses on investments	253,670	-	(253,670)	-	-
	<u>380,612,792</u>	<u>59,815,411</u>	<u>(912,252)</u>	<u>2,935,898</u>	<u>442,451,849</u>
Deferred tax liabilities					
- Deferred acquisition cost	35,461,604	1,484,545	-	-	36,946,149
- Unrealised gains on investments	-	-	2,983,680	-	2,983,680
	<u>35,461,604</u>	<u>1,484,545</u>	<u>2,983,680</u>	<u>-</u>	<u>39,929,829</u>
Deferred income tax, net	<u>345,151,188</u>				<u>402,522,020</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. The Company did not recognise deferred income tax assets of Baht 11.6 million (2016: nil) in respect of loss amounting to Baht 58 million (2016: nil) that can be carried forward against future taxable income. Loss amounting to Baht 58 million expires in 2019

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16 Other assets

	2017 Baht	2016 Baht
Income tax receivable and undue valued added tax	53,636,450	71,565,593
Prepaid expenses and refundable deposits	24,178,477	21,419,832
Reserve withheld for claims	78,868,308	149,435,891
Amount due from related companies (Note 28)	5,882,943	758,758
Others	6,536,472	8,359,761
Total other assets	169,102,650	251,539,835

17 Insurance liabilities

	2017			2016		
	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht
Claims reserve						
- Reported claim	1,436,343,088	(445,149,906)	991,193,182	2,014,675,076	(1,163,808,485)	850,866,591
- Claim incurred but not reported	303,510,096	(86,533,093)	216,977,003	262,273,828	(36,178,263)	226,095,565
Total claims reserve	1,739,853,184	(531,682,999)	1,208,170,185	2,276,948,904	(1,199,986,748)	1,076,962,156
Premium reserve						
- Unearned premium reserve (UPR)	1,714,270,215	(229,262,106)	1,485,008,109	1,764,723,951	(335,010,293)	1,429,713,658
Total	3,454,123,399	(760,945,105)	2,693,178,294	4,041,672,855	(1,534,997,041)	2,506,675,814

Insurance reserve for short-term insurance contract

17.1 Claims reserve

	2017 Baht	2016 Baht
Beginning balance	2,276,948,904	2,313,943,232
Claims incurred during the year	2,398,183,852	2,137,225,095
Changes in claims reserve and assumptions method on claims reserve	(725,521,352)	(55,921,189)
Claims paid during the year	(2,209,758,220)	(2,118,298,234)
Closing balance	1,739,853,184	2,276,948,904





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17 Insurance liabilities (Cont'd)

17.1 Claims reserve (Cont'd)

17.1.1 Claim development table

Claim Development Table Before Reinsurance

Incident Year	Before 2013	2013	2014	2015	2016	2017	Total
Estimated claim:							
- At the end of the year	21,122,574,195	1,469,552,366	2,014,338,950	1,757,217,086	2,211,164,240	2,519,201,352	
- After 1 year	22,138,961,982	1,443,012,250	1,988,611,117	1,771,327,258	2,244,020,607		
- After 2 years	21,455,152,239	1,416,423,161	1,910,543,899	1,746,979,587			
- After 3 years	21,241,182,932	1,410,983,751	1,931,711,301				
- After 4 years	21,182,874,029	1,409,281,183					
- After 5 years	20,325,832,247						
Absolute estimated claim	20,325,832,247	1,409,281,183	1,931,711,301	1,746,979,587	2,244,020,607	2,519,201,352	
Cumulative claim paid	20,166,256,687	1,396,079,429	1,877,943,278	1,662,464,427	2,015,275,941	1,447,577,036	
Total	159,575,560	13,201,754	53,768,023	84,515,160	228,744,666	1,071,624,316	1,611,429,479
Unallocated loss adjustment expense							56,736,500
Technical safety margin							71,687,205
Total claims reserve							1,739,853,184

  
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17 Insurance liabilities (Cont'd)

17.1 Claims reserve (Cont'd)

17.1.1 Claim development table

Claim Development Table, Net

Incident Year	Before 2013	2013	2014	2015	2016	2017	Total
Estimated claim:							
- At the end of the year	11,288,277,879	1,305,241,665	1,457,693,605	1,578,632,867	1,896,666,312	1,916,389,007	
- After 1 year	10,905,038,283	1,267,596,470	1,438,105,518	1,571,075,306	1,865,246,752	-	
- After 2 years	10,566,951,094	1,252,811,712	1,435,001,586	1,544,072,380	-	-	
- After 3 years	10,412,297,188	1,240,757,415	1,456,049,755	-	-	-	
- After 4 years	10,359,734,014	1,240,448,265	-	-	-	-	
- After 5 years	10,334,448,563	-	-	-	-	-	
Absolute estimated claim	10,334,448,563	1,240,448,265	1,456,049,755	1,544,072,380	1,865,246,752	1,916,389,007	
Cumulative claim paid	10,247,169,119	1,231,129,406	1,407,471,448	1,486,595,397	1,719,905,790	1,184,637,285	
Total	87,279,444	9,318,859	48,578,307	57,476,983	145,340,962	731,751,722	1,079,746,277
Unallocated loss adjustment expense							56,736,500
Technical safety margin							71,687,408
Total claims reserve							1,208,170,185

  
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17. Insurance liabilities (Cont'd)

17.1 Claims reserve (Cont'd)

17.1.2 Aging analysis of loss reserve's repayment

	2017 Baht	2016 Baht
Repayment within 1 year	19,063,443,603	18,153,498,036
Repayment between 1 - 2 years	16,782,780,228	17,025,037,929
Repayment between 2 - 5 years	39,397,783,055	29,889,545,649
Repayment over 5 years	10,334,448,563	11,284,761,528
Total	<u>85,578,455,449</u>	<u>76,352,843,142</u>

17.1.3 Sensitivity analysis on change in main assumption

		2017			
	Change in assumption	Impact on reinsurance assets	Impact on loss reserve and unallocated loss adjustment expenses	Impact on profit and loss	Impact to Equity
Estimated loss ratio	Increase 2%	6,797,452	21,432,486	(11,708,027)	(11,708,027)
Estimated loss ratio	Decrease 2%				
Technical safety margin		(6,797,451)	(21,432,486)	11,708,027	11,708,027
Technical safety margin	Increase 2%	(8)	1,433,748	(1,433,740)	(1,433,740)
Technical safety margin	Decrease 2%	(8)	(1,433,748)	1,433,756	1,433,756
		2016			
	Change in assumption	Impact on reinsurance assets	Impact on loss reserve and unallocated loss adjustment expenses	Impact on profit and loss	Impact to Equity
Estimated loss ratio	Increase 2%	3,883,913	17,326,764	(13,442,851)	(13,442,851)
Estimated loss ratio	Decrease 2%	(3,883,913)	(17,326,764)	13,442,851	13,442,851
Technical safety margin	Increase 2%	(632,550)	1,751,698	(2,384,248)	(2,384,248)
Technical safety margin	Decrease 2%	632,550	(1,751,698)	2,384,248	2,384,248

17.2 Unearned premium reserve

	2017 Baht	2016 Baht
Beginning balance	1,764,723,951	1,754,305,199
Premium written for the year	3,456,830,533	3,506,316,198
Premium earned for the year	<u>(3,507,284,269)</u>	<u>(3,495,897,446)</u>
Closing balance	<u>1,714,270,215</u>	<u>1,764,723,951</u>

As at 31 December 2017 and 2016, there was no premium deficiency reserve made.

18 Due to reinsurers

	2017 Baht	2016 Baht
Reinsurance premium payable	82,546,740	95,202,575
Fund withheld from reinsurance	194,786,513	280,703,019
Reinsurance payable - others	144,895,603	55,578,196
Total due to reinsurers	<u>422,228,856</u>	<u>431,483,790</u>

19 Employee benefits obligations

	2017 Baht	2016 Baht
Short-term employee benefits	34,264,160	53,993,514
Long-term employee benefits	20,812,254	13,072,055
Post-employee benefit	29,611,589	30,054,754
	<u>84,688,003</u>	<u>97,120,323</u>

As at 31 December 2017 and 2016, the Company has recognized long-term employee benefits obligations which is share-based payment of Baht 20,812,254 and Baht 13,072,055, respectively. Expenses of share-based payment for the year are as following:

	2017 Baht	2016 Baht
Expense of share-based payment	8,598,297	15,260,738

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

	2017 Shares	2016 Shares
At 1 January	44,273	40,717
Granted	14,500	16,290
Exercised	(7,216)	(12,734)
At 31 December	<u>51,557</u>	<u>44,273</u>

Post-employment benefit expenses which are recognised in the statements of comprehensive income are as follows:

	2017 Baht	2016 Baht
Current service costs	3,864,585	3,355,739
Remeasurements:		
(Gains)/losses from change in financial assumptions	(4,956,902)	45,026
Experience losses	1,663,993	412,331
Interest costs	858,159	967,684
Total	<u>1,429,835</u>	<u>4,780,780</u>

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19 Employee benefit obligation (Cont'd)

Movements of the provision for employee benefits are as follows:

	2017 Baht	2016 Baht
Beginning balance	30,054,754	25,273,974
Current service costs	3,864,585	3,355,739
Remeasurements:		
(Gains)/losses from change in financial assumptions	(4,956,902)	45,026
Experience losses	1,663,993	412,331
Interest costs	858,159	967,684
<u>Less</u> Benefits paid	(1,873,000)	-
Ending balance	<u>29,611,589</u>	<u>30,054,754</u>

The principal actuarial assumptions used are as follows:

	2017	2016
Discount rate	2.99%	2.53%
Salary increase rate	5.00%	5.00%
Average turnover rate	6.00% - 22.00%	4.00% - 22.00%
Retirement age	55 or 60 years	55 or 60 years

The principal actuarial assumptions used are as follows:

2017			
Impact on employee benefit obligation			
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	Decrease by 4.12%	Increase by 4.41%
Salary increase rate	0.50%	Increase by 4.30%	Decrease by 4.06%
Average turnover rate	0.50%	Decrease by 4.60%	Increase by 4.92%

2016			
Impact on employee benefit obligation			
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	Decrease by 4.26%	Increase by 4.57%
Salary increase rate	0.50%	Increase by 4.43%	Decrease by 4.18%
Average turnover rate	0.50%	Decrease by 4.69%	Increase by 5.01%

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

The weighted average duration of the defined benefit obligation is 15 years.





19 Employee benefit obligation (Cont'd)

Expected maturity analysis of undiscounted retirement benefits:

	2017				Total Baht
	Less than a year Baht	Between 1 - 5 years Baht	Between 5 - 10 years Baht	Over 10 years Baht	
At 31 December 2016					
Retirement benefits	1,963,737	9,803,040	22,122,764	68,122,877	102,002,418
Total	1,963,737	9,803,040	22,122,764	68,122,877	102,002,418

	2016				Total Baht
	Less than a year Baht	Between 1 - 5 years Baht	Between 5 - 10 years Baht	Over 10 years Baht	
At 31 December 2016					
Retirement benefits	1,283,764	11,354,783	24,250,247	77,642,033	114,530,827
Total	1,283,764	11,354,783	24,250,247	77,642,033	114,530,827

20 Unrealised gains (losses) on investments

Movements of unrealised gains (losses) on investments for the years ended 31 December 2017 and 2016 are as follows:

	2017 Baht	2016 Baht
Opening balance	(1,014,681)	7,020,877
Add/(Less) Changes in fair values of investments	16,186,752	(10,044,448)
Changes in deferred tax assets/liabilities (Note 15)	(3,237,350)	2,008,890
Closing balance	11,934,721	(1,014,681)

21 Effective tax relating to each component of other comprehensive income

	2017			2016		
	Amount before tax Baht	Income tax Baht	Amount after tax Baht	Amount before tax Baht	Income tax Baht	Amount after tax Baht
Remeasurement of post-employment benefit obligations	3,292,909	(658,582)	2,634,327	(457,357)	91,472	(365,885)
Gains (losses) in changes in value of investment	16,186,752	(3,237,350)	12,949,402	(10,044,448)	2,008,890	(8,035,558)
Total	19,479,661	(3,895,932)	15,583,729	(10,501,805)	2,100,362	(8,401,443)





22 Legal reserve

	2017 Baht	2016 Baht
Opening balance	30,670,999	30,670,999
Addition during the year	-	-
Closing balance	<u>30,670,999</u>	<u>30,670,999</u>

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

23 Share capital

	Number of ordinary shares Shares	Ordinary shares Baht	Share discount Baht	Total Baht
At 1 January 2016	28,126,421	2,812,642,100	(1,068,106,516)	1,744,535,584
Issue of shares	-	-	-	-
At 31 December 2016	28,126,421	2,812,642,100	(1,068,106,516)	1,744,535,584
Issue of shares	8,600,000	860,000,000	-	860,000,000
At 31 December 2017	<u>36,726,421</u>	<u>3,672,642,100</u>	<u>(1,068,106,516)</u>	<u>2,604,535,584</u>

On 12 April 2017, the shareholders at the Company's Extraordinary General Meeting no. 1/2017 passed a resolution to increase the authorised share capital from 28,126,421 ordinary shares with a par value of Baht 100 per share to 31,326,421 ordinary shares with a par value of Baht 100 per share. The Company registered the increased share capital with the Ministry of Commerce on 28 April 2017. The Company has received the subscription of an additional 3,200,000 shares with a par value of Baht 100 per share in total of Baht 320,000,000.

On 22 August 2017, the shareholders at the Company's Extraordinary General Meeting no. 2/2017 passed a resolution to increase the authorised share capital from 31,326,421 ordinary shares with a par value of Baht 100 per share to 36,726,421 ordinary shares with a par value of Baht 100 per share. The Company registered the increased share capital with the Ministry of Commerce on 22 September 2017. The Company has received the subscription of an additional 5,400,000 shares with a par value of Baht 100 per share in total of Baht 540,000,000.

24 Operating expenses

	2017 Baht	2016 Baht
Employee expenses not relating to underwriting and claim expenses	147,421,625	195,626,414
Property and equipment expenses not relating to underwriting expenses	105,885,928	101,649,268
Tax expenses	15,359,157	27,240
Bad debt and doubtful accounts	2,501,243	2,338,616
Other operating expenses	136,287,930	175,545,793
Operating expenses	<u>407,455,883</u>	<u>475,187,331</u>

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25 Employee benefit expenses

	2017 Baht	2016 Baht
Salary	405,265,546	404,934,839
Social security fund	4,736,478	4,538,086
Contribution to employee benefit project	20,765,148	18,886,707
Other employee benefit expenses	23,297,281	20,811,837
Employee benefit expenses	<u>454,064,453</u>	<u>449,171,469</u>

26 Income tax

	2017 Baht	2016 Baht
Income tax for the year	-	-
Deferred tax (Note 15)	(58,330,866)	(50,559,126)
Income tax credit	<u>(58,330,866)</u>	<u>(50,559,126)</u>

Reconciliation of income tax credit and the results of the accounting loss multiplied by the income tax rate are as follows:

	2017 Baht	2016 Baht
Loss before income tax	(370,001,214)	(250,804,415)
Tax rate	20%	20%
The result of the accounting loss multiplied by income tax rate	(74,000,243)	(50,160,883)
Tax losses for which no deferred income tax asset was recognised	11,600,000	-
Effect of non - taxable income and non-deductible expenses	4,069,377	(398,243)
Income tax credited	<u>(58,330,866)</u>	<u>(50,559,126)</u>

More information relating to deferred tax is presented in Note 15.

27 Basic loss per share

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

	2017	2016
Net loss for the period attributable to ordinary shareholders (Baht)	(311,670,348)	(200,245,289)
Weighted average number of ordinary shares in issue during the period (Shares)	31,794,914	28,126,421
Basic loss per share (Baht)	(9.80)	(7.12)

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2017 and 2016.





28 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 whose incorporated and domiciled in France.

The Company had the following significant transactions with related parties:

	2017 Baht	2016 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	441,931,590	484,779,713
Reinsurance premium ceded	(614,620,124)	(586,611,717)
Commission and brokerage fees	114,628,303	111,281,878
Expenses		
Losses and loss adjustment expenses	31,408,409	24,913,654
Claim recovered from reinsurers	(368,461,301)	(183,680,301)
Commission and brokerage expenses	69,823,796	78,028,696
Other underwriting expenses	4,328,772	3,814,865
Operating expenses		
Other expenses recoveries	(11,436,478)	(11,498,644)
Management and service fees	81,466,992	103,804,625
Statement of financial position		
Assets		
Reinsurance assets, net	403,625,885	508,618,450
Amount due from reinsurance, net	76,715,008	78,046,035
Other assets		
Amount due from related companies	5,882,943	758,758
Liabilities		
Due to reinsurers	82,451,636	84,259,201
Other liabilities	23,486,427	10,296,228

Key management compensation

The compensation to key management for employee service for the years ended 31 December 2017 and 2016 are shown below:

	2017 Baht	2016 Baht
Short-term employee benefits	83,382,719	73,476,402
Post-employee benefits	1,264,446	950,096
Total	84,647,165	74,426,498

29 Financial instruments

A financial instrument is any contract that gives rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial instruments carried on the statements of financial position include investment in securities, cash and deposits at financial institutions, premiums due and uncollected, amounts due to and from reinsurers, accrued income on investment, loss reserve and outstanding claims, amount withheld on reinsurance treaties and certain other assets and liabilities.

The carrying amount of financial assets and liabilities approximates to their fair value. The basis of recognition and measurement of significant financial assets and liabilities is set out in Note 6.

The Company does not trade or speculate in derivative instruments.

The Company is exposed to credit, liquidity, currency and interest rate risks from its normal business activities. These are summarised as follows:

29.1 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Company to incur a financial loss. The Company has no significant concentrations of credit risk. Cash and investments are made with reputable financial institutions and all reinsurers and insurance brokers are given an internal rating before premium is ceded to and acquire services of insurance broker from them.

29.2 Liquidity risk

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

The Company's financial assets mainly comprises of cash and deposits at financial institutions and investment in securities which are highly liquid and able to be sold quickly at close to their fair values.

29.3 Currency risk

The Company's business is primarily conducted in Thai Baht and relates to risks located in Thailand so there is limited foreign currency exposure.



29 Financial instruments (Cont'd)

29.4 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates.

	2017			Total Baht
	No interest Baht	Floating interest rate Baht	Fixed interest rate Baht	
Cash and cash equivalent	14,798,626	181,317,646	29,997,386	226,113,658
Available-for-sale investments	-	-	2,735,807,196	2,735,807,196
Held-to-maturity investments	-	-	1,135,530,053	1,135,530,053
	<u>14,798,626</u>	<u>181,317,646</u>	<u>3,901,334,635</u>	<u>4,097,450,907</u>

	2016			Total Baht
	No interest Baht	Floating interest rate Baht	Fixed interest rate Baht	
Cash and cash equivalent	7,427,597	207,838,216	124,925,276	340,191,089
Available-for-sale investments	-	-	1,639,930,794	1,639,930,794
Held-to-maturity investments	-	-	1,404,138,724	1,404,138,724
	<u>7,427,597</u>	<u>207,838,216</u>	<u>3,168,994,794</u>	<u>3,384,260,607</u>

The financial instruments carrying interest rates are classified below, for the periods from the statements of financial position date to the contractual date of repricing or maturity date (whichever is earlier).

	2017			Total Baht	Interest rate % p.a.
	Within 1 year Baht	1 - 5 years Baht	More than 5 years Baht		
Cash and cash equivalent	211,315,031	-	-	211,315,031	0.00 - 1.28
Available-for-sale investments	575,128,652	2,083,954,743	76,723,801	2,735,807,196	1.27 - 3.38
Held-to-maturity investments	1,135,530,053	-	-	1,135,530,053	0.80 - 1.80
	<u>1,921,973,736</u>	<u>2,083,954,743</u>	<u>76,723,801</u>	<u>4,082,652,280</u>	

	2016			Total Baht	Interest rate % p.a.
	Within 1 year Baht	1 - 5 years Baht	More than 5 years Baht		
Cash and cash equivalent	332,763,492	-	-	332,763,492	0.00 - 1.49
Available-for-sale investments	609,380,789	1,005,316,543	25,233,462	1,639,930,794	1.49 - 4.04
Held-to-maturity investments	1,404,138,724	-	-	1,404,138,724	0.85 - 2.00
	<u>2,346,283,005</u>	<u>1,005,316,543</u>	<u>25,233,462</u>	<u>3,376,833,010</u>	





AXA Insurance
 Public Company Limited
 บมจ. แอกซ่า ประกันภัย

30 Deposits with Registrar

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, government bonds amounting to Baht 330,000,000 (2016: Baht 330,000,000) have been placed at the Office of Insurance Commission.

31 Contribution to Non-life guarantee fund

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, during the year the Company contributes to Non-life guarantee fund amounting to Baht 8,252,188 (2016: Baht 8,223,364).

32 Operating lease commitments

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

	2017 Baht	2016 Baht
Not later than 1 year	20,008,811	18,464,035
Later than 1 year but not later than 5 years	18,829,565	14,609,347
More than 5 years	-	-
Total operating lease commitments	<u>38,838,376</u>	<u>33,073,382</u>

