

AXA INSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

31 MARCH 2021



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 31 March 2021, the statement of comprehensive income, the statement of changes in equity, and the statement of cash flows for the three-month period then ended, and condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
Bangkok
10 May 2021

AXA Insurance Public Company Limited
Statement of Financial Position
As at 31 March 2021

		Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
	Notes		
Assets			
Cash and cash equivalents	6	418,654,492	290,406,401
Premium receivable, net	7	468,972,205	363,887,800
Accrued investment income, net		18,501,798	16,890,055
Reinsurance assets, net	8, 22	719,632,194	805,708,575
Amounts due from reinsurance, net	9, 22	35,714,587	29,470,293
Investment assets			
Investment in securities, net	10	3,831,711,112	3,940,422,500
Property and equipment, net	11	30,066,538	28,485,688
Right-of-use assets	12	44,241,383	46,049,194
Intangible assets, net	13	5,568,039	4,980,234
Deferred acquisition cost		213,590,596	185,800,276
Deferred tax assets, net	14	376,737,708	375,298,296
Other assets	15, 22	98,633,527	116,380,639
Total assets		6,262,024,179	6,203,779,951

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 31 March 2021

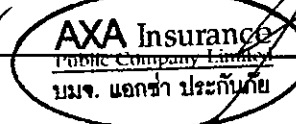
		Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
	Notes		
Liabilities and equity			
Liabilities			
Insurance liabilities	16	3,506,296,883	3,465,128,245
Due to reinsurers	17, 22	215,579,998	242,864,869
Employee benefit obligations		103,404,386	141,103,709
Accrued expenses		112,915,978	79,863,903
Commission payable		72,612,424	59,858,304
Lease liabilities		44,521,590	47,168,006
Other liabilities	18	138,102,804	93,085,476
Total liabilities		4,193,434,063	4,129,072,512
Equity			
Share capital	19		
Registered			
36,726,421 ordinary shares			
of par Baht 100 each		3,672,642,100	3,672,642,100
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		(600,646,752)	(618,464,081)
Other components of equity		34,030,285	57,964,937
Total equity		2,068,590,116	2,074,707,439
Total liabilities and equity		6,262,024,179	6,203,779,951

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 31 March 2021

	Notes	Unaudited 2021 Baht	Unaudited 2020 Baht
Revenues			
Gross written premium	22	1,030,773,209	940,785,595
<u>Less</u> Reinsurance premium ceded	22	(123,400,155)	(138,092,798)
Net written premium		907,373,054	802,692,797
<u>Less</u> Change in unearned premium reserve		(196,218,737)	(188,913,789)
Net earned premium		711,154,317	613,779,008
Commission and brokerage fees	22	22,346,155	19,579,007
Net investment income		14,662,126	16,907,928
Gains on investments		-	53,309
Other income		9,392	117,036
Total revenues		748,171,990	650,436,288
Expenses			
Losses and loss adjustment expenses	22	343,614,669	360,457,755
<u>Less</u> Claim recovered from reinsurers	22	21,673,209	(78,487,548)
Commissions and brokerages expenses	22	115,805,660	97,090,885
Other underwriting expenses	22	145,120,114	172,703,120
Operating expenses	20, 22	98,915,883	100,630,987
Finance cost		680,875	567,879
Total expenses		725,810,410	652,963,078
Profit (loss) before income taxes		22,361,580	(2,526,790)
Income tax (expense) credit		(4,544,251)	463,606
Profit (loss) for the period		17,817,329	(2,063,184)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Change in value of investments measured at fair value through other comprehensive income		(29,918,315)	8,442,135
Realised gain from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		-	(53,309)
Income tax relating to items that will be reclassified		5,983,663	(1,677,766)
Total items that will be reclassified subsequently to profit or loss		(23,934,652)	6,711,060
Other comprehensive (expense) income for the period, net of tax		(23,934,652)	6,711,060
Total comprehensive (expense) income for the period		(6,117,323)	4,647,876
Profit (Loss) per share			
Basic profit (loss) per share (Baht)	21	0.49	(0.06)

The accompanying notes form part of this interim financial information.



AXA Insurance Public Company Limited
Statement of Changes in Equity
For the three-month period ended 31 March 2021

	2021 (Unaudited)									
	Other components of equity									
	Other comprehensive income									
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings (Deficits)	Remeasurements of post-employment benefit obligations	Unrealised gain (loss) on the change in value of investment	Other reserve	Total other component of equity	Total	Baht	Baht
Beginning balance as at 1 January 2021	3,672,642,100	(1,068,106,516)	30,670,999	(618,464,081)	71,150,486	(11,770,024)	57,964,937	2,074,707,439		
Profit for the period	-	-	-	17,817,329	-	-	-	17,817,329		
Equity-settled share-based payment	-	-	-	-	-	-	-	-		
Share-based payment reclassified to liabilities	-	-	-	-	-	1,100,840	1,100,840	1,100,840		
Unrealised losses on changes in value of investments measured at fair value through other comprehensive income	-	-	-	-	-	(1,100,840)	(1,100,840)	(1,100,840)		
Closing balance as at 31 March 2021	3,672,642,100	(1,068,106,516)	30,670,999	(600,646,752)	47,215,834	(11,770,024)	34,030,285	2,066,590,116		

	2020 (Unaudited)									
	Other components of equity									
	Other comprehensive income									
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings (Deficits)	Remeasurements of post-employment benefit obligations	Unrealised gain (loss) on the change in value of investment	Other reserve	Total other component of equity	Total	Baht	Baht
Beginning balance as at 1 January 2020	3,672,642,100	(1,068,106,516)	30,670,999	(713,973,562)	33,789,892	(13,628,107)	18,137,418	1,939,370,439		
Retrospective adjustment from adoption of new financial reporting standard	-	-	-	(704,316)	28,893,550	-	28,893,550	28,189,234		
Beginning balance as at 1 January 2020	3,672,642,100	(1,068,106,516)	30,670,999	(714,677,878)	62,683,442	(13,628,107)	47,030,968	1,967,559,673		
Loss for the period	-	-	-	(2,063,184)	-	-	-	(2,063,184)		
Equity-settled share-based payment	-	-	-	-	-	-	-	-		
Share-based payment reclassified to liabilities	-	-	-	-	-	1,343,560	1,343,560	1,343,560		
Unrealised gain on changes in value of investments measured at fair value through other comprehensive income	-	-	-	-	-	(1,343,560)	(1,343,560)	(1,343,560)		
Realised gain from sale of investments at fair value through other comprehensive income and impairment loss transferred to profit or loss	-	-	-	-	6,753,707	-	6,753,707	6,753,707		
Closing balance as at 31 March 2020	3,672,642,100	(1,068,106,516)	30,670,999	(716,741,062)	69,394,502	(13,628,107)	53,742,028	1,972,207,549		

The accompanying notes form part of this interim financial information.

AXA Insurance
Public Company Limited
บริษัท อก้าประกันภัย จำกัด (มหาชน)

AXA Insurance Public Company Limited
Statement of Cash Flows
For the three-month period ended 31 March 2021

	Unaudited 2021 Baht	Unaudited 2020 Baht
Cash flows from operating activities		
Written premium received from direct insurance	918,387,360	829,180,618
Cash (paid) received for reinsurance	(89,434,900)	21,181,366
Interest income received	2,959,233	1,932,717
Investment income received	12,514,986	15,949,733
Other income received	-	117,036
Losses paid from direct insurance	(461,116,735)	(364,058,496)
Commission and brokerage paid from direct insurance	(131,534,079)	(118,384,420)
Other underwriting expenses	(115,484,091)	(149,146,072)
Operating expenses paid	(71,579,400)	(97,022,669)
Other expenses paid	(4,807)	(209,880)
Income tax paid	(3,811,905)	(6,892,762)
Cash received from investment in securities	115,708,514	214,212,459
Cash paid for investment in securities	(119,270,412)	(55,647,776)
Cash received from investment in deposits at financial Institutions	252,724,003	166,974,097
Cash paid for investment in deposits at financial Institutions	(172,791,030)	(412,053,876)
Net cash generated from operating activities	137,266,737	46,132,075
Cash flows from investing activities		
Proceeds from disposal of equipment	13,785	-
Purchase of equipment and computer software	(4,173,317)	(2,923,090)
Net cash used in investing activities	(4,159,532)	(2,923,090)
Cash flows from financing activities		
Payments on lease liabilities	(4,859,114)	(4,105,418)
Net cash used in investing activities	(4,859,114)	(4,105,418)
Net increase in cash and cash equivalents	128,248,091	39,103,567
Cash and cash equivalents at beginning of the period	290,406,401	333,363,330
Cash and cash equivalents at end of the period	418,654,492	372,466,897

The accompanying notes form part of this interim financial information.

AXA Insurance
Public Company Limited
บมจ. แอ็กซ่า ประกันภัย

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 10 May 2021.

This interim financial information has been reviewed, not audited.

2 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. 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 (No.2) B.E. 2562" dated on 4 April 2019 ('OIC Notification').

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2020.

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

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2020, except for the following:

- 1) As at 1 January 2021, the Company ceases applying the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) announced by The Federation of Accounting Professions (TFAC) which was effective for reporting periods ending between 1 January 2020 and 31 December 2020. The impact of the ceasing the guidance is included in the financial performance in the period ended 31 March 2021

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2021 do not have material impact on the Company.

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.

The block contains a handwritten signature and a circular official stamp. The stamp includes the text 'AXA Insurance Public Company Limited' and its Thai equivalent 'บมจ. แอกซ่า ประกันภัย'.

4 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 2020.

5 Fair value

5.1 Fair value estimation

The following table presents the financial assets that are measured at fair value at 31 March 2021 and 31 December 2020.

31 March 2021 (Unaudited)				
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Financial assets measured at fair value through other comprehensive income				
<u>Investment in securities</u>				
Government and state enterprise securities	-	1,921,408,605	-	1,921,408,605
Private enterprise debt securities	-	713,621,644	-	713,621,644
Equity securities	-	-	19,119,944	19,119,944
Total	-	2,635,030,249	19,119,944	2,654,150,193
31 December 2020 (Audited)				
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Financial assets measured at fair value through other comprehensive income				
<u>Investment in securities</u>				
Government and state enterprise securities	-	1,927,644,235	-	1,927,644,235
Private enterprise debt securities	-	718,922,203	-	718,922,203
Equity securities	-	-	36,362,171	36,362,171
Total	-	2,646,566,438	36,362,171	2,682,928,609

- 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).

There were no transfers between Levels, no changes in valuation techniques and no reclassifications of financial assets during the period.

AXA Insurance
Public Company Limited
นาย. เอกธำ ประกันภัย

5.2 Valuation techniques

5.2.1 Valuation techniques used to measure fair value level 2

Level 2 debt investments of marketable securities are fair valued using discounted cash flow model based on individual debt instrument's yield curve published by the Thai Bond Market Association at the end of reporting period.

5.2.2 Valuation techniques used to measure fair value level 3

Changes in level 3 financial instruments for the three-month period ended 31 March 2021 and for the year ended 31 December 2020 are as follows:

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Beginning balance of the year	36,362,171	36,362,171
Unrealised loss	(17,242,227)	-
Closing balance of the period/year	19,119,944	36,362,171

Valuation process

Management has put a process of performing the valuations of financial assets required for financial reporting purposes, including Level 3 fair values. Appropriate valuation techniques and unobservable inputs are selectively used based on the characteristic of financial assets. The valuation of Level 3 fair value is reviewed and approved by management for financial reporting purposes.

Fair value hierarchy level 3 of Road Accident Victims Protection Co., Ltd. is determine based on fair value calculated using discounted cashflows method announced by Thailand General Insurance Association.

6 Cash and cash equivalents

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Cash on hand	218,086	228,085
Cheque on hand	10,447	252,828
Bank deposits held at call	368,311,954	289,925,488
Investment with maturity within three months	50,114,005	-
Total cash and cash equivalents	418,654,492	290,406,401

AXA Insurance
Public Company Limited
บมจ. แอ็กซ่า ประกันภัย

7 Premium receivable, net

The balances of premium receivable were aged as follows:

	From direct channel	
	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Undue	325,503,170	242,757,527
Less than 30 days	83,436,337	40,189,164
30 - 60 days	20,331,515	18,647,406
60 - 90 days	11,502,871	8,652,715
90 days - 1 year	27,961,676	51,808,801
More than 1 year	7,377,235	8,538,799
Total premium receivable	476,112,804	370,594,412
<u>Less</u> Allowance for doubtful accounts	(7,140,599)	(6,706,612)
Premium receivable, net	468,972,205	363,887,800

8 Reinsurance assets, net

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Reinsurance recoveries on technical reserve (Note 16)		
Claim reserve	557,929,718	637,923,870
Premium reserve		
- Unearned premium reserve (UPR)	161,702,476	167,784,705
Reinsurance assets, net	719,632,194	805,708,575

9 Amounts due from reinsurance, net

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Reinsurance premium receivable	35,809,344	29,593,416
<u>Less</u> Allowance for doubtful account	(94,757)	(123,123)
Amounts due from reinsurance, net	35,714,587	29,470,293

AXA Insurance
Public Company Limited
บมจ. แอกซ่า ประกันภัย

10 Investment in securities, net

Investment in securities as at 31 March 2021 and 31 December 2020 are as follows:

Debt instrument financial assets

	Unaudited 31 March 2021		Audited 31 December 2020	
	Cost/ Amortised cost Baht	Fair value Baht	Cost/ Amortised cost Baht	Fair value Baht
<u>Debt instrument measured at fair value through other comprehensive income</u>				
Government and state enterprise securities	1,895,407,298	1,921,408,605	1,890,173,888	1,927,644,235
Private enterprise debt securities	699,453,906	713,621,644	703,598,756	718,922,203
Total	2,594,861,204	2,635,030,249	2,593,772,644	2,646,566,438
Add Unrealised gain	40,169,045	-	52,793,794	-
Total debt instrument measured at fair value through other comprehensive income	2,635,030,249	2,635,030,249	2,646,566,438	2,646,566,438
<u>Debt instrument measured at amortised cost</u>				
Promissory notes	17,519,400		17,519,400	
Deposit with financial institutions with maturity over 3 months	1,177,560,919		1,257,493,891	
Total	1,195,080,319		1,275,013,291	
Less Expected credit loss	(17,519,400)		(17,519,400)	
Total debt instrument measured at amortised cost	1,177,560,919		1,257,493,891	
Total debt instrument financial assets	3,812,591,168		3,904,060,329	

Equity instrument financial assets

	Unaudited 31 March 2021		Audited 31 December 2020	
	Cost/ Amortised cost Baht	Fair value Baht	Cost/ Amortised cost Baht	Fair value Baht
<u>Equity instrument measured at fair value through other comprehensive income</u>				
Local equity securities	891,069	19,119,944	891,069	36,362,171
Add Unrealised gain	18,228,875	-	35,471,102	-
Total equity instrument measured at fair value through other comprehensive income	19,119,944	19,119,944	36,362,171	36,362,171
Total equity instrument financial assets	19,119,944	19,119,944	36,362,171	36,362,171
Total investment in securities	3,831,711,112		3,940,422,500	

As at 31 March 2021, the deposits at financial institutions with maturity over 3 months from issuance at par value amounting to Baht 1,101,332 were placed as bail bonds (31 December 2020: Baht 1,091,871).

AXA Insurance
Public Company Limited
บมจ. แอกซ่า ประกันภัย

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

	Unaudited 31 March 2021		Audited 31 December 2020	
	Fair value Baht	Expected credit loss recognised in other comprehensive income Baht	Fair value Baht	Expected credit loss recognised in other comprehensive income Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	2,635,030,249	(671,398)	2,646,566,438	(673,235)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-	-
Total	2,635,030,249	(671,398)	2,646,566,438	(673,235)

10.2 Debt securities that are measured at amortised cost

	Unaudited 31 March 2021			Audited 31 December 2020		
	Gross carrying value Baht	Expected credit loss Baht	Carrying value Baht	Gross carrying value Baht	Expected credit loss Baht	Carrying value Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	1,177,560,919	-	1,177,560,919	1,257,493,891	-	1,257,493,891
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-	-	-	-
Credit-impaired investments in debt securities (Stage 3)	17,519,400	(17,519,400)	-	17,519,400	(17,519,400)	-
Total	1,195,080,319	(17,519,400)	1,177,560,919	1,275,013,291	(17,519,400)	1,257,493,891

For the three-month periods ended 31 March 2021 and 2020, the Company has revenues relating to investment as follows:

- Interest income from investments with amounting to Baht 15.1 million (2020: Baht 17.3 million).
- Amount received from selling investments with totaling amounting to Baht 115.7 million (2020: Baht 214.2 million) and there is no gain from selling investments (2020: Baht 0.1 million).

AXA Insurance
Public Company Limited
นาง. อรุณรัตน์ ประจักษ์ชัย

AXA Insurance Public Company Limited

11 Property and equipment, net

	31 March 2021 (Unaudited)					
	Cost			Accumulated depreciation		
	For the three-months period			For the three-months period		
		Disposal/		Disposal/		
	Opening	Addition/	Transfer out/	Transfer out/	Depreciation	Ending
	Baht	Transfer	Write off	Write off	Baht	Baht
		Baht	Baht	Baht		
Condo - office	54,347,560	-	-	-	-	(34,125,132)
Office furniture and equipment	208,554,808	2,809,308	(188,915)	(188,915)	(987,314)	(202,250,834)
Motor vehicles	5,441,299	-	-	-	(234,853)	(4,521,556)
Assets under installation	-	249,790	(249,790)	(249,790)	-	-
Total	268,343,667	3,059,098	(438,705)	(438,705)	(1,222,167)	(240,897,522)
						30,066,538

	31 December 2020 (Audited)					
	Cost		Accumulated depreciation			
	For the year		For the year		Disposal/	
	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht
	Opening Baht					
Condo - office	54,347,560	-	54,347,560	(34,125,132)	-	(34,125,132)
Office furniture and equipment	215,254,648	5,401,404	208,554,808	(207,024,190)	(6,418,713)	(201,446,144)
Motor vehicles	5,441,299	-	5,441,299	(3,334,244)	(952,459)	(4,286,703)
Assets under installation	-	1,552,428	-	-	-	-
Total	275,043,507	6,953,832	268,343,667	(244,483,566)	(7,371,172)	(239,857,979)
						28,485,688

AXA Insurance
Public Company Limited
นาย. แอกล่า ประทีปชัย

AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the three-month period ended 31 March 2021

12 Right-of-use assets

	31 March 2021 (Unaudited)									
	Cost/Revaluation					Accumulated amortisation				
	For the three-months period					For the three-months period				
	Beginning balance Baht	Addition Baht	Change in contract Baht	Gain on revaluation Baht	Ending balance Baht	Beginning balance Baht	Amortisation charge Baht	Revaluation adjustment Baht	Ending balance Baht	Right-of-use assets Baht
Buildings and improvements	59,430,233	-	1,531,824	-	60,962,057	(13,381,039)	(3,339,635)	-	(16,720,674)	44,241,383
Total	59,430,233	-	1,531,824	-	60,962,057	(13,381,039)	(3,339,635)	-	(16,720,674)	44,241,383
	31 December 2020 (Audited)									
	Cost/Revaluation					Accumulated amortisation				
	For the year					For the year				
	Beginning balance Baht	Addition Baht	Change in contract Baht	Gain on revaluation Baht	Ending balance Baht	Beginning balance Baht	Amortisation charge Baht	Revaluation adjustment Baht	Ending balance Baht	Right-of-use assets Baht
Buildings and improvements	62,443,578	-	(3,013,345)	-	59,430,233	-	(13,381,039)	-	(13,381,039)	46,049,194
Total	62,443,578	-	(3,013,345)	-	59,430,233	-	(13,381,039)	-	(13,381,039)	46,049,194

For the three-months period ended 31 March 2021 and 2020, the lease payments resulting from lease and service contracts which are not capitalised comprised of low-value leases amounting to Baht 0.78 million (2020: Baht 0.87 million).

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13 Intangible assets, net

		31 March 2021 (Unaudited)					
		Cost		Accumulated depreciation			
		For the three-months period		For the three-months period		Net intangible assets	
		Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Depreciation Baht	Ending Baht	Baht
Computer software Assets under installation		121,843,500	1,364,009	-	(116,863,266)	(776,204)	5,568,039
		-	-	-	-	-	-
Total		121,843,500	1,364,009	-	(116,863,266)	(776,204)	5,568,039
		31 December 2020 (Audited)					
		Cost		Accumulated depreciation			
		For the year		For the year		Net intangible assets	
		Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Depreciation Baht	Ending Baht	Baht
Computer software Assets under installation		118,704,500	3,139,000	-	(112,991,610)	(3,871,656)	4,980,234
		-	-	-	-	-	-
Total		118,704,500	3,139,000	-	(112,991,610)	(3,871,656)	4,980,234

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14 Deferred income tax

Deferred tax assets and liabilities presented in statements of financial position and changes in deferred tax for the three-months period ended 31 March 2021 arises from the following items:

	Audited 31 December 2020 Baht	Transaction in profit or loss Baht	Transaction in other comprehensive income Baht	Unaudited 31 March 2021 Baht
Deferred tax assets				
- Allowance for doubtful accounts	1,365,947	81,124	-	1,447,071
- Unearned premium reserve	57,785,909	30,869,327	-	88,655,236
- Loss reserve and outstanding claims	241,295,805	(13,794,744)	-	227,501,061
- Depreciation for computers	161,317	(258,689)	-	(97,372)
- Provision for retirement benefits	9,220,934	223,477	-	9,444,411
- Accrued expenses	3,984,782	275,210	-	4,259,992
- Loss carry forward	112,327,513	(21,953,585)	-	90,373,928
- Lease Liabilities	251,333	13,996	-	265,329
- Expected credit losses	3,638,527	(367)	-	3,638,160
	<u>430,032,067</u>	<u>(4,544,251)</u>	<u>-</u>	<u>425,487,816</u>
Deferred tax liabilities				
- Deferred acquisition cost	36,946,149	-	-	36,946,149
- Changes in value of Investment measured at fair value through other comprehensive income	17,652,975	-	(5,983,296)	11,669,679
- Expected credit losses	134,647	-	(367)	134,280
	<u>54,733,771</u>	<u>-</u>	<u>(5,983,663)</u>	<u>48,750,108</u>
Deferred income tax, net	<u>375,298,296</u>			<u>376,737,708</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 31 March 2021, the Company did not recognise deferred income tax assets of Baht 19.6 million (31 December 2020: Baht 19.6 million) in respect of loss amounting to Baht 98.1 million (31 December 2020: Baht 98.1 million) that can be carried forward against future taxable income. Loss amounting to Baht 98.1 million expires in 2021.

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15 Other assets

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Income tax receivable and undue valued added tax	48,655,304	45,425,622
Prepaid expenses and refundable deposits	18,648,811	15,032,224
Reserve withheld for claims	26,387,786	44,861,206
Amount due from related companies (Note 22)	1,136,112	904,155
Others	3,805,514	10,157,432
Total other assets	98,633,527	116,380,639

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

16 Insurance liabilities

	Unaudited 31 March 2021			Audited 31 December 2020		
	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht
Claims reserve						
- Reported claim	1,072,355,647	(232,050,536)	840,305,111	965,356,961	(206,936,342)	758,420,619
- Claim incurred but not reported	623,079,375	(325,879,182)	297,200,193	879,045,931	(430,987,528)	448,058,403
Total claims reserve	1,695,435,022	(557,929,718)	1,137,505,304	1,844,402,892	(637,923,870)	1,206,479,022
Premium reserve						
- Unearned premium reserve (UPR)	1,810,861,861	(161,702,476)	1,649,159,385	1,620,725,353	(167,784,705)	1,452,940,648
Total	3,506,296,883	(719,632,194)	2,786,664,689	3,465,128,245	(805,708,575)	2,659,419,670

16.1 Insurance reserve for short-term insurance contract

16.1.1 Claims reserve

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Beginning balance	1,844,402,892	1,640,208,426
Claims Incurred during the period/year	422,671,303	1,610,263,766
Changes in claims reserve and assumptions method on claims reserve	(89,721,531)	31,602,007
Claims paid during the period/year	(481,917,642)	(1,437,671,307)
Closing balance	1,695,435,022	1,844,402,892

 
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16.1.2 Unearned premium reserve

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Beginning balance	1,620,725,353	1,369,282,438
Premium written for the period/year	1,030,773,209	3,489,337,294
Premium earned for the period/year	(840,636,701)	(3,237,894,379)
Closing balance	1,810,861,861	1,620,725,353

17 Due to reinsurers

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Reinsurance premium payable	106,443,844	124,035,567
Fund withheld from reinsurance	52,770,748	40,372,563
Reinsurance payable - others	56,365,406	78,456,739
Total due to reinsurers	215,579,998	242,864,869

18 Other liabilities

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Revenue Department payable	36,591,351	21,250,058
Amount due from related companies (Note 22)	28,102,522	10,664,914
Premium suspense	65,353,156	57,999,585
Others	8,055,775	3,170,919
Total other liabilities	138,102,804	93,085,476

19 Share capital

For the three-months period ended 31 March 2021 and for the year ended 31 December 2020.

	Number of ordinary shares Shares	Ordinary shares Baht	Share discount Baht	Total Baht
At 1 January 2020	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584
Issue of shares	-	-	-	-
At 31 December 2020	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584
Issue of shares	-	-	-	-
At 31 March 2021	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584

20 Operating expenses

	For the three-months period ended	
	Unaudited 31 March 2021 Baht	Unaudited 31 March 2020 Baht
Employee expenses not relating to underwriting and claim expenses	62,732,475	59,438,456
Property and equipment expenses not relating to underwriting expenses	14,810,699	18,064,899
Tax expenses	249,255	274,274
Bad debt and doubtful accounts (reversal)	365,436	(808,030)
Expected credit loss (reversal)	(1,837)	44,353
Other operating expenses	20,759,855	23,617,035
Total operating expenses	98,915,883	100,630,987

21 Basic profit (loss) per share

Basic profit (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-months period ended	
	Unaudited 31 March 2021	Unaudited 31 March 2020
Net profit (loss) for the period attributable to ordinary shareholders (Baht)	17,817,329	(2,063,184)
Weighted average number of ordinary shares in issue during the period (Shares)	36,726,421	36,726,421
Basic profit (loss) per share (Baht)	0.49	(0.06)

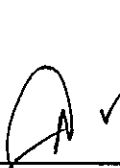

There are no potential dilutive ordinary shares in issue for the three-months periods ended 31 March 2021 and 2020.

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

	For the three-months period ended	
	Unaudited 31 March 2021 Baht	Unaudited 31 March 2020 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	138,103,963	119,595,442
Reinsurance premium ceded	(93,539,689)	(105,894,855)
Commission and brokerage fees	15,197,001	16,945,362
Expenses		
Losses and loss adjustment expenses	7,275,150	5,835,283
Claim recovered from reinsurers	(70,228,667)	(19,389,731)
Commission and brokerage expenses	23,329,469	19,665,710
Other underwriting expenses	1,517,554	280,262
Operating expenses		
Other expenses recoveries	(1,512,898)	(2,059,849)
Management and service fees	21,393,705	18,672,910

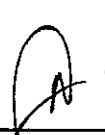

Outstanding balances are as follows:

	Unaudited 31 March 2021 Baht	Audited 31 December 2020 Baht
Statement of financial position		
Assets		
Reinsurance assets	198,028,454	161,163,720
Amount due from reinsurance, net	513,635	1,393,791
Other assets		
Amount due from related companies	1,136,112	904,155
Liabilities		
Due to reinsurers	37,734,665	72,024,554
Accrued expenses	-	2,521,916
Other liabilities	28,102,522	10,664,914

Key management compensation

The compensation paid or payable to key management for employee service for the three-months periods ended 31 March 2021 and 2020 are shown below:

	For the three-months period ended	
	Unaudited 31 March 2021 Baht	Unaudited 31 March 2020 Baht
Short-term employee benefits	36,736,539	36,309,558
Post-employee benefits	321,563	277,266
Total	37,058,102	36,586,824

 
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23 Deposits with Registrar

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, government bonds amounting to Baht 14,000,000 and state-owned enterprise bonds amounting to Baht 325,000,000 (31 December 2020: government bonds amounting to Baht 14,000,000 and state-owned enterprise bonds amounting to Baht 325,000,000) have been placed at the Office of Insurance Commission.

24 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 31 March 2021 and 2020 the Company contributes to Non-life guarantee fund amounting to Baht 2,559,664 (2020: Baht 2,329,617).