

AXA INSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2020



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

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

Scope of review

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

Conclusion

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

Emphasis of matter

I draw attention to note 3 of the interim financial information, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My conclusion is not modified in respect to this matter.

PricewaterhouseCoopers ABAS Ltd.

Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
Bangkok
9 November 2020

AXA Insurance Public Company Limited
Statement of Financial Position
As at 30 September 2020

	Notes	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Assets			
Cash and cash equivalents	6	396,674,771	333,363,330
Premium receivable, net	7	486,413,998	319,728,453
Accrued investment income, net		19,472,868	16,873,193
Reinsurance assets, net	8, 22	821,678,859	656,355,346
Amounts due from reinsurance, net	9, 22	38,280,789	99,317,039
Investment assets			
Investment in securities, net	10	3,743,580,066	3,389,002,386
Property and equipment, net	11	28,390,305	30,559,941
Right-of-use assets	12	47,828,216	-
Intangible assets, net	13	5,543,315	5,712,890
Deferred acquisition cost		180,517,447	159,388,331
Deferred tax assets, net	14	389,702,839	412,914,994
Other assets	15, 22	153,501,376	92,473,791
Total assets		6,311,584,849	5,515,689,694

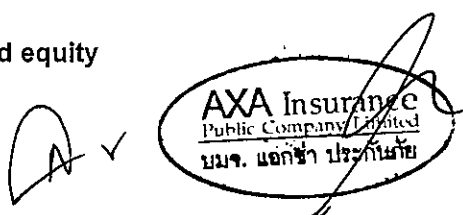
Director _____

Date _____

The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2020

	Notes	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Liabilities and equity			
Liabilities			
Insurance liabilities	16	3,500,932,675	3,009,490,864
Due to reinsurers	17, 22	334,102,649	197,406,173
Employee benefit obligations		134,924,096	113,987,374
Accrued expenses		95,673,515	118,196,474
Commission payable		63,637,602	48,637,432
Lease liabilities		47,998,489	-
Other liabilities	18	103,577,231	88,600,938
Total liabilities		4,280,846,257	3,576,319,255
Equity			
Share capital	19		
Registered			
36,726,421 ordinary shares of par Baht 100 each		<u>3,672,642,100</u>	<u>3,672,642,100</u>
Issued and paid-up			
36,726,421 ordinary shares of par Baht 100 each		3,672,642,100	3,672,642,100
Discount on paid-up capital		(1,068,106,516)	(1,068,106,516)
Retained (Deficits) earnings			
Appropriated			
Legal reserve		30,670,999	30,670,999
Unappropriated		(658,147,641)	(713,973,562)
Other components of equity		53,679,650	18,137,418
Total equity		2,030,738,592	1,939,370,439
Total liabilities and equity		6,311,584,849	5,515,689,694



The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 30 September 2020

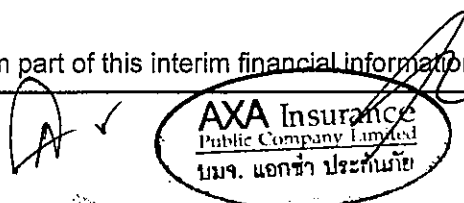
	Notes	Unaudited 2020 Baht	Unaudited 2019 Baht
Revenues			
Gross written premium	22	899,526,411	715,196,392
<u>Less</u> Reinsurance premium ceded	22	(183,908,469)	(156,992,156)
Net written premium		715,617,942	558,204,236
<u>Less</u> Change in unearned premium reserve		(12,096,350)	(676,219)
Net earned premium		703,521,592	557,528,017
Commission and brokerage fees	22	25,541,344	20,895,710
Net investment income		15,802,201	17,459,573
Gains on investments		-	-
Other income		11,293,623	3,277,967
Total revenues		756,158,760	599,161,267
Expenses			
Losses and loss adjustment expenses	22	423,019,293	431,811,878
<u>Less</u> Claim recovered from reinsurers	22	(58,927,369)	(138,383,075)
Commissions and brokerages expenses	22	112,540,947	85,300,059
Other underwriting expenses	22	117,529,930	110,809,564
Operating expenses	20, 22	95,352,083	96,135,986
Finance cost		745,860	-
Total expenses		690,260,744	585,674,412
Profit before income taxes		65,898,016	13,486,855
Income tax expense		(13,199,143)	(3,623,709)
Profit for the period		52,698,873	9,863,146
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		(7,637,464)	23,027,196
Realised gain from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		-	-
Income tax relating to items that will be reclassified		1,526,135	(4,605,439)
Total items that will be reclassified subsequently to profit or loss		(6,111,329)	18,421,757
Other comprehensive income (expense) for the period, net of tax		(6,111,329)	18,421,757
Total comprehensive income for the period		46,587,544	28,284,903
Profit (Loss) per share			
Basic profit per share (Baht)	21	1.43	0.27

The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Comprehensive Income
For the nine-month period ended 30 September 2020

	Notes	Unaudited 2020 Baht	Unaudited 2019 Baht
Revenues			
Gross written premium	22	2,697,322,841	1,987,530,188
<u>Less</u> Reinsurance premium ceded	22	(485,041,804)	(402,064,426)
Net written premium		2,212,281,037	1,585,465,762
<u>(Less) Add</u> Change in unearned premium reserve		(239,020,412)	38,608,045
Net earned premium		1,973,260,625	1,624,073,807
Commission and brokerage fees	22	63,634,590	60,692,135
Net investment income		49,308,328	52,077,927
Gains on investments		91,951	176,258
Other income		12,246,636	5,528,528
Total revenues		2,098,542,130	1,742,548,655
Expenses			
Losses and loss adjustment expenses	22	1,248,243,276	1,323,745,922
<u>Less</u> Claim recovered from reinsurers	22	(232,415,018)	(411,752,750)
Commissions and brokerages expenses	22	315,351,090	254,035,889
Other underwriting expenses	22	401,022,000	301,788,042
Operating expenses	20, 22	292,982,209	282,911,243
Finance cost		2,494,425	-
Total expenses		2,027,677,982	1,750,728,346
Profit (Loss) before income taxes		70,864,148	(8,179,691)
Income tax (expense) credit		(14,333,911)	443,570
Profit (Loss) for the period		56,530,237	(7,736,121)
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		3,591,855	41,075,239
Realised gain from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		(91,951)	(176,258)
Income tax relating to items that will be reclassified		(699,983)	(8,179,796)
Total items that will be reclassified subsequently to profit or loss		2,799,921	32,719,185
Other comprehensive income for the period, net of tax		2,799,921	32,719,185
Total comprehensive income for the period		59,330,158	24,983,064
Profit (Loss) per share			
Basic profit (loss) per share (Baht)	21	1.54	(0.21)

The accompanying notes form part of this interim financial information.



AXA Insurance Public Company Limited
Statement of Changes in Equity
For the nine-month period ended 30 September 2020

	2020 (Unaudited)											
	Other comprehensive income						Other components of equity					
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings	Unappropriated	Remeasurements of post-employment benefit obligations	Unrealised gain (loss) on the change in value of investment	Other reserve	Total component of equity	Other comprehensive income	Unrealised gain (loss) on the change in value of investment	Other reserve	Total component of equity
Baht	Baht	Legal reserve	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning balance as at 1 January 2020	3,672,642,100	(1,068,106,516)	30,670,999	(713,973,562)	(2,024,367)	33,789,892	(13,628,107)	18,137,418	1,939,370,439			1,939,370,439
Retrospective adjustment from adoption of new financial reporting standard (Note 3)	-	-	-	(704,316)	-	28,893,550	-	28,893,550	28,189,234			28,189,234
Beginning balance as at 1 January 2020 - restated	3,672,642,100	(1,068,106,516)	30,670,999	(714,677,878)	(2,024,367)	62,683,442	(13,628,107)	47,030,868	1,967,559,673			1,967,559,673
Profit for the period	-	-	-	56,530,237	-	-	-	-	56,530,237			56,530,237
Equity-settled share-based payment	-	-	-	-	-	-	-	1,907,172	1,907,172			1,907,172
Share-based payment reclassified to liabilities	-	-	-	-	-	-	-	1,941,589	1,941,589			1,941,589
Unrealised gain on changes in value of investments measured at fair value through other comprehensive income	-	-	-	-	-	2,873,484	-	2,873,484	2,873,484			2,873,484
Realised gain from sale of investments at fair value through other comprehensive income and impairment loss transferred to profit or loss	-	-	-	-	-	(73,563)	-	(73,563)	(73,563)			(73,563)
Closing balance as at 30 September 2020	3,672,642,100	(1,068,106,516)	30,670,999	(658,147,641)	(2,024,367)	65,483,363	(9,779,346)	53,679,650	2,030,738,592			2,030,738,592



	2019 (Unaudited)											
	Other comprehensive income						Other components of equity					
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings	Unappropriated	Remeasurements of post-employment benefit obligations	Unrealised gain (loss) on the change in value of investment	Other reserve	Total component of equity	Other comprehensive income	Unrealised gain (loss) on the change in value of investment	Other reserve	Total component of equity
Baht	Baht	Legal reserve	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Beginning balance as at 1 January 2019	3,672,642,100	(1,068,106,516)	30,670,999	(697,198,776)	5,522,163	(3,841,413)	(9,825,653)	(8,144,903)	1,929,862,904			1,929,862,904
Loss for the period	-	-	-	(7,736,121)	-	-	-	-	(7,736,121)			(7,736,121)
Equity-settled share-based payment	-	-	-	-	-	-	-	3,747,094	3,747,094			3,747,094
Share-based payment reclassified to liabilities	-	-	-	-	-	-	-	(6,510,460)	(6,510,460)			(6,510,460)
Change in value of available-for-sale investment	-	-	-	-	-	32,860,191	-	32,860,191	32,860,191			32,860,191
Realised gain from sale of available-for-sale investments transferred to profit or loss	-	-	-	-	-	(141,006)	-	(141,006)	(141,006)			(141,006)
Closing balance as at 30 September 2019	3,672,642,100	(1,068,106,516)	30,670,999	(704,934,897)	5,522,163	28,877,772	(12,589,019)	21,810,916	1,952,082,602			1,952,082,602

AXA Insurance
Public Company Limited
100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000

The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Cash Flows
For the nine-month period ended 30 September 2020

	Unaudited	Unaudited
	2020	2019
	Baht	Baht
Cash flows from operating activities		
Written premium received from direct insurance	2,501,650,637	2,029,054,076
Cash paid for reinsurance	(68,184,875)	(113,647,277)
Interest income received	3,148,847	3,916,778
Investment income received	50,582,557	52,677,534
Other income received	12,168,267	5,502,129
Losses paid from direct insurance	(1,006,910,011)	(1,155,765,359)
Commission and brokerage paid from direct insurance	(332,853,419)	(244,183,513)
Other underwriting expenses	(399,808,135)	(281,608,368)
Operating expenses paid	(343,215,329)	(390,780,660)
Other expenses paid	(1,742,691)	-
Income tax paid	(11,837,986)	(9,124,218)
Cash received from investment in securities	662,541,698	1,158,627,766
Cash paid for investment in securities	(199,376,258)	(967,620,876)
Cash received from investment in deposits at financial Institutions	398,108,593	241,570,259
Cash paid for investment in deposits at financial Institutions	(1,183,188,532)	(238,444,337)
Net cash generated from operating activities	81,083,363	90,173,934
Cash flows from investing activities		
Proceeds from disposal of equipment	117,613	27,991
Purchase of equipment and computer software	(6,987,110)	(2,281,429)
Net cash used in investing activities	(6,869,497)	(2,253,438)
Cash flows from financing activities		
Payments on lease liabilities	(10,902,425)	-
Net cash used in financing activities	(10,902,425)	-
Net increase in cash and cash equivalents	63,311,441	87,920,496
Cash and cash equivalents at beginning of the period	333,363,330	179,233,953
Cash and cash equivalents at end of the period	396,674,771	267,154,449

The accompanying notes form part of this interim financial information.

1 General information

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

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

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

These interim financial information was authorised for issue by the Company's management on 9 November 2020.

This interim financial information has been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in shareholders' equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. In addition, the interim financial information presentation are based on the formats of interim financial information attached in an Office of Insurance Commission's Notification "Principle, methodology, condition and timing for preparation, submission and reporting of financial statements and operation performance for non-life insurance company (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 2019.

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

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2019, except as described in note 3.

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.

A ✓



AXA Insurance
Public Company Limited
บริษัท อก้าประกันภัย จำกัด (มหาชน)

3 Adoption of new financial reporting standards, changes in accounting policies, and change in presentation

Adoption of new financial reporting standards

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

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


The Company has apply the following application of the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) announced by the Federation of Accounting Professions (TFAC) for the reporting periods ending between 1 January 2020 and 31 December 2020.

Reversal of deferred tax assets

The Company has chosen to exclude information related to COVID-19 which causes uncertainty when considering the sufficiency of future taxable profit for the purpose of assessing the utilisation of deductible temporary differences. Instead, the Company writes down the carrying amount of the deferred tax assets when it's not probable that the future taxable profit will be available for utilising the deductible temporary differences.

Valuation of the unquoted equity investments

The Company has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 when measuring unquoted equity investments. The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 January 2020.

A handwritten signature is visible to the left of a circular stamp. The stamp contains the text "AXA Insurance Public Company Limited" and Thai text "บพจ. แอกซ่า ประกันภัย".

AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2020

3 Adoption of new financial reporting standards, changes in accounting policies, and change in presentation (Cont'd)

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

	As at 31 December 2019 Previously reported Baht	TAS 32 and The Accounting Guidance Reclassifications and adjustments Baht	IFRS 16 Reclassifications and adjustments Baht	As at 1 January 2020 Restated Baht
Assets				
Accrued income on investment	16,873,193	-	-	16,873,193
Investment in securities	3,389,002,386	36,080,354	-	3,425,082,740
Right-of-use assets	-	-	62,443,578	62,443,578
Deferred tax assets, net	412,914,994	(7,216,071)	-	405,698,923
Other asset	92,473,791	-	(2,845,748)	89,628,043
Total assets	3,911,264,364	28,864,283	59,597,830	3,999,726,477
Liabilities and equity				
Liabilities				
Lease liabilities	-	-	60,272,879	60,272,879
Total liabilities	-	-	60,272,879	60,272,879
Equity				
Retained earnings	(713,973,562)	(29,267)	(675,049)	(714,677,878)
Unrealised gains on changes in value of investments	33,789,892	28,893,550	-	62,683,442
Total equity	(680,183,670)	28,864,283	(675,049)	(651,994,436)
Total liabilities and equity	(680,183,670)	28,864,283	59,597,830	(591,721,557)

The adoption of the new financial reporting standards on financial instruments mainly affects the Company's accounting treatment as follows:

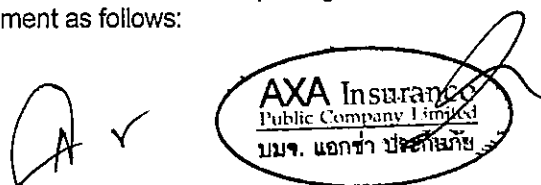
Classification and measurement

The Company has equity instruments measured at cost of Baht 0.9 million. These instruments will be remeasured to fair value through other comprehensive income and reclassified with a corresponding adjustment to equity of Baht 28.9 million as of 1 January 2020.

Impairment

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. The Company accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. As of 1 January 2020, the Company recognised impairment losses for investment in securities of Baht 18.2 million. The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings.

The adoption of the new financial reporting standards on leases mainly affects the Company's accounting treatment as follows:



3 Adoption of new financial reporting standards, changes in accounting policies, and change in presentation (Cont'd)

Classification and measurement

On adoption of TFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 6%.

	<u>Baht</u>
Operating lease commitments disclosed as at 31 December 2019	22,034,347
Less: Discounted using the lessee's incremental borrowing rate of at the date of initial application	(8,055,231)
Less: low-value leases recognised on a straight-line basis as expense	(8,309,000)
Add: adjustments as a result of a different treatment of extension and termination options	<u>54,602,763</u>
Lease liability recognised as at 1 January 2020	<u>60,272,879</u>

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

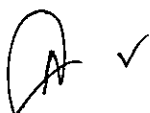
The recognised right-of-use assets relate to the following types of assets:

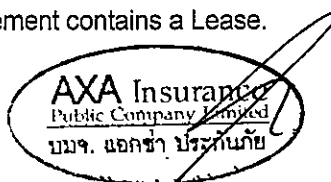
	<u>30 September 2020 Baht</u>	<u>1 January 2020 Baht</u>
Buildings and improvements (Note 12)	<u>47,828,216</u>	<u>62,443,578</u>
Total right-of-use assets	<u>47,828,216</u>	<u>62,443,578</u>

Practical expedients applied

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

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





3 Adoption of new financial reporting standards, changes in accounting policies, and change in presentation (Cont'd)

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

Investment in securities

Classification and measurements

From 1 January 2020, the Company classifies its financial assets as follows:

- Investments measured at fair value through profit or loss (FVPL)
- Investments measured at fair value through other comprehensive income (FVOCI)
- Investments measured at amortised cost

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

The Company has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 when measuring unquoted equity investments. As a result, the equity investments measured at FVOCI as at 30 September 2020 of Baht 36,362,171 was measured at their fair value as of 1 January 2020.

Impairment

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

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

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

Right-of-use assets and lease liabilities

The Company leases property, plant and equipment. Rental contracts are typically made for fixed periods of 3 to 5 years but may have extension options. Before 2020 financial year, leases of property, plant and equipment were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

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

3 Adoption of new financial reporting standards, changes in accounting policies, and change in presentation (Cont'd)

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

Right-of-use assets and lease liabilities (Cont'd)

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

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

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

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

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise car rental agreement.

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 2019.

DA ✓



AXA Insurance
Public Company Limited
บริษัท อก้า ประกันภัย

5 Fair value

5.1 Fair value estimation

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the financial assets that are measured at fair value at 30 September 2020 and 31 December 2019.

	30 September 2020 (Unaudited)			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Asset				
Investment in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	2,629,724,069	-	2,629,724,069
Equity securities	-	-	36,362,171	36,362,171
Total assets	-	2,629,724,069	36,362,171	2,663,086,240
	31 December 2019 (Audited)			
	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Asset				
Available-for-sale financial assets				
Debt securities	-	3,096,306,682	-	3,096,306,682
Equity securities	-	-	-	-
Total assets	-	3,096,306,682	-	3,096,306,682

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

A ✓ 

5 Fair value (Cont'd)

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 nine-months period ended 30 September 2020 is as follows:

	Unaudited 30 September 2020 Baht
Beginning balance of the period/year	36,362,171
Unrealized gain	-
Closing balance of the period/year	36,362,171

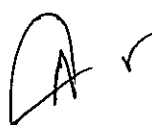
Valuation process

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 30 September 2020 Baht	Audited 31 December 2019 Baht
Cash on hand	228,086	238,086
Cheque on hand	118,550	38,946
Bank deposits held at call	266,343,938	283,095,763
Short-term investment	129,984,197	49,990,535
Total cash and cash equivalents	396,674,771	333,363,330





7 Premium receivable, net

The balances of premium receivable were aged as follows:

	From direct channel	
	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Undue	268,213,168	242,413,395
Less than 30 days	90,176,409	30,721,662
30 - 60 days	22,026,640	22,472,651
60 - 90 days	20,717,289	6,896,130
90 days - 1 year	78,915,347	17,818,416
More than 1 year	15,112,521	7,665,442
Total premium receivable	495,161,374	327,987,696
<u>Less</u> Allowance for doubtful accounts	(8,747,376)	(8,259,243)
Premium receivable, net	<u>486,413,998</u>	<u>319,728,453</u>

8 Reinsurance assets, net

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Reinsurance recoveries on technical reserve (Note 16)		
Claim reserve	602,769,944	524,962,565
Premium reserve		
- Unearned premium reserve (UPR)	218,908,915	131,392,781
Reinsurance assets, net	<u>821,678,859</u>	<u>656,355,346</u>

9 Amounts due from reinsurance, net

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Reinsurance premium receivable	38,466,318	99,423,971
<u>Less</u> Allowance for doubtful account	(185,529)	(106,932)
Amounts due from reinsurance, net	<u>38,280,789</u>	<u>99,317,039</u>



10 Investment in securities, net

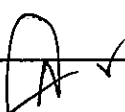
Investment in securities as at 30 September 2020 and 31 December 2019 are as follows:

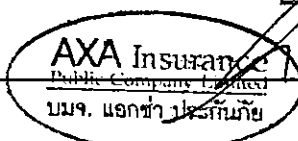
Debt instrument financial assets

	(Unaudited) 30 September 2020	
	Cost/ Amortised cost Baht	Fair value Baht
<u>Debt instrument measured at fair value through other comprehensive income</u>		
Government and state enterprise securities	1,884,533,793	1,920,460,860
Private enterprise debt securities	699,442,692	709,263,209
Foreign debt securities	-	-
Total	2,583,976,485	2,629,724,069
<u>Add</u> Unrealised gain	45,747,584	-
Total debt instrument measured at fair value through other comprehensive income	2,629,724,069	2,629,724,069
<u>Debt instrument measured at amortised cost</u>		
Promissory notes	17,519,400	
Deposit with financial institutions with maturity over 3 months	1,077,493,826	
Total	1,095,013,226	
<u>Less</u> Expected credit loss	(17,519,400)	
Total debt instrument measured at amortised cost	1,077,493,826	
Total debt instrument financial assets	3,707,217,895	

Equity instrument financial assets

	(Unaudited) 30 September 2020	
	Cost/ Amortised cost Baht	Fair value Baht
<u>Equity instrument measured at fair value through other comprehensive income</u>		
Local equity securities	891,069	36,362,171
Foreign equity securities	-	-
Total	891,069	36,362,171
<u>Add</u> Unrealised gain	35,471,102	-
Total equity instrument measured at fair value through other comprehensive income	36,362,171	36,362,171
Total equity instrument financial assets	36,362,171	36,362,171
Total investment in securities	3,743,580,066	




AXA Insurance
Public Company Limited
บริษัท แอกซ่า ไลฟ์ จำกัด

AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2020

10 Investment in securities, net (Cont'd)

The details of investment in securities are as follows (Cont'd):

	Audited 31 December 2019	
	Cost / Amortise cost Baht	Fair value Baht
<u>Available-for-sale investments</u>		
Government securities	2,363,617,425	2,394,473,570
Private enterprises securities	690,453,065	701,833,112
Total	3,054,070,490	3,096,306,682
<u>Add</u> Unrealised gains	42,236,192	-
Total available-for-sale Investments	3,096,306,682	3,096,306,682
<u>Held-to-maturity investments</u>		
Private enterprises securities	17,519,400	
Deposits at financial Institutions with maturity over 3 months from the acquisition	292,413,887	
Total	309,933,287	
<u>Less</u> Impairment charge	(17,519,400)	
Total held-to-maturity investments	292,413,887	
<u>General investments</u>		
Non-marketable equity securities	891,069	
<u>Less</u> Impairment charge	(609,252)	
Total general investments	281,817	
Total investment in securities	3,389,002,386	

As at 30 September 2020, the deposits at financial institutions with maturity over 3 months from issuance at par value amounting to Baht 1,091,871 were placed as bail bonds (31 December 2019: Baht 1,080,113).




10 Investment in securities, net (Cont'd)

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

	(Unaudited)	
	30 September 2020	
	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)	2,629,724,069	(632,113)
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	2,629,724,069	(632,113)

10.2 Debt securities that are measured at amortised cost

	(Unaudited)		
	30 September 2020		
	Gross carrying value Baht	Expected credit loss Baht	Carrying value Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	1,077,493,826	-	1,077,493,826
Investment 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)	-
Total	1,095,013,226	(17,519,400)	1,077,493,826



 AXA Insurance
 Public Company Limited
 บริษัท อีเอชเอ เอ็มจี จำกัด

10 Investment in securities, net (Cont'd)

For the three-months periods ended 30 September 2020 and 2019, the Company has revenues relating to investment as follows:

- Interest income from investments with amounting to Baht 15.9 million (2019: Baht 17.5 million).
- Amount received from selling investments with totaling amounting to Baht 64.1 million (2019: Baht 460 million).

For the nine-month periods ended 30 September 2020 and 2019, the Company has revenues relating to investment as follows:

- Interest income from investments with amounting to Baht 50.3 million (2019: Baht 53.1 million).
- Amount received from selling investments with totaling amounting to Baht 662.5 million (2019: Baht 1,158.6 million) and gain from selling investments with totaling amounting to Baht 0.1 million (2019: Baht 0.2 million).

A ✓

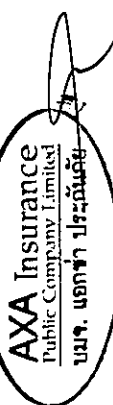


AXA Insurance
Public Company Limited
มหาชน อคซ่า ประกันภัย

AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2020

11 Property and equipment, net

	30 September 2020 (Unaudited)										
	Cost					Accumulated depreciation					Net property and equipment Baht
	For the nine-months period		Disposal/		Opening Baht	For the nine-months period		Disposal/		Ending Baht	
Addition/ Transfer Baht	Write off Baht	Transfer out/ Write off Baht	Ending Baht	Opening Baht		Depreciation Baht	Transfer out/ Write off Baht	Ending Baht			
Condo - office	-	-	-	54,347,560	(34,125,132)	-	-	(34,125,132)	-	20,222,428	
Office furniture and equipment	4,148,110	(3,477,548)	215,925,210	215,925,210	(207,024,190)	(5,500,269)	3,373,114	(209,151,345)	6,773,865		
Motor vehicles	-	-	5,441,299	5,441,299	(3,334,244)	(713,043)	-	(4,047,287)	1,394,012		
Assets under installation	1,552,428	(1,552,428)	-	-	-	-	-	-	-		
Total	5,700,538	(5,029,976)	275,714,069	275,714,069	(244,483,566)	(6,213,312)	3,373,114	(247,323,764)	28,390,305		
	31 December 2019 (Audited)										
	Cost					Accumulated depreciation					Net property and equipment Baht
	For the year		Disposal/		Opening Baht	For the year		Disposal/		Ending Baht	
Addition/ Transfer Baht	Write off Baht	Transfer out/ Write off Baht	Ending Baht	Opening Baht		Depreciation Baht	Transfer out/ Write off Baht	Ending Baht			




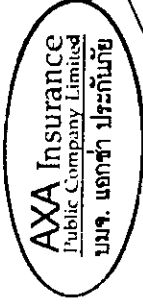
AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2020

12 Right-of-use assets

	30 September 2020 (Unaudited)										
	Cost/Revaluation					Accumulated amortisation					
	For the nine-months period		For the nine-months period			For the nine-months period		For the nine-months period			
Beginning balance Baht	Addition Baht	Change in contract Baht	Revaluation 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 (Note 3)	62,443,578	-	(3,792,974)	-	-	58,650,604	-	(10,822,388)	-	(10,822,388)	47,828,216
Total	62,443,578	-	(3,792,974)	-	-	58,650,604	-	(10,822,388)	-	(10,822,388)	47,828,216

For the nine-months period ended 30 September 2020, the lease payments resulting from lease and service contracts which are not capitalised comprised of low-value leases amounting to Baht 2.44 million.

AXA ✓

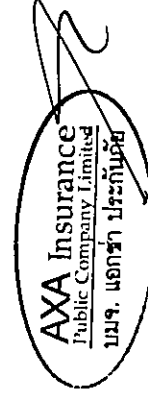



AXA Insurance
Public Company Limited
บริษัท อก้า ประกันภัย

AXA Insurance Public Company Limited
 Condensed Notes to Interim Financial Information (Unaudited)
 For the nine-month period ended 30 September 2020

13 Intangible assets, net

	30 September 2020 (Unaudited)											
	Cost					Accumulated depreciation					Net intangible assets Baht	
	For the nine-months period		For the nine-months period			For the nine-months period		For the nine-months period				
Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	
Computer software	118,704,500	2,839,000	-	121,543,500	(112,991,610)	(3,008,575)	-	(116,000,185)	-	-	-	5,543,315
Assets under installation	-	-	-	-	-	-	-	-	-	-	-	-
Total	118,704,500	2,839,000	-	121,543,500	(112,991,610)	(3,008,575)	-	(116,000,185)	-	-	-	5,543,315
	31 December 2019 (Audited)											
	Cost					Accumulated depreciation					Net intangible assets Baht	
	For the year		For the year			For the year		For the year				
Opening Baht	Addition/ Transfer Baht	Disposal/ Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	Opening Baht	Depreciation Baht	Transfer out/ Write off Baht	Ending Baht	
Computer software	117,043,747	1,660,753	-	118,704,500	(108,125,328)	(4,866,282)	-	(112,991,610)	-	-	-	5,712,890
Assets under installation	440,174	931,779	(1,371,953)	-	-	-	-	-	-	-	-	-
Total	117,483,921	2,592,532	(1,371,953)	118,704,500	(108,125,328)	(4,866,282)	-	(112,991,610)	-	-	-	5,712,890



Handwritten signature or initials.

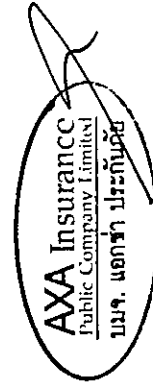
AXA Insurance Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the nine-month period ended 30 September 2020

14 Deferred income tax

Deferred tax assets and liabilities presented in statements of financial position and changes in deferred tax for the nine-months period ended 30 September 2020 arises from the following items:

	Audited 31 December 2019 Baht	TAS 32 and The Accounting Guidance Reclassifications and adjustments Baht	Transaction in profit or loss Baht	Transaction in other comprehensive income Baht	Transaction in other reserve Baht	Unaudited 30 September 2020 Baht
Deferred tax assets						
- Allowance for doubtful accounts	1,673,235	-	113,346	-	-	1,786,581
- Unearned premium reserve	72,785,662	-	(5,625,797)	-	-	67,159,865
- Loss reserve and outstanding claims	223,049,172	-	17,419,577	-	-	240,468,749
- Provision for impairment of investments (Note 3)	3,625,731	(3,625,731)	-	-	-	-
- Depreciation for computers	1,751,491	-	(746,757)	-	-	1,004,734
- Provision for retirement benefits	9,837,310	-	653,486	-	-	10,490,796
- Accrued expenses	3,348,462	-	476,793	-	(962,190)	2,863,065
- Loss carry forward	142,237,553	-	(26,831,643)	-	-	115,405,910
- Lease Liabilities	-	-	209,828	-	-	209,828
- Expected credit losses (Note 3)	-	3,633,047	(2,744)	-	-	3,630,303
	<u>458,308,616</u>	<u>7,316</u>	<u>(14,333,912)</u>	<u>-</u>	<u>(962,190)</u>	<u>443,019,831</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 (Note 3)	8,447,473	7,094,220	-	702,727	-	16,244,420
- Expected credit losses (Note 3)	-	129,167	-	(2,744)	-	126,423
	<u>45,393,622</u>	<u>7,223,387</u>	<u>-</u>	<u>699,982</u>	<u>-</u>	<u>53,316,992</u>
Deferred income tax, net	<u>412,914,994</u>					<u>389,702,839</u>

AY



14 Deferred income tax (Cont'd)

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. As at 30 September 2020, the Company did not recognise deferred income tax assets of Baht 19.6 million (31 December 2019: Baht 19.6 million) in respect of loss amounting to Baht 98.1 million (31 December 2019: Baht 98.1 million) that can be carried forward against future taxable income. Loss amounting to Baht 98.1 million expires in 2021.

15 Other assets

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Income tax receivable and undue valued added tax	64,579,362	48,267,609
Prepaid expenses and refundable deposits	9,543,382	19,205,224
Reserve withheld for claims	46,494,172	14,482,490
Amount due from related companies (Note 22)	612,259	1,324,199
Others	32,272,201	9,194,269
Total other assets	153,501,376	92,473,791

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 Office of Insurance Commission and Thai General Insurance Association for payments for losses and other expenses which the Company will receive this cash when the coverage period in the insurance contracts is over.

16 Insurance liabilities

	Unaudited 30 September 2020			Audited 31 December 2019		
	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht	Insurance liabilities Baht	Liabilities recovered from reinsurance Baht	Net Baht
Claims reserve						
- Reported claim	944,046,670	(200,163,233)	743,883,437	894,979,278	(253,832,197)	641,147,081
- Claim incurred but not reported	861,067,021	(402,606,711)	458,460,310	745,229,148	(271,130,368)	474,098,780
Total claims reserve	1,805,113,691	(602,769,944)	1,202,343,747	1,640,208,426	(524,962,565)	1,115,245,861
Premium reserve						
- Unearned premium reserve (UPR)	1,695,818,984	(218,908,915)	1,476,910,069	1,369,282,438	(131,392,781)	1,237,889,657
Total	3,500,932,675	(821,678,859)	2,679,253,816	3,009,490,864	(656,355,346)	2,353,135,518



 AXA Insurance
 Public Company Limited
 บริษัท อก้า ประกันภัย

16 Insurance liabilities (Cont'd)

16.1 Insurance reserve for short-term insurance contract

16.1.1 Claims reserve

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Beginning balance	1,640,208,426	1,871,942,169
Claims incurred during the period/year	1,131,877,872	1,732,017,626
Changes in claims reserve and assumptions method on claims reserve	78,942,701	(133,983,864)
Claims paid during the period/year	(1,045,915,308)	(1,829,767,505)
Closing balance	<u>1,805,113,691</u>	<u>1,640,208,426</u>

16.1.2 Unearned premium reserve


	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Beginning balance	1,369,282,438	1,335,113,977
Premium written for the period/year	2,697,322,841	2,733,938,888
Premium earned for the period/year	(2,370,786,295)	(2,699,770,427)
Closing balance	<u>1,695,818,984</u>	<u>1,369,282,438</u>

17 Due to reinsurers

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Reinsurance premium payable	214,082,082	134,396,538
Fund withheld from reinsurance	47,104,766	55,256,437
Reinsurance payable - others	72,915,801	7,753,198
Total due to reinsurers	<u>334,102,649</u>	<u>197,406,173</u>

18 Other liabilities

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Revenue Department payable	33,419,451	22,643,698
Amount due from related companies (Note 22)	28,859,245	11,618,454
Premium suspense	35,444,469	44,626,981
Others	5,854,065	9,711,805
Total other liabilities	<u>103,577,230</u>	<u>88,600,938</u>





19 Share capital

For the nine-months period ended 30 September 2020 and for the year ended 31 December 2019.

	Number of Ordinary shares Shares	Ordinary Shares Baht	Share discount Baht	Total Baht
At 1 January 2019	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584
Issue of shares	-	-	-	-
At 31 December 2019	36,726,421	3,672,642,100	(1,068,106,516)	2,604,535,584
Issue of shares	-	-	-	-
At 30 September 2020	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 30 September 2020 Baht	Unaudited 30 September 2019 Baht
Employee expenses not relating to underwriting and claim expenses	67,547,071	49,511,401
Property and equipment expenses not relating to underwriting expenses	18,537,925	21,422,772
Tax expenses	186,083	5,400,777
Bad debt and doubtful accounts	(374,407)	1,297,056
Expected credit loss	(64,860)	-
Other operating expenses	9,520,271	18,503,980
Total operating expenses	95,352,083	96,135,986
	For the nine-months period ended	
	Unaudited 30 September 2020 Baht	Unaudited 30 September 2019 Baht
Employee expenses not relating to underwriting and claim expenses	181,275,345	135,700,526
Property and equipment expenses not relating to underwriting expenses	54,318,453	65,670,880
Tax expenses	702,423	5,804,382
Bad debt and doubtful accounts	472,770	2,391,235
Expected credit loss	(13,723)	-
Other operating expenses	56,226,941	73,344,220
Total operating expenses	292,982,209	282,911,243



AXA Insurance
Public Company Limited
บริษัท แอกซ่า ประกันภัย

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 30 September 2020	Unaudited 30 September 2019
Net profit for the period attributable to ordinary shareholders (Baht)	52,698,873	9,863,146
Weighted average number of ordinary shares in issue during the period (Shares)	36,726,421	36,726,421
Basic profit per share (Baht)	1.43	0.27

	For the nine-months period ended	
	Unaudited 30 September 2020	Unaudited 30 September 2019
Net profit (loss) for the period attributable to ordinary shareholders (Baht)	56,530,237	(7,736,121)
Weighted average number of ordinary shares in issue during the period (Shares)	36,726,421	36,726,421
Basic profit (loss) per share (Baht)	1.54	(0.21)

There are no potential dilutive ordinary shares in issue for the nine-months periods ended 30 September 2020 and 2019.

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.

A handwritten signature and a circular stamp. The stamp contains the text "AXA Insurance Public Company Limited" and Thai text "บริษัท อก้าประกันภัย จำกัด (มหาชน)".

22 Related parties transactions (Cont'd)

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

	For the three-months period ended	
	Unaudited 30 September 2020 Baht	Unaudited 30 September 2019 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	105,882,100	85,690,134
Reinsurance premium ceded	(99,907,124)	(95,053,088)
Commission and brokerage fees	12,840,496	12,126,702
Expenses		
Losses and loss adjustment expenses	3,435,694	2,755,230
Claim recovered from reinsurers	(9,386,788)	(31,935,746)
Commission and brokerage expenses	17,840,184	13,944,713
Other underwriting expenses	16,723,091	1,433,241
Operating expenses		
Other expenses recoveries	(2,502,309)	(3,243,531)
Management and service fees	7,598,253	20,524,033
For the nine-months period ended		
	Unaudited 30 September 2020 Baht	Unaudited 30 September 2019 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	317,944,349	243,126,360
Reinsurance premium ceded	(324,160,607)	(289,996,246)
Commission and brokerage fees	40,869,247	39,104,156
Expenses		
Losses and loss adjustment expenses	13,142,009	12,875,056
Claim recovered from reinsurers	(51,843,410)	(245,636,493)
Commission and brokerage expenses	53,064,508	39,116,175
Other underwriting expenses	17,003,353	3,805,894
Operating expenses		
Other expenses recoveries	(8,194,071)	(9,419,031)
Management and service fees	41,348,655	60,939,792



 AXA Insurance
 Public Company Limited
 บริษัท แอกซ่า ประกันภัย

22 Related parties transactions (Cont'd)

Outstanding balances are as follows:

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Statement of financial position		
Assets		
Reinsurance assets	136,649,568	189,414,639
Amount due from reinsurance, net	9,372,533	54,277,422
Other assets		
Amount due from related companies	612,259	1,324,199
Liabilities		
Due to reinsurers	153,925,934	107,863,496
Other liabilities	28,859,245	11,435,215

Key management compensation

The compensation paid or payable to key management for employee service for the three-months and nine-months periods ended 30 September 2020 and 2019 are shown below:

	For the three-months period ended	
	Unaudited 30 September 2020 Baht	Unaudited 30 September 2019 Baht
Short-term employee benefits	20,458,021	17,279,629
Post-employee benefits	277,267	254,311
Total	20,735,288	17,533,940
	For the nine-months period ended	
	Unaudited 30 September 2020 Baht	Unaudited 30 September 2019 Baht
Short-term employee benefits	75,207,668	53,639,287
Post-employee benefits	831,799	762,933
Total	76,039,467	54,402,220

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 2019: government bonds amounting to Baht 330,000,000) have been placed at the Office of Insurance Commission.



 AXA Insurance
 Public Company Limited
 บริษัท แอกซ่า ประกันภัย

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 30 September 2020 and 30 September 2019 the Company contributes to Non-life guarantee fund amounting to Baht 2,218,338 (2019: Baht 1,734,769).

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, For the nine-month periods ended 30 September 2020 and 30 September 2019 the Company contributes to Non-life guarantee fund amounting to Baht 6,671,826 (2019: Baht 4,871,722).

25 Operating lease commitments

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

	Unaudited 30 September 2020 Baht	Audited 31 December 2019 Baht
Not later than 1 year	-	11,732,134
Later than 1 year but not later than 5 years	-	10,302,213
More than 5 years	-	-
Total operating lease commitments	-	22,034,347