

AXA INSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2021



AUDITOR'S REPORT ON THE REVIEW OF THE 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 June 2021, the statements of comprehensive income for the three-month and six-month periods then ended, the related statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
Bangkok
9 August 2021

AXA Insurance Public Company Limited
Statement of Financial Position
As at 30 June 2021

		Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
	Notes		
Assets			
Cash and cash equivalents	6	344,063,116	290,406,401
Premium receivable, net	7	464,284,859	363,887,800
Accrued investment income, net		16,241,627	16,890,055
Reinsurance assets, net	8, 22	858,771,707	805,708,575
Amounts due from reinsurance, net	9, 22	57,825,062	29,470,293
Investment assets			
Investment in securities, net	10	4,018,960,409	3,940,422,500
Property and equipment, net	11	29,646,600	28,485,688
Right-of-use assets	12	45,419,424	46,049,194
Intangible assets, net	13	5,510,816	4,980,234
Deferred acquisition cost		218,406,032	185,800,276
Deferred tax assets, net	14	370,534,785	375,298,296
Other assets	15, 22	73,814,321	116,380,639
Total assets		6,503,478,758	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 30 June 2021

		Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
	Notes		
Liabilities and equity			
Liabilities			
Insurance liabilities	16	3,720,188,410	3,465,128,245
Due to reinsurers	17, 22	197,629,615	242,864,869
Employee benefit obligations		129,590,386	141,103,709
Accrued expenses		121,777,900	79,863,903
Commission payable		70,548,302	59,858,304
Lease liabilities		45,967,850	47,168,006
Other liabilities	18	128,917,937	93,085,476
Total liabilities		4,414,620,410	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		(571,897,399)	(618,464,081)
Other components of equity		25,549,164	57,964,937
Total equity		2,088,858,348	2,074,707,439
Total liabilities and equity		6,503,478,758	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 30 June 2021

	Notes	Unaudited 2021 Baht	Unaudited 2020 Baht
Revenues			
Gross written premium	22	958,741,423	857,010,835
<u>Less</u> Reinsurance premium ceded	22	<u>(141,174,284)</u>	<u>(163,040,537)</u>
Net written premium		817,567,139	693,970,298
<u>Less</u> Change in unearned premium reserve		<u>(45,491,479)</u>	<u>(38,010,273)</u>
Net earned premium		772,075,660	655,960,025
Commission and brokerage fees	22	22,079,192	18,514,239
Net investment income		14,208,479	16,598,199
Gains on investments		-	38,642
Other income		1,065	835,977
Total revenues		808,364,396	691,947,082
Expenses			
Losses and loss adjustment expenses	22	577,798,832	464,766,228
<u>Less</u> Claim recovered from reinsurers	22	<u>(164,692,468)</u>	<u>(95,000,101)</u>
Commissions and brokerages expenses	22	121,800,890	105,719,258
Other underwriting expenses	22	124,479,249	110,788,850
Operating expenses	20, 22	111,273,057	96,999,139
Finance cost		632,279	1,180,686
Total expenses		771,291,839	684,454,160
Profit before income taxes		37,072,557	7,492,922
Income tax expense		(8,323,204)	(1,598,374)
Profit for the period		28,749,353	5,894,548
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		(4,219,809)	2,787,184
Realised gain from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		-	(38,642)
Income tax relating to items that will be reclassified		843,962	(548,352)
Total items that will be reclassified subsequently to profit or loss		(3,375,847)	2,200,190
Other comprehensive (expense) income for the period, net of tax		(3,375,847)	2,200,190
Total comprehensive income for the period		25,373,506	8,094,738
Profit (Loss) per share			
Basic profit per share (Baht)	21	0.78	0.16

The accompanying notes form part of this interim financial information.

AXA Insurance Public Company Limited
Statement of Comprehensive Income
For the six-month period ended 30 June 2021

	Notes	Unaudited 2021 Baht	Unaudited 2020 Baht
Revenues			
Gross written premium	22	1,989,514,632	1,797,796,430
<u>Less</u> Reinsurance premium ceded	22	(264,574,439)	(301,133,335)
Net written premium		1,724,940,193	1,496,663,095
<u>Less</u> Change in unearned premium reserve		(241,710,216)	(226,924,062)
Net earned premium		1,483,229,977	1,269,739,033
Commission and brokerage fees	22	44,425,347	38,093,246
Net investment income		28,870,605	33,506,127
Gains on investments		-	91,951
Other income		10,457	953,013
Total revenues		1,566,536,386	1,342,383,370
Expenses			
Losses and loss adjustment expenses	22	921,413,501	825,223,983
<u>Less</u> Claim recovered from reinsurers	22	(143,019,259)	(173,467,649)
Commissions and brokerages expenses	22	237,606,550	202,810,143
Other underwriting expenses	22	269,599,363	283,492,070
Operating expenses	20, 22	210,188,940	197,630,126
Finance cost		1,313,154	1,748,565
Total expenses		1,497,102,249	1,337,417,238
Profit before income taxes		59,434,137	4,966,132
Income tax expense		(12,867,455)	(1,134,768)
Profit for the period		46,566,682	3,831,364
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		(34,138,124)	11,229,319
Realised gain from sale of investments measured at fair value through other comprehensive income and impairment loss transferred to profit or loss		-	(91,951)
Income tax relating to items that will be reclassified		6,827,625	(2,226,118)
Total items that will be reclassified subsequently to profit or loss		(27,310,499)	8,911,250
Other comprehensive (expense) income for the period, net of tax		(27,310,499)	8,911,250
Total comprehensive income for the period		19,256,183	12,742,614
Profit (Loss) per share			
Basic profit per share (Baht)	21	1.27	0.10

The accompanying notes form part of this interim financial information.

	2021 (Unaudited)									
	Other components of equity					Other components of equity				
	Other comprehensive income					Other comprehensive income				
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings	Re-measurements of post-employment benefit obligations	Unrealised gain (loss) on the change in value of investment	Total other component of equity				
	Baht	Baht	Baht	Baht	Baht	Baht				
Beginning balance as at 1 January 2021	3,672,642,100	(1,068,106,516)	30,670,999	(1,415,525)	71,150,406	57,964,937	2,074,707,439			
Profit for the period	-	-	-	-	46,566,682	-	46,566,682			
Equity-settled share-based payment	-	-	-	-	-	-	-			
Share-based payment reclassified to liabilities	-	-	-	-	-	2,448,890	2,448,890			
Unrealised losses on changes in value of investments	-	-	-	-	-	(7,554,164)	(7,554,164)			
measured at fair value through other comprehensive income	-	-	-	-	(27,310,499)	-	(27,310,499)			
Closing balance as at 30 June 2021	3,672,642,100	(1,068,106,516)	30,670,999	(1,415,525)	43,830,987	(16,875,268)	25,549,164	2,088,868,348		

	2020 (Unaudited)									
	Other components of equity					Other components of equity				
	Other comprehensive income					Other comprehensive income				
	Issued and paid-up share capital	Discount on paid-up capital	Retained earnings	Re-measurements of post-employment benefit obligations	Unrealised gain (loss) on the change in value of investment	Total other component of equity				
	Baht	Baht	Baht	Baht	Baht	Baht				
Beginning balance as at 1 January 2020	3,672,642,100	(1,068,106,516)	30,670,999	(2,024,367)	33,780,892	(13,628,107)	18,137,410	1,936,370,439		
Retrospective adjustment from adoption of new financial reporting standards	-	-	-	-	30,893,550	-	30,893,550	26,180,234		
Beginning balance as at 1 January 2020	3,672,642,100	(1,068,106,516)	30,670,999	(2,024,367)	62,603,442	(13,628,107)	47,030,968	1,967,550,673		
Profit for the period	-	-	-	-	-	-	-	-		
Equity-settled share-based payment	-	-	-	-	-	-	-	3,831,364		
Share-based payment reclassified to liabilities	-	-	-	-	-	-	-	-		
Unrealised gain on changes in value of investments	-	-	-	-	-	1,271,448	1,271,448	1,271,448		
measured at fair value through other comprehensive income	-	-	-	-	-	2,577,313	2,577,313	2,577,313		
Realised gain from sale of investments at fair value through other comprehensive income and impairment loss transferred to profit or loss	-	-	-	-	8,984,811	-	8,984,811	8,984,811		
Closing balance as at 30 June 2020	3,672,642,100	(1,068,106,516)	30,670,999	(2,024,367)	71,584,693	(9,779,346)	59,790,979	1,984,151,648		

AXA Insurance
Public Company Limited
บริษัท อก้าประกันภัย จำกัด (มหาชน)

AXA Insurance Public Company Limited
Statement of Cash Flows
For the six-month period ended 30 June 2021

	Unaudited 2021 Baht	Unaudited 2020 Baht
Cash flows from operating activities		
Written premium received from direct insurance	1,876,894,104	1,604,191,107
Cash paid for reinsurance	(197,425,477)	(24,811,471)
Interest income received	5,373,723	2,428,103
Investment income received	29,706,072	36,836,673
Other income received	-	953,013
Losses paid from direct insurance	(876,038,508)	(644,457,564)
Commission and brokerage paid from direct insurance	(265,451,512)	(224,654,525)
Other underwriting expenses	(240,413,325)	(278,921,800)
Operating expenses paid	(151,081,251)	(187,782,822)
Other expenses paid	(1,449,348)	(1,164,019)
Income tax paid	5,987,688	(8,658,308)
Cash received from investment in securities	176,594,510	598,404,631
Cash paid for investment in securities	(304,811,889)	(156,168,169)
Cash received from investment in deposits at financial institutions	385,096,948	257,810,603
Cash paid for investment in deposits at financial institutions	(375,164,103)	(842,890,477)
Net cash generated from operating activities	67,817,632	131,114,975
Cash flows from investing activities		
Proceeds from disposal of equipment	49,597	-
Purchase of equipment and computer software	(5,789,030)	(6,251,657)
Net cash used in investing activities	(5,739,433)	(6,251,657)
Cash flows from financing activities		
Payments on lease liabilities	(8,421,484)	(7,818,946)
Net cash used in investing activities	(8,421,484)	(7,818,946)
Net increase in cash and cash equivalents	53,656,715	117,044,372
Cash and cash equivalents at beginning of the period	290,406,401	333,363,330
Cash and cash equivalents at end of the period	344,063,116	450,407,702




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 August 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 30 June 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.

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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 30 June 2021 and 31 December 2020.

	30 June 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	- 2,024,361,493		-	2,024,361,493
Private enterprise debt securities	- 727,903,730		-	727,903,730
Equity securities	-	-	19,134,140	19,134,140
Total	- 2,752,265,223		19,134,140	2,771,399,363
	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.

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 six-month period ended 30 June 2021 and for the year ended 31 December 2020 are as follows:

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Beginning balance of the year	36,362,171	36,362,171
Unrealised loss	(17,228,031)	-
Closing balance of the period/year	19,134,140	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 June 2021 Baht	Audited 31 December 2020 Baht
Cash on hand	218,085	228,085
Cheque on hand	24,180	252,828
Bank deposits held at call	343,820,851	289,925,488
Total cash and cash equivalents	344,063,116	290,406,401

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7 Premium receivable, net

The balances of premium receivable were aged as follows:

	From direct channel	
	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Undue	269,500,992	242,757,527
Less than 30 days	73,809,515	40,189,164
30 - 60 days	30,880,862	18,647,406
60 - 90 days	19,886,201	8,652,715
90 days - 1 year	67,429,661	51,808,801
More than 1 year	10,317,016	8,538,799
Total premium receivable	471,824,247	370,594,412
Less Allowance for doubtful accounts	(7,539,388)	(6,706,612)
Premium receivable, net	464,284,859	363,887,800

8 Reinsurance assets, net

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Reinsurance recoveries on technical reserve (Note 16)		
Claim reserve	680,418,174	637,923,870
Premium reserve		
- Unearned premium reserve (UPR)	178,353,533	167,784,705
Reinsurance assets, net	858,771,707	805,708,575

9 Amounts due from reinsurance, net

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Reinsurance premium receivable	57,992,431	29,593,416
Less Allowance for doubtful account	(167,369)	(123,123)
Amounts due from reinsurance, net	57,825,062	29,470,293




10 Investment in securities, net

Investment in securities as at 30 June 2021 and 31 December 2020 are as follows:

Debt instrument financial assets

	Unaudited 30 June 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	2,000,885,921	2,024,361,493	1,890,173,888	1,927,644,235
Private enterprise debt securities	715,543,340	727,903,730	703,598,756	718,922,203
Total	2,716,429,261	2,752,265,223	2,593,772,644	2,646,566,438
Add Unrealised gain	35,835,962	-	52,793,794	-
Total debt instrument measured at fair value through other comprehensive income	2,752,265,223	2,752,265,223	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	1,247,561,046		1,257,493,891	
Total	1,265,080,446		1,275,013,291	
Less Expected credit loss	(17,519,400)		(17,519,400)	
Total debt instrument measured at amortised cost	1,247,561,046		1,257,493,891	
Total debt instrument financial assets	3,999,826,269		3,904,060,329	

Equity instrument financial assets

	Unaudited 30 June 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	19,134,140	891,069	36,362,171
Add Unrealised gain	18,243,071	-	35,471,102	-
Total equity instrument measured at fair value through other comprehensive income	19,134,140	19,134,140	36,362,171	36,362,171
Total equity instrument financial assets	19,134,140	19,134,140	36,362,171	36,362,171
Total investment in securities	4,018,960,409		3,940,422,500	

As at 30 June 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).

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

	Unaudited 30 June 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)	2,752,265,223	(720,974)	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	2,752,265,223	(720,974)	2,646,566,438	(673,235)

10.2 Debt securities that are measured at amortised cost

	Unaudited 30 June 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)	1,247,561,046	-	1,247,561,046	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	1,265,080,446	(17,519,400)	1,247,561,046	1,275,013,291	(17,519,400)	1,257,493,891

For the three-months periods ended 30 June 2021 and 2020, the Company has revenues relating to investment as follows:

- Interest income from investments with amounting to Baht 14.7 million (2020: Baht 17 million).
- Amount received from selling investments with totaling amounting to Baht 60.9 million (2020: Baht 384.2 million) and there is no gain from selling investments (2020: Baht 0.04 million).

For the six-month periods ended 30 June 2021 and 2020, the Company has revenues relating to investment as follows:

- Interest income from investments with amounting to Baht 29.8 million (2020: Baht 34.4 million).
- Amount received from selling investments with totaling amounting to Baht 176.6 million (2020: Baht 598.4 million) and there is no gain from selling investments (2020: Baht 0.1 million).

14 Deferred income tax

Deferred tax assets and liabilities presented in statements of financial position and changes in deferred tax for the six-months period ended 30 June 2021 arises from the following items:

	Audited 31 December 2020 Baht	Transaction in profit or loss Baht	Transaction in other comprehensive income Baht	Transaction in other reserve Baht	Unaudited 30 June 2021 Baht
Deferred tax assets					
- Allowance for doubtful accounts	1,365,947	175,404	-	-	1,541,351
- Unearned premium reserve	57,765,909	30,079,675	-	-	87,865,784
- Loss reserve and outstanding claims	241,295,805	(7,942,637)	-	-	233,353,168
- Depreciation for computers	161,317	(482,666)	-	-	(321,349)
- Provision for retirement benefits	9,220,934	93,075	-	-	9,314,009
- Accrued expenses	3,984,782	612,223	-	1,276,319	5,873,324
- Loss carry forward	112,327,513	(35,933,729)	-	-	76,393,784
- Lease Liabilities	251,333	521,452	-	-	772,785
- Expected credit losses	3,638,527	9,548	-	-	3,648,075
	430,032,087	(12,867,455)	-	1,276,319	418,440,931
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	-	(6,837,173)	-	10,815,802
- Expected credit losses	134,647	-	9,548	-	144,195
	54,733,771	-	(6,827,625)	-	47,906,146
Deferred income tax, net	<u>375,298,296</u>				<u>370,534,785</u>

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. As at 30 June 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 96.1 million expires in 2021.

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15 Other assets

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Income tax receivable and undue valued added tax	38,924,730	45,425,622
Prepaid expenses and refundable deposits	15,330,180	15,032,224
Reserve withheld for claims	15,291,081	44,861,206
Amount due from related companies (Note 22)	442,324	904,155
Others	3,826,006	10,157,432
Total other assets	73,814,321	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 30 June 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	1,631,926,095	(722,037,583)	909,888,512	965,356,961	(206,936,342)	758,420,619
- Claim incurred but not reported	215,257,918	41,819,409	256,877,327	879,045,931	(430,867,528)	448,058,403
Total claims reserve	1,847,184,013	(680,418,174)	1,166,765,839	1,844,402,892	(637,803,870)	1,206,479,022
Premium reserve						
- Unearned premium reserve (UPR)	1,873,004,397	(178,353,533)	1,694,650,864	1,620,725,353	(167,764,706)	1,452,940,648
Total	3,720,188,410	(858,771,707)	2,861,416,703	3,465,128,245	(805,708,576)	2,659,419,670

16.1 Insurance reserve for short-term insurance contract

16.1.1 Claims reserve

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Beginning balance	1,844,402,892	1,640,208,426
Claims incurred during the period/year	1,419,199,341	1,610,263,766
Changes in claims reserve and assumptions method on claims reserve	(518,832,800)	31,602,007
Claims paid during the period/year	(897,585,420)	(1,437,671,307)
Closing balance	1,847,184,013	1,844,402,892

16.1.2 Unearned premium reserve

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Beginning balance	1,620,725,353	1,369,282,438
Premium written for the period/year	1,989,514,632	3,489,337,294
Premium earned for the period/year	(1,737,235,588)	(3,237,894,379)
Closing balance	1,873,004,397	1,620,725,353

17 Due to reinsurers

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Reinsurance premium payable	108,905,477	124,035,567
Fund withheld from reinsurance	55,909,711	40,372,563
Reinsurance payable - others	32,814,427	78,456,739
Total due to reinsurers	197,629,615	242,864,869

18 Other liabilities

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Revenue Department payable	22,836,175	21,250,058
Amount due from related companies (Note 22)	16,977,700	10,664,914
Premium suspense	73,862,654	67,999,585
Others	15,441,408	3,170,919
Total other liabilities	128,917,937	93,085,476

19 Share capital

For the six-month period ended 30 June 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 30 June 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 30 June 2021 Baht	Unaudited 30 June 2020 Baht
Employee expenses not relating to underwriting and claim expenses	63,700,606	54,289,818
Property and equipment expenses not relating to underwriting expenses	14,602,949	17,715,629
Tax expenses	333,634	242,066
Bad debt and doubtful accounts	451,642	1,655,207
Expected credit loss	49,576	6,784
Other operating expenses	32,134,650	23,089,635
Total operating expenses	111,273,057	96,999,139

	For the six-months period ended	
	Unaudited 30 June 2021 Baht	Unaudited 30 June 2020 Baht
Employee expenses not relating to underwriting and claim expenses	126,433,081	113,728,274
Property and equipment expenses not relating to underwriting expenses	29,413,648	35,780,528
Tax expenses	582,889	516,340
Bad debt and doubtful accounts	817,078	847,177
Expected credit loss	47,739	51,137
Other operating expenses	52,894,505	46,708,670
Total operating expenses	210,188,940	197,630,126

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 June 2021	Unaudited 30 June 2020
Net profit for the period attributable to ordinary shareholders (Baht)	28,749,353	5,894,548
Weighted average number of ordinary shares in issue during the period (Shares)	36,726,421	36,726,421
Basic profit per share (Baht)	0.78	0.16




	For the six-months period ended	
	Unaudited 30 June 2021	Unaudited 30 June 2020
Net profit for the period attributable to ordinary shareholders (Baht)	46,566,682	3,831,364
Weighted average number of ordinary shares in issue during the period (Shares)	36,726,421	36,726,421
Basic profit per share (Baht)	1.27	0.10

There are no potential dilutive ordinary shares in issue for the six-months periods ended 30 June 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.

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

	For the three-months period ended	
	Unaudited 30 June 2021 Baht	Unaudited 30 June 2020 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	117,931,451	92,466,807
Reinsurance premium ceded	(106,211,850)	(118,358,628)
Commission and brokerage fees	16,684,171	11,083,389
Expenses		
Losses and loss adjustment expenses	4,661,516	3,871,032
Claim recovered from reinsurers	(525,503,389)	(23,066,891)
Commission and brokerage expenses	19,984,228	15,558,614
Other underwriting expenses	2,651,521	-
Operating expenses		
Other expenses recoveries	(2,950,062)	(3,631,913)
Management and service fees	22,803,663	15,077,492

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	For the six-months period ended	
	Unaudited 30 June 2021 Baht	Unaudited 30 June 2020 Baht
Statement of comprehensive income		
Revenues		
Gross written premium	256,035,414	212,062,249
Reinsurance premium ceded	(199,751,539)	(224,253,483)
Commission and brokerage fees	31,881,172	28,028,751
Expenses		
Losses and loss adjustment expenses	11,936,666	9,706,315
Claim recovered from reinsurers	(595,732,056)	(42,456,622)
Commission and brokerage expenses	43,313,697	35,224,324
Other underwriting expenses	4,169,075	280,262
Operating expenses		
Other expenses recoveries	(4,462,960)	(5,691,762)
Management and service fees	44,197,368	33,750,402

Outstanding balances are as follows:

	Unaudited 30 June 2021 Baht	Audited 31 December 2020 Baht
Statement of financial position		
Assets		
Reinsurance assets	692,477,874	161,163,720
Amount due from reinsurance, net	27,642,179	1,393,791
Other assets		
Amount due from related companies	442,324	904,155
Liabilities		
Due to reinsurers	44,278,387	72,024,554
Accrued expenses	-	2,521,916
Other liabilities	16,977,700	10,664,914




Key management compensation

The compensation paid or payable to key management for employee service for the three-months and six-months periods ended 30 June 2021 and 2020 are shown below:

	For the three-months period ended	
	Unaudited 30 June 2021 Baht	Unaudited 30 June 2020 Baht
Short-term employee benefits	19,589,347	18,440,089
Post-employee benefits	321,564	277,266
Total	19,910,911	18,717,355
	For the six-months period ended	
	Unaudited 30 June 2021 Baht	Unaudited 30 June 2020 Baht
Short-term employee benefits	56,325,886	54,749,647
Post-employee benefits	643,127	554,532
Total	56,969,013	55,304,179

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 30 June 2021 and 2020 the Company contributes to Non-life guarantee fund amounting to Baht 2,385,496 (2020: Baht 2,123,871).

In compliance with the Non-Life Insurance Act (No. 2) B.E. 2551, For the six-month periods ended 30 June 2021 and 2020 the Company contributes to Non-life guarantee fund amounting to Baht 4,945,160 (2020: Baht 4,453,488).

