

ALLIANZ AYUDHYA CAPITAL PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION (UNAUDITED)**

31 MARCH 2020



AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Allianz Ayudhya Capital Public Company Limited

I have reviewed the interim consolidated financial information of Allianz Ayudhya Capital Public Company Limited and its subsidiaries, and the interim separate financial information of Allianz Ayudhya Capital Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2020, the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the 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 consolidated and separate 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 4 and Note 5 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.

A handwritten signature in blue ink, appearing to read "A. Leekitwattana", is written over a light blue horizontal line.

Anothai Leekitwattana

Certified Public Accountant (Thailand) No. 3442

Bangkok

5 June 2020

Allianz Ayudhya Capital Public Company Limited
Statement of Financial Position
As at 31 March 2020

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Cash and cash equivalents, net	8	4,100,100	4,497,250	1,277,655	179,669
Premium receivable, net	9	669,994	771,000	-	-
Accrued investment income		20,866	12,412	9,182	4,626
Reinsurance assets	10	2,412,393	2,741,204	-	-
Amounts due from reinsurers	11	429,554	496,239	-	-
Receivable from selling investment		941,753	-	941,753	-
Financial assets measured at fair value through profit or loss	12	-	-	423,999	-
Financial assets measured at fair value through other comprehensive income	12	-	-	1,614,338	-
Financial assets measured at amortised cost	12	-	-	112,924	-
Investments					
Investments in securities, net	12,13	6,401,744	7,352,462	-	4,318,476
Loans and interest receivable	14	-	14	-	-
Investment in an associate	15	9,581,461	10,715,018	5,455,863	5,455,863
Investment in a subsidiary	15	-	-	2,572,379	2,572,379
Property, Plant and Equipment, net	16	43,898	49,292	1,692	1,698
Goodwill		508,877	508,877	-	-
Right-of-use asset, net	17	137,200	-	16,126	-
Intangible assets, net	18	79,040	85,075	1,968	1,968
Deferred tax asset, net	19	288,143	328,450	25,995	26,644
Deferred commission expenses		70,946	72,513	-	-
Other assets	20	179,219	186,673	8,114	7,651
Total assets		25,865,188	27,816,479	12,461,988	12,568,974

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Allianz Ayudhya Capital Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2020

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March 2020	31 December 2019	31 March 2020	31 December 2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Liabilities					
Insurance contract liabilities	21	5,718,840	5,797,941	-	-
Amounts due to reinsurers	22	1,676,155	1,944,672	-	-
Payable from purchase of securities		698,695	992,853	-	-
Employee benefit obligations		131,471	135,518	5,942	7,669
Premium written received in advance		412,806	421,446	-	-
Commission and brokerage payables		112,933	107,768	-	-
Accrued expenses		361,236	389,469	13,447	15,088
Lease liabilities	23	133,171	-	16,184	-
Other liabilities	24	240,442	281,476	369	2,227
Total liabilities		9,485,749	10,071,143	35,942	24,984
Equity					
Share capital	26				
Authorised share capital					
463,473,361 ordinary shares of 1 Baht each		463,473	463,473	463,473	463,473
Issued and paid-up share capital					
384,964,961 ordinary shares of 1 Baht each		384,965	384,965	384,965	384,965
Premium on share capital		9,907,791	9,907,791	9,907,791	9,907,791
Retained earnings					
Appropriated					
Legal reserve		50,000	50,000	50,000	50,000
Unappropriated		3,007,019	3,076,794	2,094,156	2,320,224
Other components of equity					
Surplus (Deficit) on available-for-sale securities		(55,373)	(113,645)	(10,866)	(118,990)
Share of other comprehensive income in an associate		3,085,037	4,439,431	-	-
Total equity		16,379,439	17,745,336	12,426,046	12,543,990
Total liabilities and equity		25,865,188	27,816,479	12,461,988	12,568,974

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Allianz Ayudhya Capital Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 31 March 2020

	Notes	Consolidated financial information		Separate financial information	
		2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Revenues					
Gross premiums written		1,674,856	910,600	-	-
<u>Less</u> premiums ceded		(422,193)	(351,233)	-	-
Net premiums written		1,252,663	559,367	-	-
<u>Less</u> unearned premium reserve increased from previous period		(211,837)	(45,604)	-	-
Net premiums earned		1,040,826	513,763	-	-
Fees and commission income		117,507	113,791	-	-
Net investment income		30,188	19,750	15,437	4,712
Gain (loss) on investment in securities		(124,641)	10,157	(121,523)	10,165
Gain on fair value		-	7,691	20,005	4,491
Share of profit on investment in an associate	15	220,838	112,136	-	-
Other income		21,844	112	3	5,254
Total revenues		1,306,562	777,400	(86,078)	24,622
Expenses					
Gross claim paid		892,256	538,776	-	-
<u>Less</u> Claim recovered from reinsurers		(253,356)	(331,607)	-	-
Net claim paid		638,900	207,169	-	-
Commission and brokerage expenses		253,691	128,750	-	-
Other underwriting expenses		257,267	155,511	-	-
Operating expenses	30	199,891	99,520	9,084	23,121
Expected credit loss	25	-	-	85	-
Total expenses		1,349,749	590,950	9,169	23,121
Profit (loss) before income tax		(43,187)	186,450	(95,247)	1,501
Income tax expense (income)	31	25,499	14,478	4,553	(13)
Net profit (loss)		(68,686)	171,972	(99,800)	1,514

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Allianz Ayudhya Capital Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 31 March 2020

	Notes	Consolidated financial information		Separate financial information	
		2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Other comprehensive income (loss)					
Items that will not be subsequently reclassified to profit or loss					
Loss on revaluation of equity instruments measured at fair value through other comprehensive income		-	-	(32,692)	-
Share of other comprehensive loss in an associate	15	(4,475)	(1,656)	-	-
Income tax related to items that will not be subsequently reclassified to profit or losses		895	331	6,539	-
Total items that will not be subsequently reclassified to profit or loss		(3,580)	(1,325)	(26,153)	-
Items that will be subsequently reclassified to profit or loss					
Gain (loss) on revaluation of investments measured at fair value through other comprehensive income		(138,121)	-	10,064	55,114
Gain on revaluation of debt instruments measured at fair value through other comprehensive income		121,126	67,288	-	-
Share of other comprehensive income (loss) of an associate	15	(2,122,536)	473,363	-	-
Income tax on items that will be subsequently reclassified to profit or loss		448,172	(108,130)	(2,013)	(11,023)
Total items that will be subsequently reclassified to profit or loss		(1,691,359)	432,521	8,051	44,091
Other comprehensive income (loss) for the period, net of income tax		(1,694,939)	431,196	(18,102)	44,091
Total comprehensive income (loss) for the period		(1,763,625)	603,168	(117,902)	45,605
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	29	(0.18)	0.58	(0.26)	0.01
Weighted average number of ordinary shares (Thousand shares)		384,965	296,417	384,965	296,417
			(Restated)		(Restated)
Diluted earnings(loss) per share (Baht)		(0.18)	0.57	(0.26)	0.01
Weighted average number of ordinary shares (Thousand shares)		384,965	302,530	384,965	302,530

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Allianz Ayudhya Capital Public Company Limited
Statement of Changes in Equity (Unaudited)
For the three-month period ended 31 March 2020

	Consolidated financial information							Total equity Thousand Baht
	Retained earnings			Other components of equity				
	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Legal reserve Thousand Baht	Unappropriated Thousand Baht	Change in fair value of investments measured at fair value Thousand Baht	Share of other comprehensive income (loss) of an associate Thousand Baht	Share of other comprehensive income (loss) of an associate Thousand Baht	
Balance as at 1 January 2019	296,417	5,276,027	50,000	3,179,207	(207,772)	674,074	9,267,953	
Comprehensive income (loss) for the period	-	-	-	170,647	53,830	378,691	603,168	
Balance as at 31 March 2019	296,417	5,276,027	50,000	3,349,854	(153,942)	1,052,765	9,871,121	
Balance as at 1 January 2020	384,965	9,907,791	50,000	3,076,794	(113,645)	4,439,431	17,745,336	
Adjustment from adoption of new financial reporting standards (Note 5)	-	-	-	(1,089)	51,601	347,216	397,728	
Balance after adjustment	384,965	9,907,791	50,000	3,075,705	(62,044)	4,786,647	18,143,064	
Net loss	-	-	-	(68,686)	-	-	(68,686)	
Other comprehensive income (loss)	-	-	-	-	-	-	-	
Gain on revaluation of investments measured at fair value through other comprehensive income	-	-	-	-	6,671	-	6,671	
Share of other comprehensive income (loss) of an associate	-	-	-	-	-	(1,701,610)	(1,701,610)	
Balance as at 31 March 2020	384,965	9,907,791	50,000	3,007,019	(55,373)	3,085,037	16,379,439	

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Allianz Ayudhya Capital Public Company Limited
Statement of Changes in Equity (Unaudited) (Cont'd)
For the three-month period ended 31 March 2020

	Separate financial information						Total equity Thousand Baht
	Retained earnings			Other components of equity			
	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Legal reserve Thousand Baht	Unappropriated Thousand Baht	Financial asset measured at fair value through other comprehensive income Thousand Baht		
Balance as at 1 January 2019	296,417	5,276,027	50,000	2,152,489	(191,417)	7,583,516	
Comprehensive income (loss) for the period	-	-	-	1,514	44,091	45,605	
Balance as at 31 March 2019	296,417	5,276,027	50,000	2,154,003	(147,326)	7,629,121	
Balance as at 1 January 2020	384,965	9,907,791	50,000	2,320,224	(118,990)	12,543,990	
Adjustment from adoption of new financial reporting standards (Note 5)	-	-	-	(123,741)	123,699	(42)	
Balance after adjustment	384,965	9,907,791	50,000	2,196,483	4,709	12,543,948	
Net loss	-	-	-	(99,800)	-	(99,800)	
Other comprehensive income (loss)	-	-	-	-	-	-	
Financial assets measured at fair value through other comprehensive income	-	-	-	-	(18,102)	(18,102)	
Realised gain from sale of investments measured at fair value through other comprehensive income transferred to profit or loss	-	-	-	(2,527)	2,527	-	
Balance as at 31 March 2020	384,965	9,907,791	50,000	2,094,156	(10,866)	12,426,046	

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

Allianz Ayudhya Capital Public Company Limited
Statement of Cash Flows (Unaudited)
For the three-month period ended 31 March 2020

	Consolidated financial information		Separate financial information	
	2020	2019	2020	2019
Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities				
Direct premium received	1,674,576	956,522	-	-
Cash received (paid) to reinsurance	(46,760)	10,589	-	-
Interest income	19,362	6,064	9,414	36
Dividend income	2,283	540	2,283	325
Other income	21,847	122	-	4,671
Loss incurred from direct insurance	(990,987)	(352,477)	-	-
Commission and brokerage paid from direct insurance	(235,660)	(129,156)	-	-
Other underwriting expenses	(257,267)	(158,959)	-	-
Operating expenses	(227,378)	(107,814)	(14,570)	(32,217)
Income tax expense	(11,589)	(2,473)	-	(141)
Cash received from financial assets	2,978,586	281,040	1,669,424	275,470
Cash paid for financial assets	(3,387,831)	-	(651,090)	(88,118)
Deposits at bank with maturity over 3 months and deposits used as collateral	78,940	13,932	84,000	14,000
Loans	14	(30)	-	-
Net cash flow provided from (used in) operating activities	(381,864)	517,900	1,099,461	174,026
Cash flows from investing activities				
<u>Cash flows provided</u>				
Cash received from selling property, plant and equipment	3	-	3	-
<u>Cash flows used</u>				
Cash paid for purchasing property, plant and equipment	(1,736)	(1,765)	-	(17)
Cash paid for right-of-use assets	(11,371)	-	(1,449)	-
Cash paid for purchasing intangible assets	(1,317)	(199)	-	(113)
Net cash flow used in investing activities	(14,421)	(1,964)	(1,446)	(130)
Net increase (decrease) in cash and cash equivalents	(396,285)	515,936	1,098,015	173,896
Cash and cash equivalents at the beginning of period	4,497,250	1,341,340	179,669	101,356
Cash and cash equivalents at the end of period	4,100,965	1,857,276	1,277,684	275,252
<u>Less</u> Allowance for expected credit loss	(865)	-	(29)	-
Cash and cash equivalents, net at the end of period	4,100,100	1,857,276	1,277,655	275,252
Non-cash transactions				
Receivable from sale of investment	941,753	-	941,753	-
Payable from purchase of securities	698,695	992,853	-	-

The accompanying condensed notes to interim financial information are an integral part of these interim financial information.

1 General information

Allianz Ayudhya Capital Public Company Limited (formerly "Sri Ayudhya Capital Public Company Limited") (the "Company") is a public limited company which listed on The Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows: Ploenchit Tower, 7th floor, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

The principal business operations of the Company are an investment holding company.

The Company has a subsidiary company, Allianz Ayudhya General Insurance Public Company Limited (formerly "Sri Ayudhya General Insurance Public Company Limited") which operates non-life insurance business, holding by 99.99%.

The Company and its subsidiary are subsequently referred as "the Group".

The interim consolidated and separate financial information are presented in Thai Baht and rounded to the nearest thousand, unless otherwise stated.

The interim consolidated and separate financial information were authorised for issue by the board of directors on 5 June 2020.

2 Significant events during the current period

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, it has resulted in the effects on the operating results for the 3-month period ended 31 March 2020 as follows:

The Group can continue the business as usual. There are only 4 branches (Pattaya, Phuket, Chiang-mai and Hat Yai) which have been temporarily closed according to the lockdown policy of those provinces, since end of February. The Group has activated its Business Continuity Plan with introduction of digital sales tools and implemented work from home. 80%-90% of staff have been working from home to ensure continuity of operation. Furthermore, an internal COVID taskforce established and included key members of the management to immediately handle matters related to COVID-19.

The Group expected that the first year premium of the associate will be close to the plan and lower than business plan for the subsidiary. Moreover, to assist the customers who have been impacted from COVID-19, the requirements of premium payment due extension as instructed by the OIC are being implemented.

3 Basis of preparation for interim consolidated and separate financial information

The interim consolidated and separate financial information has been prepared in accordance with Thai Accounting Standard (TAS) no.34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act. The primary financial information (statement of financial position, statements of comprehensive income, statements of changes in equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard (TAS) no.1, Presentation of Financial Statements. In addition, the interim financial information presentation is based on the formats of non-life insurance 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 notes to the interim financial information are prepared in a condensed format. Additional notes are presented as required by the aforementioned OIC Notification.

This interim consolidated financial information includes the interim financial information of Allianz Ayudhya Capital Public Company Limited and Allianz Ayudhya General Insurance Public Company Limited which 99.99% owned by the Company. Significant transactions for the three-month period ended 31 March 2020 and balances between the Company and the subsidiary have been eliminated.

The accounting period and significant accounting policies used for the interim financial information of the subsidiary is the same as those of the Company except the temporary exemption from compliance with TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures under TFRS 4 (revised 2018), Insurance Contracts and apply the 'financial instruments and disclosure for insurance companies' accounting guidelines ('Accounting Guidance').

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 these 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.

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 for the year.

4 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 2019, except for the following:

- 1) the adoption of the new financial reporting standards together with the application of the relevant relief measures as described in Note 5; and
- 2) the 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 as described in Note 5.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020

On 1 January 2020, the Group passed criteria of temporary exemption from TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures under TFRS 4 (revised 2018), Insurance Contracts. The Group is eligible to apply the 'financial instruments and disclosures for insurance companies' accounting guidelines' ('The Accounting Guidance) in consolidated financial information as the Group has not previously applied TFRS 9, Financial Instrument and the Group's activities are predominantly connected with insurance business. Insurance liabilities under TFRS 4 (revised 2018) Insurance Contracts as at 1 January 2018 is greater than 90% of total liabilities.

On 30 April 2019, the Group purchased and accepted the entire business transfer of Allianz General Insurance Public Company Limited. The Group reassesses the criteria of temporary exemption from TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures under TFRS 4 (revised 2018), Insurance Contracts. The Company still passes the criteria of temporary exemption from financial reporting standards related to financial instruments. Insurance liabilities under TFRS 4 (revised 2018) Insurance Contracts as at 31 December 2019 were greater than 80% but not less than 90% of total liabilities and the Group does not have any other predominant non-insurance activities.

However, the Company does not pass criteria of temporary exemption from TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures, so the Company has adopted financial reporting standards relating to financial instruments (TFRS 7 and TFRS 9) in the separate financial information and has different reporting level from the Group's consolidated financial information.

The Group has adopted financial reporting standards relating to financial instruments (TAS 32) and leases standard (TFRS 16) in consolidated and separate financial information.

The Group has adopted new financial reporting standards 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 were therefore recognised in the opening statement of financial position on 1 January 2020.

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

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) in consolidated financial information are as follows.

	Consolidated financial information			
	As at The Accounting Guidance 31 December 2019 Previously reported Thousand Baht	TAS 32 and Adjustments and reclassifications Thousand Baht	IFRS 16 Adjustments and reclassifications Thousand Baht	As at 1 January 2020 Restated Thousand Baht
Assets				
Cash and cash equivalents	4,497,250	(932)	-	4,496,318
Available-for-sale investments	6,616,034	(6,616,034)	-	-
Held-to-maturity investments	716,362	(716,362)	-	-
General investments	20,066	(20,066)	-	-
Investments measured at fair value through other comprehensive income	-	6,700,209	-	6,700,209
Investments measured at amortised cost	-	716,324	-	716,324
Deferred income tax	328,450	(12,627)	-	315,823
Investment in an associate	10,715,018	347,216	-	11,062,234
Property, Plant and Equipment	49,292	-	(802)	48,490
Right-of-use assets	-	-	148,330	148,330
Other assets	186,673	-	(4,015)	182,658
Total assets	23,129,145	397,728	143,513	23,670,386
Liabilities and equity				
Liabilities				
Lease liabilities	-	-	143,513	143,513
Total liabilities	-	-	143,513	143,513
Equity				
Unrealised gain (loss) on changes in value of investments measured at fair value through other comprehensive income	(113,645)	51,601	-	(62,044)
Retained earnings	3,076,794	(1,089)	-	3,075,705
Share of other comprehensive income (loss) on investment in an associate	4,493,431	347,216	-	4,786,647
Total Equity	7,456,580	397,728	-	7,800,308
Total liabilities and equity	7,456,580	397,728	143,513	7,943,821

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

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 TFRS 9) and leases standard (TFRS 16) in separate financial information are as follows.

	Separate financial information			As at 1 January 2020 Restated Thousand Baht
	As at 31 December 2019 Previously reported Thousand Baht	TAS 32 and TFRS 9 Adjustments and reclassifications Thousand Baht	TFRS 16 Adjustments and reclassifications Thousand Baht	
Assets				
Cash and cash equivalents	179,669	(40)	-	179,629
Available-for-sale investments	4,073,550	(4,073,550)	-	-
Held-to-maturity investments	226,928	(226,928)	-	-
General investments	17,998	(17,998)	-	-
Investments measured at fair value through profit and loss	-	514,529	-	514,529
Investments measured at fair value through other comprehensive income	-	3,577,018	-	3,577,018
Investments measured at amortised cost	-	226,916	-	226,916
Deferred income tax	26,644	11	-	26,655
Right-of-use assets	-	-	17,508	17,508
Total assets	4,524,789	(42)	17,508	4,542,255
Liabilities and equity				
Liabilities				
Lease liabilities	-	-	17,508	17,508
Total liabilities	-	-	17,508	17,508
Equity				
Unrealised gain (loss) on changes in value of investments measured at fair value through other comprehensive income	(118,990)	123,699	-	4,709
Retained earnings - unappropriated	2,320,224	(123,741)	-	2,196,483
Total Equity	2,201,234	(42)	-	2,201,192
Total liabilities and equity	2,201,234	(42)	17,508	2,218,700

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

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

5.1.1 Accounting Guidance (Consolidated financial information)

Classification and measurement

Currently, the Group has equity instruments measured at cost of Baht 20.10 million. These instruments will be reclassified and remeasured to fair value through other comprehensive income with a corresponding adjustment to other components of equity of Baht 70.16 million as of 1 January 2020.

The Group 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. As a result, the equity investments measured at FVOCI as at 31 March 2020 of Baht 90.17 million was measured at their fair value as of 1 January 2020.

On the adoption of TAS 32 and the Accounting Guidance, there are certain investments in financial instruments with contingent settlement provision features and instruments that impose on the issuer an obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation reclassified from investment in equity securities to investment in debt securities. This reclassification excludes investment in Real Estate Investment Trust (REIT) and Infrastructure Trust, Property Funds and Infrastructure Funds registered in Thailand in accordance with the clarification from the Federation of Accounting Professions (TFAC): classification of investments in REIT and Infrastructure Trust, Property Funds and Infrastructure Funds announced on 14 May 2020.

Impairment

The new requirements on the impairment losses of debt instruments classified as available-for-sale investments will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. The Group 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 Group recognised impairment losses for deposits with bank and financial institution of Baht 932,307 and investment in securities of Baht 429,730. The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatment as follows: (Cont'd)

5.1.2 Financial reporting standards relate to financial instruments (Separate financial information)

Classification and measurement of equity instruments (previously classified as general investments)

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss.

Currently, the Company has equity instruments measured at cost of Baht 18 million. These instruments will be reclassified and remeasured to fair value through other comprehensive income with a corresponding adjustment to equity of Baht (13.36) million as of 1 January 2020 in other comprehensive income.

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. As a result, the equity investments measured at FVOCI as at 31 March 2020 of Baht 4.64 million was measured at their fair value as of 1 January 2020.

On the adoption of TAS 32 and TFRS 9, there are certain investments in financial instruments with contingent settlement provision features and instruments that impose on the issuer an obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation reclassified from investment in equity securities to investment in debt securities. This reclassification excludes investment in Real Estate Investment Trust (REIT) and Infrastructure Trust, Property Funds and Infrastructure Funds registered in Thailand in accordance with the clarification from the Federation of Accounting Professions (TFAC): classification of investments in REIT and Infrastructure Trust, Property Funds and Infrastructure Funds announced on 14 May 2020.

Impairment

The new requirements on the impairment losses of debt instruments classified as available-for-sale investments 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 deposits with bank and financial institution of Baht 40,430 and investment in securities of Baht 117,549. The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adoption of the new financial reporting standards on leases mainly affects the Group's accounting treatment as follows: (Cont'd)

5.1.3 Financial reporting standards relate to leases (TFRS 16)

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of TAS 17 Leases. These liabilities on the date of TFRS 16 adoption were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of 1 January 2020. The weighted average the Group's incremental borrowing rate applied to the lease liabilities was 2.93%.

	Consolidated financial information Thousand Baht	Separate financial information Thousand Baht
Operating lease commitments disclosed as at 31 December 2019	26,183	966
Less: discounted using the lessee's incremental borrowing rate of at the date of initial application	(9,052)	(846)
Less: short-term leases recognised on a straight-line basis as expense	(195)	-
Add: adjustments as a result of a different treatment of extension and termination options	126,577	17,388
Lease liability recognised as at 1 January 2020	143,513	17,508

The associated right-of-use assets for building and vehicle leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments 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:

	Consolidated financial information		Separate financial information	
	31 March 2020 Thousand Baht	1 January 2020 Thousand Baht	31 March 2020 Thousand Baht	1 January 2020 Thousand Baht
Buildings	134,322	144,997	16,126	17,508
Vehicles	2,878	3,333	-	-
Total right-of-use assets	137,200	148,330	16,126	17,508

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adoption of the new financial reporting standards on leases mainly affects the Group's accounting treatment as follows: (Cont'd)

5.1.3 Financial reporting standards relate to leases (TFRS 16) (Cont'd)

Practical expedients applied

In applying TFRS 16 for the first time with the existing leases the Group had before 1 January 2020, the group 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 before application of TFRS 16 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.

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

5.2.1 Changes in accounting policies from adoption of the accounting guidance in consolidated financial information

Investment in securities

Classification and measurements

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

- Investments measured at fair value through profit or loss
- Investments measured at fair value through other comprehensive income
- Investments measured at amortised cost

The Group 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.

On the adoption of the financial reporting standards related to financial instruments (TAS 32 and the Accounting Guidance), there are certain investments in financial instruments with puttable features having a contractual obligation for the issuer to repurchase or redeem those instruments for cash or another financial asset on exercise of a put or financial instruments that impose on the issuer an obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation. These instruments have been reclassified from investment in equity securities to investment in debt securities.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

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

5.2.1 Changes in accounting policies from adoption of the accounting guidance in consolidated financial information (Cont'd)

Investment in securities (Cont'd)

Classification and measurements (Cont'd)

However, for the classification of investment in Thailand's i) Real Estate Investment Trust (REIT) and Infrastructure Trust, ii) Infrastructure Fund, and iii) Property Fund, the Company applies the TFAC's clarification announced on 14 May 2020. The announcement requires the Group to classify the aforementioned investments as investments in equity instruments. Those investments are measured at fair value through other comprehensive income.

The Group 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.

Impairment

From 1 January 2020, the Group assesses expected credit loss on a forward looking basis for its debt securities carried at fair value through other comprehensive income and at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group 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.

For impairment of equity instruments which classified as investments measured at fair value through other comprehensive income will be recognised in profit and loss immediately when there is evidence supports the impairment of the instruments. The Group will recognise allowance of losses in other comprehensive income and the carrying amount of financial assets which classified as equity instruments in the statement of financial position will not be decreased.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

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

5.2.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments in separate financial information

Investment and other financial assets

Classification and measurements

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

- those to be measured subsequently at fair value either through profit or loss (FVPL) or through other comprehensive income (FVOCI)
- those to be 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, except financial assets that are measured at FVPL whose transaction costs are expensed in profit or loss.

On the adoption of the financial reporting standards related to financial instruments (TAS 32 and the Accounting Guidance), there are certain investments in financial instruments with puttable features having a contractual obligation for the issuer to repurchase or redeem those instruments for cash or another financial asset on exercise of a put or financial instruments that impose on the issuer an obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation. These instruments have been reclassified from investment in equity securities to investment in debt securities.

However, for the classification of investment in Thailand's i) Real Estate Investment Trust (REIT) and Infrastructure Trust, ii) Infrastructure Fund, and iii) Property Fund, the Company applies the TFAC's clarification announced on 14 May 2020. The announcement requires the Company to classify the aforementioned investments as investments in equity instruments. Those investments are measured at fair value through other comprehensive income.

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.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

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

5.2.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments in separate financial information (Cont'd)

Investment and other financial assets (Cont'd)

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item.
- FVOCI: Assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses. Impairment losses are presented as separate line item. Interest revenue is included in finance income. Foreign exchange gains and losses are presented in other gains/(losses). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss in other gains/(losses).
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in other gains/(losses).

The Company reclassifies debt instruments only when its business model for managing those assets changes.

Equity instruments

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss. The classification of equity instruments is considered on investment-by-investment basis. Dividends from such equity instruments continue to be recognised in profit or loss as other income.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

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

5.2.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments in separate financial information (Cont'd)

Investment and other financial assets (Cont'd)

Impairment

From 1 January 2020, the Company assesses expected credit loss on a forward looking basis for its debt instruments 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.

For impairment of equity instruments which classified as investments measured at fair value through other comprehensive income will be recognised in profit and loss immediately when there is evidence supports the impairment of the instruments. The Company will recognise allowance of losses in other comprehensive income and the carrying amount of financial assets which classified as equity instruments in the statement of financial position will not be decreased.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

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

5.2.3 Changes in accounting policies from adoption of the financial reporting standards related to leases (IFRS 16)

Right-of-use assets and lease liabilities

The Group leases building, equipment and vehicles. Rental contracts are typically made for fixed periods of 1 to 3 years but may have extension options. Before 2020 financial year, leases of building, equipment and vehicles 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 group. 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.

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 Group'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 amount of the initial measurement of lease liability, any lease payments 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.

6 Accounting 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, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing the interim financial information, the significant judgements made by management in applying the Group'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.

7 Fair value

7.1 Fair value estimation

The table below presents 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, and the Group is able to access that market on valuation date.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data.

The Group shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The following table presents the Group's financial assets and liabilities that are measured and recognised at fair value on the interim financial information as at 31 March 2020 and 31 December 2019.

	Consolidated financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 31 March 2020 (Unaudited)				
Financial assets				
Investments in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	5,428,748	-	5,428,748
Equity securities	75,696	423,756	85,300	584,752
Total financial assets	75,696	5,852,504	85,300	6,013,500

7 Fair value (Cont'd)

7.1 Fair value estimation (Cont'd)

The following table presents the Group's financial assets and liabilities that are measured and recognised at fair value on the interim financial information as at 31 March 2020 and 31 December 2019. (Cont'd)

	Consolidated financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 31 December 2019 (Audited)				
Financial assets				
Investment in securities				
Available-for-sale investments				
Debt securities	-	3,629,716	-	3,629,716
Equity securities	521,361	2,464,957	-	2,986,318
Total financial assets	521,361	6,094,673	-	6,616,034
	Separate financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 31 March 2020 (Unaudited)				
Financial assets				
Investments measured at fair value through profit and loss				
Investments measured at fair value through other comprehensive income	-	423,999	-	423,999
Investments measured at fair value through other comprehensive income	75,696	1,519,521	19,121	1,614,338
Total financial assets	75,696	1,943,520	19,121	2,038,337
As at 31 December 2019 (Audited)				
Financial assets				
Investment in securities				
Available-for-sale investments				
Debt securities	-	1,087,232	-	1,087,232
Equity securities	521,361	2,464,957	-	2,986,318
Total financial assets	521,361	3,552,189	-	4,073,550

7 Fair value (Cont'd)

7.1 Fair value estimation (Cont'd)

The following table presents the fair values of the Group's financial assets that are not measured at fair value on the financial statement as at 31 March 2020 and 31 December 2019.

	Consolidated financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 31 March 2020 (Unaudited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	2,220,498	-	2,220,498
Investments measured at amortised cost	-	388,273	-	388,273
Total	-	2,608,771	-	2,608,771
As at 31 December 2019 (Audited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	3,970,115	-	3,970,115
Investment in securities Held-to-maturity investments	-	716,875	-	716,875
Total	-	4,686,990	-	4,686,990
	Separate financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 31 March 2020 (Unaudited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	54,502	-	54,502
Financial asset measured at amortised cost	-	112,928	-	112,928
Total	-	167,430	-	167,430
As at 31 December 2019 (Audited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	162,937	-	162,937
Investment in securities Held-to-maturity investments	-	226,928	-	226,928
Total	-	389,865	-	389,865

7 Fair value (Cont'd)

7.2 Valuation techniques used to measure fair value level 1

The fair value of financial instruments in level one is based on the latest bid price of common stock on the last working day of the reporting period as quoted on the Stock Exchange of Thailand.

7.3 Valuation techniques used to measure fair value level 2

Fair value of debt securities in level two are determined using the latest bid prices of the last working day of the reporting period as quoted by the Thai Bond Market Associate.

Fair value of debt securities in level two are determined using the unit trust's net asset value of the last working day of the reporting period.

7.4 Valuation techniques used to measure fair value level 3

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. In Level 3 fair values, discounted cash flows were used as the valuation techniques. The valuation model considers the present value of the expected future cash flow without risk-adjusted which the discount rate has been adjusted to include total return to compensate the risk that market needs.

There was no transfer between levels during the period.

There was no change in valuation techniques during the period.

8 Cash and cash equivalents, net

Cash and cash equivalents as at 31 March 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Cash on hand	64	316	10	10
Cheque on hand	24,550	24,412	-	-
Deposits at bank - at call	1,855,853	502,407	1,223,172	16,722
Short-term investments	2,220,498	3,970,115	54,502	162,937
Total	4,100,965	4,497,250	1,277,684	179,669
Less: Allowance for expected credit loss	(865)	-	(29)	-
Total	4,100,100	4,497,250	1,277,655	179,669

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

9 Premiums due and uncollected, net

As at 31 March 2020 and 31 December 2019, the balances of premiums due and uncollected were aged as follows:

	Consolidated financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Within credit terms	534,379	614,032
Overdue:		
Less than 30 days	37,957	20,480
31 - 60 days	43,699	43,305
61 - 90 days	8,336	31,132
Over 90 days	71,643	95,153
Total	696,014	804,102
Less Allowance for doubtful accounts	(26,020)	(33,102)
Premiums due and uncollected, net	669,994	771,000

For premium receivables due from agents and brokers, the Group has stipulated the collection guideline in accordance with the law of the premium collection. For overdue premium receivables, the Group has the process with such agents and brokers in accordance with the Group's policy and procedure.

10 Reinsurance assets

Reinsurance assets as at 31 March 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Insurance reserve refundable from reinsurers		
Loss reserves	1,399,080	1,535,684
Unearned premium reserve		
- Unearned reinsurance premium reserve	1,013,313	1,205,520
Total reinsurance assets	2,412,393	2,741,204

11 Amount due from reinsurers

Amount due from reinsurers as at 31 March 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Amount deposit on reinsurance	754	841
Due from reinsurers	428,800	495,398
Total reinsurance assets	429,554	496,239

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

12 Financial assets

Financial asset - Debt and equity securities as at 31 March 2020 and 31 December 2019 were as follows;

	<u>Separate financial information</u> (Unaudited) 31 March 2020 Fair value Thousand Baht
Financial asset measured at fair value through profit and loss	
Private debt securities	242
Local equity securities	423,757
Total Financial asset measured at fair value through profit and loss	<u>423,999</u>
Financial asset measured at fair value through other comprehensive income	
Government and state enterprise debt securities	788,772
Private debt securities	730,749
Local equity securities	94,817
Total Financial asset measured at fair value through other comprehensive income	<u>1,614,338</u>
Financial asset measured at amortised cost	
Deposits at financial institutions with original maturities more than 3 months	112,928
Deposits at banks used as collateral	-
Total	112,928
<u>Less</u> Expected credit loss	(4)
Total Financial asset measured at amortised cost	<u>112,924</u>
	<u>Separate financial information</u> (Audited) 31 December 2019 Fair value Thousand Baht
Available-for-sale investment	
Government and state enterprise debt securities	488,169
Private debt securities	599,063
Local equity securities	2,986,318
Total Available-for-sales investment	<u>4,073,550</u>
Held-to-maturity investment	
Deposits at financial institutions with original maturities more than 3 months	184,000
Deposits at banks used as collateral	42,928
Total Held-to-maturity investment	<u>226,928</u>
General investment	
Equity securities	19,505
<u>Less</u> Allowance for impairment	(1,507)
Total General investment	<u>17,998</u>

12 Financial assets (Cont'd)

12.1 Debt securities measured at fair value through other comprehensive income

	Separate financial information (Unaudited) 31 March 2020	
	Fair value Thousand Baht	Expected credit loss recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	1,519,521	(209)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	1,519,521	(209)

12.2 Debt securities measured at amortised cost

	Separate financial information (Unaudited) 31 March 2020		
	Gross carrying value Thousand Baht	Expected credit loss Thousand Baht	Carrying value Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	112,928	(4)	112,924
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	112,928	(4)	112,924

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

13 Investments in securities, net

The details of investments in securities as at 31 March 2020 and 31 December 2019 are as follows:

	<u>Consolidated financial information</u>	
	(Unaudited)	
	31 March 2020	
	Cost/ Amortised cost	Fair value
	Thousand Baht	Thousand Baht
Investments measured at fair value through other comprehensive income		
Government and state enterprise debt securities	3,611,932	3,623,811
Private debt securities	1,624,021	1,743,992
Foreign debt securities	59,942	60,945
Equity securities	787,759	584,752
Total	6,083,654	6,013,500
Less Unrealised loss	(70,154)	-
Total Investments measured at fair value through other comprehensive income	6,013,500	6,013,500
Investments measured at amortised cost		
Deposits at financial institutions with original maturities more than 3 months	156,700	
Deposits at banks used as collateral	217,623	
Premium saving certificates used as collateral	13,950	
Total	388,273	
Less Allowance for expected credit loss	(29)	
Total Investments measured at amortised cost	388,244	
Total investments in securities	6,401,744	

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

13 Investments in securities, net (Cont'd)

The details of investments in securities as at 31 March 2020 and 31 December 2019 are as follows:
(Cont'd)

	<u>Consolidated financial information</u>	
	(Audited)	
	31 December 2019	
	Cost/ Amortised cost	Fair value
	Thousand Baht	Thousand Baht
Available-for-sale investment		
Government and state enterprise debt securities	2,181,429	2,186,309
Private debt securities	1,377,598	1,382,736
Foreign debt securities	59,934	60,671
Equity securities	3,139,196	2,986,318
Total	6,758,157	6,616,034
<u>Less</u> Unrealised loss	(142,123)	-
Total Available-for-sale investment	6,616,034	6,616,034
Held-to-maturity investment		
Government and state enterprise debt securities	249,149	
Deposits at financial institutions with original maturities more than 3 months	192,712	
Deposits at banks used as collateral	260,551	
Premium saving certificates used as collateral	13,950	
Total Held-to-maturity investment	716,362	
General investments		
Equity securities	21,573	
<u>Less</u> Allowance for impairment	(1,507)	
Total General investments	20,066	
Total investments in securities	7,352,462	

13 Investments in securities, net (Cont'd)

13.1 Debt securities measured at fair value through other comprehensive income

	Consolidated financial information	
	(Unaudited)	
	31 March 2020	
	Fair value	Expected credit loss
	Thousand Baht	recognised in other
		comprehensive
		income
		Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	5,428,748	(445)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	5,428,748	(445)

13.2 Debt securities measured at amortised cost

	Consolidated financial information		
	(Unaudited)		
	31 March 2020		
	Gross carrying value	Expected credit loss	Carrying value
	Thousand Baht	Thousand Baht	Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	388,273	(29)	388,244
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	388,273	(29)	388,244

13 Investments in securities, net (Cont'd)

For the three-month period ended 31 March 2020 and 2019, the Group has investment income as below

- Interest income amounting to Baht 25.17 million and Baht 13.85 million, respectively (the Company: Baht 5.53 million and Baht 0.70 million, respectively)
- Dividend income amounting to Baht 2.28 million and Baht 7.04 million, respectively (the Company: Baht 2.28 million and Baht 5.07 million, respectively)
- Consideration from selling investments amounting to Baht 2,592.44 million (the Company: Baht 2,592.44 million) and loss from selling investments amounting to Baht 125.30 million (the Company: loss Baht 125.30 million).

As at 31 March 2020 and 31 December 2019, certain investments in securities (certain government and state enterprise securities and certain deposits at bank) of the Group are pledged and used for assets reserved with the Registrar (Note 33).

As at 31 March 2020 and 31 December 2019, premium saving certificates of the Group were used as collateral for insured drivers are the alleged offenders amounting to Baht 2.55 million and Baht 3.15 million, respectively (Note 34)

As at 31 March 2020 and 31 December 2019, certain bank deposits were pledged as collateral for bank overdrafts and borrowing facilities (Domestic Bill) amounting to Baht 40 million and Baht 40 million, respectively (the Company: Baht 20 million and Baht 20 million, respectively) (Note 34).

As at 31 March 2020 and 31 December 2019, certain bank deposits were pledged as collateral for loans to employees amounting to Baht 196.55 million and Baht 196.55 million, respectively (the Company: Baht 12.93 million and Baht 12.93 million, respectively) (Note 34).

14 Loans and interest receivable

<u>Types of loans</u>	<u>Credit line of loans</u>	<u>Interest rate per year</u>
Loans to employees	Not exceeding Baht 100,000 per person	3.85

Loans of the Group were loans to employees with personal collateral in accordance with the welfare policy of the Group consisted of the following:

The Group had no allowance for expected credit loss for loans and interest receivables as at 1 January 2020.

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

15 Investments in a subsidiary and an associate

15.1 Investments in an associate

As at 31 March 2020 and 31 December 2019, the Company has investment in an associated company as follows:

Consolidated financial information and separate financial information									
Company name	Nature of business	Place of incorporation and operation	Percentage of shareholding		Cost		Carrying value under Equity method		
			As at 31 March 2020	As at 31 December 2019	As at 31 March 2020	As at 31 December 2019	As at 31 March 2020	As at 31 December 2019	
			Percentage	Percentage	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Associated company Allianz Ayudhya Assurance Plc.	Life Insurance	Thailand	31.97	31.97	5,455,863	5,455,863	9,581,461	10,715,018	

The movement in investments in an associate for the three-month period ended 31 March 2020 and 31 December 2019 were as follow;

	Consolidated financial information		Separate financial information	
	Equity method		Cost method	
	(Unaudited) 31 March 2020	(Audited) 31 December 2019	(Unaudited) 31 March 2020	(Audited) 31 December 2019
Book value at the beginning period/ year	11,062	2,977	5,456	1,487
Increase in investment	-	3,969	-	3,969
Share of profit	221	553	-	-
Share of other comprehensive income (loss)	(1,702)	3,757	-	-
Dividend income	-	(541)	-	-
Decrease in investment	-	-	-	-
Book value at the ending period/ year	9,581	10,715	5,456	5,456

15 Investments in a subsidiary and an associate (Cont'd)

15.2 Investments in a subsidiary

As at 31 March 2020 and 31 December 2019, investments in a subsidiary were as follows:

	Paid-up capital		Separate financial information			
			Shareholding percentage		Cost	
	31 March 2020 Thousand Baht	31 December 2019 Thousand Baht	31 March 2020 Percentage	31 December 2019 Percentage	31 March 2020 Thousand Baht	31 December 2019 Thousand Baht
Subsidiary company Allianz Ayudhya General Insurance Plc.	2,548,800	2,548,800	99.99	99.99	2,572,379	2,572,379

**Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020**

16 Property, Plant and Equipment, net

Property, plant and equipment, net as at 31 March 2020 and 31 December 2019 consisted of the following.

	Consolidated financial information									
	Cost					Accumulated depreciation				
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Disposal/ Write off Thousand Baht	As at 31 March 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Depreciation Thousand Baht	Disposal/ Write off Thousand Baht	As at 31 March 2020 Thousand Baht	Property, plant and equipment, net as at 1 January 2020 Thousand Baht	Property, plant and equipment, net as at 31 March 2020 Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	1,610	1,610
Building	773	-	-	773	(773)	-	-	(773)	-	-
Leasehold improvement	63,785	-	(3,221)	60,564	(47,490)	(2,233)	2,880	(46,843)	16,295	13,721
Furniture, fixtures and office equipment	111,514	1,331	(3,514)	109,331	(88,173)	(2,315)	3,337	(87,151)	23,341	22,180
Vehicles	26,488	-	-	26,488	(19,782)	(1,246)	-	(21,028)	6,706	5,460
Leasehold improvement under installation	538	389	-	927	-	-	-	-	538	927
Total	204,708	1,720	(6,735)	199,693	(156,218)	(5,794)	6,217	(155,795)	48,490	43,898

	Consolidated financial information										
	Cost					Accumulated depreciation					
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Disposal/ Write off Thousand Baht	As at 31 December 2019 Thousand Baht	As at 1 January 2019 Thousand Baht	Depreciation Thousand Baht	Disposal/ Write off Thousand Baht	Transfer from AZTH Thousand Baht	As at 31 December 2019 Thousand Baht	Property, plant and equipment, net as at 1 January 2019 Thousand Baht	Property, plant and equipment, net as at 31 December 2019 Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	-	1,610	1,610
Building	773	-	-	773	(773)	-	-	-	(773)	-	-
Leasehold improvement	56,013	3,079	(7,119)	67,396	(41,672)	(9,501)	6,500	15,423	(50,299)	14,341	17,097
Furniture, fixtures and office equipment	66,114	4,207	(16,165)	111,514	(58,365)	(8,022)	15,898	57,358	(88,173)	7,749	23,341
Vehicles	37,038	-	(10,550)	26,488	(20,986)	(6,185)	7,389	-	(19,782)	16,052	6,706
Leasehold improvement under installation	-	538	-	538	-	-	-	-	-	-	538
Total	161,548	7,824	(33,834)	208,319	(121,796)	(23,708)	29,787	72,781	(159,027)	89,752	49,292

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

16 Property, Plant and Equipment, net (Cont'd)

Property, plant and equipment, net as at 31 March 2020 and 31 December 2019 consisted of the following (Cont'd)

	Separate financial information					Accumulated depreciation					Property, plant and equipment, net as at 31 March 2020	Property, plant and equipment, net as at 1 January 2020	Property, plant and equipment, net as at 31 December 2019	
	As at 1 January 2020	Increase	Disposal / Write off	As at 31 March 2020	As at 1 January 2020	Depreciation	Disposal / Write off	As at 31 March 2020	As at 1 January 2020					
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	-	-	-	-	1,610	-
Building	773	-	-	773	(773)	-	(773)	-	-	-	-	-	-	-
Leasehold improvement	344	-	-	344	(344)	-	(344)	-	-	-	-	-	-	-
Furniture, fixtures and office equipment	1,058	-	(54)	1,004	(970)	(6)	(922)	54	-	88	-	-	88	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	3,785	-	(54)	3,731	(2,087)	(6)	(2,039)	54	-	1,698	-	-	1,698	-

	Separate financial information					Accumulated depreciation					Property, plant and equipment, net as at 31 December 2019	Property, plant and equipment, net as at 1 January 2019	Property, plant and equipment, net as at 31 December 2019	
	As at 1 January 2019	Increase	Disposal / Write off	As at 31 December 2019	As at 1 January 2019	Depreciation	Disposal / Write off	As at 31 December 2019	As at 1 January 2019					
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	-	-	-	-	1,610	-
Building	773	-	-	773	(773)	-	(773)	-	-	-	-	-	-	-
Leasehold improvement	4,456	-	(4,112)	344	(4,454)	(1)	(344)	4,111	2	2	-	-	-	-
Furniture, fixtures and office equipment	2,980	32	(1,964)	1,058	(2,876)	(34)	(970)	1,940	114	114	-	-	88	-
Vehicles	8,168	-	(8,168)	-	(3,943)	(1,064)	-	5,007	4,225	4,225	-	-	-	-
Total	17,997	32	(14,244)	3,785	(12,046)	(1,099)	(2,087)	11,058	5,951	5,951	-	-	1,698	-

As at 31 March 2020 and 31 December 2019, certain property, plant and equipment of the Group at cost of Baht 82.22 million and Baht 84.07 million, respectively, were fully depreciated but still in use. (the Company: Baht 2.00 million and Baht 2.05 million, respectively)

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

17 Right-of-use asset, net

Consolidated financial information									
31 March 2020 (Unaudited)									
Cost					Accumulated amortisation				
As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Change in contract Thousand Baht	As at 31 March 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	As at 31 March 2020 Thousand Baht	Right-of-use asset, net as at 1 January 2020 Thousand Baht	Right-of-use asset, net as at 31 March 2020 Thousand Baht	
Leasehold improvement Vehicles	147,806 3,333	- -	147,806 3,333	2,809 -	10,675 455	13,484 455	144,997 3,333	134,322 2,878	
Total	151,139	-	151,139	2,809	11,130	13,939	148,330	137,200	

Separate financial information									
31 March 2020 (Unaudited)									
Cost					Accumulated amortisation				
As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Change in contract Thousand Baht	As at 31 March 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	As at 31 March 2020 Thousand Baht	Right-of-use asset, net as at 1 January 2020 Thousand Baht	Right-of-use asset, net as at 31 March 2020 Thousand Baht	
Leasehold improvement Vehicles	17,508 -	- -	17,508 -	- -	1,382 -	1,382 -	17,508 -	16,126 -	
Total	17,508	-	17,508	-	1,382	1,382	17,508	16,126	

For the three-month period ended 31 March 2020, the lease payments of the Group resulting from lease and service contracts which are not capitalised comprised of short-term contracts amounting to Baht 0.12 million (the Company: none).

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

18 Intangible assts, net

Intangible assets, net as at 31 March 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information										
	Cost					Accumulated amortisation					
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Write off Thousand Baht	Transfer in / (transfer out) Thousand Baht	As at 31 March 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	Write off Thousand Baht	As at 31 March 2020 Thousand Baht	Intangible assets, net as at 1 January 2020 Thousand Baht	Intangible assets, net as at 31 March 2020 Thousand Baht
Purchase/subsequently acquire											
Computer software	233,110	1,317	-	-	234,427	(189,023)	(3,922)	-	(192,945)	44,087	41,482
Computer software in progress	32,557	-	(886)	-	31,671	-	-	-	-	32,557	31,671
Bancassurance agreement	100,000	-	-	-	100,000	(91,569)	(2,544)	-	(94,113)	8,431	5,887
Total	365,667	1,317	(886)	-	366,098	(280,592)	(6,466)	-	(287,058)	85,075	79,040

	Consolidated financial information											
	Cost					Accumulated amortisation						
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Disposal / Write off Thousand Baht	Transfer from AZTH Thousand Baht	As at 31 December 2019 Thousand Baht	As at 1 January 2019 Thousand Baht	Amortisation Thousand Baht	Disposal / Write off Thousand Baht	Transfer from AZTH Thousand Baht	As at 31 December 2019 Thousand Baht	Intangible assets, net as at 1 January 2019 Thousand Baht	Intangible assets, net as at 31 December 2019 Thousand Baht
Purchase/subsequently acquire												
Computer software	90,096	2,671	-	140,343	233,110	(12,919)	-	(111,233)	(189,023)	25,225	44,087	
Computer software in progress	7,381	1,968	(53,840)	77,048	32,557	-	-	-	-	7,381	32,557	
Bancassurance agreement	100,000	-	-	-	100,000	(9,992)	-	-	(91,569)	18,423	8,431	
Total	197,477	4,639	(53,840)	217,391	365,667	(22,911)	-	(111,233)	(280,592)	51,029	85,075	

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

18 Intangible assts, net (Cont'd)

Intangible assets, net as at 31 March 2020 and 31 December 2019 consisted of the following: (Cont'd)

	Separate financial information									
	Cost					Accumulated amortisation				
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Transfer in / (transfer out) Thousand Baht	As at 31 March 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	As at 31 March 2020 Thousand Baht	As at 31 March 2020 Thousand Baht	Intangible assets, net as at 1 January 2020 Thousand Baht	Intangible assets, net as at 31 March 2020 Thousand Baht
Purchase/subsequently acquire	41	-	-	41	(41)	-	(41)	-	-	-
Computer software	1,968	-	-	1,968	-	-	-	1,968	1,968	1,968
Computer software in progress	2,009	-	-	2,009	(41)	-	(41)	1,968	1,968	1,968
Total										

	Separate financial information									
	Cost					Accumulated amortisation				
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Transfer in / (transfer out) Thousand Baht	As at 31 December 2019 Thousand Baht	As at 1 January 2019 Thousand Baht	Amortisation Thousand Baht	As at 31 December 2019 Thousand Baht	As at 31 December 2019 Thousand Baht	Intangible assets, net as at 1 January 2019 Thousand Baht	Intangible assets, net as at 31 December 2019 Thousand Baht
Purchase/subsequently acquire	41	-	-	41	(41)	-	(41)	-	-	-
Computer software	1,968	-	-	1,968	-	-	-	1,968	1,968	1,968
Computer software in progress	2,009	-	-	2,009	(41)	-	(41)	1,968	1,968	1,968
Total										

As at 31 March 2020 and 31 December 2019, certain intangible assets of the Group at cost of Baht 66.70 million and Baht 54.18 million, respectively, were fully amortised but still in use. (the Company: Baht 0.04 million and Baht 0.04 million, respectively)

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

19 Deferred tax assets, net

Deferred tax assets, net as at 31 March 2020 and 31 December 2019 were as follows:

	Consolidated financial information		Separate Financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Deferred tax assets, net	288,143	328,450	25,995	26,644

Movements of deferred tax assets for the three-month period ended 31 March 2020 and for the year ended 31 December 2019 consisted of tax effects from the following items:

	Consolidated financial information			
	As at 1 January 2020 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognised in other comprehensive income or loss Thousand Baht	As at 31 March 2020 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts				
- Premium due and uncollected	6,620	(1,416)	-	5,204
Allowance for doubtful accounts				
- Other receivable	567	-	-	567
Unearned premium reserve	100,061	(27,701)	-	72,360
Unrealized loss on the change in fair value of available-for-sale investments	16,743	409	(3,025)	13,718
Expected credit loss	499	2	(21)	480
Claim reserve, net	137,009	6,143	-	143,152
Claim incurred but not reported	25,905	(1,524)	-	24,381
Employee benefit obligations	19,761	(810)	-	18,951
Accrued expense	11,840	(617)	-	11,223
Others	2,913	133	-	3,046
	<u>321,918</u>	<u>(25,790)</u>	<u>(3,046)</u>	<u>293,082</u>
Deferred tax liabilities				
Unrealized gain on transfer investment	(4,939)	-	-	(4,939)
Unrealized loss on the change in fair value of available-for-sale investments	(1,156)	-	1,156	-
	<u>(6,095)</u>	<u>-</u>	<u>1,156</u>	<u>(4,939)</u>
Deferred tax assets, net	<u>315,823</u>	<u>(25,790)</u>	<u>(1,890)</u>	<u>288,143</u>

	Consolidated financial information				
	As at 1 January 2019 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognized in other comprehensive income or loss Thousand Baht	Transfer from Allianz Insurance PCL Thousand Baht	As at 31 December 2019 Thousand Baht
Deferred tax assets					
Allowance for doubtful accounts					
- Premium due and uncollected	1,130	3,265	-	2,225	6,620
Allowance for doubtful accounts					
- Other receivable	567	-	-	-	567
Unearned premium reserve	102,450	(58,436)	-	56,047	100,061
Claim reserve, net	47,163	35,921	-	53,925	137,009
Claim incurred but not reported	15,737	4,048	-	6,120	25,905
Employee benefit obligations	13,730	7,244	(1,214)	-	19,760
Reinsurance payable	880	(880)	-	-	-
Accrued expense	-	(6,788)	-	18,629	11,841
Unrealized loss on the change in fair value of available-for-sale investments	51,943	-	(23,532)	-	28,411
Allowance for impairment of general investment	302	-	-	-	302
Others	-	(69)	-	2,982	2,913
	<u>233,902</u>	<u>(15,695)</u>	<u>(24,746)</u>	<u>139,928</u>	<u>333,389</u>
Deferred tax liabilities					
Unrealized gain on transfer of investments	(4,939)	-	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
Deferred tax assets, net	<u>228,963</u>	<u>(15,695)</u>	<u>(24,746)</u>	<u>139,928</u>	<u>328,450</u>

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

19 Deferred tax assets, net (Cont'd)

Movements of deferred tax assets for the three-month period ended 31 March 2020 and for the year ended 31 December 2019 consisted of tax effects from the following items: (Cont'd)

	Separate financial information			As at 31 March 2020 Thousand Baht
	As at 1 January 2020 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognised in other comprehensive income or loss Thousand Baht	
Deferred tax assets				
Unrealized loss on the change in fair value of investments measured at fair value through profit and loss	30,904	(4,224)	-	26,680
Unrealized loss on the change in fair value of investments measured at fair value through other comprehensive income	-	-	2,758	2,758
Employee benefit obligations	1,534	(346)	-	1,188
Expected credit loss	312	17	(21)	308
	<u>32,750</u>	<u>(4,553)</u>	<u>2,737</u>	<u>30,934</u>
Deferred tax liabilities				
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
Unrealized gain on the change in fair value of investments measured at fair value through other comprehensive income	(1,156)	-	1,156	-
	<u>(6,095)</u>	<u>-</u>	<u>1,156</u>	<u>(4,939)</u>
Deferred tax assets, net	<u>26,655</u>	<u>(4,553)</u>	<u>3,893</u>	<u>25,995</u>

	Separate financial information			As at 31 December 2019 Thousand Baht
	As at 1 January 2019 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognised in other comprehensive income or loss Thousand Baht	
Deferred tax assets				
Unrealized loss on the change in fair value of available-for-sale investments	47,854	-	(18,107)	29,747
Employee benefit obligations	931	409	194	1,534
Allowance for impairment of general investment	302	-	-	302
	<u>49,087</u>	<u>409</u>	<u>(17,913)</u>	<u>31,583</u>
Deferred tax liabilities				
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
Deferred tax assets, net	<u>44,148</u>	<u>409</u>	<u>(17,913)</u>	<u>26,644</u>

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

20 Other assets

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Other receivables	31,648	29,590	-	-
<u>Less</u> Allowance for doubtful accounts	(2,834)	(2,834)	-	-
	<u>28,814</u>	<u>26,756</u>	<u>-</u>	<u>-</u>
Revenue Department receivable	6,144	4,654	3,696	3,155
Suspense withholding tax	26,121	15,629	-	-
Refundable corporate income tax	15,349	15,349	1,522	1,522
Prepaid expenses	3,706	9,607	463	541
Due from rice field insurance scheme	20,049	47,483	-	-
Accrued loss recovery	49,065	48,801	-	-
Deposits	9,902	10,021	1,432	1,432
Undue input value added tax	16,044	7,246	-	-
Others	4,025	1,127	1,001	1,001
Total	<u>179,219</u>	<u>186,673</u>	<u>8,114</u>	<u>7,651</u>

21 Insurance contract liabilities

Insurance contract liabilities as at 31 March 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information		
	As at 31 March 2020 (Unaudited)		
	Insurance contract liabilities Thousand Baht	Insurance liabilities recovered from reinsurers Thousand Baht	Net Thousand Baht
Loss reserves			
Loss incurred and reported	2,168,077	(1,327,091)	840,986
Loss incurred but not reported	193,895	(71,989)	121,906
	<u>2,361,972</u>	<u>(1,399,080)</u>	<u>962,892</u>
Premium reserve			
Unearned premium reserve	3,356,868	(1,013,313)	2,343,555
Total	<u>5,718,840</u>	<u>(2,412,393)</u>	<u>3,306,447</u>

21 Insurance contract liabilities (Cont'd)

Insurance contract liabilities as at 31 March 2020 and 31 December 2019 consisted of the following:
(Cont'd)

	Consolidated financial information		
	As at 31 December 2019 (Audited)		
	Insurance contract liabilities	Insurance liabilities recovered from reinsurers	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Loss reserves			
Loss incurred and reported	2,273,231	(1,477,736)	795,495
Loss incurred but not reported	187,472	(57,948)	129,524
	<u>2,460,703</u>	<u>(1,535,684)</u>	<u>925,019</u>
Premium reserve			
Unearned premium reserve	3,337,238	(1,205,520)	2,131,718
Total	<u>5,797,941</u>	<u>(2,741,204)</u>	<u>3,056,737</u>

21.1 Insurance reserve for short-term insurance contract

21.1.1 Claim reserves

	Consolidated financial information		
	31 March 2020 (Unaudited)		
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning period	2,460,703	(1,535,684)	925,019
Claim and loss adjustment expenses incurred during the period	562,764	(382,393)	180,371
Change in claim reserves and assumptions used in loss reserve calculation	328,463	(63,259)	265,204
Loss paid during the period	(989,958)	582,256	(407,702)
Balance as at ending period	<u>2,361,972</u>	<u>(1,399,080)</u>	<u>962,892</u>
	Consolidated financial information		
	31 December 2019 (Audited)		
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning year	765,387	(449,047)	316,340
Claim and loss adjustment expenses incurred during the year	3,141,503	(1,153,340)	1,988,163
Change in claim reserves and assumptions used in loss reserve calculation	(621,816)	550,123	(71,693)
Loss paid during the year	(2,909,908)	1,141,002	(1,768,906)
Loss reserves and outstanding claim transferred from Allianz General Insurance Public Company Limited	2,085,537	(1,624,422)	461,115
Balance as at ending year	<u>2,460,703</u>	<u>(1,535,684)</u>	<u>925,019</u>

21 Insurance contract liabilities (Cont'd)

21.1 Insurance reserve for short-term insurance contract (Cont'd)

21.1.2 Unearned premium reserve

Consolidated financial information			
31 March 2020 (Unaudited)			
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning period	3,337,238	(1,205,520)	2,131,718
Premium written for the period	1,674,856	(422,193)	1,252,663
Earned premium for the period	(1,655,226)	614,400	(1,040,826)
Balance as at ending period	3,356,868	(1,013,313)	2,343,555

Consolidated financial information			
31 December 2019 (Audited)			
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning year	1,679,389	(621,263)	1,058,126
Premium written for the year	5,757,300	(2,290,390)	3,466,910
Earned premium for the year	(5,683,693)	2,276,037	(3,407,656)
Premium reserves transferred from Allianz General Insurance Public Company Limited	1,584,242	(569,904)	1,014,338
Balance as at ending year	3,337,238	(1,205,520)	2,131,718

21.1.3 Unexpired risk reserve

As at 31 March 2020 and 31 December 2019, no additional reserve for unexpired risk reserve has been established as the gross unexpired risk reserve estimated by the Group amounting to Baht 2,050.78 million and Baht 1,868.91 million, respectively and net unexpired risk reserve estimated by the Group amounting to Baht 1,659.79 million and Baht 1,387.45 million is lower than the unearned premium reserve.

22 Amount due to reinsurers

	Consolidated financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Amounts withheld on reinsurance	1,116,235	1,152,998
Reinsurance payables	559,920	791,674
Total amount due to reinsurers	1,676,155	1,944,672

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

23 Lease liabilities

The maturity analysis of lease liabilities is aged as follows;

Maturity	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht
Within 1 year	42,127		5,394	
Between 1 - 2 years	42,608		5,554	
Between 2 - 3 years	38,801		5,236	
Between 3 - 4 years	7,662		-	
Between 4 - 5 years	1,896		-	
Over 5 years	77		-	
Total	133,171		16,184	
Including - Principal	126,689		15,463	
- Interest	6,482		721	

For the three-month period ended 31 March 2020, the Group and the Company have Interest expenses on lease liabilities amounted to Baht 1.03 million and Baht 0.13 million, respectively is recorded as "finance cost" in the statement of comprehensive income.

24 Other liabilities

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Other payables - promotion expense	61,118	69,343	-	-
Premium received in advance	100,897	95,127	-	-
Revenue Department payable	369	11,103	369	259
Undue output VAT	17,928	23,791	-	-
Contribution to non-life guarantee fund	6,552	15,810	-	-
Others	53,578	66,302	-	1,968
Total	240,442	281,476	369	2,227

25 Expected credit loss

	Consolidated Financial information		Separate Financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht
Cash and cash equivalent	(55)		(11)	
Investments in debt securities measured at fair value to other comprehensive income	-		104	
Investments in debt securities measured at amortised cost	-		(8)	
Investment in securities	55		-	
Total expected credit loss	-		85	

26 Share Capital

On 30 April 2019, the Company received capital increase from Allianz SE and CPRN (Thailand) Co., Ltd. of Baht 4,717.40 million (88.47 million shares at Baht 53.32 per share, at a par value of Baht 1). The fully paid share capital has been increased from Baht 296.42 million (296.42 million ordinary shares with a par value of Baht 1 each) to Baht 384.89 million (384.89 million ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 4,628.93 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 30 April 2019.

On 17 June 2019, the Company's issued and fully paid share capital has been increased from Baht 384.89 million (384.89 million ordinary shares with a par value of Baht 1 each) to Baht 384.91 million (384.91 million ordinary shares with a par value of Baht 1 each) as a result of the exercises of the warrants (AYUD-W1) to ordinary shares amounting to Baht 19,775 (19,775 ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 0.75 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 24 June 2019.

On 16 December 2019, the Company's issued and fully paid share capital has been increased from Baht 384.91 million (384.91 million ordinary shares with a par value of Baht 1 each) to Baht 384.96 million (384.96 million ordinary shares with a par value of Baht 1 each) as a result of the exercises of the warrants (AYUD-W1) to ordinary shares amounting to Baht 54,900 (54,900 ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 2.09 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 18 December 2019.

27 Warrants

The Company allocated and issued warrants to purchase ordinary shares, which is specified warrant's holder and transferable type. Terms of warrants are 2 years from initial issuance date. Exercise ratio is 1 warrant entitled to purchase 1 newly issued ordinary share at the determined exercise price (subject to change in case of the adjustment to the terms and conditions) and shall be able to exercise the warrants as identified period. The details of warrants are described as follows:

Warrant series	Term	Exercise date	Exercise period	Number of allocated and issued warrants (Unit)	Exercise ratio per 1 warrant	Exercise price (Baht per share)
"AYUD-W1"	2 Years	27 April 2018	On June 15 and December 15 every year throughout the term of warrants. The first exercise date is 15 June 2018 and the last exercise date is 8 May 2020.	124,999,807	1:1.03 (2019: 1:1)	37.85 (2019: 39.00)

Movements in warrants for the three-month periods ended 31 March 2020 and 2019 are as follows:

	(Unaudited) 31 March 2020		(Unaudited) 31 March 2019	
	Number of warrants (Unit)	Weighted average exercise price (Baht per share)	Number of warrants (Unit)	Weighted average exercise price (Baht per share)
Balance as at 1 January	78,508,207	39.00	78,582,882	39.00
Issued warrants	-	-	-	-
Forfeited warrants	-	-	-	-
Exercised warrants	-	-	-	-
Balance as at 31 March	78,508,207	37.85	78,582,882	39.00

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

27 Warrants (Cont'd)

On 6 March 2020, the Company adjusted the exercise price and exercise ratio of the warrants to purchase ordinary shares of the Company "AYUD-W1" under the condition as set forth in Clause 4.1 (5), the Company will adjust the exercise price and exercise ratio when makes a cash dividend payment at a rate higher than 80 percent of the net profit after income tax under the consolidated financial statement. The Company paid 2019 interim dividend at the rate of Baht 0.75 per share, equivalent to 152.23% of the consolidated profit. Exercise price was adjusted from Baht 39.00 per share to Baht 37.85 per share and exercise ratio was adjusted from 1 unit of warrant to 1 ordinary shares to 1 unit of warrant to purchase 1.03 ordinary shares which are effective on 9 March 2020.

As at March 31, 2020 and 2019, the outstanding warrants of AYUD-W1 to purchase ordinary shares of the Company are 78,508,207 units and 78,582,882 units, respectively. A weighted average exercise price is Baht 37.85 per share and Baht 39.00 per share, respectively. A weighted average remaining warrants life is at 0.11 years and 1.11 years, respectively.

28 Financial information by segment

The business segment results are prepared based on the preparation of management report of the Group. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to and assessing the performance of operating segments is measured in accordance with Financial Reporting Standards.

The Group has been operating in two principal business segments: (1) Non-life insurance business and (2) Investment business, which are only organized and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the three-month period ended 31 March 2020 and 2019, there is no revenue from a single external customer contributed 10% or more to the Group's total revenue.

The financial information of the Group for the three-month period ended 31 March 2020 and 2019 were presented by business segment as follows:

	Consolidated financial information							
	For the three-month period ended 31 March (Unaudited)							
	Non-life Insurance business		Investment business		Elimination of inter-segment		Total	
2020	2019	2020	2019	2020	2019	2020	2019	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Revenue from external	1,173,126	645,784	(86,081)	19,368	-	-	1,087,045	665,152
Share of profit on investment in an associate	-	-	220,838	112,136	-	-	220,838	112,136
Other income	21,932	271	3	5,254	-	(5,413)	21,935	112
Total revenue	1,195,058	646,055	134,760	136,758		(5,413)	1,329,818	777,400
Insurance business expenses	1,149,858	491,430	-	-	-	-	1,149,858	491,430
Directors and key management personnel's remuneration	47,504	13,497	3,056	5,894	-	-	50,560	19,391
Other expenses	143,303	68,315	6,113	17,227	-	(5,413)	149,416	80,129
Income tax expense	25,579	14,491	4,553	(13)	-	-	30,132	14,478
Net income (loss)	(171,186)	58,322	121,038	113,650			(50,148)	171,972

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

29 Earnings (loss) per share

Earnings (loss) per share for the three-month period ended 31 March 2020 and 2019 calculated from net profit for the period of the Company's shareholders and the number of issued share capital. The calculation was as follows:

	Consolidated financial information					
	For the three-month period ended 31 March (Unaudited)					
	Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share	
	2020 Thousand Baht	2019 Thousand Baht	2020 Shares	(Restated) 2019 Shares	2020 Baht	(Restated) 2019 Baht
Basic earnings (loss) per share						
Profit (loss) attributable to shareholders of the Company	(68,686)	171,972	384,964,961	296,416,925	(0.18)	0.58
Effect of dilutive potential ordinary shares						
Warrants (AYUD-W1)	-	-	-	6,113,447		
Diluted earnings (loss) per share						
Profit (loss) of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	(68,686)	171,972	384,964,961	302,530,372	(0.18)	0.57
	Separate financial information					
	For the three-month period ended 31 March (Unaudited)					
	Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share	
	2020 Thousand Baht	2019 Thousand Baht	2020 Shares	(Restated) 2019 Shares	2020 Baht	2019 Baht
Basic earnings (loss) per share						
Profit (loss) attributable to shareholders of the Company	(99,800)	1,514	384,964,961	296,416,925	(0.26)	0.01
Effect of dilutive potential ordinary shares						
Warrants (AYUD-W1)	-	-	-	6,113,447		
Diluted earnings (loss) per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	(99,800)	1,514	384,964,961	302,530,372	(0.26)	0.01

The Group corrected the prior period error of the calculation of dilutive potential ordinary shares for the three-month period ended 31 March 2019. The correction of the effect of dilutive potential ordinary shares which was previously reported at 78,582,882 shares in consolidated financial information and separate financial information to be 6,113,447 shares and earnings per share in consolidated financial information was previously reported at Baht 0.46 per share to be Baht 0.57 share per share.

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

30 Operating expenses

The operating expenses for the three-month period ended 31 March 2020 and 2019 were as follows:

	Consolidated financial information (Unaudited)		Separate financial information (Unaudited)	
	31 March 2020 Thousand baht	31 March 2019 Thousand baht	31 March 2020 Thousand baht	31 March 2019 Thousand baht
Employee expenses not relating to underwriting or claim administrative expense	56,595	42,351	3,509	6,580
Premise and equipment expense not relating to Underwriting expense	32,549	29,253	1,754	2,095
Stamp and tax duty	631	849	-	20
Bad debt and doubtful debt	(7,082)	542	-	-
Director's remuneration	3,399	3,437	1,415	2,124
Management fee	20,776	5,264	-	-
Advertising and sales promotion expenses	811	127	-	-
Professional fee	77,956	788	1,920	-
Other operating expenses	14,256	16,909	486	12,302
Total	199,891	99,520	9,084	23,121

31 Income tax expense

The income tax expenses for the three-month period ended 31 March 2020 and 2019 were as follows:

	Consolidated financial information (Unaudited)		Separate financial information (Unaudited)	
	31 March 2020 Thousand baht	31 March 2019 Thousand baht	31 March 2020 Thousand baht	31 March 2019 Thousand baht
Current income tax	(291)	38,406	-	-
Deferred income tax	25,790	(23,928)	4,553	(13)
Total income tax expense	25,499	14,478	4,553	(13)

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

32 Related parties

The consolidated and separate financial information include certain transactions with the subsidiary and related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The consolidated and separate financial statements reflect the effects of these transactions on the basis determined by the Company, the subsidiary and the related parties which are as follows:

The relationships between the Company and its related parties are summarized below:

Related parties	Relationship	Type of Business
Allianz SE	Ultimate parent company	Insurance
Allianz SE Singapore Branch	Related company of ultimate parent company	Insurance
Allianz Technology SE	Related company of ultimate parent company	Information technology
Allianz Global Corporate&Speciality SE	Related company of ultimate parent company	Insurance
Allianz Global Corporate&Speciality AG	Related company of ultimate parent company	Insurance
Allianz Australia Limited	Related company of ultimate parent company	Insurance
Euler Hermes Deutschland	Related company of ultimate parent company	Insurance
Euler Hermes Singapore Branch	Related company of ultimate parent company	Insurance
Allianz Fire and Marine Insurance Japan Ltd.	Related company of ultimate parent company	Insurance
Allianz General Insurance Malaysia Berhad	Related company of ultimate parent company	Insurance
Allianz Global Risks US Insurance Company	Related company of ultimate parent company	Insurance
AWP P&C S.A.	Related company of ultimate parent company	Service
Allianz Suisse Versicherungs-Gesellschaft AG	Related company of ultimate parent company	Insurance
Allianz China General Insurance Company Ltd.	Related company of ultimate parent company	Insurance
Allianz Benelux S.A.	Related company of ultimate parent company	Insurance
AWP Services (Thailand) Co., Ltd.	Related company of ultimate parent company	Service
Allianz Technology (Thailand) Co., Ltd.	Related company of ultimate parent company	Information technology
Allianz General Insurance Plc.	Related company of ultimate parent company	Insurance
Allianz Investment Management Singapore Pte. Ltd.	Related company of ultimate parent company	Service
Allianz Global Investors Singapore Ltd.	Related company of ultimate parent company	Service
Allianz Ayudhya General Insurance Plc.	Subsidiary	Insurance
Allianz Ayudhya Assurance Plc.	Associate	Life Insurance
CPRN (Thailand) Co., Ltd.	Related company of shareholders	Holding
Bangkok Broadcasting & Television Co., Ltd.	Related company of shareholders	Television
BBDV Equity Co., Ltd.	Related company of shareholders	Office Space Rental
Great Luck Equity Co., Ltd.	Related company of shareholders	Advertising
Bank of Ayudhya Plc.	Related company of shareholders	Banking
Krungsri Asset Management Co., Ltd.	Related company of shareholders	Fund management
Krungsri Securities Plc.	Related company of shareholders	Securities
Ayudhya Development Leasing Co., Ltd.	Related company of shareholders	Hire-purchase and leasing
Ayudhya Capital Auto Lease Plc.	Related company of shareholders	Hire-purchase and auto leasing
Siam City Cement Plc.	Related company of shareholders	Construction Materials
Eastern Star Real Estate Plc.	Related company of shareholders	Property
Super Asset Co., Ltd.	Related company of shareholders	Investments
CKS Holding Co., Ltd.	Related company of shareholders	Investments
Grand Canal Land Plc.	Related company of shareholders	Advertising
Krungsri Ayudhya AMC Ltd.	Related company of shareholders	Asset Management
Siam Realty and Service Co., Ltd.	Related company of shareholders	Services
Krungsri Factoring Co., Ltd.	Related company of shareholders	Factoring
Krungsriayudhya Card Co., Ltd.	Related company of shareholders	Services
Khao Kheow Country Club Co., Ltd.	Related company of shareholders	Golf club

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

32 Related parties (Cont'd)

32.1 Significant balances with related parties as at 31 March 2020 and 31 December 2019 were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) As at 31 March 2020 Thousand Baht	(Audited) As at 31 December 2019 Thousand Baht	(Unaudited) As at 31 March 2020 Thousand Baht	(Audited) As at 31 December 2019 Thousand Baht
Assets				
Related company of ultimate parent				
Premium receivable	207	21	-	-
Amounts due from reinsurers	95,881	283,190	-	-
Other assets	8,928	24,969	-	-
Related company of shareholders				
Deposits at financial institutions	241,985	324,316	39,555	34,220
Premium receivable	7,654	2,817	-	-
Investment	-	2,390,752	-	2,390,752
Other assets	6,309	7,144	1,476	1,478
Liabilities				
Related company of ultimate parent				
Amounts withheld on reinsurance	106,957	453,860	-	-
Due to reinsurers	253,978	403,538	-	-
Other liabilities	7,250	67,371	-	-
Related company of shareholders				
Commission and brokerage payable	13,919	13,284	-	-
Accrued other - underwrite expenses	23,074	29,171	-	-
Other liabilities	7,490	5,957	-	-
Subsidiaries				
Other liabilities	-	-	2,975	1,700

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

32 Related parties (Cont'd)

32.2) Significant transactions for the period ended 31 March 2020 and 2019 with related parties were as follows:

	<u>Consolidated financial information</u>	
	(Unaudited)	
	<u>For the three-month period ended</u>	
	31 March 2020	31 March 2019
	<u>Thousand Baht</u>	<u>Thousand Baht</u>
Revenues		
Related company of ultimate parent		
Claim recovered from reinsurers	22,295	-
Fee and commission income	6,340	-
Premium written	193	364
Other income	8,928	-
Related company of shareholders		
Premium written	8,162	8,614
Investment income	295	670
Expenses		
Related company of ultimate parent		
Premiums ceded to reinsurers	36,317	-
Other expenses	23,878	-
Related company of shareholders		
Commission and brokerage expenses	46,769	50,966
Underwriting expenses	22,032	34,093
Other expenses	26,220	6,755
Associates		
Other expenses	759	-
	<u>Separate financial information</u>	
	(Unaudited)	
	<u>For the three-month period ended</u>	
	31 March 2020	31 March 2019
	<u>Thousand Baht</u>	<u>Thousand Baht</u>
Revenues		
Related company of shareholders		
Investment income	295	65
Subsidiaries		
Other income	-	5,264
Expenses		
Related company of ultimate parent		
Other expenses	244	-
Related company of shareholders		
Other expenses	1,662	1,836
Associates		
Other expenses	759	-
Subsidiaries		
Other expenses	1,277	150

32 Related parties (Cont'd)

The Group used the same pricing policy and conditions for the above premiums as it did for other customers and other insurance companies.

The Group paid commissions and brokerages and other underwriting expenses as specified in the Bancassurance Agreement made between the Company and such related bank. The commission rates were in compliance with the Office of Insurance Commission criteria and the same basis of the commission rate that the Group has offered to other insurance broker companies.

Interest was charged at the same interest rates as the bank has offered to other insurance companies.

The Company and related companies enter into a management service agreement with the subsidiary for providing about services of personnel, internal audit and information technology. Service rates are agreed by both parties which are determined based on estimated time spent and cost incurred for the subsidiary.

Commission, management fee and custodian fee were paid at the same rates and conditions as the related parties charged other customers.

The Group has office rental, equipment rental and service agreements with related companies for a term of 3 years. Rental rates and conditions are the same as the related parties offer to other companies.

The Company enters into a management service agreement with the subsidiary for receiving managerial, investment and administrative services of accounting, payroll and information technology. Service rates are agreed by both parties which are determined based on estimated time spent and cost incurred for the Company.

Directors and key management personnel's remuneration

During the three-month period ended 31 March 2020 and 2019, the Group had salaries, bonuses, directors allowances and other benefits of its directors and key management personnel recognised as expenses as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the three-month period ended			
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Directors and key management personnel's remuneration				
Short-term benefits	48,692	18,569	2,926	5,597
Post-employment benefits	1,179	462	130	102
Directors' remuneration	689	360	-	195
Total	50,560	19,391	3,056	5,894

Directors' remunerations for the years of 2020 was pending for an approval by the ordinary shareholders' meeting of the Company (2019 were approved by the ordinary shareholders' meeting of the Company held on 26 April 2019).

33 Securities and assets pledged with the Registrar

As at 31 March 2020 and 31 December 2019, certain investments in securities of the Group were pledged and used for assets reserved with the Registrar (Note 13) in accordance with the Insurance Act and the Notification of the Office of Insurance Commission regarding "Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2557", respectively as follows:

- 33.1 The investments in debt securities which the Group placed for policy reserve with the Registrar in accordance with the announcement of the Office of Insurance Commission regarding "Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2557" were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Deposits at banks	14,000	14,000	-	-
Government and state enterprise securities	14,000	14,000	-	-

- 33.2 The investments in debt securities which the Group pledged with the Registrar in accordance with the Insurance Act (No.2) B.E. 2551 were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Government and state enterprise securities	543,213	553,829	1,114	1,119

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

34 Restricted assets

As at 31 March 2020 and 31 December 2019, the Group has premium saving certificates amount of Baht 2.55 million and Baht 3.15 million, respectively were used as collateral in case where the insured drivers are the alleged offenders.

As at 31 March 2020 and 31 December 2019, the Group has credit facilities which was secured by deposit at bank of the Group in the same amount of credit limit as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 31 March 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Overdraft facilities	40,000	40,000	20,000	20,000
Borrowing facilities	10,000	10,000	10,000	10,000

As at 31 March 2020 and 31 December 2019, the Group had fixed deposits at banks amounting to Baht 196.55 million and Baht 196.55 million, respectively were pledged as collateral for loans to employees (The Company: Baht 12.93 million and Baht 12.93 million, respectively)

35 Commitment

Commitments as at 31 March 2020 and 31 December 2019 consisted of the following:

Type	Consolidated financial information		
	As at 31 March 2020 (Unaudited)		
	Remaining periods		Total rental payments for the remaining periods
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	Thousand Baht
Vehicle - others	50	-	50
	50	-	50
Type	Consolidated financial information		
	As at 31 December 2019 (Audited)		
	Remaining periods		Total rental payments for the remaining periods
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	Thousand Baht
Building			
- related company	4,064	1,800	5,864
- others	3,154	4,382	7,536
Service			
- related company	2,636	208	2,844
- others	956	1,833	2,789
Equipment - related company	3,515	277	3,792
Vehicle - others	1,902	1,456	3,358
	16,227	9,956	26,183

Allianz Ayudhya Capital Public Company Limited
Condensed Notes to the Interim Financial Information (Unaudited)
For the interim period ended 31 March 2020

35 Commitment (Cont'd)

Commitments as at 31 March 2020 and 31 December 2019 consisted of the following: (Cont'd)

Type	Separate financial information		
	As at 31 March 2020 (Audited)		
	Remaining periods		Total rental payments
	Within 1 year	Over 1 year to 5 years	for the remaining periods
	Thousand Baht	Thousand Baht	Thousand Baht
Service			
- related company	-	-	-
	-	-	-
	-	-	-
	-	-	-
Type	Separate financial information		
	As at 31 December 2019 (Audited)		
	Remaining periods		Total rental payments
	Within 1 year	Over 1 year to 5 years	for the remaining periods
	Thousand Baht	Thousand Baht	Thousand Baht
Building			
- related company	290	-	290
Service			
- related company	290	-	290
Equipment			
- related company	386	-	386
	966	-	966

36 Contingent liabilities

As at 31 March 2020 and 31 December 2019, lawsuits have been brought against the Group, as insurer, from which the Group estimates losses totaling Baht 51.10 million and Baht 47.96 million, respectively. The Group's management believes that such estimation is adequate to losses and does not expect the outcome of the litigation to result in losses that differ from the recorded liability by amounts that would be material to the Group's operating results.

37 Event after the Statement of Financial Position date

On 8 April 2020, the Board of Directors of the Company approved an interim cash dividend payment of Baht 0.75 per share, totalling to the amount of Baht 289 million from retained earnings. Such dividend payment will be paid on 7 May 2020.

On 8 April 2020, the Board of Directors of the Company approved the increase in the Company's registered capital from Baht 463,473,361 to Baht 465,973,361 by issuing 2,500,000 new ordinary shares with par value of Baht 1 per share" in order to support the last warrant exercise of the Company (AYUD-W1), in case the number of underlying ordinary shares is inadequate, the Company shall apply Clause 3.2.11 and Clause 10 as specified in the "Rights and Duties of the Issuer and Holders of the Warrants to Purchase Ordinary Shares of the Company (AYUD-W1)".