

ALLIANZ AYUDHYA CAPITAL PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 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 30 September 2020, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim 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".

PricewaterhouseCoopers ABAS Ltd.

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

**Anothai Leekitwattana**  
Certified Public Accountant (Thailand) No. 3442  
Bangkok  
12 November 2020

Allianz Ayudhya Capital Public Company Limited  
Statement of Financial Position  
As at 30 September 2020

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Assets</b>					
Cash and cash equivalents, net	9	4,656,198	4,497,250	1,707,842	179,669
Premium receivable, net	10	586,794	771,000	-	-
Accrued investment income		28,994	12,412	13,927	4,626
Reinsurance assets	11	2,400,260	2,741,204	-	-
Amounts due from reinsurers	12	410,016	496,239	-	-
Financial assets measured at fair value through profit or loss	13	-	-	875,947	-
Financial assets measured at fair value through other comprehensive income	13	-	-	1,827,497	-
Financial assets measured at amortised cost	13	-	-	12,928	-
<b>Investments</b>					
Investments in securities, net	13,14	5,978,659	7,352,462	-	4,318,476
Loans and interest receivable	15	-	14	-	-
Investment in an associate	16	10,437,388	10,715,018	5,455,863	5,455,863
Investment in a subsidiary	16	-	-	2,572,379	2,572,379
Property, Plant and Equipment, net	17	41,205	49,292	1,679	1,698
Goodwill		508,877	508,877	-	-
Right-of-use asset, net	18	157,194	-	-	-
Intangible assets, net	19	69,944	85,075	5,837	1,968
Deferred tax asset, net	20	273,319	328,450	29,501	26,644
Deferred commission expenses		75,965	72,513	-	-
Other assets	21	182,274	186,673	8,915	7,651
<b>Total assets</b>		<b>25,807,087</b>	<b>27,816,479</b>	<b>12,512,315</b>	<b>12,568,974</b>

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 30 September 2020

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited) 30 September 2020	(Audited) 31 December 2019	(Unaudited) 30 September 2020	(Audited) 31 December 2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	22	5,510,792	5,797,941	-	-
Amounts due to reinsurers	23	1,555,870	1,944,672	-	-
Payable from purchase of securities		43,860	992,853	5,908	-
Employee benefit obligations		133,628	135,518	713	7,669
Premium written received in advance		375,898	421,446	-	-
Commission and brokerage payables		101,028	107,768	-	-
Accrued expenses		495,384	389,469	20,619	15,088
Lease liabilities	24	158,716	-	-	-
Other liabilities	25	263,117	281,476	28,320	2,227
<b>Total liabilities</b>		<b>8,638,293</b>	<b>10,071,143</b>	<b>55,560</b>	<b>24,984</b>
<b>Equity</b>					
<b>Share capital</b>					
Authorised share capital					
463,473,361 ordinary shares of 1 Baht each	26	463,473	463,473	463,473	463,473
Issued and paid-up share capital					
389,266,931 ordinary shares of 1 Baht each	26	389,267	384,965	389,267	384,965
(2019: 384,964,961 ordinary shares of 1 Baht each)					
Premium on share capital		10,066,331	9,907,791	10,066,331	9,907,791
Retained earnings					
Appropriated					
Legal reserve		50,000	50,000	50,000	50,000
Unappropriated		2,955,134	3,076,794	2,003,055	2,320,224
Other components of equity					
Surplus (Deficit) on available-for-sale securities		(66,922)	(113,645)	(51,898)	(118,990)
Share of other comprehensive income in an associate		3,774,984	4,439,431	-	-
<b>Total equity</b>		<b>17,168,794</b>	<b>17,745,336</b>	<b>12,456,755</b>	<b>12,543,990</b>
<b>Total liabilities and equity</b>		<b>25,807,087</b>	<b>27,816,479</b>	<b>12,512,315</b>	<b>12,568,974</b>

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 30 September 2020

	Notes	Consolidated financial information		Separate financial information	
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Revenues</b>					
Gross premiums written		1,281,576	1,716,389	-	-
<u>Less</u> premiums ceded		(397,850)	(714,807)	-	-
Net premiums written		883,726	1,001,582	-	-
<u>Add</u> unearned premium reserve decreased (increased) from previous period		166,179	22,045	-	-
Net premiums earned		1,049,905	1,023,627	-	-
Fees and commission income		81,153	179,653	-	-
Net investment income		38,041	32,551	461,743	548,762
Gain (loss) on investment in securities		1,958	(95,941)	74	(66,843)
Gain (loss) on fair value		(1,049)	5,032	(1,198)	10,066
Share of profit on investment in an associate	16	204,074	80,656	-	-
Other income		20,293	9,792	4	602
Total revenues		1,394,375	1,235,370	460,623	492,587
<b>Expenses</b>					
Gross claim paid		1,016,613	1,059,860	-	-
<u>(Less)</u> Claim recovered from reinsurers		(369,321)	(448,194)	-	-
Net claim paid		647,292	611,666	-	-
Commission and brokerage expenses		193,385	214,042	-	-
Other underwriting expenses		144,552	208,379	-	-
Operating expenses	31	233,456	248,324	5,410	9,343
Finance cost		1,209	-	-	-
Impairment loss on equity instruments		9,138	-	-	-
Expected credit loss (Reversal)	32	(32)	-	(527)	-
Total expenses		1,229,000	1,282,411	4,883	9,343
Profit (loss) before income tax		165,375	(47,041)	455,740	483,244
Income tax expense (income)	33	25,823	(15,472)	(135)	(1,311)
Net profit (loss)		139,552	(31,569)	455,875	484,555

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 30 September 2020

	Notes	Consolidated financial information		Separate financial information	
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	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		-	-	(51,332)	-
Share of other comprehensive loss in an associate	16	(11,042)	(12,676)	-	-
Income tax related to items that will not be subsequently reclassified to profit or loss		2,209	2,535	10,266	-
Total items that will not be subsequently reclassified to profit or loss		(8,833)	(10,141)	(41,066)	-
Items that will be subsequently reclassified to profit or loss					
Gain on revaluation of investments measured at fair value through other comprehensive income		(41,570)	18,758	-	11,354
Gain (loss) on revaluation of debt instruments measured at fair value through other comprehensive income		-	-	187	-
Share of other comprehensive income (loss) of an associate	16	(256,053)	3,452,196	-	-
Income tax on items that will be subsequently reclassified to profit or loss		59,524	(694,191)	(38)	(2,271)
Total items that will be subsequently reclassified to profit or loss		(238,099)	2,776,763	149	9,083
Other comprehensive income (loss) for the period, net of income tax		(246,932)	2,766,622	(40,917)	9,083
Total comprehensive income (loss) for the period		(107,380)	2,735,053	414,958	493,638
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	30	0.36	(0.08)	1.17	1.26
Weighted average number of ordinary shares (Thousand shares)		389,267	384,910	389,267	384,910
Diluted earnings(loss) per share (Baht)	30	0.36	(0.08)	1.17	1.25
Weighted average number of ordinary shares (Thousand shares)		389,267	388,847	389,267	388,847

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 nine-month period ended 30 September 2020

	Notes	Consolidated financial information		Separate financial information	
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Revenues</b>					
Gross premiums written		4,319,514	3,998,219	-	-
<u>Less</u> premiums ceded		(1,226,148)	(1,573,935)	-	-
Net premiums written		3,093,366	2,424,284	-	-
<u>Add</u> (Less) unearned premium reserve decreased (increased) from previous period		69,234	(34,579)	-	-
Net premiums earned		3,162,600	2,389,705	-	-
Fees and commission income		280,756	440,634	-	-
Net investment income		96,578	90,651	492,788	566,671
Gain (loss) on investment in securities		(116,378)	(67,879)	(121,458)	(38,328)
Gain on fair value		16,012	14,964	49,952	15,264
Share of profit on investment in an associate	16	826,303	371,112	-	-
Other income		49,343	18,721	12	9,217
Total revenues (loss)		4,315,214	3,257,908	421,294	552,824
<b>Expenses</b>					
Gross claim paid		2,882,858	1,889,772	-	-
<u>Less</u> Claim recovered from reinsurers		(953,311)	(676,697)	-	-
Net claim paid		1,929,547	1,213,075	-	-
Commission and brokerage expenses		644,327	521,410	-	-
Other underwriting expenses		588,279	538,591	-	-
Operating expenses	31	635,500	567,191	27,404	50,186
Finance cost		3,353	-	-	-
Impairment loss on equity instruments		9,138	-	-	-
Expected credit loss	32	1,243	-	382	-
Total expenses		3,811,387	2,840,267	27,786	50,186
Profit (loss) before income tax		503,827	417,641	393,508	502,638
Income tax expense (income)	33	43,724	17,877	11,305	(385)
Net profit (loss)		460,103	399,764	382,203	503,023

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 nine-month period ended 30-September 2020

	Notes	Consolidated financial information		Separate financial information	
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Other comprehensive income (loss)					
Items that will not be subsequently reclassified to profit or loss					
Actuarial gain (loss) on defined employee benefit plans		-	6,069	-	(969)
Loss on revaluation of equity instruments measured at fair value through other comprehensive income		-	-	(72,996)	-
Share of other comprehensive loss in an associate	16	(18,733)	(9,248)		-
Income tax related to items that will not be subsequently reclassified to profit or loss		3,747	636	14,599	194
Total items that will not be subsequently reclassified to profit or loss		(14,986)	(2,543)	(58,397)	(775)
Items that will be subsequently reclassified to profit or loss					
Gain on revaluation of investments measured at fair value through other comprehensive income		(6,098)	106,390	-	80,004
Gain on revaluation of debt instruments measured at fair value through other comprehensive income		-	-	2,238	-
Share of other comprehensive income (loss) of an associate	16	(1,245,846)	5,464,736	-	-
Income tax on items that will be subsequently reclassified to profit or loss		250,390	(1,114,225)	(448)	(16,001)
Total items that will be subsequently reclassified to profit or loss		(1,001,554)	4,456,901	1,790	64,003
Other comprehensive income (loss) for the period, net of income tax		(1,016,540)	4,454,358	(56,607)	63,228
Total comprehensive income (loss) for the period		(556,437)	4,854,122	325,596	566,251
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	30	1.19	1.15	0.99	1.45
Weighted average number of ordinary shares (Thousand shares)		387,461	346,332	387,461	346,332
			(Restated)		(Restated)
Diluted earnings(loss) per share (Baht)	30	1.19	1.14	0.99	1.43
Weighted average number of ordinary shares (Thousand shares)		387,461	351,999	387,461	351,999

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 nine-month period ended 30 September 2020

	Consolidated financial information						
	Retained earnings			Other components of equity			
	Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated income	Change in fair value of investments measured at fair value	Share of other comprehensive income of an associate	Total equity
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	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
Increase capital	88,493	4,629,678	-	-	-	-	4,718,171
Dividend paid	-	-	-	(288,682)	-	-	(288,682)
Net profit	-	-	-	399,764	-	-	399,764
Other comprehensive income (loss)	-	-	-	4,855	-	-	4,855
Actuarial gain (loss) on defined employee benefit plans	-	-	-	-	85,112	-	85,112
Gain on revaluation of investments measured at fair value through other comprehensive income	-	-	-	(7,398)	-	4,371,789	4,364,391
Share of other comprehensive income (loss) of an associate	-	-	-	-	-	-	-
<b>Balance as at 30 September 2019</b>	<b>384,910</b>	<b>9,905,705</b>	<b>50,000</b>	<b>3,287,746</b>	<b>(122,660)</b>	<b>5,045,863</b>	<b>18,551,564</b>
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
<b>Balance after adjustment</b>	<b>384,965</b>	<b>9,907,791</b>	<b>50,000</b>	<b>3,075,705</b>	<b>(62,044)</b>	<b>4,786,647</b>	<b>18,143,064</b>
Capital increase (Note 26)	4,302	158,540	-	-	-	-	162,842
Dividend paid (Note 29)	-	-	-	(580,674)	-	-	(580,674)
Net profit	-	-	-	460,103	-	-	460,103
Other comprehensive income (loss)	-	-	-	-	-	-	-
Gain on revaluation of investments measured at fair value through other comprehensive income	-	-	-	-	(4,878)	-	(4,878)
Share of other comprehensive income (loss) of an associate	-	-	-	-	-	(1,011,663)	(1,011,663)
<b>Balance as at 30 September 2020</b>	<b>389,267</b>	<b>10,066,331</b>	<b>50,000</b>	<b>2,955,134</b>	<b>(66,922)</b>	<b>3,774,984</b>	<b>17,168,794</b>

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 nine-month period ended 30 September 2020

	Separate financial information						
	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	Total equity Thousand Baht	
Balance as at 1 January 2019	296,417	5,276,027	50,000	2,152,489	(191,417)	7,583,516	
Increase capital	88,493	4,629,678	-	-	-	4,718,171	
Dividend paid	-	-	-	(288,682)	-	(288,682)	
Net profit	-	-	-	503,023	-	503,023	
Other comprehensive income (loss)	-	-	-	(775)	-	(775)	
Actuarial gain (loss) on defined employee benefit plans	-	-	-	-	-	-	
Gain on revaluation of investments measured at fair value through other comprehensive income	-	-	-	-	64,003	64,003	
<b>Balance as at 30 September 2019</b>	<b>384,910</b>	<b>9,905,705</b>	<b>50,000</b>	<b>2,366,055</b>	<b>(127,414)</b>	<b>12,579,256</b>	
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	
Capital increase (Note 26)	4,302	158,540	-	-	-	162,842	
Dividend paid (Note 29)	-	-	-	(580,674)	-	(580,674)	
Net profit	-	-	-	382,203	-	382,203	
Other comprehensive income (loss)	-	-	-	-	-	-	
Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	
Realised gain from sale of investments measured at fair value through other comprehensive income transferred to profit or loss	-	-	-	5,043	(56,607)	(56,607)	
<b>Balance as at 30 September 2020</b>	<b>389,267</b>	<b>10,066,331</b>	<b>50,000</b>	<b>2,003,055</b>	<b>(51,898)</b>	<b>12,456,755</b>	

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 nine-month period ended 30 September 2020

	Consolidated financial information		Separate financial information	
	2020	2019	2020	2019
	Note	Thousand Baht	Thousand Baht	Thousand Baht
<b>Cash flows from operating activities</b>				
Direct premium received		4,267,838	3,968,001	-
Cash received (paid) to reinsurance		(253,866)	(99,394)	-
Interest income		38,845	4,843	10,353
Dividend income		472,381	575,126	472,365
Other income		53,161	19,105	12
Loss incurred from direct insurance		(2,625,187)	(1,916,005)	-
Commission and brokerage paid from direct insurance		(635,752)	(526,613)	-
Other underwriting expenses		(591,415)	(538,009)	-
Operating expenses		(461,106)	(537,038)	(2,541)
Income tax expense		(16,766)	(67,964)	-
Cash received - financial assets		12,265,751	4,085,807	7,808,828
Cash paid - financial assets		(12,332,717)	-	(6,555,407)
Cash received for deposits at bank with maturity over 3 months and deposits used as collateral		668,462	228,767	214,000
Cash paid for deposits at bank with maturity over 3 months and deposits used as collateral		(236,301)	-	-
Loans		14	(4)	-
<b>Net cash flow provided by operating activities</b>		<b>613,342</b>	<b>5,196,622</b>	<b>1,947,610</b>
<b>Cash flows from investing activities</b>				
<u>Cash flows provided</u>				
Cash received from selling property, plant and equipment		3,567	22	3
<u>Cash flows used</u>				
Cash paid for purchase entire business transfer		-	(848,800)	-
Cash paid for purchasing property, plant and equipment		(15,113)	(4,680)	(17)
Cash paid for purchasing intangible assets		(1,927)	(7,276)	-
<b>Net cash flow provided by (used in) investing activities</b>		<b>(13,473)</b>	<b>(860,734)</b>	<b>3</b>
<b>Cash flows from financing activities</b>				
Increase capital		162,842	749,571	162,842
Cash paid for lease liability		(18,310)	-	(1,324)
Cash paid for finance cost		(3,771)	-	(125)
Dividend paid		(580,674)	(288,682)	(580,674)
<b>Net cash flow provided by (used in) financing activities</b>		<b>(439,913)</b>	<b>460,889</b>	<b>(419,281)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>159,956</b>	<b>4,796,777</b>	<b>1,528,332</b>
Cash and cash equivalents at the beginning of period		4,497,250	1,341,340	179,669
Cash received from the entire business transfer		-	1,047,398	-
Cash and cash equivalents at the end of period		4,657,206	7,185,515	1,708,001
<u>Less</u> Allowance for expected credit loss		(1,008)	-	(159)
<b>Cash and cash equivalents, net at the end of period</b>	9	<b>4,656,198</b>	<b>7,185,515</b>	<b>1,707,842</b>
<u>Non-cash transactions</u>				
Payable from purchase of securities		43,860	1,311,342	5,908
Payable from purchasing property, plant and equipment		-	3,233	-

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 12 November 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 nine-month period ended 30 September 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 and nine-month periods ended 30 September 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 adoption of the new financial reporting standards 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 met 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 meets 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 meet 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.

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 (TFRS 16) in consolidated financial information are as follows.

	Consolidated financial information			
	As at 31 December 2019 Previously reported Thousand Baht	TAS 32 and The Accounting Guidance Adjustments and reclassifications Thousand Baht	TFRS 16 Adjustments and reclassifications Thousand Baht	As at 1 January 2020 Restated Thousand Baht
<b>Assets</b>				
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
<b>Total assets</b>	<b>23,129,145</b>	<b>397,728</b>	<b>143,513</b>	<b>23,670,386</b>
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Lease liabilities	-	-	143,513	143,513
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>143,513</b>	<b>143,513</b>
<b>Equity</b>				
Retained earnings	3,076,794	(1,089)	-	3,075,705
Unrealised gain (loss) on changes in value of investments measured at fair value through other comprehensive income	(113,645)	51,601	-	(62,044)
Share of other comprehensive income (loss) on investment in an associate	4,493,431	347,216	-	4,840,647
<b>Total Equity</b>	<b>7,456,580</b>	<b>397,728</b>	<b>-</b>	<b>7,854,308</b>
<b>Total liabilities and equity</b>	<b>7,456,580</b>	<b>397,728</b>	<b>143,513</b>	<b>7,997,821</b>

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	
<b>Assets</b>				
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
<b>Total assets</b>	<b>4,524,789</b>	<b>(42)</b>	<b>17,508</b>	<b>4,542,255</b>
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Lease liabilities	-	-	17,508	17,508
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>17,508</b>	<b>17,508</b>
<b>Equity</b>				
Retained earnings - unappropriated	2,320,224	(123,741)	-	2,196,483
Unrealised gain (loss) on changes in value of investments measured at fair value through other comprehensive income	(118,990)	123,699	-	4,709
<b>Total Equity</b>	<b>2,201,234</b>	<b>(42)</b>	<b>-</b>	<b>2,201,192</b>
<b>Total liabilities and equity</b>	<b>2,201,234</b>	<b>(42)</b>	<b>17,508</b>	<b>2,218,700</b>



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.

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. The announcement requires the Group to classify the aforementioned investments as investments in equity instruments. The Group has measured those investments at fair value through other comprehensive income.

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.

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. The announcement requires the Company to classify the aforementioned investments as investments in equity instruments. The Company has measured those investments at fair value through other comprehensive income.

Impairment

The new requirements on the impairment losses of debt instruments 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)

5.1.3 Financial reporting standards relate to leases (IFRS 16)

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities on the date of IFRS 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	<u>143,513</u>	<u>17,508</u>

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	
	30 September 2020 Thousand Baht	1 January 2020 Thousand Baht	30 September 2020 Thousand Baht	1 January 2020 Thousand Baht
Buildings	155,225	144,997	-	17,508
Vehicles	1,969	3,333	-	-
Total right-of-use assets	<u>157,194</u>	<u>148,330</u>	<u>-</u>	<u>17,508</u>

**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)**

**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
- Investments designated at fair value through profit or loss

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)

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. The Group has measured those investments at fair value through other comprehensive income.

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 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 TFRS 9), 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. The Company has measured those investments at fair value through profit or loss.

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)

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)

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.



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 6 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 which include the following:

- 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 30 September 2020 and 31 December 2019.

	Consolidated financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
<b>As at 30 September 2020 (Unaudited)</b>				
<b>Financial assets</b>				
Investments in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	4,381,336	-	4,381,336
Equity securities	736,250	483,871	74,215	1,294,336
Investments designated at fair value through profit or loss				
Debt securities	18,823	-	-	18,823
<b>Total financial assets</b>	<b>755,073</b>	<b>4,865,207</b>	<b>74,215</b>	<b>5,694,495</b>

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 30 September 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
As at 30 September 2020 (Unaudited)				
Financial assets				
Investments measured at fair value through profit and loss				
Debt securities	-	240	-	240
Equity securities	391,836	483,871	-	875,707
Investments measured at fair value through other comprehensive income				
Debt securities	-	1,475,215	-	1,475,215
Equity securities	344,414	-	7,868	352,282
Total financial assets	736,250	1,959,326	7,868	2,703,444
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 30 September 2020 and 31 December 2019.

	Consolidated financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
<b>As at 30 September 2020 (Unaudited)</b>				
<b>Financial assets</b>				
Cash and cash equivalents				
Short-term investments	-	4,028,045	-	4,028,045
Investments measured at amortised cost	-	284,202	-	284,202
<b>Total</b>	<b>-</b>	<b>4,312,247</b>	<b>-</b>	<b>4,312,247</b>
<b>As at 31 December 2019 (Audited)</b>				
<b>Financial assets</b>				
Cash and cash equivalents				
Short-term investments	-	3,970,115	-	3,970,115
Investment in securities				
Held-to-maturity investments	-	716,875	-	716,875
<b>Total</b>	<b>-</b>	<b>4,686,990</b>	<b>-</b>	<b>4,686,990</b>
	Separate financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
<b>As at 30 September 2020 (Unaudited)</b>				
<b>Financial assets</b>				
Cash and cash equivalents				
Short-term investments	-	1,614,664	-	1,614,664
Financial asset measured at amortised cost	-	12,928	-	12,928
<b>Total</b>	<b>-</b>	<b>1,627,592</b>	<b>-</b>	<b>1,627,592</b>
<b>As at 31 December 2019 (Audited)</b>				
<b>Financial assets</b>				
Cash and cash equivalents				
Short-term investments	-	162,937	-	162,937
Investment in securities				
Held-to-maturity investments	-	226,928	-	226,928
<b>Total</b>	<b>-</b>	<b>389,865</b>	<b>-</b>	<b>389,865</b>

## 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 Classification of financial assets and financial liabilities

The following table presents the classification of the Company's financial assets and financial liabilities as at 30 September 2020.

	Separate financial information As at 30 September 2020					
	Financial instruments measured at fair value through profit or loss Thousand Baht	Financial instruments require to measure at fair value through profit or loss Thousand Baht	Debt instruments at fair value through other comprehensive income Thousand Baht	Equity investments at fair value through other comprehensive income Thousand Baht	Financial instruments measured at amortised cost Thousand Baht	Total Thousand Baht
Financial assets						
Cash and cash equivalents	-	-	-	-	1,707,842	1,707,842
Accrued investment income	-	-	-	-	13,927	13,927
Financial assets						
- Debt instruments	240	-	1,475,215	-	12,928	1,488,383
Financial assets						
- Equity instruments	875,707	-	-	352,282	-	1,227,989
Others	-	-	-	-	7,364	7,364
<b>Total</b>	<b>875,947</b>	<b>-</b>	<b>1,475,215</b>	<b>352,282</b>	<b>1,742,061</b>	<b>4,445,505</b>
Financial liabilities						
Payable from purchase of securities	-	-	-	-	5,908	5,908
Others	-	-	-	-	28,226	28,226
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,134</b>	<b>34,134</b>

9 Cash and cash equivalents, net

Cash and cash equivalents as at 30 September 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Cash on hand	518	316	-	10
Cheque on hand	37,563	24,412	-	-
Deposits at bank - at call	591,080	502,407	93,337	16,722
Short-term investments	4,028,045	3,970,115	1,614,664	162,937
Total	4,657,206	4,497,250	1,708,001	179,669
<u>Less</u> Allowance for expected credit loss	(1,008)	-	(159)	-
Total	4,656,198	4,497,250	1,707,842	179,669

10 Premiums due and uncollected, net

As at 30 September 2020 and 31 December 2019, the balances of premiums due and uncollected were aged as follows:

	Consolidated financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Within credit terms	370,247	614,032
Overdue:		
Less than 30 days	77,258	20,480
31 - 60 days	72,520	43,305
61 - 90 days	21,910	31,132
Over 90 days	77,851	95,153
Total	619,786	804,102
<u>Less</u> Allowance for doubtful accounts	(32,992)	(33,102)
Premiums due and uncollected, net	586,794	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.

11 Reinsurance assets

Reinsurance assets as at 30 September 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
<b>Insurance reserve refundable from reinsurers</b>		
Loss reserves	1,634,776	1,535,684
Unearned premium reserve		
- Unearned reinsurance premium reserve	765,484	1,205,520
Total reinsurance assets	<u>2,400,260</u>	<u>2,741,204</u>

12 Amount due from reinsurers

Amount due from reinsurers as at 30 September 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Amount deposit on reinsurance	-	841
Due from reinsurers	410,016	495,398
Total reinsurance assets	<u>410,016</u>	<u>496,239</u>

13 Financial assets

Financial asset - Debt and equity securities as at 30 September 2020 and 31 December 2019 were as follows;

	Separate financial information (Unaudited) 30 September 2020 Cost/Fair value Thousand Baht
Financial asset measured at fair value through profit and loss	
Private debt securities	240
Local equity securities	875,707
Total Financial asset measured at fair value through profit and loss	875,947
Financial asset measured at fair value through other comprehensive income	
Government and state enterprise debt securities	467,749
Private debt securities	1,007,466
Local equity securities	352,282
Total Financial asset measured at fair value through other comprehensive income	1,827,497
Financial asset measured at amortised cost	
Deposits at financial institutions with original maturities more than 3 months	12,928
Deposits at banks used as collateral	-
Total	12,928
Less Expected credit loss	-
Total Financial asset measured at amortised cost	12,928
	Separate financial information (Audited) 31 December 2019 Cost/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	4,073,550
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	226,928
General investment	
Equity securities	19,505
Less Allowance for impairment	(1,507)
Total General investment	17,998
Total investment	4,318,476



13 Financial assets (Cont'd)

13.1 Debt securities measured at fair value through other comprehensive income

	Separate financial information	
	(Unaudited)	
	30 September 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)	1,475,215	(304)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
<b>Total</b>	<b>1,475,215</b>	<b>(304)</b>

13.2 Debt securities measured at amortised cost

	Separate financial information		
	(Unaudited)		
	30 September 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)	12,928	-	12,928
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
<b>Total</b>	<b>12,928</b>	<b>-</b>	<b>12,928</b>

14 Investments in securities, net

The details of investments in securities as at 30 September 2020 and 31 December 2019 are as follows:

	Consolidated financial information	
	(Unaudited)	
	30 September 2020	
	Cost/ Amortised cost Thousand Baht	Fair value Thousand Baht
Investments measured at fair value through other comprehensive income		
Government and state enterprise debt securities	1,815,264	1,824,416
Private debt securities	2,487,617	2,496,073
Foreign debt securities	59,957	60,847
Equity securities	1,407,217	1,294,336
Total	5,770,055	5,675,672
<u>Less</u> Unrealised loss	(94,383)	-
Total Investments measured at fair value through other comprehensive income	5,675,672	5,675,672
Investments measured at amortised cost		
Deposits at financial institutions with original maturities more than 3 months	236,366	
Deposits at banks used as collateral	34,485	
Premium saving certificates used as collateral	13,350	
Total	284,201	
<u>Less</u> Allowance for expected credit loss	(37)	
Total Investments measured at amortised cost	284,164	
Financial asset designated at fair value through profit or loss		
Foreign debt securities	4,222	18,823
<u>Add</u> Unrealised gain	14,601	-
Total financial asset designated at fair value through profit or loss:	18,823	18,823
Total investments in securities	5,978,659	

14 Investments in securities, net (Cont'd)

The details of investments in securities as at 30 September 2020 and 31 December 2019 are as follows:  
(Cont'd)

	Consolidated financial information (Audited) 31 December 2019	
	Cost/ Amortised cost Thousand Baht	Fair value Thousand Baht
<b>Available-for-sale investment</b>		
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
<b>Total</b>	<b>6,758,157</b>	<b>6,616,034</b>
<u>Less</u> Unrealised loss	(142,123)	-
<b>Total Available-for-sale investment</b>	<b>6,616,034</b>	<b>6,616,034</b>
<b>Held-to-maturity investment</b>		
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	
<b>Total Held-to-maturity investment</b>	<b>716,362</b>	
<b>General investments</b>		
Equity securities	21,573	
<u>Less</u> Allowance for impairment	(1,507)	
<b>Total General investments</b>	<b>20,066</b>	
<b>Total investments in securities</b>	<b>7,352,462</b>	

14 Investments in securities, net (Cont'd)

14.1 Debt securities measured at fair value through other comprehensive income

	Consolidated financial information	
	(Unaudited)	
	30 September 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)	4,381,336	(1,483)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
<b>Total</b>	<b>4,381,336</b>	<b>(1,483)</b>

14.2 Debt securities measured at amortised cost

	Consolidated financial information		
	(Unaudited)		
	30 September 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)	284,201	(37)	284,164
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
<b>Total</b>	<b>284,201</b>	<b>(37)</b>	<b>284,164</b>

14 Investments in securities, net (Cont'd)

For the three-month period ended 30 September 2020 and 2019, the Group and the Company has investment income as below

- Interest income amounting to Baht 22.85 million and Baht 9.17 million, respectively (30 September 2019: Baht 25.01 million and Baht 1.51 million, respectively)
- Dividend income amounting to Baht 14.06 million and Baht 453.57 million, respectively (30 September 2019: Baht 17.06 million and Baht 555.21 million, respectively)
- Consideration from selling investments amounting to Baht 50.49 million and Baht 50.49 million, respectively and loss from selling investments amounting to Baht 1.96 million and Baht 1.96 million, respectively

For the nine-month period ended 30 September 2020 and 2019, the Group and the Company has investment income as below

- Interest income amounting to Baht 74.92 million and Baht 23.57 million, respectively (30 September 2019: Baht 59.95 million and Baht 3.02 million, respectively)
- Dividend income amounting to Baht 32.87 million and Baht 472.36 million, respectively (30 September 2019: Baht 41.70 million and Baht 572.31 million, respectively)
- Consideration from selling investments amounting to Baht 2,597.37 million and Baht 2,597.37 million, respectively and loss from selling investments amounting to Baht 116.42 million and Baht 116.42 million, respectively

As at 30 September 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 amounting to Baht 630 million and Baht 582 million, respectively (Note 35).

As at 30 September 2020, premium saving certificates of the Group were used as collateral for insured drivers are the alleged offenders amounting to Baht 1.75 million (31 December 2019: Baht 3.15 million) (Note 36)

As at 30 September 2020, certain bank deposits of the Group and the Company were pledged as collateral for bank overdrafts and borrowing facilities (Domestic Bill) amounting to Baht 40 million and Baht 20 million, respectively (31 December 2019: 40 million and Baht 20 million, respectively) (Note 36).

15 Loans and interest receivable

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

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

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 30 September 2020

16 Investments in a subsidiary and an associate

16.1 Investments in an associate

As at 30 September 2020 and 31 December 2019, the Company has investment in an associated company as follows:

Company name	Nature of business	Place of incorporation and operation	Consolidated financial information and separate financial information				Carrying value under Equity method	
			Percentage of shareholding		Cost		As at	As at
			As at 30 September 2020	As at 31 December 2019	As at 30 September 2020	As at 31 December 2019	30 September 2020	31 December 2019
Allianz Ayudhya Assurance Plc.	Life Insurance	Thailand	31.97	31.97	5,455,863	5,455,863	10,437,388	10,715,018

The movement in investments in an associate for the nine-month period ended 30 September 2020 and 31 December 2019 were as follows;

	Consolidated financial information		Separate financial information	
	Equity method	Cost method	Equity method	Cost method
	(Unaudited) 30 September 2020	(Audited) 31 December 2019	(Unaudited) 30 September 2020	(Audited) 31 December 2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Book value at the beginning period/ year	11,062,234	2,977,371	5,455,863	1,487,264
Increase in investment	-	3,988,599	-	3,988,599
Share of profit	826,303	553,245	-	-
Share of other comprehensive income (loss)	(1,011,663)	3,757,144	-	-
Dividend income	(439,486)	(541,341)	-	-
Decrease in investment	-	-	-	-
Book value at the ending period/ year	10,437,388	10,715,018	5,455,863	5,455,863

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

16.2 Investments in a subsidiary

As at 30 September 2020 and 31 December 2019, investments in a subsidiary were as follows:

	Paid-up capital		Separate financial information			
	31 December		Shareholding percentage		Cost	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019	30 September 2020	31 December 2019
	Thousand Baht	Thousand Baht	Percentage	Percentage	Thousand Baht	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 30 September 2020

17 Property, Plant and Equipment, net

Property, plant and equipment, net as at 30 September 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	Transfer in/ (transfer out) Thousand Baht	As at 30 September 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Depreciation Thousand Baht	Disposal / Write off Thousand Baht	As at 30 September 2020 Thousand Baht	Property, plant and equipment, net as at 1 January 2020 Thousand Baht	Property, plant and equipment, net as at 30 September 2020 Thousand Baht
Land	1,610	-	-	-	1,610	-	-	-	-	1,610	1,610
Building	773	-	-	-	773	(773)	-	(773)	-	-	-
Leasehold improvement	63,784	10,824	(19,792)	-	54,816	(47,492)	(5,992)	16,553	(36,931)	16,292	17,885
Furniture, fixtures and office equipment	111,514	3,796	(11,587)	399	104,122	(88,172)	(6,845)	8,480	(86,337)	23,342	17,785
Vehicles	26,488	-	-	-	26,488	(19,781)	(3,415)	-	(23,196)	6,707	3,292
Leasehold improvement under installation	539	493	-	(399)	633	-	-	-	-	539	633
<b>Total</b>	<b>204,708</b>	<b>15,113</b>	<b>(31,379)</b>	<b>-</b>	<b>188,442</b>	<b>(156,218)</b>	<b>(16,052)</b>	<b>25,033</b>	<b>(147,237)</b>	<b>48,490</b>	<b>41,205</b>

	Consolidated financial information										
	Cost					Accumulated depreciation					
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Disposal / Write off Thousand Baht	Transfer from AZTH Thousand Baht	As at 1 January 2019 Thousand Baht	As at 31 December 2019 Thousand Baht	Depreciation Thousand Baht	Disposal / Write off Thousand Baht	Transfer from AZTH Thousand Baht	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)	-	-	-	-	-
Leasehold improvement	56,013	3,079	(7,119)	15,423	(41,672)	(9,501)	6,500	(5,626)	(50,299)	14,341	17,097
Furniture, fixtures and office equipment	66,114	4,207	(16,165)	57,358	(58,365)	(8,022)	15,698	(37,684)	(88,173)	7,749	23,341
Vehicles	37,038	-	(10,550)	-	(20,986)	(6,185)	7,389	-	(19,782)	16,052	6,706
Leasehold improvement under installation	-	538	-	-	538	-	-	-	-	-	538
<b>Total</b>	<b>161,548</b>	<b>7,824</b>	<b>(33,834)</b>	<b>72,781</b>	<b>(121,796)</b>	<b>(23,708)</b>	<b>29,787</b>	<b>(43,310)</b>	<b>(159,027)</b>	<b>39,752</b>	<b>49,292</b>



Allianz Ayudhya Capital Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 September 2020

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

Property, plant and equipment, net as at 30 September 2020 and 31 December 2019 consisted of the following (Cont'd)

	Separate financial information									
	Cost					Accumulated depreciation				
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Disposal/ Write off Thousand Baht	As at 30 September 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Depreciation Thousand Baht	Disposal/ Write off Thousand Baht	As at 30 September 2020 Thousand Baht	Property, plant and equipment, net as at 1 January 2020 Thousand Baht	Property, plant and equipment, net as at 30 September 2020 Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	1,610	1,610
Building	773	-	-	773	(773)	-	(773)	-	-	-
Leasehold improvement	344	-	(182)	162	(344)	-	(182)	-	-	-
Furniture, fixtures and office equipment	1,058	-	(246)	812	(970)	(18)	(743)	88	88	69
<b>Total</b>	<b>3,785</b>	<b>-</b>	<b>(428)</b>	<b>3,357</b>	<b>(2,087)</b>	<b>(18)</b>	<b>(1,678)</b>	<b>427</b>	<b>1,698</b>	<b>1,679</b>

  

	Separate 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	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	4,456	-	(4,112)	344	(4,454)	(1)	(344)	2	2	-
Furniture, fixtures and office equipment	2,990	32	(1,964)	1,058	(2,876)	(34)	(970)	114	114	88
Vehicles	8,168	-	(8,168)	-	(3,943)	(1,084)	-	5,007	4,225	-
<b>Total</b>	<b>17,997</b>	<b>32</b>	<b>(14,244)</b>	<b>3,785</b>	<b>(12,046)</b>	<b>(1,099)</b>	<b>(2,087)</b>	<b>11,058</b>	<b>5,951</b>	<b>1,698</b>

Allianz Ayudhya Capital Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 September 2020

18 Right-of-use asset, net

	Consolidated financial information										
	30 September 2020 (Unaudited)					30 September 2020 (Unaudited)					
	Cost		Accumulated amortisation			Right-of-use asset, net as at 1 January 2020		Right-of-use asset, net as at 30 September 2020			
As at 1 January 2020	Increase	Change in contract	As at 30 September 2020	As at 1 January 2020	Amortisation	Change in contract	As at 30 September 2020	As at 1 January 2020	Amortisation	Change in contract	As at 30 September 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
Leasehold improvement	147,806	34,052	(2,703)	179,155	(2,809)	(23,806)	2,685	144,997	(23,930)	2,685	155,225
Vehicles	3,333	-	-	3,333	-	(1,364)	-	3,333	(1,364)	-	1,969
Total	151,139	34,052	(2,703)	182,488	(2,809)	(25,170)	2,685	148,330	(25,294)	2,685	157,194
	Separate financial information										
	30 September 2020 (Unaudited)					30 September 2020 (Unaudited)					
	Cost		Accumulated amortisation			Right-of-use asset, net as at 1 January 2020		Right-of-use asset, net as at 30 September 2020			
As at 1 January 2020	Increase	Change in contract	As at 30 September 2020	As at 1 January 2020	Amortisation	Change in contract	As at 30 September 2020	As at 1 January 2020	Amortisation	Change in contract	As at 30 September 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
Leasehold improvement	-	(17,508)	-	-	-	(1,382)	1,382	17,508	-	-	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-
Total	-	(17,508)	-	-	-	(1,382)	1,382	17,508	-	-	-

For the three-month period ended 30 September 2020, there were no lease payments of the Group and the Company resulting from lease and service contracts which are not capitalised comprised of short-term contracts.

For the nine-month period ended 30 September 2020, the lease payments of the Group and the Company resulting from lease and service contracts which are not capitalised comprised of short-term contracts amounting to Baht 0.15 million and Baht 0 million, respectively.

Allianz Ayudhya Capital Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 September 2020

19 Intangible assets, net

Intangible assets, net as at 30 September 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 30 September 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	Write off Thousand Baht	As at 30 September 2020 Thousand Baht	Intangible assets, net as at 30 September 2020 Thousand Baht
Purchase/subsequently acquire										
Computer software	233,110	7,645	-	22,062	262,817	(189,023)	(13,370)	-	(202,393)	44,087
Computer software in progress	32,556	132	-	(24,030)	8,658	-	-	-	-	32,556
Bancassurance agreement	100,000	-	-	-	100,000	(91,568)	(7,570)	-	(99,138)	8,432
Total	365,666	7,777	-	(1,968)	371,475	(280,591)	(20,940)	-	(301,531)	85,075
										69,944
										8,658
										862
										69,944

  

	Consolidated financial information										
	Cost					Accumulated amortisation					
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Disposal / Write off 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	Disposal / Write off Thousand Baht	Transfer from AZTH Thousand Baht	As at 31 December 2019 Thousand Baht	Intangible assets, net as at 31 December 2019 Thousand Baht
Purchase/subsequently acquire											
Computer software	90,096	2,671	-	-	233,110	(64,871)	(12,919)	-	(111,233)	(189,023)	44,087
Computer software in progress	7,381	1,968	(53,840)	140,343	32,556	-	-	77,048	-	-	7,381
Bancassurance agreement	100,000	-	-	-	100,000	(81,577)	(9,992)	-	-	(91,569)	8,432
Total	197,477	4,639	(53,840)	217,391	365,667	(146,448)	(22,911)	-	(111,233)	(280,592)	85,075

Allianz Ayudhya Capital Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 September 2020

19 Intangible assts, net (Cont'd)

Intangible assets, net as at 30 September 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 30 September 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	As at 30 September 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Intangible assets, net as at 1 January 2020 Thousand Baht	Intangible assets, net as at 30 September 2020 Thousand Baht
Purchase/subsequently acquire Computer software	41	5,851	-	5,892	(41)	(14)	(55)	-	-	5,837
Computer software in progress	1,968	-	(1,968)	-	-	-	-	1,968	-	-
<b>Total</b>	<b>2,009</b>	<b>5,851</b>	<b>(1,968)</b>	<b>5,892</b>	<b>(41)</b>	<b>(14)</b>	<b>(55)</b>	<b>1,968</b>	<b>1,968</b>	<b>5,837</b>
	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 1 January 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	41	-	-	41	(41)	-	(41)	-	-	-
Computer software in progress	-	1,968	-	1,968	-	-	-	-	-	1,968
<b>Total</b>	<b>41</b>	<b>1,968</b>	<b>-</b>	<b>2,009</b>	<b>(41)</b>	<b>-</b>	<b>(41)</b>	<b>-</b>	<b>-</b>	<b>1,968</b>

Allianz Ayudhya Capital Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 September 2020

20 Deferred tax assets, net

Deferred tax assets, net as at 30 September 2020 and 31 December 2019 were as follows:

	Consolidated financial information		Separate Financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Deferred tax assets, net	273,319	328,450	29,501	26,644

Movements of deferred tax assets for the nine-month period ended 30 September 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 30 September 2020 Thousand Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts				
- Premium due and uncollected	6,620	(22)	-	6,598
Allowance for doubtful accounts				
- Other receivable	567	-	-	567
Unearned premium reserve	100,061	(52,724)	-	47,337
Unrealised loss on the change in fair value of investment designated at fair value through profit or loss	-	(3,202)	-	(3,202)
Unrealised loss on the change in fair value of Investments measured at fair value through Other comprehensive income	16,747	1,826	3,125	21,698
Expected credit loss	496	250	(236)	510
Claim reserve, net	137,009	3,351	-	140,360
Claim incurred but not reported	25,905	9,880	-	35,785
Employee benefit obligations	19,760	(377)	-	19,383
Accrued expense	11,840	(2,706)	-	9,134
Others	2,913	-	-	2,913
	<u>321,918</u>	<u>(43,724)</u>	<u>2,889</u>	<u>281,083</u>
<b>Deferred tax liabilities</b>				
Unrealised gain on transfer investment	(4,939)	-	-	(4,939)
Unrealised loss on the change in fair value of available-for-sale investments	(1,156)	-	(1,669)	(2,825)
	<u>(6,095)</u>	<u>-</u>	<u>(1,669)</u>	<u>(7,764)</u>
<b>Deferred tax assets, net</b>	<u>315,823</u>	<u>(43,724)</u>	<u>1,220</u>	<u>273,319</u>

Allianz Ayudhya Capital Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 September 2020

20 Deferred tax assets, net (Cont'd)

Movements of deferred tax assets for the nine-month period ended 30 September 2020 and for the year ended 31 December 2019 consisted of tax effects from the following items: (Cont'd)

Consolidated financial information					
	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	Transfer from Allianz Insurance PCL Thousand Baht	As at 31 December 2019 Thousand Baht
<b>Deferred tax assets</b>					
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
Unrealised 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>
<b>Deferred tax liabilities</b>					
Unrealised gain on transfer of investments	(4,939)	-	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
<b>Deferred tax assets, net</b>	<u>228,963</u>	<u>(15,695)</u>	<u>(24,746)</u>	<u>139,928</u>	<u>328,450</u>

Separate 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 30 September 2020 Thousand Baht
<b>Deferred tax assets</b>				
Unrealised loss on the change in fair value of investments measured at fair value through profit and loss	30,904	(9,990)	-	20,914
Unrealised loss on the change in fair value of investments measured at fair value through other comprehensive income	-	-	15,875	15,875
Employee benefit obligations	1,534	(1,391)	-	143
Expected credit loss	312	76	(55)	333
	<u>32,750</u>	<u>(11,305)</u>	<u>15,820</u>	<u>37,265</u>
<b>Deferred tax liabilities</b>				
Unrealised gain on transfer of investments	(4,939)	-	-	(4,939)
Unrealised gain on the change in fair value of investments measured at fair value through other comprehensive income	(1,156)	-	(1,669)	(2,825)
	<u>(6,095)</u>	<u>-</u>	<u>(1,669)</u>	<u>(7,764)</u>
<b>Deferred tax assets, net</b>	<u>26,655</u>	<u>(11,305)</u>	<u>14,151</u>	<u>29,501</u>

Allianz Ayudhya Capital Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 September 2020

20 Deferred tax assets, net (Cont'd)

Movements of deferred tax assets for the nine-month period ended 30 September 2020 and for the year ended 31 December 2019 consisted of tax effects from the following items: (Cont'd)

	Separate financial information			
	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	As at 31 December 2019 Thousand Baht
<b>Deferred tax assets</b>				
Unrealised 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>
<b>Deferred tax liabilities</b>				
Unrealised gain on transfer of investments	(4,939)	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
<b>Deferred tax assets, net</b>	<u>44,148</u>	<u>409</u>	<u>(17,913)</u>	<u>26,644</u>

21 Other assets

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Other receivables	45,603	29,590	-	-
Less Allowance for doubtful accounts	(2,834)	(2,834)	-	-
	<u>42,769</u>	<u>26,756</u>	<u>-</u>	<u>-</u>
Revenue Department receivable	40,696	32,611	4,730	3,155
Withholding tax receivable	18,289	3,021	1,522	1,522
Prepaid expenses	6,828	9,607	151	541
Due from rice field insurance scheme	1,264	47,483	-	-
Accrued loss recovery	34,363	48,801	-	-
Deposits	10,039	10,021	1,482	1,432
Undue input value added tax	5,697	7,246	29	-
Others	22,329	1,127	1,001	1,001
<b>Total</b>	<u>182,274</u>	<u>186,673</u>	<u>8,915</u>	<u>7,651</u>

## 22 Insurance contract liabilities

Insurance contract liabilities as at 30 September 2020 and 31 December 2019 consisted of the following:

<b>Consolidated financial information</b>			
<b>As at 30 September 2020 (Unaudited)</b>			
	<b>Insurance contract liabilities</b>	<b>Insurance liabilities recovered from reinsurers</b>	<b>Net</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Claim reserves			
Loss incurred and reported	2,420,225	(1,551,102)	869,123
Loss incurred but not reported	262,599	(83,674)	178,925
	<u>2,682,824</u>	<u>(1,634,776)</u>	<u>1,048,048</u>
Premium reserve			
Unearned premium reserve	2,827,968	(765,484)	2,062,484
Total	<u>5,510,792</u>	<u>(2,400,260)</u>	<u>3,110,532</u>
<b>Consolidated financial information</b>			
<b>As at 31 December 2019 (Audited)</b>			
	<b>Insurance contract liabilities</b>	<b>Insurance liabilities recovered from reinsurers</b>	<b>Net</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Claim 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>



## 22 Insurance contract liabilities (Cont'd)

### 22.1 Insurance reserve for short-term insurance contract

#### 22.1.1 Claim reserves

	Consolidated financial information		
	30 September 2020 (Unaudited)		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net Thousand Baht
Balance as at beginning period	2,460,703	(1,535,684)	925,019
Claim and loss adjustment expenses incurred during the period	2,216,497	(638,844)	1,577,653
Change in claim reserves and assumptions used in loss reserve calculation	657,278	(349,710)	307,568
Loss paid during the period	(2,651,654)	889,462	(1,762,192)
Balance as at ending period	2,682,824	(1,634,776)	1,048,048

	Consolidated financial information		
	31 December 2019 (Audited)		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net 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	2,460,703	(1,535,684)	925,019

#### 22.1.2 Unearned premium reserve

	Consolidated financial information		
	30 September 2020 (Unaudited)		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net Thousand Baht
Balance as at beginning period	3,337,238	(1,205,520)	2,131,718
Premium written for the period	4,319,514	(1,226,148)	3,093,366
Earned premium for the period	(4,828,784)	1,666,184	(3,162,600)
Balance as at ending period	2,827,968	(765,484)	2,062,484

	Consolidated financial information		
	31 December 2019 (Audited)		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net 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

## 22 Insurance contract liabilities (Cont'd)

### 22.1 Insurance reserve for short-term insurance contract

#### 22.1.3 Unexpired risk reserve

As at 30 September 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 1,387.64 million and Baht 1,868.91 million, respectively and net unexpired risk reserve estimated by the Group amounting to Baht 1,279.33 million and Baht 1,387.45 million, respectively, is lower than the unearned premium reserve.

## 23 Amount due to reinsurers

	Consolidated financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Amounts withheld on reinsurance	906,175	1,152,998
Reinsurance payables	649,695	791,674
Total amount due to reinsurers	<u>1,555,870</u>	<u>1,944,672</u>

## 24 Lease liabilities

The maturity analysis of lease liabilities is aged as follows;

Maturity	Consolidated financial information	Separate financial information
	(Unaudited) 30 September 2020 Thousand Baht	(Unaudited) 30 September 2020 Thousand Baht
Within 1 year	36,766	-
Between 1 - 2 years	30,533	-
Between 2 - 3 years	28,044	-
Between 3 - 4 years	24,143	-
Between 4 - 5 years	22,386	-
Over 5 years	16,844	-
Total	<u>158,716</u>	<u>-</u>
Including - Principal	171,368	-
- Interest	(12,652)	-

For the three-month and nine-month period ended 30 September 2020, the Group have Interest expenses on lease liabilities amounted to Baht 0.7 million and Baht 2.81 million, respectively (the Company: None) are recorded as "finance cost" in the statement of comprehensive income.

25 Other liabilities

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Other payables - promotion expense	30,324	69,343	-	-
Premium received in advance	136,516	95,127	-	-
Withholding tax payable	41,781	11,103	28,227	259
Undue output VAT	4,137	23,791	-	-
Contribution to non-life guarantee fund	15,042	15,810	-	-
Others	35,317	66,302	93	1,968
<b>Total</b>	<b>263,117</b>	<b>281,476</b>	<b>28,320</b>	<b>2,227</b>

26 Share Capital

On 18 May 2020, the Company's issued and fully paid share capital has been increased from Baht 384.96 million (384.96 million ordinary shares with a par value of Baht 1 each) to Baht 389.27 million (389.27 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 4,301,970 (4,301,970 ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 158.54 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 18 May 2020.

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 nine-month periods ended 30 September 2020 and 2019 are as follows:

	(Unaudited) 30 September 2020		(Unaudited) 30 September 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	(74,331,534)	-	-	-
Exercised warrants	(4,176,673)	37.85	(19,775)	39.00
Balance as at 30 September	-	-	78,563,107	39.00

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.

The warrants were expired on 8 May 2020 and 4,176,673 units of warrants were exercised with the exercise price of Baht 37.85 per unit, Baht 162.84 million in total. This led to increasing 4,301,970 of Company's shares (Note 26).

**Allianz Ayudhya Capital Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2020**

**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 organised and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the three-month period and nine-month ended 30 September 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 and nine-month periods ended 30 September 2020 and 2019 were presented by business segment as follows:

Consolidated financial information								
For the three-month period ended 30 September (Unaudited)								
	Non-life insurance business		Investment business		Elimination of inter-segment		Total	
	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Revenue from external	1,145,792	1,194,278	460,619	491,985	(436,403)	(541,341)	1,170,008	1,144,922
Share of profit on investment in an associate	-	-	204,074	80,656	-	-	204,074	80,656
Other income	21,563	10,250	5	602	(1,275)	(1,060)	20,293	9,792
<b>Total revenue</b>	<b>1,167,355</b>	<b>1,204,528</b>	<b>664,698</b>	<b>573,243</b>	<b>(437,678)</b>	<b>(542,401)</b>	<b>1,394,375</b>	<b>1,235,370</b>
Insurance business expenses	985,229	1,034,087	-	-	-	-	985,229	1,034,087
Directors and key management personnel's remuneration	33,634	33,584	963	2,212	-	-	34,597	35,796
Other expenses	197,391	206,457	3,920	7,131	7,863	(1,060)	209,174	212,528
Income tax expense	27,544	(14,161)	(135)	(1,311)	(1,586)	-	25,823	(15,472)
<b>Net income (loss)</b>	<b>(76,443)</b>	<b>(55,439)</b>	<b>659,950</b>	<b>565,211</b>	<b>(443,955)</b>	<b>(541,341)</b>	<b>139,552</b>	<b>(31,569)</b>

  

Consolidated financial information								
For the nine-month period ended 30 September (Unaudited)								
	Non-life insurance business		Investment business		Elimination of inter-segment		Total	
	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Revenue from external	3,502,685	2,865,809	421,282	543,607	(484,399)	(541,341)	3,439,568	2,868,075
Share of profit on investment in an associate	-	-	826,303	371,112	-	-	826,303	371,112
Other income	53,149	19,432	19	9,217	(3,825)	(9,928)	49,343	18,721
<b>Total revenue</b>	<b>3,555,834</b>	<b>2,885,241</b>	<b>1,247,604</b>	<b>923,936</b>	<b>(488,224)</b>	<b>(551,269)</b>	<b>4,315,214</b>	<b>3,257,908</b>
Insurance business expenses	3,162,153	2,273,076	-	-	-	-	3,162,153	2,273,076
Directors and key management personnel's remuneration	110,697	73,489	5,039	10,305	-	-	115,736	83,794
Other expenses	505,438	453,444	22,747	39,881	5,313	(9,928)	533,498	483,397
Income tax expense	44,235	18,262	11,305	(385)	(11,816)	-	43,724	17,877
<b>Net income (loss)</b>	<b>(266,689)</b>	<b>66,970</b>	<b>1,208,513</b>	<b>874,135</b>	<b>(481,721)</b>	<b>(541,341)</b>	<b>460,103</b>	<b>399,764</b>

## 29 Dividend

At the Board of Directors' meeting on 8 April 2020, the payment of interim dividend was approved from the retained earnings at Baht 0.75 per share, totaling Baht 288.72 million. The dividend payment was made on 7 May 2020.

At the Board of Directors' meeting on 14 August 2020, the payment of interim dividend was approved from the retained earnings at Baht 0.75 per share, totaling Baht 291.95 million. The dividend payment was made on 11 September 2020.

At the Board of Directors' meeting on 13 August 2019, the payment of interim dividend was approved from the operating result from 1 January 2019 to 30 June 2019 at Baht 0.75 per share, totaling Baht 288.68 million. The dividend payment was made on 6 September 2019.

## 30 Earnings (loss) per share

Earnings (loss) per share for the three-month and nine-month period ended 30 September 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 30 September (Unaudited)					
Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share	
2020	2019	2020	(Restated) 2019	2020	(Restated) 2019
Thousand Baht	Thousand Baht	Shares	Shares	Baht	Baht
<b>Basic earnings (loss) per share</b>					
Profit (loss) attributable to shareholders of the Company					
139,552	(31,569)	389,266,931	384,910,061	0.36	(0.08)
Effect of dilutive potential ordinary shares Warrants (AYUD-W1)					
-	-	-	3,936,782		
<b>Diluted earnings (loss) per share</b>					
Profit (loss) of ordinary shareholders assuming the conversion of dilutive potential ordinary shares					
139,552	(31,569)	389,266,931	388,846,843	0.36	(0.08)
Consolidated financial information					
For the nine-month period ended 30 September (Unaudited)					
Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share	
2020	2019	2020	(Restated) 2019	2020	(Restated) 2019
Thousand Baht	Thousand Baht	Shares	Shares	Baht	Baht
<b>Basic earnings (loss) per share</b>					
Profit (loss) attributable to shareholders of the Company					
460,103	399,764	387,461,360	346,332,146	1.19	1.15
Effect of dilutive potential ordinary shares Warrants (AYUD-W1)					
-	-	-	5,666,788		
<b>Diluted earnings (loss) per share</b>					
Profit (loss) of ordinary shareholders assuming the conversion of dilutive potential ordinary shares					
460,103	399,764	387,461,360	351,998,934	1.19	1.14



30 Earnings (loss) per share (Cont'd)

Earnings (loss) per share for the three-month and nine-month periods ended 30 September 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: (Cont'd)

	Separate financial information					
	For the three-month period ended 30 September (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	455,875	484,555	389,266,931	384,910,061	1.17	1.26
Effect of dilutive potential ordinary shares Warrants (AYUD-W1)	-	-	-	3,936,782		
Diluted earnings (loss) per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	455,875	484,555	389,266,931	388,846,843	1.17	1.25
	Separate financial information					
	For the nine-month period ended 30 September (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	382,203	503,023	387,461,360	346,332,146	0.99	1.45
Effect of dilutive potential ordinary shares Warrants (AYUD-W1)	-	-	-	5,666,788		
Diluted earnings (loss) per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	382,203	503,023	387,461,360	351,998,934	0.99	1.43

The Group corrected the prior period error of the calculation of dilutive potential ordinary shares for the three-month and nine-month period ended 30 September 2019. The correction of the effect of dilutive potential ordinary shares which was previously reported for the three-month and nine-month period ended 30 September 2019 at 463,473,168 shares and 424,895,253 respectively in consolidated financial information and separate financial information to be 388,846,843 shares and 351,998,934 shares. Earnings (loss) per share in consolidated financial information for the three-month and nine-month period ended 30 September 2019 was previously reported at Baht (0.07) per share and Baht 0.94 per share to be Baht (0.08) share per share and Baht 1.14 share per share respectively. Earnings per share in separate financial information for the three-month and nine-month period ended 30 September 2019 was previously reported at Baht 1.05 per share and Baht 1.18 per share to be Baht 1.25 per share and Baht 1.43 per share, respectively.

31 Operating expenses

The operating expenses for the three-month and nine-month period ended 30 September 2020 and 2019 were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the three-month period ended			
	30 September 2020 Thousand baht	30 September 2019 Thousand baht	30 September 2020 Thousand baht	30 September 2019 Thousand baht
Employee expenses not relating to underwriting or claim administrative expense	55,678	109,821	27	2,721
Premise and equipment expense not relating to underwriting expense	34,297	43,468	1,363	2,046
Stamp and tax duty	418	209	346	-
Bad debt and doubtful debt	1,230	16,630	-	-
Director's remuneration	2,646	3,530	1,671	2,642
Management fee	56,741	16,637	-	-
Advertising and sales promotion expenses (Reversal)	(3,249)	4,995	6	-
Professional fee	35,317	4,901	1,323	-
Other operating expenses	50,378	48,133	674	1,934
<b>Total</b>	<b>233,456</b>	<b>248,324</b>	<b>5,410</b>	<b>9,343</b>

  

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the nine-month period ended			
	30 September 2020 Thousand baht	30 September 2019 Thousand baht	30 September 2020 Thousand baht	30 September 2019 Thousand baht
Employee expenses not relating to underwriting or claim administrative expense	211,286	268,514	10,927	13,840
Premise and equipment expense not relating to underwriting expense	106,034	116,714	4,224	6,468
Stamp and tax duty	1,570	1,295	653	25
Bad debt and doubtful debt (Reversal)	(109)	19,118	-	-
Director's remuneration	8,859	10,845	5,212	7,402
Management fee	135,134	39,686	-	-
Advertising and sales promotion expenses (Reversal)	(2,013)	7,755	6	-
Professional fee	90,523	11,381	4,765	-
Other operating expenses	84,216	91,883	1,617	22,451
<b>Total</b>	<b>635,500</b>	<b>567,191</b>	<b>27,404</b>	<b>50,186</b>



32 Expected credit loss

	Consolidated Financial information	Separate Financial information
	(Unaudited)	
	For the three-month period ended	
	30 September 2020	30 September 2020
	Thousand Baht	Thousand Baht
Cash and cash equivalent	(807)	(569)
Investments in debt securities measured at fair value through other comprehensive income	765	56
Investments in debt securities measured at amortised cost	10	(14)
Total expected credit loss	<u>(32)</u>	<u>(527)</u>

  

	Consolidated Financial information	Separate Financial information
	(Unaudited)	
	For the nine-month period ended	
	30 September 2020	30 September 2020
	Thousand Baht	Thousand Baht
Cash and cash equivalent	76	119
Investments in debt securities measured at fair value through other comprehensive income	1,168	275
Investments in debt securities measured at amortised cost	(1)	(12)
Total expected credit loss	<u>1,243</u>	<u>382</u>

33 Income tax expense

The income tax expenses for the three-month and nine-month period ended 30 September 2020 and 2019 were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the three-month period ended			
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
	Thousand baht	Thousand baht	Thousand baht	Thousand baht
Current income tax	-	17,785	-	-
Deferred income tax	25,823	(33,257)	(135)	(1,311)
Total income tax expense	<u>25,823</u>	<u>(15,472)</u>	<u>(135)</u>	<u>(1,311)</u>

33 Income tax expense (Cont'd)

The income tax expenses for the three-month and nine-month period ended 30 September 2020 and 2019 were as follows: (Cont'd)

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the nine-month period ended			
	30 September 2020 Thousand baht	30 September 2019 Thousand baht	30 September 2020 Thousand baht	30 September 2019 Thousand baht
Current income tax	-	97,549	-	-
Deferred income tax	43,724	(79,672)	11,305	(385)
Total income tax expense	43,724	17,877	11,305	(385)

34 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

34 Related parties (Cont'd)

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 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
BBTV 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
Krungsri Ayudhya Card Co., Ltd.	Related company of shareholders	Services
Khao Kheow Country Club Co., Ltd.	Related company of shareholders	Golf club

34 Related parties (Cont'd)

34.1 Significant balances with related parties as at 30 September 2020 and 31 December 2019 were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) As at 30 September 2020 Thousand Baht	(Audited) As at 31 December 2019 Thousand Baht	(Unaudited) As at 30 September 2020 Thousand Baht	(Audited) As at 31 December 2019 Thousand Baht
<b>Assets</b>				
<b>Related company of ultimate parent</b>				
Premium receivable	-	21	-	-
Amounts due from reinsurers	205,359	283,190	-	-
Other assets	8,013	24,969	-	-
<b>Related company of shareholders</b>				
Deposits at financial institutions	188,402	324,316	68,432	34,220
Premium receivable	44,470	2,817	-	-
Investment	-	2,390,752	-	2,390,752
Other assets	2,501	7,144	1,493	1,478
<b>Liabilities</b>				
<b>Related company of ultimate parent</b>				
Amounts withheld on reinsurance	437,093	453,860	-	-
Due to reinsurers	305,501	403,537	-	-
Other liabilities	30,257	67,372	-	-
<b>Related company of shareholders</b>				
Commission and brokerage payable	15,032	13,284	-	-
Accrued other – underwrite expenses	34,178	29,171	-	-
Other liabilities	7,733	5,957	-	-
<b>Subsidiaries</b>				
Other liabilities	-	-	3,825	1,700

34 Related parties (Cont'd)

34.2 Significant transactions for the three-month and nine-month period ended 30 September 2020 and 2019 with related parties were as follows:

	<u>Consolidated financial information</u> (Unaudited)	
	<u>For the three-month period ended</u>	
	<u>30 September</u> <u>2020</u> <u>Thousand Baht</u>	<u>30 September</u> <u>2019</u> <u>Thousand Baht</u>
<b>Revenues</b>		
<b>Related company of ultimate parent</b>		
Claim recovered from reinsurers	118,886	81,800
Fee and commission income	30,608	39,185
Other income	20,014	9,077
<b>Related company of shareholders</b>		
Premium written	68,381	71,375
Investment income	20	5,416
<b>Expenses</b>		
<b>Related company of ultimate parent</b>		
Premiums ceded to reinsurers	124,842	48,259
Other expenses	82,251	23,743
<b>Related company of shareholders</b>		
Commission and brokerage expenses	44,382	50,549
Underwriting expenses	49,172	30,024
Other expenses	2,184	6,483
<b>Associates</b>		
Other expenses	1,044	-
	<u>Consolidated financial information</u> (Unaudited)	
	<u>For the nine-month period ended</u>	
	<u>30 September</u> <u>2020</u> <u>Thousand Baht</u>	<u>30 September</u> <u>2019</u> <u>Thousand Baht</u>
<b>Revenues</b>		
<b>Related company of ultimate parent</b>		
Claim recovered from reinsurers	251,747	142,402
Fee and commission income	89,126	70,062
Premium written	193	364
Other income	31,065	17,298
<b>Related company of shareholders</b>		
Premium written	94,342	89,285
Investment income	251	9,530
<b>Expenses</b>		
<b>Related company of ultimate parent</b>		
Premiums ceded to reinsurers	386,299	306,078
Other expenses	169,066	38,771
<b>Related company of shareholders</b>		
Commission and brokerage expenses	135,572	147,750
Underwriting expenses	105,476	98,034
Other expenses	13,059	19,733
<b>Associates</b>		
Other expenses	2,519	-

34 Related parties (Cont'd)

34.2 Significant transactions for the three-month and nine-month period ended 30 September 2020 and 2019 with related parties were as follows: (Cont'd)

	Separate financial information (Unaudited)	
	For the three-month period ended	
	30 September 2020 Thousand Baht	30 September 2019 Thousand Baht
<b>Revenues</b>		
<b>Related company of shareholders</b>		
Investment income	20	4,684
<b>Associates</b>		
Dividend Income	439,485	541,341
<b>Subsidiaries</b>		
Other income	-	585
<b>Expenses</b>		
<b>Related company of ultimate parent</b>		
Other expenses	244	1,595
<b>Related company of shareholders</b>		
Other expenses	1,453	-
<b>Associates</b>		
Other expenses	1,044	-
<b>Subsidiaries</b>		
Other expenses	1,275	475
	Separate financial information (Unaudited)	
	For the nine-month period ended	
	30 September 2020 Thousand Baht	30 September 2019 Thousand Baht
<b>Revenues</b>		
<b>Related company of shareholders</b>		
Investment income	251	8,327
<b>Associates</b>		
Dividend Income	439,485	541,341
<b>Subsidiaries</b>		
Other income	-	9,153
<b>Expenses</b>		
<b>Related company of ultimate parent</b>		
Other expenses	732	-
<b>Related company of shareholders</b>		
Other expenses	4,273	4,948
<b>Associates</b>		
Other expenses	2,519	-
<b>Subsidiaries</b>		
Other expenses	3,825	775

34 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 and nine-month period ended 30 September 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			
	30 September 2020 Thousand Baht	30 September 2019 Thousand Baht	30 September 2020 Thousand Baht	30 September 2019 Thousand Baht
<b>Directors and key management personnel's remuneration</b>				
Short-term benefits	32,350	34,540	-	2,090
Post-employment benefits	944	1,256	-	122
Directors' remuneration	1,303	-	963	-
<b>Total</b>	<b>34,597</b>	<b>35,796</b>	<b>963</b>	<b>2,212</b>

34 Related parties (Cont'd)

During the three-month and nine-month period ended 30 September 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: (Cont'd)

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the nine-month period ended			
	30 September 2020 Thousand Baht	30 September 2019 Thousand Baht	30 September 2020 Thousand Baht	30 September 2019 Thousand Baht
<b>Directors and key management personnel's remuneration</b>				
Short-term benefits	109,911	80,363	3,844	9,671
Post-employment benefits	3,145	2,956	232	366
Directors' remuneration	2,680	475	963	268
<b>Total</b>	<b>115,736</b>	<b>83,794</b>	<b>5,039</b>	<b>10,305</b>

Directors' remunerations for the years of 2020 were approved by the ordinary shareholders' meeting of the Company and the Group held on 31 July 2020 and 10 July 2020, respectively. (2019: 26 April 2019).

35 Securities and assets pledged with the Registrar

As at 30 September 2020 and 31 December 2019, certain investments in securities of the Group were pledged and used for assets reserved with the Registrar (Note 14) 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. 2558", respectively as follows:

35.1 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. 2558" were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September 2020 Thousand Baht	31 December 2019 Thousand Baht	30 September 2020 Thousand Baht	31 December 2019 Thousand Baht
Government and state enterprise securities	602,163	553,829	1,129	1,119



35 Securities and assets pledged with the Registrar (Cont'd)

35.2 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) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 September 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	-	-

36 Restricted assets

As at 30 September 2020 and 31 December 2019, the Group has premium saving certificates amount of Baht 1.75 million and Baht 3.15 million, respectively, were used as collateral in case where the insured drivers are the alleged offenders.

As at 30 September 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) 30 September 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 September 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

37 Commitment

Commitments arising from future aggregate minimum lease payments under non-cancellable operating leases as at 30 September 2020 and 31 December 2019 consisted of the following:

Type	Consolidated financial information		
	As at 30 September 2020 (Unaudited)		
	Remaining periods		Total rental
	Within 1 year	Over 1 year to 5 years	payments for the
	Thousand Baht	Thousand Baht	remaining periods
			Thousand Baht
Vehicle - others	-	-	-
	-	-	-

37 Commitment (Cont'd)

Commitments arising from future aggregate minimum lease payments under non-cancellable operating leases as at 30 September 2020 and 31 December 2019 consisted of the following: (Cont'd)

Type	Consolidated financial information		
	As at 30 September 2019 (Audited)		
	Remaining periods		Total rental payments for the remaining periods Thousand Baht
	Within 1 year Thousand Baht	Over 1 year to 5 years 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

Type	Separate financial information		
	As at 30 September 2020 (Unaudited)		
	Remaining periods		Total rental payments for the remaining periods Thousand Baht
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	
Service			
- related company	-	-	-
	-	-	-

Type	Separate financial information		
	As at 30 September 2019 (Audited)		
	Remaining periods		Total rental payments for the remaining periods Thousand Baht
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	
Building			
- related company	290	-	290
Service			
- related company	290	-	290
Equipment			
- related company	386	-	386
	966	-	966

### 38 Contingent liabilities

As at 30 September 2020 and 31 December 2019, lawsuits have been brought against the Group, as insurer, from which the Group estimates losses totalling Baht 188.20 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.