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**ALLIANZ AYUDHYA CAPITAL PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2023**

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## Independent Auditor's Report

To the shareholders of Allianz Ayudhya Capital Public Company Limited

### My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Allianz Ayudhya Capital Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.





**Key audit matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p><b>Valuation of claim reserves</b></p> <p>Refer to Note 7, critical accounting estimates, assumptions and judgements in consolidated financial statements in relation to claim reserves and Note 21, claim reserves in consolidated financial statements</p> <p>Claim reserves of Baht 2,581.07 million composed of reported claim reserves not yet settled, claim payable, and claims incurred but not reported (IBNR), as well as claims handling reserve and payable.</p> <p>I focused on the valuation of claim reserves because of the size of the liability and inherent uncertainty when assessing the claims that had been incurred as of the end of the year. Estimation process therefore involved complexity and the significant judgements that management needed to make to estimate the related balance.</p> <p>Management hired the external actuarial specialist to calculate the claim reserves for the Group. The key assumptions that underpinned the reserve calculations included the expected ultimate loss ratio and the loss development factor by types of insurances. The valuation of claim reserves depended on complete and accurate data about the number of claims, claim amounts and the pattern of historical claims since these were often used to form expectations about future claims.</p>	<p>My key audit procedures in relation to the claim reserves included:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process to estimate claim reserves and setting processes in accordance with actuarial methodology.</li> <li>• Assessed the design and tested operating effectiveness of key controls around the claims handling and claim reserves setting processes.</li> <li>• Evaluated the competence, capabilities and objectivity of the actuary, who was management's expert.</li> <li>• Evaluated whether the Group's actuarial methodologies were consistent with those used in the industry and prior year. Obtained an understanding of the assumptions involved when determining the valuation of claim reserves. I evaluated the reasonableness of management's significant assumptions by comparing weighted average ultimate loss ratios in the past with the expected loss ratio used by the Group's actuary and investigated any significant differences.</li> <li>• Tested the completeness of data used in the actuarial reserving calculations by reconciling with data in accounting system.</li> <li>• Engaged auditor's actuarial specialists to carry out independent modelling to assess if the Group's best estimate of gross and net claims reserves fell into estimated reasonable ranges for selected types of insurance. Auditor's actuarial specialists' estimates of outstanding claims reserves were based on a statistical data of the claims process.</li> <li>• Assessed the adequacy of Insurance contract liabilities recognised in the financial position by comparing to the present value of the estimated future cash flows from insurance contracts.</li> </ul> <p>Based on all of the above procedures, I considered the management's assumptions used for valuation of claim reserves were reasonable based on available evidences.</p>





Key audit matter	How my audit addressed the key audit matter
<p><b>Assessment of goodwill impairment</b></p> <p>Refer to Note 7, critical accounting estimates, assumptions and judgements in consolidated financial statements in relation to goodwill and Note 17, goodwill in consolidated financial statements</p> <p>The Group had goodwill of Baht 1,926 million as at 31 December 2023 which related to cash generating units in insurance. The Group is required to, at least annually, test goodwill for impairment.</p> <p>I focused on this area due to the fact that goodwill balance was around 8.34 % of total consolidated assets and the forecasts of cash flows each year involved significant management’s judgement, which was based on various assumptions that were affected by expected future market and economic conditions.</p> <p>For the year ended 31 December 2023, the management performed an impairment assessment over the goodwill balance by:</p> <ol style="list-style-type: none"> <li>1. Calculating the value in use for each Cash Generating Unit (“CGU”) using a discounted cash flow model. The model used cash flows (revenues and expenses) for each CGU for 5 years, with constant terminal growth rate applied to the 5th year. These cash flows were then discounted to net present value using the weighted average cost of capital (WACC). The key assumptions were disclosed in Note 17.</li> <li>2. Comparing the resulting value in use of each CGU to their respective book values.</li> </ol>	<p>My key audit procedures in relation to the assessment of goodwill impairment included:</p> <ul style="list-style-type: none"> <li>• Understood and evaluated the composition of cash flow forecasts and calculation process, including test the mathematical accuracy of the management’s underlying calculations.</li> <li>• Compared cash flow forecasts with the budget and approved business plan and other evidences supporting the plan.</li> <li>• Assessed management’s key assumptions used in the forecasts by comparing them to historical results and economic and industry outlook by comparing with the observable data in the industry. The assumptions also included the business growth rate and expense forecasts.</li> <li>• Reviewed parameters used to determine the discount rate applied.</li> <li>• Assessed management on the adequacy of their sensitivity calculations over all their CGUs. The valuation of goodwill was sensitive to changes in key assumptions such as revenue growth and discount rate, in case they were not achieved, could reasonably be expected to give rise to impairment charge in the future.</li> <li>• Evaluated the adequacy of the disclosures made in notes of the financial statements, including those regarding the key assumptions and sensitivity of those assumptions.</li> </ul> <p>Based on all of the above procedures, I considered management’s key assumptions used in assessing the goodwill impairment were reasonable based on available evidences.</p>





### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

### **Responsibilities of the directors for the consolidated and separate financial statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.





- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read 'Sakuna Yamsakul', with a stylized flourish at the end.

**Sakuna Yamsakul**  
Certified Public Accountant (Thailand) No. 4906  
Bangkok  
29 February 2024



Allianz Ayudhya Capital Public Company Limited  
Statement of Financial Position  
As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Assets</b>					
Cash and cash equivalents, net	8	949,161	1,660,377	30,396	171,696
Premium due and uncollected, net	9	1,268,249	1,191,227	-	-
Accrued investment income		19,742	16,641	6,795	308
Reinsurance assets	10	2,183,165	1,983,484	-	-
Amounts due from reinsurers	11	438,832	354,944	-	-
Receivable from sale of securities		-	426	-	426
Financial assets measured at fair value through profit or loss	12	-	-	211,572	205,148
Financial assets measured at fair value through other comprehensive income	12	-	-	884,947	43,198
Investments in securities, net	13	7,988,226	6,963,055	-	-
Investment in an associate	14	6,640,166	6,480,922	5,455,863	5,455,863
Investment in a subsidiaries	14	-	-	5,699,783	5,699,783
Property, plant and equipment, net	15	57,709	65,565	1,611	1,627
Right-of-use asset, net	16	184,252	189,669	-	-
Goodwill	17	1,926,096	1,926,096	-	-
Intangible assets, net	18	261,680	172,388	4,520	5,189
Deferred tax assets, net	19	534,902	470,587	-	-
Prepaid commission expenses		62,457	102,108	-	-
Other assets, net	20	576,978	335,061	16,933	14,821
<b>Total assets</b>		<b>23,091,615</b>	<b>21,912,550</b>	<b>12,312,420</b>	<b>11,598,059</b>

The accompanying notes are an integral part of these financial statements.

Allianz Ayudhya Capital Public Company Limited  
Statement of Financial Position (Cont'd)  
As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
<b>Liabilities and equity</b>					
<b>Liabilities</b>					
Insurance contract liabilities	21	7,361,349	7,231,783	-	-
Amounts due to reinsurers	22	1,219,649	967,655	-	-
Payable from purchase of securities		-	1	-	1
Employee benefit obligations	23	181,140	158,542	-	-
Premium written received in advance		199,217	244,338	-	-
Commission and brokerage payables		140,953	148,452	-	-
Accrued expenses		536,814	521,802	11,257	30,340
Lease liabilities	24	193,574	193,546	-	-
Deferred tax liabilities, net	19	-	-	6,127	2,746
Other liabilities	25	634,523	587,208	8,933	9,766
<b>Total liabilities</b>		<b>10,467,219</b>	<b>10,053,327</b>	<b>26,317</b>	<b>42,853</b>
<b>Equity</b>					
Share capital	26				
Authorized share capital					
463,473,361 ordinary shares of 1 Baht each		463,473	463,473	463,473	463,473
Issued and paid-up share capital					
389,266,931 ordinary shares of 1 Baht each		389,267	389,267	389,267	389,267
Premium on share capital		10,066,331	10,066,331	10,066,331	10,066,331
Retained earnings					
Appropriated					
Legal reserve	27	66,200	50,000	50,000	50,000
Unappropriated		2,938,154	2,479,121	1,784,968	1,062,464
Other components of equity					
Surplus (Deficit) on investments measured at fair value through other comprehensive income		(4,231)	41,616	(4,463)	(12,856)
Share of other comprehensive loss in an associate		(831,325)	(1,167,112)	-	-
<b>Total equity</b>		<b>12,624,396</b>	<b>11,859,223</b>	<b>12,286,103</b>	<b>11,555,206</b>
<b>Total liabilities and equity</b>		<b>23,091,615</b>	<b>21,912,550</b>	<b>12,312,420</b>	<b>11,598,059</b>

The accompanying notes are an integral part of these financial statements.

Allianz Ayudhya Capital Public Company Limited  
Statement of Comprehensive Income  
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Revenues</b>					
Gross premiums written		10,236,806	8,031,778	-	-
<u>(Less)</u> Premiums ceded		(2,189,938)	(1,830,002)	-	-
Net premiums written		8,046,868	6,201,776	-	-
<u>Add (Less)</u> Unearned premium reserve decreased (increased) from previous period		(7,568)	150,149	-	-
Net premiums earned		8,039,300	6,351,925	-	-
Fees and commission income		505,660	467,161	-	-
Net investment income		123,327	87,247	1,199,985	1,291,858
Gain (loss) on investments	30	(2,613)	(96,313)	6,424	7,567
Share of profit on investment in an associate	14	607,983	981,916	-	-
Service income		38,086	22,157	-	-
Other income (expense)		12,296	12,104	3	(61)
<b>Total revenues</b>		<b>9,324,039</b>	<b>7,826,197</b>	<b>1,206,412</b>	<b>1,299,364</b>
<b>Expenses</b>					
Gross claim paid		5,411,273	4,222,280	-	-
<u>(Less)</u> Claim recovered from reinsurers		(528,221)	(387,886)	-	-
Net claim paid		4,883,052	3,834,394	-	-
Commission and brokerage expenses		1,198,240	1,142,710	-	-
Other underwriting expenses		1,129,757	968,966	-	-
Cost of service		2,796	1,313	-	-
Operating expenses	31	1,086,199	997,724	25,775	71,480
Finance cost		7,025	6,968	-	-
Impairment (Reversal)		(4,976)	(172,699)	-	-
Expected credit loss (Reversal)	33	(120)	(1,491)	7	(950)
<b>Total expenses</b>		<b>8,301,973</b>	<b>6,777,885</b>	<b>25,782</b>	<b>70,530</b>
<b>Profit before income tax</b>		<b>1,022,066</b>	<b>1,048,312</b>	<b>1,180,630</b>	<b>1,228,834</b>
Income tax expense	34	(89,064)	(43,585)	(1,283)	(38,439)
<b>Net profit</b>		<b>933,002</b>	<b>1,004,727</b>	<b>1,179,347</b>	<b>1,190,395</b>

The accompanying notes are an integral part of these financial statements.



Allianz Ayudhya Capital Public Company Limited  
Statement of Comprehensive Income (Cont'd)  
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Other comprehensive income (loss)</b>					
<b>Items that will not be subsequently reclassified to profit or loss</b>					
Gain (loss) on revaluation of equity securities measured at fair value through other comprehensive income		-	-	4,054	(25,415)
Loss on sale of equity securities transferred to retained earnings		-	-	6,617	58,791
Actuarial loss on defined employee benefits plans		(5,581)	(3,313)	-	-
Share of other comprehensive income (loss) in an associate	14	(2,188)	17,435	-	-
Income tax related to items that will not be subsequently reclassified to profit or loss		1,554	(2,824)	(2,134)	(6,675)
<b>Total items that will not be subsequently reclassified to profit or loss</b>		<b>(6,215)</b>	<b>11,298</b>	<b>8,537</b>	<b>26,701</b>
<b>Items that will be subsequently reclassified to profit or loss</b>					
Loss on revaluation of investments measured at fair value through other comprehensive income		(64,371)	(225,355)	-	-
Loss on sale of investment transferred to profit or loss		7,062	155,579	-	-
Loss on revaluation of debt instruments measured at fair value through other comprehensive income		-	-	(180)	(14,400)
Share of other comprehensive income (loss) in an associate	14	419,734	(3,996,527)	-	-
Income tax on items that will be subsequently reclassified to profit or loss		(72,485)	813,261	36	2,880
<b>Total items that will be subsequently reclassified to profit or loss</b>		<b>289,940</b>	<b>(3,253,042)</b>	<b>(144)</b>	<b>(11,520)</b>
<b>Other comprehensive income (loss) for the year, net of income tax</b>		<b>283,725</b>	<b>(3,241,744)</b>	<b>8,393</b>	<b>15,181</b>
<b>Total comprehensive income (loss) for the year</b>		<b>1,216,727</b>	<b>(2,237,017)</b>	<b>1,187,740</b>	<b>1,205,576</b>
<b>Earnings per share</b>					
Basic earnings per share (Baht)	35	2.40	2.58	3.03	3.06
Weighted average number of ordinary shares (Thousand shares)		389,267	389,267	389,267	389,267

The accompanying notes are an integral part of these financial statements.



Allianz Ayudhya Capital Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

	Consolidated financial statements						
	Retained earnings			Other components of equity			
	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Legal reserve Thousand Baht	Unappropriated Thousand Baht	Change in fair value of investments measured at fair value through other comprehensive income Thousand Baht	Share of other comprehensive income of an associate Thousand Baht	Total equity Thousand Baht
<b>Balance as at 1 January 2022</b>	389,267	10,066,331	50,000	3,790,996	97,437	2,030,109	16,424,140
Dividend paid	-	-	-	(2,300,578)	-	-	(2,300,578)
Net profit	-	-	-	1,004,727	-	-	1,004,727
Other comprehensive income (loss)	-	-	-	(2,650)	-	-	(2,650)
Actuarial loss on defined employee benefits plans - net of tax	-	-	-	-	(180,284)	-	(180,284)
Loss on revaluation of investments measured at fair value through other comprehensive income - net of tax	-	-	-	(27,322)	124,463	-	97,141
Loss on sale of investment transferred to profit or loss - net of tax	-	-	-	-	-	-	-
Share of other comprehensive income (loss) of an associate - net of tax (Note 14)	-	-	-	13,948	-	(3,197,221)	(3,183,273)
<b>Balance as at 31 December 2022</b>	<b>389,267</b>	<b>10,066,331</b>	<b>50,000</b>	<b>2,479,121</b>	<b>41,616</b>	<b>(1,167,112)</b>	<b>11,859,223</b>
<b>Balance as at 1 January 2023</b>	<b>389,267</b>	<b>10,066,331</b>	<b>50,000</b>	<b>2,479,121</b>	<b>41,616</b>	<b>(1,167,112)</b>	<b>11,859,223</b>
Dividend paid	-	-	-	(451,554)	-	-	(451,554)
Net profit	-	-	-	933,002	-	-	933,002
Transfer of unappropriated retained earnings to legal reserve	-	-	16,200	(16,200)	-	-	-
Other comprehensive income (loss)	-	-	-	(4,465)	-	-	(4,465)
Actuarial loss on defined employee benefits plans - net of tax	-	-	-	-	(51,497)	-	(51,497)
Loss on revaluation of investments measured at fair value through other comprehensive income - net of tax	-	-	-	-	5,650	-	5,650
Loss on sale of investment transferred to profit or loss - net of tax	-	-	-	-	-	-	-
Share of other comprehensive income (loss) of an associate - net of tax (Note 14)	-	-	-	(1,750)	-	335,787	334,037
<b>Balance as at 31 December 2023</b>	<b>389,267</b>	<b>10,066,331</b>	<b>66,200</b>	<b>2,938,154</b>	<b>(4,231)</b>	<b>(831,325)</b>	<b>12,624,396</b>

The accompanying notes are an integral part of these financial statements.

**Allianz Ayudhya Capital Public Company Limited**  
**Statement of Changes in Equity (Cont'd)**  
**For the year ended 31 December 2023**

	Separate financial statements							Total equity Thousand Baht
	Retained earnings			Other components of equity				
	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Legal reserve Thousand Baht	Unappropriated Thousand Baht	Financial asset measured at fair value through other comprehensive income Thousand Baht			
<b>Balance as at 1 January 2022</b>	389,267	10,066,331	50,000	2,219,669	(28,037)		12,697,230	
Dividend paid (Note 29)	-	-	-	(2,300,568)	-		(2,300,568)	
Net profit	-	-	-	1,190,395	-		1,190,395	
Other comprehensive income (loss)								
Financial assets measured at fair value through other comprehensive income - net of tax	-	-	-	-	(31,851)		(31,851)	
Realised loss from sale of financial assets measured at fair value through other comprehensive income transferred to retained earnings - net of tax	-	-	-	(47,032)	47,032		-	
<b>Balance as at 31 December 2022</b>	<b>389,267</b>	<b>10,066,331</b>	<b>50,000</b>	<b>1,062,464</b>	<b>(12,856)</b>	<b>11,555,206</b>	<b>11,555,206</b>	
<b>Balance as at 1 January 2023</b>	389,267	10,066,331	50,000	1,062,464	(12,856)		11,555,206	
Dividend paid (Note 29)	-	-	-	(451,549)	-		(451,549)	
Net profit	-	-	-	1,179,347	-		1,179,347	
Other comprehensive income (loss)								
Financial assets measured at fair value through other comprehensive income - net of tax	-	-	-	-	3,099		3,099	
Realised loss from sale of financial assets measured at fair value through other comprehensive income transferred to retained earnings - net of tax	-	-	-	(5,294)	5,294		-	
<b>Balance as at 31 December 2023</b>	<b>389,267</b>	<b>10,066,331</b>	<b>50,000</b>	<b>1,784,968</b>	<b>(4,463)</b>	<b>12,286,103</b>	<b>12,286,103</b>	

The accompanying notes are an integral part of these financial statements.



Allianz Ayudhya Capital Public Company Limited  
Statement of Cash Flows  
For the year ended 31 December 2023

	Consolidated financial statements		Separate financial statements		
	2023	2022	2023	2022	
	Note	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Cash flows from operating activities</b>					
Direct premium received		9,762,048	7,816,478	-	-
Cash received from service income		3,291	9,112	-	-
Cash paid to reinsurance		(766,529)	(561,286)	-	-
Other income		44,673	44,703	-	-
Loss incurred from direct insurance		(5,457,637)	(4,144,139)	-	-
Commission and brokerage paid from direct insurance		(1,156,457)	(1,106,250)	-	-
Cash paid from medical service		(2,815)	(2,133)	-	-
Other underwriting expenses		(1,205,310)	(1,042,987)	-	-
Operating expenses		(927,496)	(914,134)	(47,621)	(45,144)
Income tax expense		(166,318)	(89,603)	-	-
Cash received from financial assets		5,215,095	10,277,864	15,225	4,108,183
Cash paid for financial assets		(6,334,066)	(5,562,139)	(850,675)	(8,766)
Cash received from investment in subsidiary		-	436,680	-	-
Cash received for deposits at bank with maturity over 3 months and deposits used as collateral		196,531	179,367	-	-
Cash paid for deposits at bank with maturity over 3 months and deposits used as collateral		(171,531)	(169,531)	-	-
<b>Net cash flow provided by (used in) operating activities</b>		<b>(966,521)</b>	<b>5,172,002</b>	<b>(883,071)</b>	<b>4,054,273</b>
<b>Cash flows from investing activities</b>					
<u>Cash flows provided</u>					
Interest income		127,540	109,287	11,592	40,875
Dividend income		782,933	826,085	1,181,729	1,267,849
Cash received from selling property, plant and equipment		1,232	246	-	-
Cash received from loan to related party		-	-	-	170,000
<u>Cash flows used</u>					
Cash paid for investment in subsidiary		-	(3,127,404)	-	(3,127,404)
Cash paid for loan to related party		-	-	-	(170,000)
Cash paid for purchasing property, plant and equipment		(20,412)	(9,212)	-	-
Cash paid for purchasing intangible assets		(124,913)	(93,885)	-	-
<b>Net cash flow provided by (used in) investing activities</b>		<b>766,380</b>	<b>(2,294,883)</b>	<b>1,193,321</b>	<b>(1,818,680)</b>
<b>Cash flows from financing activities</b>					
<u>Cash flows provided</u>					
Cash received from Loan		300,000	-	-	-
<u>Cash flows used</u>					
Dividend paid	29	(451,554)	(2,300,577)	(451,549)	(2,300,568)
Cash paid for loan repayment		(300,000)	(162,729)	-	-
Cash paid for lease liability		(46,306)	(39,282)	-	-
Cash paid for finance cost		(13,208)	(9,299)	-	-
<b>Net cash flow used in financing activities</b>		<b>(511,068)</b>	<b>(2,511,887)</b>	<b>(451,549)</b>	<b>(2,300,568)</b>

The accompanying notes are an integral part of these financial statements.

Allianz Ayudhya Capital Public Company Limited  
Statement of Cash Flows (Cont'd)  
For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Net increase (decrease) in cash and cash equivalents		(711,209)	365,232	(141,299)	(64,975)
Cash and cash equivalents as at 1 January		1,660,377	1,295,374	171,696	236,672
Cash and cash equivalents as at 31 December		949,168	1,660,606	30,397	171,697
(Less) Allowance for expected credit loss		(7)	(229)	(1)	(1)
<b>Cash and cash equivalents, net as at 31 December</b>	<b>8</b>	<b>949,161</b>	<b>1,660,377</b>	<b>30,396</b>	<b>171,696</b>
<b>Non-cash transactions</b>					
Payable from purchase of securities		-	1	-	1
Receivable from sale of securities		-	426	-	426
Write-off work-in-progress computer software		18	3,287	-	-
Acquisition of right-of-use assets under lease contracts	16	48,636	50,068	-	-
Change in right-of-use assets under lease contracts from lease modification and reassessments	16	(42,084)	(2,437)	-	-

The accompanying notes are an integral part of these financial statements.



## **1 General information**

Allianz 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, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

The ultimate parent company is Allianz SE which was incorporated in Germany.

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

The Company has subsidiary companies, Allianz Ayudhya General Insurance Public Company Limited., Aqua Holdings (Thailand) Limited, Health Care Management Co., Ltd and My Health Services (Thailand) Co., Ltd., which mainly operate non-life insurance business, investment business and service business, holding by 99.96%, 99.80%, 99.89% and 99.90% respectively.

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

The consolidated and separate financial statements were authorised for issue by the board of directors on 29 February 2024.

## **2 Basis of preparation**

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act. In addition, the financial statements presentation is based on the formats of non-life insurance financial statements 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 B.E. 2566” dated on 8 February 2023 (“OIC Notification”).

These consolidated financial statements include the financial statements of Allianz Ayudhya Capital Public Company Limited, Allianz Ayudhya General Insurance Public Company Limited, Aetna Health Insurance (Thailand) Public Company Limited, My Health Services (Thailand) Co., Ltd., Aqua Holdings (Thailand) Limited, Health Care Management Co., Ltd and Minor Health Enterprise Ltd. Significant transactions for the year ended 31 December 2023 and balances between the Company and the subsidiary have been eliminated.

The accounting period and significant accounting policies used for the consolidated financial statements of the Group 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 consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.



**Allianz Ayudhya Capital Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2023**

**2.1 Financial reporting standards that are effective, but the Group elected to apply temporary exemption from TFRS 9 Financial Instruments and TFRS 7 Financial Instruments.**

The Group passes criteria and elect to apply temporary exemption from TFRS 9 Financial Instruments and TFRS 7 Financial Instruments: Disclosures under TFRS 4 (revised 2018) Insurance Contracts. The Group applies the 'Financial Instruments and Disclosure for Insurance Companies' accounting guidelines' ('The Accounting Guidance') for financial statement preparation.

For assessment of impact if the Company applied TFRS 9 - Financial Instruments, financial assets of the Company are separated into (i) financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI) in accordance with TFRS 9 and are not held for trading or managed on fair value basis and (ii) all financial assets other than those specified in (i).

The following table shows the fair value and change in fair value of these two groups of financial assets:

	Consolidated financial statements			
	2023		2022	
	Fair value Thousand Baht	Change in Fair value Thousand Baht	Fair value Thousand Baht	Change in Fair value Thousand Baht
<b>Financial assets</b>				
Financial assets only give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates except for financial assets for trading as defined by TFRS9 (when announced) or financial assets managed by the Company and performance evaluated on a fair value basis	9,376,869	605,439	8,771,430	(106,110)
Cash flows that are not solely payments of principal and interest on the principal amount outstanding on specified dates	235	(1)	236	(2)
Financial assets which the performance is evaluated based on fair value.	45,774	10,518	35,256	4,837
Other financial assets	56,756	(46,907)	103,663	(1,202,710)

As of 31 December 2023 and 2022, financial assets qualifying as SPPI includes debt securities, other receivables, accrued investment income and cash and cash equivalents whereas the remaining includes equity securities.

Certain financial assets included within the financial statements, including amount due from reinsurance and premium receivables amounting to Baht 1,707.08 million are not included above. (2022: Baht 1,546.17 million)

### 3 New and amended financial reporting standards

#### 3.1 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024.

- a) **Amendment to IAS 1 - Presentation of financial statements** revised the disclosure from '*significant* accounting policies' to '*material* accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to IAS 8 - Accounting policies, changes in accounting estimates and errors** revised the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) **Amendments to TAS 12 - Income taxes**
- c.1) Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.



- c.2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation.

In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE') to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

Earlier application is permitted

- d) **Amendment to Accounting Guidance related to financial instruments and disclosures applicable to insurance business** revised the disclosures in '*material* accounting policies' to align with Amendment to TAS 1 - Presentation of financial statements.

The following amended TFRSs were not mandatory for the current reporting period and the Group has not early adopted them. The Group's management is currently assessing the impact on the amendments of these standards.

### 3.2 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2025 and have significant impacts on the Group.

- a) **TFRS 17 Insurance Contracts** TFRS 17 has replaced TFRS 4 Insurance Contracts.

It requires a current measurement model where estimates are remeasured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under TFRS 9.

An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for eligible groups of insurance contracts, which are often written by non-life insurers.



There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

Adopting TFRS 17, the Group can choose to recognise any cumulative negative impacts from insurance contract liabilities in retained earnings by applying the straight-line method, using no more than a three-year period from the transition date.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

## **4 Accounting policies**

### **4.1 Principles of consolidation accounting**

#### **a) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

#### **b) Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method.

#### **c) Equity method**

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group subsequently recognises shares of its associates' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates equals or exceeds its interest in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

d) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

#### **4.2 Insurance contract classification**

The Group has classified its contracts written as either insurance contracts or investment contracts, depending on the level of insurance risk.

An insurance contract is a contract under which the Group (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. Once a contract is classified as an insurance contract, it remains classified as an insurance contract until all rights and obligations are extinguished or expired.

However, the contract that has financial risk to the Group but has no insurance risk is not classified as insurance contract.

Short term insurance contracts are insurance contract which the term of contract is less than 1 year.

Long term insurance contracts are insurance contract which the term of contract is more than 1 year or less than 1 year or equal to 1 year which have automatic approve of renewal which the Group cannot terminate and cannot increase or decrease of premium including of change in other benefit throughout the contract term.

#### **4.3 Business combination**

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

*Acquisition-related cost*

Acquisition-related cost are recognised as expenses in consolidated financial statements

#### **4.4 Foreign currency transactions**

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.



b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When the gains or losses on a non-monetary item is recognised in other comprehensive income, any exchange component of gain or loss on non-monetary item is also recognised in other comprehensive income. Where as when the gains or losses on a non-monetary item is recognised in profit or loss, any exchange component of gain or loss on non-monetary item is also recognised in profit or loss.

**4.5 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date and not subjected to withdrawal restrictions and bank overdrafts.

In the statements of financial position, bank overdrafts are shown in current liabilities.

**4.6 Premium due and uncollected and allowance for doubtful debt**

Premiums receivable are carried at its net realisable value. The Group sets up an allowance for doubtful accounts based on the estimated loss that may be incurred in collection of the premium due, on the basis of collection experience and a review of current status of the premium due as at the Statement of Financial Position date. Bad debts are written off during the year in which they are identified.

**4.7 Reinsurance assets**

Reinsurance assets are stated at insurance reserve refundable from reinsurers.

Insurance reserve refundable from reinsurers is estimated based on the related reinsurance contract of premium reserve and loss reserve and outstanding claims.

**4.8 Due to and due from reinsurers**

- a) Amount due from reinsurance are stated at the outstanding balance of amount due from reinsurers and amounts deposit on reinsurance.

Amounts due from reinsurers consist of accrued commission and brokerage income, claims and various other items receivable from reinsurers less allowance for doubtful accounts. The Group records allowance for doubtful accounts for the estimated losses that may be incurred due to inability to make collection, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting year.

- b) Amounts due to reinsurers are stated at the outstanding balance payable from reinsurance and amounts withheld on reinsurance.

Amounts due to reinsurers consist of reinsurance premiums and other items payable to reinsurers, excluding claims.

#### 4.9 Financial asset

a) Classification

Separate financial statements

The Company classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

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

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

Consolidated financial statements

The Group classifies its financial assets depending on the purpose of investment 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

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.

b) Recognition and derecognition

Regular way purchases, acquisitions and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.



## Debt instruments

### Separate financial statements

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

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in net investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in gains/(losses) on investments together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for 1) the recognition of impairment losses or gains, 2) interest income using the effective interest method, and 3) foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in gains/(losses) on investments. Interest income is included in net investment income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within gains/(losses) on investments in the period in which it arises.

### Consolidated financial statements

There are three measurement categories to classify the investments in securities:

- **Amortised cost:** Investments in securities that are held to maturity are measured at amortised cost. Interest income from these investments in securities is included in net investment income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in gains/(losses) on investments together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Investments in securities that the Group intends to either hold for an indefinite period or sell in response to the needs of the Group's liquidity or change in interest rate are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), expect for the recognition of interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss.

When the Investments in securities are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in gains/(losses) on investments. Interest income is included in net investment income. Impairment expenses are presented separately in the statement of comprehensive income.

- **FVPL:** Investments in securities that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss that is subsequently measured at FVPL is recognised in profit or loss and presented net within gains/(losses) on investments in the period in which it arises.



Equity instruments

Separate financial statements

The Company measures all equity investments at fair value. Where the Company has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as net investment income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in gains/(losses) on investments in the statement of profit or loss.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

Consolidated financial statements

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as net investment income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

Consolidated and separate financial statements

The Group and Company present its investments in Property Fund unit trusts / Real Estate Investment Trust units / Infrastructure Fund units / Infrastructure Trust units (the trust) established and registered in Thailand as equity investments and measures them at FVOCI and FVPL, respectively following the TFAC's clarification, "Interpretation of investments in Property Fund unit trusts, Real Estate Investment Trust units, Infrastructure Fund units, and Infrastructure Trust units established and registered in Thailand" dated 25 June 2020. The trust and fund are required to distribute benefits of not less than 90% of its adjusted net profit.

d) Impairment

Consolidated and separate financial statements

The Group and Company assess 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 and Company always account 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 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.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item.

#### Consolidated financial statements

In addition, the Group assesses the impairment of equity instruments and unit trusts measured at FVOCI by considering supporting factors that the Group might not recover the cost of investment in equity. The Group also consider for a significant or prolonged decline in the fair value of an investment in equity instruments below its cost or net book value of the entity that the Group held the investment. The Group will immediately recognise impairment for equity instruments and unit trust which carried at fair value through other comprehensive income in profit or loss if there is existence of objective evidence that lead the instruments to be devalued.

#### **4.10 Loans**

Loans are stated at their principal amount less allowance for doubtful accounts, if any. The Group estimates the allowance for doubtful accounts based on an analysis of payment histories, future expectation of each customer payments and the valuation of the assets pledged.

#### **4.11 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment (if any).

The cost of building improvement and equipment comprises its purchase price, import duties and non-refundable purchase taxes (after deducting trade discounts and rebates) and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the initial estimate of costs of dismantling and removing the items, and restoring the site on which it is located, the obligation for which the Group incurs either when the item is acquired or as a consequence of having used the item during a particular the year.

The cost of replacing a part of an item of building improvement and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of building improvement and equipment are recognised in profit or loss as incurred.

Land is not depreciated. Depreciation is calculated based on the depreciable amount of property, plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.



Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of assets or each component of an item of assets. The estimated useful lives are as follows:

Buildings	20 years
Leasehold improvement	5 - 10 years
Office equipment, furniture and fixtures	5 - 9 years
Vehicles	5 years
Computer equipment	3 - 5 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other gains and losses in the statements of comprehensive income.

#### 4.12 Goodwill

Subsequent to the initial recognition, goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. It is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments - non-life insurance business.

#### 4.13 Intangible assets

Intangible assets with definite useful life are stated at cost less accumulated amortisation and impairment losses (if any).

Amortisation is charged to the statement of profit or loss on a straight-line basis from the date that intangible assets are available for use over the estimated useful lives of the assets. The estimated useful lives are as follows:

Computer software	3 - 10 years
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Intangible assets with definite useful lives are tested for impairment when there is an indicator that the asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment annually or when there is an indicator that the asset may be impaired.

#### 4.14 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.



#### 4.15 Leases

##### Leases - where the Group is the lessee

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.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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

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

- the amount of the initial measurement of lease liability
- any lease 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. Low-value assets comprise office equipment.

#### 4.16 Insurance liabilities

##### a) Unearned premium reserve

Unearned premium reserve is set aside in compliance with the basis as specified in the Notification of the Office of Insurance Commission as follows:

Fire, Marine (Hull), Motor, Health and Personal accident and Miscellaneous	- Daily average basis (the one - three hundred sixth five basis)
Transportation (Cargo), travelling accident with coverage periods of not over six-months	- 100% of premiums as from the effective date of the inforce policies over the insurance coverage period



**b) Loss reserve and outstanding claims**

Loss reserve and outstanding claims have been provided upon receipt of claim advices from the insured and recorded at the amount appraised by an independent appraiser or by the Group's appraiser. In addition, the Group records a provision for losses incurred but not yet reported (IBNR) which assessed by certified actuary.

**c) Unexpired risk reserve**

Unexpired risks reserves are the best estimate of the claims that are expected be incurred during the remaining period of coverage of in-force policies, based on analysis of historical claims data by an actuary.

Unexpired risk reserves are only recognised in the financial statements to the extent that they exceed unearned premium reserves.

**d) Liability adequacy test**

The liability of the Group under insurance contracts is tested for adequacy by comparing the best estimate of future contractual cash flows with the carrying amount of gross insurance contract provisions for unearned premiums and insurance claims. Provisions for insurance claims are assessed based on the Group's experience and historical data which use actuarial methods. Where an expected shortfall is identified, additional provisions are made for unearned premiums or insurance claims and are recognised in profit or loss.

#### **4.17 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

*Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

*Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



#### **4.18 Employee benefits**

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care - revise as appropriate that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Provident fund

The Group has a provident fund which is contributory by the employee and the Group matching the individuals' contributions. The provident fund has been registered in accordance with the Provident Fund Act B.E. 2530 (1987). The Group's contribution to the Fund is recorded as expense for the year.

c) Employee benefit obligations

The Group provides for employee benefit obligations, payable to employees under the Thai Labor Protection Act. The liability in respect of employee benefits is the present value of the defined benefit obligation which is calculated by an actuary using the projected unit credit method. The present value of the defined benefits obligation is determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, length of service and other factor. Actuarial gains or losses will be recognized in the statement of profit or loss and other comprehensive income in the period to which they are related. The costs associated with providing these benefits are charged to the statement of profit or loss and other comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned.

Past service cost related to the plan amendment is recognized as an expense in the statement of profit or loss and other comprehensive income when the plan amendment is effective.

d) Long service award

The Group has long service award compensation according to the years of service with the Company. The years of service will be counted since the first working day. The awarded employee must be the Group's employee on the benefit pay out date.

#### **4.19 Share-based compensation**

Allianz SE is the Ultimate Parent Company of the Group, which has offered share-based compensation plans for the Group's employees. The Group has received services from employees in exchange of Allianz SE's shares, by considering the conditions prescribed by Allianz SE.

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The obligation from share-based payment is presented under "Employee benefits obligation" on the statement of financial position.

#### **4.20 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

#### **4.21 Share capital**

Ordinary shares and premium on ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

#### **4.22 Earnings per share**

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Group (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

#### **4.23 Dividend distribution**

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

#### **4.24 Recognition of revenues and expenses**

##### **4.24.1 Premium written**

For insurance policies with coverage period for one year, premium income is recognised on the date the insurance policy is effective after deducting premium ceded and premium cancelled and refunded. For long-term insurance policies which coverage periods is longer than one year, related revenues and expenses are recorded as unearned and prepaid items which recognised as income and expenses over the coverage annual.

##### **4.24.2 Reinsurance premium**

Reinsurance premium income is recognised when the Group receives the reinsurance application or statement of accounts from the ceding company. Reinsurance profit commissions are recognised when the subsidiary receives the statement of accounts from the reinsurers.

##### **4.24.3 Commission and brokerage income**

Commission and brokerage income are recognised as income on an accrual basis.

##### **4.24.4 Interest and dividend income**

Interest income is recognised as income on an accrual basis. Dividend income are recognised as income on the declaration date.

##### **4.24.5 Service income**

The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.



#### 4.24.6 Claim and loss adjustment expenses

Claim and loss adjustment expenses consist of claim and loss adjustment expenses of direct insurance and reinsurance of both reported claims and not reported claims, and are stated at the amounts of the claims, related expenses, and claim adjustments of the current and prior period incurred during the year, less residual value and other recoveries (if any), and claim recovery from reinsurers.

Claim and loss adjustment expenses of direct insurance are recognised upon the receipt of the claims advice from the insured, based on the claims notified by the insured and estimates made by the Group's management. The maximum value of claims estimated is not however, to exceed the sum-insured under the relevant policy.

Claim and loss adjustment expenses of reinsurance are recognised when the reinsurer places the loss advice with the Group.

#### 4.24.7 Claim recovery from reinsurers

Claim recovery from reinsurers is recognised when claim and loss adjustment expenses are recorded. They are estimated as proportion and condition relevant to reinsurance contracts. The Group presents the claim recoverable amount as a deduction from gross claims.

#### 4.24.8 Commissions and brokerages and other expenses

Commissions and brokerages and other expenses are recognised as expenses on an accrual basis.

#### 4.25 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

## 5 Insurance and financial risk management

### 5.1 Insurance risk

#### a) Insurance risk management policy

The Group's managements take a responsibility to make a strategic decisions and pre-planned with clear steps to be taken so that the process of translating strategy into implementation is appropriate actionable, timely reaction to change and situations.

Insurance risk means the fluctuation of the frequency, extent of damage, and number of events that is out of the standard assumption used in establishing rate of insurance, calculations for insurance contract liabilities, and underwriting considerations. The Group examines thoroughly the level of risks that is acceptable to take by referring to the insurance underwriting manual and insurance rates included the consideration to ensure that there is no concentrated risk by way of geography or by type of risks. If the risks exceed the defined level, the Group extends the risks to reinsurers by proportional reinsurance agreed terms.



Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

The key elements of the Group's insurance risk management framework are as below.

*Product Design and Development and Price Structure*

In developing any new non-life insurance product, considerations are given to the range of coverage as well as applying actuarial science methods to calculate insurance rates. This is to ensure that products are competitive and sufficient in covering for claims. Monitoring procedures and evaluations for each product are regularly conducted in order to make appropriate improvements in coverage and/or pricing.

*Underwriting strategy*

The underwriting strategy is set out in an annual business plan that establishes the classes of business to be written, the business to be written and the industry sectors to be written. This strategy is cascaded by the business units to individual underwriters through detailed underwriting authorities that set out the limits that any one underwriter can write by line size, class of business risk, scope and industry in order to ensure appropriate risk selection within the portfolio.

*Reinsurance strategy*

The Group has a combination of proportionate and non-proportionate reinsurance treaties. In term of significant exposure loss, reinsurer is responsible for claim as specified in the agreement to limit the net exposure loss to the Group.

The Group sets the minimum security criteria for acceptable reinsurance and monitoring the purchase of reinsurance by the business units against those criteria. The Group's management monitors developments in the reinsurance programme and its ongoing adequacy.

b) Concentration insurance risk

Concentrations of risk may where a particular event or a series of events could impact heavily upon the Group's insurance contract liabilities.

The Group sets out the total aggregate exposure that it is prepared to accept in relation to general insurance risk concentrations. It monitors these exposures both at the time of underwriting a risk and on a monthly basis by reviewing reports which show the key aggregations to which the Group is exposed. A number of additional stress and scenario tests are run during the year to identify risk concentrations.

The following table shows the Group's exposure to concentration of insurance contract liabilities per category of business.

	Fire Thousand Baht	Marine Thousand Baht	Motor Thousand Baht	Health and personal accident Thousand Baht	Miscellaneous Thousand Baht	Total Thousand Baht
<b>31 December 2023</b>						
Gross	50,543	105,039	758,686	482,288	1,184,509	2,581,065
Net of reinsurance	42,702	65,303	757,824	479,286	178,156	1,523,271
<b>31 December 2022</b>						
Gross	125,475	165,368	683,912	414,552	1,288,248	2,677,555
Net of reinsurance	90,384	122,751	677,219	414,552	296,048	1,600,954



## 5.2 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the Group's Risk Management Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools by Risk Management Committee.

### 5.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. Market risk consists of three types of risks: foreign exchange risk, interest rate risk and price risk.

#### a) Foreign exchange risk

The Group operates internationally and is exposed to foreign currency risks, primarily the US dollar and Euro from insurance premium and reinsurance with foreign insurance companies that are denominated in foreign currencies. The Group has no forward exchange contract to reduce the exposure. However, the management believes that the Group has no significant effect.

#### *Exposure*

The Group's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements		
	2023		
	US Dollar Thousand Baht	Euro Thousand Baht	SG Dollar Thousand Baht
Cash and cash equivalents	174	-	-
Accrued expense	-	121,246	4,233
	Consolidated financial statements		
	2022		
	US Dollar Thousand Baht	Euro Thousand Baht	SG Dollar Thousand Baht
Cash and cash equivalents	176	-	-
Accrued expense	-	50,284	3,969

#### *Foreign exchange risk sensitivity analysis*

The Group calculated the impact on the sensitivity of exchange rates. However, the management considered that the Group has no significant effect.

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b) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the value of financial instruments and cash flows will fluctuate due to changes in market interest rates. The Group's investments include both short-term and long-term investments with the return of both floating rate and fixed rate. The Group manage the risk by considering the risk of investments together with the return on such investments.

As at 31 December 2023 and 2022, significant financial assets and financial liabilities classified by type of interest rate and maturity date were as follows:

Consolidated financial statements									
2023									
Variable interest rate			Fixed interest rate			Non-interest bearing	Total	Interest rate	
Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years				
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	(% p.a)	
<b>Financial assets</b>									
Cash and cash equivalents	10,046	-	-	893,050	-	-	46,072	949,168	0.00-4.84
Investment in securities									
Government and state enterprise securities	3,763,937	1,623,831	-	-	-	-	-	5,387,768	0.00-4.75
Private debt securities	505,132	1,828,037	-	-	-	-	235	2,333,404	0.97-5.28
Deposits at bank with maturity over 3 months	164,531	-	-	-	-	-	-	164,531	1.15
	4,443,646	3,451,868	-	893,050	-	-	46,307	8,834,871	
<b>Financial liabilities</b>									
Lease liabilities	37,499	140,218	15,857	-	-	-	-	193,574	1.80-4.15
	37,499	140,218	15,857	-	-	-	-	193,574	
Consolidated financial statements									
2022									
Variable interest rate			Fixed interest rate			Non-interest bearing	Total	Interest rate	
Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years				
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	(% p.a)	
<b>Financial assets</b>									
Cash and cash equivalents	899,658	-	-	684,271	-	-	76,677	1,660,606	0.00-1.00
Investment in securities									
Government and state enterprise securities	2,864,599	1,676,627	1,046	-	-	-	-	4,542,272	0.65-5.50
Private debt securities	372,046	1,316,731	-	-	-	-	236	1,689,013	0.97-5.28
Deposits at bank with maturity over 3 months	593,030	-	-	-	-	-	-	593,030	0.3-2.05
	4,729,333	2,993,358	1,046	684,271	-	-	76,913	8,484,921	
<b>Financial liabilities</b>									
Lease liabilities	44,925	112,769	35,852	-	-	-	-	193,546	1.68-3.97
	44,925	112,769	35,852	-	-	-	-	193,546	



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	Separate financial statements									
	2023									
	Variable interest rate			Fixed interest rate			Non-interest bearing	Total	Interest rate	
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years				Thousand Baht
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht			
<b>Financial assets</b>										
Cash and cash equivalents	10,046	-	-	17,040	-	-	3,311	30,397	0.00-4.84	
Investment in securities										
Government and state enterprise securities	831,346	1,020	-	-	-	-	-	832,366	0.00-2.875	
Private debt securities	20,064	19,838	211,337	-	-	-	235	251,474	2.05-6.10	
	861,456	20,858	211,337	17,040	-	-	3,546	1,114,237		
	Separate financial statements									
	2022									
	Variable interest rate			Fixed interest rate			Non-interest bearing	Total	Interest rate	
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years				Thousand Baht
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht			
<b>Financial assets</b>										
Cash and cash equivalents	119,864	-	-	40,218	-	-	11,615	171,697	0.00-0.30	
Investment in securities										
Government and state enterprise securities	-	-	1,046	-	-	-	-	1,046	2.875	
Private debt securities	5,017	19,908	204,912	-	-	-	236	230,073	2.05-6.1	
	124,881	19,908	205,958	40,218	-	-	11,851	402,816		

*Interest rate sensitivity*

Profit or loss is sensitive to higher or lower interest income from cash and cash equivalents, and higher or lower interest expenses from borrowings as a result of changes in interest rates. Other components of equity change as a result of an increase or decrease in the fair value of the cash flow hedges of borrowings and the fair value of debt investments at fair value through other comprehensive income.

The table below shows the interest sensitivity for the financial assets and financial liabilities held as at reporting date.

	Consolidated financial statements			
	Impact to net profit		Impact to other components of equity	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest rate - increase 1%*	8,848	6,686	(89,332)	(76,633)
Interest rate - decrease 1%*	(3,530)	(2,366)	91,742	76,034

\* Holding all other variables constant

	Separate financial statements			
	Impact to net profit		Impact to other components of equity	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest rate - increase 1%*	170	402	(2,508)	(716)
Interest rate - decrease 1%*	(170)	(402)	2,529	735

\* Holding all other variables constant

c) Equity price risk

*Exposure*

The Group's exposure to equity securities price risk arises from equity instruments held by the Group which are classified either as at fair value through other comprehensive income (FVOCI) or at fair value through profit or loss (FVPL).

The Group manages the capital risk by establishing guideline of investment policy and written investment plan. The guideline sets the framework and investment direction for the year by specifying the limitation in all types and levels of investments based on targeted rate of returns and liquidity by setting both internal investment limits and compliance to the Office of Insurance Commission.

*Equity price risk sensitivity*

The Group calculated the impact on the sensitivity of equity price. However, the management considered that the Group has no significant effect.

Net profit for the period would increase or decrease as a result of gains/losses on equity instrument carried at fair value through profit or loss (FVPL). Other components of equity would increase or decrease as a result of gains/losses on equity instrument carried at fair value through other comprehensive income (FVOCI).

## 5.2.2 Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation including the change in one party's credit rating.

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL).

a) Risk management

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

b) Impairment of financial assets

The Group has 3 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Other receivables
- Investment in debt instruments measured at amortised cost; and FVOCI

Forward-looking economic information is also included in determining the next 12 months or over the remaining lifetime.

There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.



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*Cash and cash equivalents*

The Group considers that cash and cash equivalent have low credit risk, So the Group considered credit rating of bank institutes from reliable organisation.

The loss allowance for cash and cash equivalents as at 31 December reconciles to opening loss allowance as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January	229	6	1	1
Increase from Business Acquisition	-	151	-	-
Increase (decrease) in loss allowance recognised in profit or loss during the year	(222)	72	-	-
<b>As at 31 December</b>	<b>7</b>	<b>229</b>	<b>1</b>	<b>1</b>

*Debt instruments*

The Group considers that all debt investments measured at amortised cost and FVOCI have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Management consider 'low credit risk' for listed bonds to be an investment grade credit rating with at least one major rating agency. Other instruments are considered to be low credit risk when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term.

*Other financial assets measured at amortised cost*

Other financial assets measured at amortised cost include debenture assets, zero coupon bonds and listed corporate bonds.

The loss allowance for other financial assets measured at amortised cost as at 31 December reconciles to opening loss allowance as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January	179	27	-	-
Increase from Business Acquisition	-	337	-	-
Increase (decrease) in loss allowance recognised in profit or loss during the year	(172)	(185)	-	-
<b>As at 31 December</b>	<b>7</b>	<b>179</b>	<b>-</b>	<b>-</b>

*Debt instruments measured at fair value through other comprehensive income*

Debt investments measured at fair value through other comprehensive income (FVOCI) include listed and unlisted debt securities. The loss allowance is recognised in profit or loss and reduces the fair value loss otherwise recognised in OCI.

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The loss allowance for FVOCI as at 31 December reconciles to opening loss allowance as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January	331	1,709	2	952
Increase (decrease) in loss allowance recognised in profit or loss during the year	274	(1,378)	7	(950)
As at 31 December	605	331	9	2

*Financial asset measured at fair value through profit or loss*

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

*The maximum exposure to credit risk of the financial asset*

The exposure to credit risk equals their carrying amount in the statement of financial position as at reporting date.

### 5.2.3 Liquidity risk

Liquidity risk, is the risk that the Group will encounter difficulty to settle the obligation related to financial liabilities which must be settled in cash or other financial assets.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 897 million (2022: Baht 699 million) that are expected to readily generate cash inflows for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the group treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining financing plans.



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*Maturity of financial liabilities*

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity of financial liabilities	Consolidated financial statements				
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
<b>As at 31 December 2023</b>					
Lease liabilities	-	44,382	153,872	16,042	214,296
Other payables	235,518	-	-	-	235,518
<b>Total financial liabilities that is not derivatives</b>	<b>235,518</b>	<b>44,382</b>	<b>153,872</b>	<b>16,042</b>	<b>449,814</b>
<b>As at 31 December 2022</b>					
Lease liabilities	-	44,925	112,769	35,852	193,546
Other payables	185,544	-	-	-	185,544
<b>Total financial liabilities that is not derivatives</b>	<b>185,544</b>	<b>44,925</b>	<b>112,769</b>	<b>35,852</b>	<b>379,090</b>
Maturity of financial liabilities	Separate financial statements				
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht
<b>As at 31 December 2023</b>					
Other payables	68	-	-	-	68
<b>Total financial liabilities that is not derivatives</b>	<b>68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68</b>
<b>As at 31 December 2022</b>					
Other payables	260	-	-	-	260
<b>Total financial liabilities that is not derivatives</b>	<b>260</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>260</b>

### 5.3 Capital management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, sell assets to reduce debt and comply with the requirements of the Office of Insurance Commission.

## 6 Fair value

### 6.1 Fair value estimation

The following table shows fair values of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value.

	Consolidated financial statements				
	Fair value through profit or loss (FVPL) Thousand Baht	Fair value through other comprehensive income (FVOCI) Thousand Baht	Amortised cost Thousand Baht	Total carrying amount Thousand Baht	Fair value Thousand Baht
<b>As at 31 December 2023</b>					
<i>Financial assets measured at fair value</i>					
Investments in securities					
Debt securities	45,774	6,160,439	-	6,206,213	6,206,213
Equity securities	-	56,756	-	56,756	56,756
<b>Total</b>	<b>45,774</b>	<b>6,217,195</b>	<b>-</b>	<b>6,262,969</b>	<b>6,262,969</b>
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	949,161	949,161	949,161
Investments at amortised cost	-	-	1,725,257	1,725,257	1,725,257
Accrued investment income	-	-	19,742	19,742	19,742
Others	-	-	522,491	522,491	522,491
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,216,651</b>	<b>3,216,651</b>	<b>3,216,651</b>
<i>Financial liabilities not measured at fair value</i>					
Lease liabilities	-	-	193,574	193,574	193,574
Others	-	-	235,518	235,518	235,518
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>429,092</b>	<b>429,092</b>	<b>429,092</b>



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	Consolidated financial statements				
	Fair value through profit or loss (FVPL)	Fair value through other comprehensive income (FVOCI)	Amortised cost	Total carrying amount	Fair value
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>As at 31 December 2022</b>					
<i>Financial assets measured at fair value</i>					
Investments in securities					
Debt securities	35,256	4,783,853	-	4,819,109	4,819,109
Equity securities	-	103,663	-	103,663	103,663
<b>Total</b>	<b>35,256</b>	<b>4,887,516</b>	<b>-</b>	<b>4,922,772</b>	<b>4,922,772</b>
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	1,660,377	1,660,377	1,660,377
Investments at amortised cost	-	-	2,040,283	2,040,283	2,040,283
Accrued investment income	-	-	16,641	16,641	16,641
Others	-	-	270,104	270,104	270,104
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,987,405</b>	<b>3,987,405</b>	<b>3,987,405</b>
<i>Financial liabilities not measured at fair value</i>					
Lease liabilities	-	-	193,546	193,546	193,546
Others	-	-	185,544	185,544	185,544
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>379,090</b>	<b>379,090</b>	<b>379,090</b>

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	Separate financial statements				
	Fair value through profit or loss (FVPL) Thousand Baht	Fair value through other comprehensive income (FVOCI) Thousand Baht	Amortised cost Thousand Baht	Total carrying amount Thousand Baht	Fair value Thousand Baht
<b>As at 31 December 2023</b>					
<i>Financial assets measured at fair value</i>					
Debt securities	211,572	872,268	-	1,083,840	1,083,840
Equity securities	-	12,679	-	12,679	12,679
<b>Total</b>	<b>211,572</b>	<b>884,947</b>	<b>-</b>	<b>1,096,519</b>	<b>1,096,519</b>
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	30,396	30,396	30,396
Accrued investment income	-	-	6,795	6,795	6,795
Others	-	-	16,827	16,827	16,827
<b>Total</b>	<b>-</b>	<b>-</b>	<b>54,018</b>	<b>54,018</b>	<b>54,018</b>
<i>Financial liabilities not measured at fair value</i>					
Others	-	-	68	68	68
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>68</b>	<b>68</b>	<b>68</b>



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	Separate financial statements				
	Fair value through profit or loss (FVPL) Thousand Baht	Fair value through other comprehensive income (FVOCI) Thousand Baht	Amortised cost Thousand Baht	Total carrying amount Thousand Baht	Fair value Thousand Baht
<b>As at 31 December 2022</b>					
<i>Financial assets measured at fair value</i>					
Debt securities	205,148	25,971	-	231,119	231,119
Equity securities	-	17,227	-	17,227	17,227
<b>Total</b>	<b>205,148</b>	<b>43,198</b>	<b>-</b>	<b>248,346</b>	<b>248,346</b>
<i>Financial assets not measured at fair value</i>					
Cash and cash equivalents	-	-	171,696	171,696	171,696
Accrued investment income	-	-	308	308	308
Others	-	-	14,729	14,729	14,729
<b>Total</b>	<b>-</b>	<b>-</b>	<b>186,733</b>	<b>186,733</b>	<b>186,733</b>
<i>Financial liabilities not measured at fair value</i>					
Others	-	-	260	260	260
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>260</b>	<b>260</b>	<b>260</b>

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The following table presents fair value of financial assets and liabilities recognised by their fair value hierarchy.

	<b>Consolidated financial statements</b>			
	<b>Level 1</b> <b>Thousand</b> <b>Baht</b>	<b>Level 2</b> <b>Thousand</b> <b>Baht</b>	<b>Level 3</b> <b>Thousand</b> <b>Baht</b>	<b>Total</b> <b>Thousand</b> <b>Baht</b>
<b>As at 31 December 2023</b>				
<b>Financial assets</b>				
Investments in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	6,160,439	-	6,160,439
Equity securities	-	-	56,756	56,756
Investments designated at fair value through profit or loss				
Debt securities	45,774	-	-	45,774
<b>Total financial assets</b>	<b>45,774</b>	<b>6,160,439</b>	<b>56,756</b>	<b>6,262,969</b>
<b>As at 31 December 2022</b>				
<b>Financial assets</b>				
Investments in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	4,783,853	-	4,783,853
Equity securities	9,799	-	93,864	103,663
Investments designated at fair value through profit or loss				
Debt securities	35,256	-	-	35,256
<b>Total financial assets</b>	<b>45,055</b>	<b>4,783,853</b>	<b>93,864</b>	<b>4,922,772</b>



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	Separate financial statements			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
<b>As at 31 December 2023</b>				
<b>Financial assets</b>				
Investments measured at fair value through other comprehensive income				
Debt securities	-	872,268	-	872,268
Equity securities	-	-	12,679	12,679
Investments designated at fair value through profit or loss				
Debt securities	-	235	211,337	211,572
<b>Total financial assets</b>	-	872,503	224,016	1,096,519
<b>As at 31 December 2022</b>				
<b>Financial assets</b>				
Investments measured at fair value through other comprehensive income				
Debt securities	-	25,971	-	25,971
Equity securities	9,799	-	7,428	17,227
Investments designated at fair value through profit or loss				
Debt securities	-	236	204,912	205,148
<b>Total financial assets</b>	9,799	26,207	212,340	248,346

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand the Frankfurt Stock Exchange.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

*Valuation techniques used to determine fair values*

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- for other financial instruments - discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2, except for unlisted equity securities, a contingent consideration receivable and certain derivative contracts, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

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*Fair value measurements using significant unobservable inputs (level 3)*

The following table presents the changes in level 3 items for the years ended 31 December 2023

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>	
	<b>Unlisted equity securities Thousand Baht</b>	<b>Private debt securities Thousand Baht</b>	<b>Unlisted equity securities Thousand Baht</b>
<b>As of 1 January 2022</b>	77,034	210,106	6,696
Gains (losses) recognised in other comprehensive income	16,830	(5,194)	732
<b>As of 31 December 2022</b>	93,864	204,912	7,428
Gains (losses) recognised in other comprehensive income	(37,108)	6,425	5,251
<b>As of 31 December 2023</b>	56,756	211,337	12,679

*Transfer between fair value hierarchy*

During the year ended 31 December 2023 and 2022, there is no significant change in economic condition or business that effect to fair value of the Group's financial assets and there is no change in financial asset classification.

There was no transfer between levels during the year and there was no change in valuation techniques during the year.

*The Group's valuation processes*

Chief Financial Officer (CFO), Audit Committee (AC) and a valuation team discuss valuation processes and results at least every quarter.

Significant unobservable input of fair value hierarchy level 3 is risk adjusted discount rate. It is estimated based on public companies' weighted average cost of capital that, are in opinion of the Group, in a comparable financial position with the counterparty in the contract. The Group has subscriptions to information brokers to gather such information.

## **7 Critical accounting estimates and judgements**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### **7.1 Goodwill impairment**

The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated in Note 17. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.



## **7.2 Impairment of premium receivable and amount due from reinsurers**

The Group sets an allowance for doubtful accounts and amount due from reinsurers to reflect impairment of premium due, uncollected receivables and claim recoveries from reinsurer. The allowance for doubtful accounts and amount due from reinsurers are based on collection experience and a review of current status of the premium due as at the date of statement of financial position.

## **7.3 Reinsurance assets estimation**

Reinsurance assets are determined from estimation using the same methods as the estimation of claims incurred but not yet reported by insured (Note 4.16) and the unearned premium reserve calculation. The reinsurance assets are assessed at the period end date to ensure that the amount shown in financial statement reflects the expected amount to be received in the future by taking into account the credit rating of reinsurance company and the contractual terms of reinsurance contracts.

## **7.4 Deferred tax**

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. The Group considers future taxable income and ongoing prudent and feasible tax planning strategies in assessing whether to recognise deferred tax assets. The Group's assumptions regarding the future profitability and the anticipated timing of utilisation of deductible temporary differences and significant changes in these assumptions from year to year may have a material impact on the Group's reported financial position and results of operations.

## **7.5 Loss reserve and outstanding claims**

The Group determines the loss reserves and outstanding claims in accordance with survey information, and also reviews the outstanding claims at the end of each reporting date which are sufficient to cover any liabilities arising out of insurance contracts to the extent that can be reasonably foreseen.

There are 3 major methods to estimate the ultimate loss which are Chain Ladder, Bornhuetter-Ferguson and Expected Loss Ratio. The most appropriate method for each product category was selected based on actuarial judgement for both gross and net of reinsurance basis.

However, given the uncertainty in establishing a provision for insurance claims, it is likely that the final outcome could prove to be significantly different from the original liability established.

## **7.6 Unexpired risk reserve**

Unexpired risk reserve is calculated using an actuarial method, based on a best estimate of the claims expected to incur over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at the time.

## **7.7 Liability adequacy test**

At the end of each reporting period, the Group assesses the adequacy of Insurance contract liabilities recognised in the financial position by comparing to the present value of the estimated future cash flows from insurance contracts. If the assessment shows that the carrying amount of Insurance contract liabilities less related deferred acquisition cost is inadequate when compared to the estimated future cash flows. The liabilities is increased by the deficiency and it is charged to profit or loss.

## **7.8 Employee benefits obligations**

Employee benefits obligations are determined by independent actuary. The amount recognised in the statement of financial position is determined on an estimation basis utilising various assumptions including the rate of salary inflation and employee turnover. Any change in these assumptions will impact the estimation for employee benefits. On an annual basis the Group determines the appropriate assumptions, which represents the provision expected to be required to settle the employee benefits.



## 7.9 Fair value of certain financial assets

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note 6.

## 7.10 Determination of lease terms

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

## 7.11 Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

## 7.12 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

## 8 Cash and cash equivalents, net

Cash and cash equivalents as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Cash on hand	820	887	-	-
Cheque on hand	40,776	60,678	-	-
Deposits at bank - at call	897,526	699,383	20,351	51,833
Short-term investments	10,046	899,658	10,046	119,864
<b>Total</b>	<b>949,168</b>	<b>1,660,606</b>	<b>30,397</b>	<b>171,697</b>
<b>Less</b> Allowance for expected credit loss	(7)	(229)	(1)	(1)
<b>Total</b>	<b>949,161</b>	<b>1,660,377</b>	<b>30,396</b>	<b>171,696</b>



## 9 Premiums due and uncollected, net

As at 31 December 2023 and 2022, the balances of premiums due and uncollected were aged as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Within credit terms	1,016,844	976,957
Overdue:		
Less than 30 days	120,583	114,956
31 - 60 days	54,897	39,675
61 - 90 days	27,863	24,500
Over 90 days	75,455	64,959
Total	1,295,642	1,221,047
Less Allowance for doubtful accounts	(27,393)	(29,820)
<b>Premiums due and uncollected, net</b>	<b>1,268,249</b>	<b>1,191,227</b>

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

## 10 Reinsurance assets

Reinsurance assets as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>Insurance reserve refundable from reinsurers</b>		
Loss reserves	1,057,795	1,076,601
Premium reserve		
Unearned premium reserve	1,125,370	906,883
<b>Total reinsurance assets (Note 21)</b>	<b>2,183,165</b>	<b>1,983,484</b>

## 11 Amount due from reinsurers

Amount due from reinsurers as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Amount deposit on reinsurance	-	3
Due from reinsurers	438,832	354,941
<b>Total amount due from reinsurers</b>	<b>438,832</b>	<b>354,944</b>

Aging analyses for due from reinsurers as at 31 December 2023 and 2022 were as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Within credit terms	224,297	177,965
Not over 12 months	161,827	123,509
Over 1 year to 2 years	39,738	42,736
Over 2 years	16,541	14,331
<u>Less</u> Allowance for doubtful accounts	(3,571)	(3,600)
<b>Total reinsurance receivable</b>	<b>438,832</b>	<b>354,941</b>

## 12 Financial assets

Financial asset - Debt and equity securities as at 31 December 2023 and 2022 were as follows;

	Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>Financial assets measured at fair value through profit or loss</b>		
Private debt securities	211,572	205,148
<b>Total financial asset measured at fair value through profit or loss</b>	<b>211,572</b>	<b>205,148</b>
<b>Financial assets measured at fair value through other comprehensive income</b>		
Government and state enterprise debt securities	832,366	1,046
Private debt securities	39,902	24,925
Local equity securities	12,679	17,227
<b>Total financial assets measured at fair value through other comprehensive income</b>	<b>884,947</b>	<b>43,198</b>

On 30 July 2021, the Company invested in the 10-year subordinated bond with maturity date on 30 July 2031 issued by subsidiary amounting to Baht 200 million with the fixed interest rate at 6.10% per annum.



## 12.1 Financial assets at fair value through profit or loss

- a) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI
- equity investments that are held for trading, and
- equity investments for which the entity has irrevocably not elected at initial recognition to recognise fair value gains and losses through OCI.

- b) Amounts recognised in profit or loss

The following gains/(losses) were recognised in profit or loss during the year as follows:

	<b>Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Fair value gains (losses) on debt instruments at FVPL recognised in gains (losses) on investments	6,424	(5,196)

For the information about the methods and assumptions used in determining fair value refer to Note 5.2.1 c). Information about the group's exposure to price risk is provided in Note 6.

## 12.2 Financial assets at fair value through other comprehensive income

- a) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- equity securities which are not held for trading, and which the Company has irrevocably elected at initial recognition to recognise in this category.
- debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets.

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b) Amounts recognised in profit or loss and other comprehensive income

The following gains/(losses) were recognised in profit or loss and other comprehensive income during the year as follows:

	Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Gains (losses) recognised in other comprehensive income	3,874	(39,815)
Gains reclassified from other comprehensive income to profit or loss on the sale of investments at FVOCI in OCI to other gain (losses)	-	1,989
Interest income from debt investments at FVOCI recognised in profit or loss	1,345	8,636
Dividends from equity investments at FVOCI recognised in profit or loss	135	6,959
Expected credit losses for debt investments at FVOCI recognised in profit or loss (expected credit losses/lifetime expected credit loss) (Note 5.2.2)	(7)	950

*Significant acquisitions and disposals during the year*

During the year 2023, the Group did not acquired listed securities measured at FVOCI and the Group disposed listed securities measured at FVOCI in the amount of Baht 9.91 million.

During the year 2022, the Company acquired and disposed listed securities measured at FVOCI in the amount of Baht 8.32 million and Baht 371.42 million, respectively.

c) Expected credit loss

	Separate financial statements	
	2023	
	Fair value Thousand Baht	Expected credit loss recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	872,268	(9)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
<b>Total</b>	<b>872,268</b>	<b>(9)</b>



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	<b>Separate financial statements 2022</b>	
	<b>Fair value Thousand Baht</b>	<b>Expected credit loss recognised in other comprehensive income Thousand Baht</b>
Investments in debt securities which credit risk has not significantly increased (Stage 1)	25,971	(2)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
<b>Total</b>	<b>25,971</b>	<b>(2)</b>

### 13 Investments in securities, net

The details of investments in securities as at 31 December 2023 and 2022 are as follows:

	<b>Consolidated financial statements 2023</b>	
	<b>Cost / Amortised cost Thousand Baht</b>	<b>Fair value Thousand Baht</b>
<b>Investments designated at fair value through profit or loss</b>		
Foreign debt securities	25,094	45,774
Add Unrealised gain	20,680	-
<b>Total investments designated at fair value through profit or loss</b>	<b>45,774</b>	<b>45,774</b>
<b>Investments measured at fair value through other comprehensive income</b>		
Government and state enterprise debt securities	3,847,744	3,827,035
Private debt securities	2,348,580	2,333,404
Equity securities	39,376	56,756
Total	6,235,700	6,217,195
Less Unrealised loss	(18,505)	-
<b>Total investments measured at fair value through other comprehensive income</b>	<b>6,217,195</b>	<b>6,217,195</b>
<b>Investments measured at amortised cost</b>		
Government and state enterprise debt securities	1,560,733	
Deposits at financial institutions with original maturities more than 3 months	164,531	
Total	1,725,264	
Less Allowance for expected credit loss	(7)	
<b>Total investments measured at amortised cost</b>	<b>1,725,257</b>	
<b>Total investments in securities, net</b>	<b>7,988,226</b>	

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	Consolidated financial statements	
	2022	
	Cost / Amortised cost Thousand Baht	Fair value Thousand Baht
<b>Investments designated at fair value through profit or loss</b>		
Foreign debt securities	25,203	35,256
Add Unrealised gain	10,053	-
<b>Total investments designated at fair value through profit or loss</b>	<b>35,256</b>	<b>35,256</b>
<b>Investments measured at fair value through other comprehensive income</b>		
Government and state enterprise debt securities	3,101,217	3,094,840
Private debt securities	1,697,477	1,689,013
Equity securities	54,594	103,663
Total	4,853,288	4,887,516
Add Net unrealised gain	34,228	-
<b>Total investments measured at fair value through other comprehensive income</b>	<b>4,887,516</b>	<b>4,887,516</b>
<b>Investments measured at amortised cost</b>		
Government and state enterprise debt securities	1,447,432	
Deposits at financial institutions with original maturities more than 3 months	189,530	
Deposits at banks used as collateral	403,500	
Total	2,040,462	
Less Allowance for expected credit loss	(179)	
<b>Total investments measured at amortised cost</b>	<b>2,040,283</b>	
<b>Total investments in securities, net</b>	<b>6,963,055</b>	

**13.1 Investment designated at fair value through profit or loss**

- a) Amounts recognised in profit or loss

The following gains (losses) were recognised in profit or loss during the year as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Fair value gains on debt securities measured at FVPL recognised in profit (loss)	10,627	1,956



### 13.2 Investment measured at fair value through other comprehensive income

- a) Amounts recognised in profit or loss and other comprehensive income

The following gains (losses) were recognised in profit or loss and other comprehensive income during the year as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Gains (losses) recognised in other comprehensive income	(64,371)	(225,355)
Gains (losses) reclassified from other comprehensive Income to profit or loss on the sale of investments at FVOCI in OCI to other gain (losses)	7,062	155,579
Interest income from debt investments at FVOCI recognised in profit or loss	99,199	63,348
Dividends from equity investments at FVOCI recognised in profit or loss	157	6,979
Expected credit losses for debt and equity investments at FVOCI recognised in profit or loss (Note 5.2.2)	(274)	1,378

#### Significant acquisitions and disposals during the year

During the year 2023, the Group did not acquired listed securities measured at FVOCI and the Group disposed listed securities measured at FVOCI in the amount of Baht 9.91 million.

During the year 2022, the Group acquired and disposed listed securities measured at FVOCI in the amount of Baht 8.32 million and Baht 371.42 million, respectively.

- b) Expected credit loss

	Consolidated financial statements	
	2023	
	Fair value Thousand Baht	Expected credit loss recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	6,160,439	(605)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
<b>Total</b>	<b>6,160,439</b>	<b>(605)</b>

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	Consolidated financial statements 2022	
	Fair value Thousand Baht	Expected credit loss recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	4,783,853	(331)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
<b>Total</b>	<b>4,783,853</b>	<b>(331)</b>



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c) The maturity of investment measured at fair value through other comprehensive income

The details of investment measured at fair value through other comprehensive income for the year ended 31 December 2023 and 2022 are aged as follows:

	Consolidated financial statements													
	2023					2022								
	1 year		1 - 5 years		Over 5 years	Total		1 year		1 - 5 years		Over 5 years	Total	
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht		Thousand Baht	Thousand Baht
<b>Investments measured at fair value through other comprehensive income</b>														
Government and state enterprise securities*	2,210,179	1,637,565	-	3,847,744	1,818,092	1,282,055	3,101,217	1,818,092	1,282,055	1,070	3,101,217	1,818,092	1,282,055	3,101,217
Private enterprise securities	506,231	1,842,349	-	2,348,580	371,756	1,325,721	1,697,477	371,756	1,325,721	-	1,697,477	371,756	1,325,721	1,697,477
<b>Total</b>	<b>2,716,410</b>	<b>3,479,914</b>	<b>-</b>	<b>6,196,324</b>	<b>2,189,848</b>	<b>2,607,776</b>	<b>4,798,694</b>	<b>2,189,848</b>	<b>2,607,776</b>	<b>1,070</b>	<b>4,798,694</b>	<b>2,189,848</b>	<b>2,607,776</b>	<b>4,798,694</b>
<b>Less Unrealised losses</b>	<b>(7,839)</b>	<b>(28,046)</b>	<b>-</b>	<b>(35,885)</b>	<b>(2,225)</b>	<b>(12,592)</b>	<b>(14,841)</b>	<b>(2,225)</b>	<b>(12,592)</b>	<b>(24)</b>	<b>(14,841)</b>	<b>(2,225)</b>	<b>(12,592)</b>	<b>(14,841)</b>
<b>Total investments measured at fair value through other comprehensive income</b>	<b>2,708,571</b>	<b>3,451,868</b>	<b>-</b>	<b>6,160,439</b>	<b>2,187,623</b>	<b>2,595,184</b>	<b>4,783,853</b>	<b>2,187,623</b>	<b>2,595,184</b>	<b>1,046</b>	<b>4,783,853</b>	<b>2,187,623</b>	<b>2,595,184</b>	<b>4,783,853</b>

\* As at 31 December 2023, the Group had government securities amounting to Baht 15.43 million (2022: Baht 15.92 million) pledged with the Registrar in accordance with the Insurance Act (No.2) B.E. 2551 (Note 39).

13.3 Investment measured at amortised cost

a) Expected credit loss

<b>Consolidated financial statements</b>			
<b>2023</b>			
	<b>Gross carrying value Thousand Baht</b>	<b>Expected credit loss Thousand Baht</b>	<b>Carrying value Thousand Baht</b>
Investments in debt securities which credit risk has not significantly increased (Stage 1)	1,725,264	(7)	1,725,257
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
<b>Total</b>	<b>1,725,264</b>	<b>(7)</b>	<b>1,725,257</b>

  

<b>Consolidated financial statements</b>			
<b>2022</b>			
	<b>Gross carrying value Thousand Baht</b>	<b>Expected credit loss Thousand Baht</b>	<b>Carrying value Thousand Baht</b>
Investments in debt securities which credit risk has not significantly increased (Stage 1)	2,040,462	(179)	2,040,283
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
<b>Total</b>	<b>2,040,462</b>	<b>(179)</b>	<b>2,040,283</b>



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b) The maturity of investment measured at amortised cost

The maturity of investment measured at amortised cost are aged for the year ended 31 December 2023 and 2022 as follows:

The details of investment measured at amortised cost are aged for the year ended 31 December 2023 and 2022 as follows:

	Consolidated financial statements					
	2023			2022		
	Maturing within		Total Thousand Baht	Maturing within		Total Thousand Baht
1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht		1 - 5 years Thousand Baht	Over 5 years Thousand Baht	
Investments measured at amortised cost	1,560,733	-	1,560,733	1,049,257	398,175	1,447,432
Government and state enterprise securities	-	-	-	403,500	-	403,500
Deposits at banks used as collateral	164,531	-	164,531	189,530	-	189,530
Deposits at financial institutions with original maturities more than 3 months*	1,725,264	-	1,725,264	1,642,287	398,175	2,040,462
	(7)	-	(7)	(179)	-	(179)
<b>Total</b>	<b>1,725,257</b>	<b>-</b>	<b>1,725,257</b>	<b>1,642,108</b>	<b>398,175</b>	<b>2,040,283</b>
<b>Less: Expected credit loss</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Total investments measured at amortised cost

Total Less: Expected credit loss

\* As at 31 December 2023, the Group had no deposits at financial institutions with original maturities more than 3 months (2022: Baht 3.50 million) pledged with the Registrar in accordance with the Insurance Act (No.2) B.E. 2551 (Note 39).

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For the year ended 31 December 2023 and 2022, the Group and the Company has investment income as below:

- Interest income amounting to Baht 129.64 million and Baht 18.80 million, respectively (2022: Baht 81.70 million and Baht 27.18 million, respectively).
- Dividend income amounting to Baht 0.16 million and Baht 1,181.73 million, respectively (2022: Baht 15.85 million and Baht 1,267.85 million, respectively).
- Consideration from selling investments amounting to Baht 9.91 million and Baht 9.91 million, respectively (2022: Baht 2,638.55 million and Baht 2,638.55 million, respectively) and loss from selling investments amounting to Baht 5.29 million and Baht 5.29 million, respectively (2022 : Baht 12.76 million and Baht 12.76 million, respectively).

As at 31 December 2023, certain government and state enterprise securities and deposits at bank with maturity over 3 months of the Group and the Company were pledged and used for assets reserved with the Registrar amounting to Baht 931.31 million and Baht 1.02 million, respectively (2022: Baht 883.93 million and Baht 1.05 million, respectively) (Note 39).

As at 31 December 2023, certain government and state enterprise securities and deposits at bank with maturity over 3 months of the Group were pledged with the Registrar in accordance with Insurance Act (No.2) B.E. 2551 amounting to Baht 15.43 million (2022: Baht 19.42 million) (Note 39).





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On 1 March 2023, Allianz Ayudhya General Insurance Public Company Limited (“Subsidiary”) was established as a new company by registered with the Department of Business Development, Ministry of Commerce by amalgamation between Allianz Ayudhya General Insurance Public Company Limited and Aetna Health Insurance (Thailand) Public Company Limited. (“Subsidiary”). Consequently, these subsidiaries were ceased to exist on 28 February 2023. All assets and liabilities have been transferred to record as the initial balance of the new Allianz Ayudhya General Insurance Public Company Limited which has a registered capital and paid-up capital of 2,568,800,000 baht, which are 256,880,000 ordinary shares of 10 baht each. The direct and indirect shareholding percentage of the Company in Allianz Ayudhya General Insurance Public Company Limited are 66.10% and 33.86%, respectively, totalling holding percentage is 99.96%.

On 1 June 2023, Health Care Management Co., Ltd (“Subsidiary”) was established as a new company by registered with the Department of Business Development, Ministry of Commerce by amalgamation between Health Care Management Co., Ltd and Minor Health Enterprise Ltd. (“Subsidiary”). Consequently, these subsidiaries were ceased to exist on 31 May 2023. All assets and liabilities have been transferred to record as the initial balance of the new Health Care Management Co., Ltd which has a registered capital and paid-up capital of 14,000,000 baht and 9,425,000 baht, respectively, which are 140,000 ordinary shares of 100 baht each. The direct and indirect shareholding percentage of the Company in Health Care Management Co., Ltd are 45.57% and 54.32%, respectively, totalling holding percentage is 99.89%.

**14.2 Investments in an associate**

As at 31 December 2023 and 2022, the Company has investment in an associated company as follows:

Company name	Nature of business	Place of incorporation and operation	Consolidated financial statements and separate financial statements				Carrying value under equity method	
			Percentage of shareholding		Cost		2023	2022
			2023	2022	2023	2022	2023	2022
			Percentage	Percentage	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Associate company Allianz Ayudhya Assurance Public Company Limited	Life Insurance	Thailand	31.97	31.97	5,455,863	5,455,863	6,640,166	6,480,922



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- a) The movement in investments in an associate for the year ended 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Book value at the beginning year	6,480,922	9,492,515	5,455,863	5,455,863
Share of profit	607,983	981,916	-	-
Share of other comprehensive loss	334,037	(3,183,273)	-	-
Dividend income	(782,776)	(810,236)	-	-
Book value at the ending year	6,640,166	6,480,922	5,455,863	5,455,863

- b) Summarised financial information for associates

The table below is summarised of financial information for associates that are material to the Group. The financial information is included in associates own financial statements which has been adjusted with the adjustments necessary for the equity method including, adjusting fair value and differences in accounting policy.

	2023 Thousand Baht	2022 Thousand Baht
<i>Summarised of performance</i>		
Revenue	41,077,568	40,865,462
Post-tax profit	1,901,756	3,071,406
Other comprehensive income (loss)	1,044,857	(9,957,193)
Total comprehensive income (loss)	2,946,613	(6,885,787)
Dividend received from associates	782,776	810,236
<i>Summarised of statement of financial position</i>		
Assets	220,630,385	214,483,736
Liabilities	206,082,866	200,434,330
Net assets	14,547,519	14,049,406
Group's share in associates (%)	31.97	31.97
Group's share in associates (Thousand Baht)	6,640,166	6,480,922
Goodwill	-	-
Associates carrying amount	5,455,863	5,455,863





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		Separate financial statements 2023											
		Cost					Accumulated depreciation					Property, plant and equipment, net	
As at 1 January 2023 Thousand Baht	Increase Thousand Baht	As at 31 December 2023 Thousand Baht	Disposal / Write off Thousand Baht	As at 1 January 2023 Thousand Baht	Depreciation Thousand Baht	Disposal / Write off Thousand Baht	As at 31 December 2023 Thousand Baht	As at 1 January 2023 Thousand Baht	As at 31 December 2023 Thousand Baht	As at 1 January 2023 Thousand Baht	As at 31 December 2023 Thousand Baht		
Land	-	1,610	-	-	-	-	-	1,610	-	1,610	1,610		
Building	-	773	-	(773)	-	-	(773)	-	-	-	-		
Leasehold improvement	-	162	-	(162)	-	-	(162)	-	-	-	-		
Furniture, fixtures and office equipment	-	812	-	(795)	(16)	-	(811)	17	-	17	-		
<b>Total</b>	-	<b>3,357</b>	-	<b>(1,730)</b>	<b>(16)</b>	-	<b>(1,746)</b>	<b>1,627</b>	-	<b>1,627</b>	<b>1,611</b>		

		Separate financial statements 2022											
		Cost					Accumulated depreciation					Property, plant and equipment, net	
As at 1 January 2022 Thousand Baht	Increase Thousand Baht	As at 31 December 2022 Thousand Baht	Disposal / Write off Thousand Baht	As at 1 January 2022 Thousand Baht	Depreciation Thousand Baht	Disposal / Write off Thousand Baht	As at 31 December 2022 Thousand Baht	As at 1 January 2022 Thousand Baht	As at 31 December 2022 Thousand Baht	As at 1 January 2022 Thousand Baht	As at 31 December 2022 Thousand Baht		
Land	-	1,610	-	-	-	-	-	1,610	-	1,610	1,610		
Building	-	773	-	(773)	-	-	(773)	-	-	-	-		
Leasehold improvement	-	162	-	(162)	-	-	(162)	-	-	-	-		
Furniture, fixtures and office equipment	-	812	-	(773)	(22)	-	(795)	39	-	39	17		
<b>Total</b>	-	<b>3,357</b>	-	<b>(1,708)</b>	<b>(22)</b>	-	<b>(1,730)</b>	<b>1,649</b>	-	<b>1,649</b>	<b>1,627</b>		

The depreciation expense for the year ended 31 December 2023 amounting to Baht 0.01 million were included in operating expenses (2022: Baht 0.02 million).

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**16 Right-of-use asset, net**

Right-of-use asset, net as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements									
	2023					2022				
	Cost		Accumulated amortisation		Right-of-use asset, net		As at 1 January 2023		As at 31 December 2023	
As at 1 January 2023	Increase/Decrease	Change in contract	As at 31 December 2023	As at 1 January 2023	Amortisation	Write-off	Change in contract	As at 31 December 2023	As at 1 January 2023	As at 31 December 2023
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Buildings and improvements	289,991	45,796	(42,084)	293,703	(48,228)	12,720	27,251	(121,501)	176,747	172,202
Vehicles	18,319	2,840	-	21,159	(3,712)	-	-	(9,109)	12,922	12,050
<b>Total</b>	<b>308,310</b>	<b>48,636</b>	<b>(42,084)</b>	<b>314,862</b>	<b>(51,940)</b>	<b>12,720</b>	<b>27,251</b>	<b>(130,610)</b>	<b>189,669</b>	<b>184,252</b>
	Consolidated financial statements									
	2022					2021				
	Cost		Accumulated amortisation		Right-of-use asset, net		As at 1 January 2022		As at 31 December 2022	
As at 1 January 2022	Increase/Decrease	Change in contract	As at 31 December 2022	As at 1 January 2022	Amortisation	Write-off	Change in contract	As at 31 December 2022	As at 1 January 2022	As at 31 December 2022
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Buildings and improvements	239,027	63,308	(9,907)	289,991	(45,168)	11,150	3,387	(113,244)	173,812	176,747
Vehicles	21,652	-	(3,333)	18,319	(3,663)	3,333	-	(5,397)	16,585	12,922
<b>Total</b>	<b>260,679</b>	<b>63,308</b>	<b>(13,240)</b>	<b>308,310</b>	<b>(48,831)</b>	<b>14,483</b>	<b>3,387</b>	<b>(118,641)</b>	<b>190,397</b>	<b>189,669</b>

For the year ended 31 December 2023, the Group has lease payments resulting from lease contracts which are not capitalised comprised of short-term contracts amounting to Baht 1.01 million. (2022: nil).

The amortisation expense for the year ended 31 December 2023 and 2022 amounting to Baht 45.17 million and Baht 45.51 million, respectively were included in operating expenses and amounting to Baht 6.77 million and Baht 3.32 million, respectively, were included in other underwriting expenses.



## 17 Goodwill

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>As 1 January</b>		
Cost	1,926,096	508,877
<u>Less</u> Accumulated impairment	-	-
Net book amount	1,926,096	508,877
<b>For the year ended 31 December</b>		
Opening net book amount	-	508,877
Share holdings between Aetna entities	-	158,497
Acquisition of subsidiary	-	1,258,722
Closing net book amount	1,926,096	1,926,096
<b>At 31 December</b>		
Cost	1,926,096	1,926,096
<u>Less</u> Accumulated impairment	-	-
Net book amount	1,926,096	1,926,096

On 6 May 2022, the Company acquires the Aetna Thailand group entities which comprises of goodwill of Baht 158 million from cross holding between Aetna Thailand group entities and Baht 1,259 million from business acquisition (Note 36).

Goodwill is allocated to a cash generating unit (CGU) identified according to business segment.

A segment-level summary of the goodwill allocation is presented below;

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>Goodwill allocation to;</b>		
Allianz General Insurance PCL	-	508,877
Aetna Thailand group entities	-	1,417,219
Allianz Ayudhya General Insurance PCL and related companies	1,926,096	-
<b>Total</b>	1,926,096	1,926,096

### Impairment assessment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 7.1. The recoverable amounts of cash generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

As at 31 December 2023, the Group tested impairment of the goodwill and considered that there is no impairment for the goodwill.

Management determined growth rate from budget based on past performance and its expectations of market development.

The recoverable amount goodwill is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates which are best estimate assumptions.

The key assumptions used for value-in-use calculations are as follows:

	<b>Allianz Ayudhya General Insurance PCL and related companies</b>
Long-term growth rate <sup>1</sup> (%)	0 - 10
Discount rate <sup>2</sup> (%)	8

<sup>1</sup> This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

<sup>2</sup> Pre-tax discount rate applied to the cash flow projections.

Management determined budgeted gross margin based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the forecasts included in industry reports. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

The key assumption that will affect the value in use is discount rate. The management has considered the sensitivity of the change in the discount rate. If the pre-tax discount had been 1% per annum higher than management's estimate, the value in use is still higher than the carrying value and no impairment recognised.



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18 Intangible asset, net

Intangible assets, net as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements										
	2023					2022					
	As at 1 January 2023 Thousand Baht	Increase Thousand Baht	Disposal/ Write off Thousand Baht	Transfer in / (out) Thousand Baht	As at 31 December 2023 Thousand Baht	As at 1 January 2023 Thousand Baht	Amortisation Thousand Baht	Disposal/ Write off Thousand Baht	31 December 2023 Thousand Baht	As at 31 December 2023 Thousand Baht	
Computer software Computer software in progress	528,087	43,204	(40,335)	62,612	593,568	(377,341)	40,334	40,334	(371,129)	150,746	222,439
	21,642	81,709	(18)	(64,092)	39,241	-	-	-	-	21,642	39,241
Total	549,729	124,913	(40,353)	(1,480)	632,809	(377,341)	40,334	40,334	(371,129)	172,388	261,680
	Consolidated financial statements										
	2022					2021					
	As at 1 January 2022 Thousand Baht	Increase Thousand Baht	Write off Thousand Baht	Transfer in / (out) Thousand Baht	As at 31 December 2022 Thousand Baht	As at 1 January 2022 Thousand Baht	Amortisation Thousand Baht	Write off Thousand Baht	31 December 2022 Thousand Baht	As at 1 January 2022 Thousand Baht	

For the year ended 31 December 2023 and 2022, the amortisation expenses amounting to Baht 31.95 million and Baht 23.19 million, respectively, were included in operating expenses and amounting to Baht 2.17 million and Baht 3.40 million, respectively, were included in other underwriting expenses.

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		Separate financial statements 2023				Intangible assets, net	
		Accumulated amortisation				As at	
Cost		As at		31 December		As at	
		1 January		2023		1 January	
		2023		Amortisation		2023	
		Thousand		Thousand		Thousand	
		Baht		Baht		Baht	
		Increase		Transfer		As at	
		in / (out)		in / (out)		1 January	
		Thousand		Thousand		2023	
		Baht		Thousand		2023	
		Baht		Baht		Thousand	
		Baht		Baht		Baht	
Computer software	6,743	-	6,743	(1,554)	(669)	(2,223)	5,189
Total	6,743	-	6,743	(1,554)	(669)	(2,223)	4,520

		Separate financial statements 2022				Intangible assets, net	
		Accumulated amortisation				As at	
Cost		As at		31 December		As at	
		1 January		2022		1 January	
		2022		Amortisation		2022	
		Thousand		Thousand		Thousand	
		Baht		Thousand		Thousand	
		Baht		Baht		Baht	
		Increase		Transfer		As at	
		in / (out)		in / (out)		1 January	
		Thousand		Thousand		2022	
		Baht		Thousand		2022	
		Baht		Baht		Thousand	
		Baht		Baht		Baht	
Computer software	6,743	-	6,743	(883)	(671)	(1,554)	5,860
Total	6,743	-	6,743	(883)	(671)	(1,554)	5,189

For the year ended 31 December 2023, the amortisation expenses amounting to Baht 0.67 million were included in operating expenses (2022: Baht 0.67 million).



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19 Deferred tax assets (liabilities), net

Deferred tax assets, net as at 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Deferred tax assets	550,132	492,588	2,570	3,632
Deferred tax liabilities	(15,230)	(22,001)	(8,697)	(6,378)
Deferred tax asset (liabilities),net	534,902	470,587	(6,127)	(2,746)

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
<b>Deferred tax assets:</b>				
Deferred tax assets to be recovered within 12 months	245,103	166,155	2,570	3,632
Deferred tax assets to be recovered after 12 months	305,029	326,433	-	-
	550,132	492,588	2,570	3,632
<b>Deferred tax liabilities:</b>				
Deferred tax liabilities to be settled within 12 months	(15,230)	(22,001)	(8,697)	(6,378)
Deferred tax liabilities to be settled more than 12 months	-	-	-	-
	(15,230)	(22,001)	(8,697)	(6,378)
<b>Deferred tax assets, net</b>	<b>534,902</b>	<b>470,587</b>	<b>(6,127)</b>	<b>(2,746)</b>

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The movements in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements			
	As at 1 January 2023 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transactions recognised in other comprehensive income Thousand Baht	As at 31 December 2023 Thousand Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts				
- Premium due and uncollected	5,964	(486)	-	5,478
Allowance for doubtful accounts				
- Other receivable	1,984	349	-	2,333
Allowance for doubtful accounts				
- Reinsurance	720	(6)	-	714
Unearned premium reserve	128,205	(495,636)	-	(367,431)
Unrealised loss on the change in fair value of investment measured at fair value through other comprehensive income	8,453	89	1,645	10,187
Expected credit loss	78	(1,016)	941	3
Claim reserve, net	213,127	(8,949)	-	204,178
Claim incurred but not reported	69,128	(5,385)	-	63,743
Employee benefit obligations	19,547	1,746	1,116	22,409
Share-based benefit obligations	1,951	2,059	-	4,010
Accrued expense	42,288	(4,715)	-	37,573
Loss carried forward	-	563,714	-	563,714
Right of use	981	2,050	-	3,031
Others	162	28	-	190
	492,588	53,842	3,702	550,132
<b>Deferred tax liabilities</b>				
Unrealised gain on transfer investment	(4,939)	-	-	(4,939)
Unrealised gain on the change in fair value of investment designated at fair value through profit or loss	(1,563)	(2,294)	-	(3,857)
Unrealised gain on the change in fair value of investment designated at fair value through other comprehensive income	(15,309)	-	8,875	(6,434)
Interest income from not maturity debt securities	(190)	190	-	-
	(22,001)	(2,104)	8,875	(15,230)
<b>Deferred tax assets, net</b>	470,587	51,738	12,577	534,902



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	Consolidated financial statements				
	As at 1 January 2022 Thousand Baht	Increase From Business Acquisition Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transactions recognised in other comprehensive income Thousand Baht	As at 31 December 2022 Thousand Baht
<b>Deferred tax assets</b>					
Allowance for doubtful accounts					
- Premium due and uncollected	4,169	4,999	(3,204)	-	5,964
Allowance for doubtful accounts					
- Other receivable	192	2,274	(482)	-	1,984
Allowance for doubtful accounts					
- Reinsurance	871	-	(151)	-	720
Unearned premium reserve	77,765	83,694	(33,254)	-	128,205
Unrealised loss on the change in fair value of investment measured at fair value through other comprehensive income	27,086	-	(880)	(17,753)	8,453
Expected credit loss	6	-	(34,744)	34,816	78
Claim reserve, net	125,987	31,862	55,278	-	213,127
Claim incurred but not reported	44,735	20,537	3,856	-	69,128
Employee benefit obligations	15,629	3,603	(348)	663	19,547
Share-based benefit obligations	297	-	1,654	-	1,951
Accrued expense	28,857	29,425	(15,994)	-	42,288
Loss carried forward	98,755	-	(98,755)	-	-
Right of use	-	(2,432)	3,413	-	981
Others	1,934	588	(2,360)	-	162
	426,283	174,550	(125,971)	17,726	492,588
<b>Deferred tax liabilities</b>					
Unrealised gain on transfer investment	(4,939)	-	-	-	(4,939)
Unrealised gain on the change in fair value of investment designated at fair value through profit or loss	(1,327)	-	(236)	-	(1,563)
Unrealised gain on the change in fair value of investment designated at fair value through other comprehensive income	(19,912)	(1)	882	3,722	(15,309)
Interest income from not maturity debt securities	-	(459)	269	-	(190)
	(26,178)	(460)	915	3,722	(22,001)
<b>Deferred tax assets, net</b>	<b>400,105</b>	<b>174,090</b>	<b>(125,056)</b>	<b>21,448</b>	<b>470,587</b>

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	Separate financial statements			
	As at 1 January 2023 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transactions recognised in other comprehensive income Thousand Baht	As at 31 December 2023 Thousand Baht
<b>Deferred tax assets</b>				
Unrealised loss on the change in fair value of financial assets measured at fair value through other comprehensive income	3,632	-	(1,062)	2,570
Expected credit loss	-	2	(2)	-
	3,632	2	(1,064)	2,570
<b>Deferred tax liabilities</b>				
Unrealised gain on transfer financial assets	(4,939)	-	-	(4,939)
Unrealised gain on the change in fair value of investment designated at fair value through profit or loss	(1,021)	(1,285)	-	(2,306)
Unrealised gain on the change in fair value of investment designated at fair value through other comprehensive income	(418)	-	(1,034)	(1,452)
	(6,378)	(1,285)	(1,034)	(8,697)
<b>Deferred tax liabilities, net</b>	(2,746)	(1,283)	(2,098)	(6,127)

	Separate financial statements			
	As at 1 January 2022 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transactions recognised in other comprehensive income Thousand Baht	As at 31 December 2022 Thousand Baht
<b>Deferred tax assets</b>				
Unrealised loss on the change in fair value of financial assets measured at fair value through profit or loss	13,407	(13,407)	-	-
Unrealised loss on the change in fair value of financial assets measured at fair value through other comprehensive income	13,397	-	(9,765)	3,632
Expected credit loss	-	(190)	190	-
Loss carried forward	26,762	(26,762)	-	-
	53,566	(40,359)	(9,575)	3,632
<b>Deferred tax liabilities</b>				
Unrealised gain on transfer financial assets	(4,939)	-	-	(4,939)
Unrealised gain on the change in fair value of investment designated at fair value through profit or loss	(2,941)	1,920	-	(1,021)
Unrealised gain on the change in fair value of investment designated at fair value through other comprehensive income	(6,197)	-	5,779	(418)
	(14,077)	1,920	5,779	(6,378)
<b>Deferred tax assets (liabilities), net</b>	39,489	(38,439)	(3,796)	(2,746)



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**20 Other assets, net**

Other assets as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Other receivables	16,730	12,304	3	3
Less Allowance for doubtful accounts	(188)	(188)	-	-
Other receivables, net	16,542	12,116	3	3
Claim service receivables	368,606	153,589	-	-
Revenue Department receivable	105,051	94,334	14,309	12,202
Withholding tax receivable	20,999	2,666	1,522	1,523
Prepaid expenses	16,865	17,901	26	14
Due from rice field insurance scheme	4,856	652	-	-
Accrued loss recovery	-	17,190	-	-
Deposits	11,541	16,661	51	51
Undue input value added tax	21,225	12,553	29	27
Others	11,293	7,399	993	1,001
<b>Total</b>	<b>576,978</b>	<b>335,061</b>	<b>16,933</b>	<b>14,821</b>

**21 Insurance contract liabilities**

Insurance contract liabilities as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements		
	2023		
	Insurance contract liabilities	Insurance liabilities recovered from reinsurers	Net
	Thousand Baht	Thousand Baht	Thousand Baht
<b>Claim reserves</b>			
Loss incurred and reported	2,188,709	(984,153)	1,204,556
Loss incurred but not reported	392,356	(73,641)	318,715
<b>Total</b>	<b>2,581,065</b>	<b>(1,057,794)</b>	<b>1,523,271</b>
<b>Premium reserve</b>			
Unearned premium reserve	4,780,284	(1,125,371)	3,654,913
<b>Total</b>	<b>7,361,349</b>	<b>(2,183,165)</b>	<b>5,178,184</b>

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	Consolidated financial statements		
	2022		
	Insurance contract liabilities	Insurance liabilities recovered from reinsurers	Net
	Thousand Baht	Thousand Baht	Thousand Baht
<b>Claim reserves</b>			
Loss incurred and reported	2,230,464	(975,145)	1,255,319
Loss incurred but not reported	447,091	(101,456)	345,635
<b>Total</b>	<b>2,677,555</b>	<b>(1,076,601)</b>	<b>1,600,954</b>
<b>Premium reserve</b>			
Unearned premium reserve	4,554,228	(906,883)	3,647,345
<b>Total</b>	<b>7,231,783</b>	<b>(1,983,484)</b>	<b>5,248,299</b>

**21.1 Insurance reserve for short-term insurance contract**

**21.1.1 Claim reserves**

	Consolidated financial statements		
	2023		
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning year	2,677,555	(1,076,601)	1,600,954
Claim and loss adjustment expenses incurred during the year	5,216,863	(606,391)	4,610,472
Change in claim reserves and assumptions used in loss reserve calculation	22,653	72,412	95,065
Loss paid during the year	(5,336,006)	552,786	(4,783,220)
<b>Balance as at ending year</b>	<b>2,581,065</b>	<b>(1,057,794)</b>	<b>1,523,271</b>

	Consolidated financial statements		
	2022		
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning year	2,243,746	(1,255,210)	988,536
Increase from Business Acquisition	380,148	-	380,148
Claim and loss adjustment expenses incurred during the year	4,818,459	(587,559)	4,230,900
Change in claim reserves and assumptions used in loss reserve calculation	(200,676)	215,606	14,930
Loss paid during the year	(4,564,122)	550,562	(4,013,560)
<b>Balance as at ending year</b>	<b>2,677,555</b>	<b>(1,076,601)</b>	<b>1,600,954</b>



Maturity analysis of claim reserves expected to be paid is as follows:

	Consolidated financial statements	
	2023	2022
	Thousand Baht	Thousand Baht
Claim reserves expected to be paid within 1 year	2,267,077	2,212,944
Claim reserves expected to be paid between 1-2 years	231,598	294,388
Claim reserves expected to be paid between 2-5 years	82,390	170,223
Claim reserves expected to be paid over 5 years	-	-
<b>Total Claim reserves expected to be paid</b>	<b>2,581,065</b>	<b>2,677,555</b>

Sensitivity analysis of claim reserves is as follows:

	Consolidated financial statements				
	2023				
	Increase/ (decrease) in assumptions	Impact on reinsurance assets Thousand Baht	Impact on reserves and allocated loss adjustment expense Thousand Baht	Increase / (decrease) in profit Thousand Baht	Increase / (decrease) in owners' equity Thousand Baht
Loss ratio of the recent accident year	Increase 2%	27,819	144,334	(116,515)	(93,212)
	Decrease 2%	(27,823)	(139,731)	111,908	89,527
Claim reserve for big claims	Increase 2%	36,280	102,308	(66,028)	(52,823)
	Decrease 2%	(35,483)	(98,070)	62,587	50,069
Unallocated Loss Adjustment Expense ratio (ULAE)	Increase 20%	-	10,621	(10,621)	(8,497)
	Decrease 20%	-	(10,621)	10,621	8,497

	Consolidated financial statements				
	2022				
	Increase/ (decrease) in assumptions	Impact on reinsurance assets Thousand Baht	Impact on reserves and allocated loss adjustment expense Thousand Baht	Increase / (decrease) in profit Thousand Baht	Increase / (decrease) in owners' equity Thousand Baht
Loss ratio of the recent accident year	Increase 2%	36,331	198,687	(162,356)	(129,885)
	Decrease 2%	(35,008)	(191,587)	156,499	125,200
Claim reserve for big claims	Increase 2%	38,014	143,009	(104,995)	(83,996)
	Decrease 2%	(37,527)	(139,661)	102,135	81,708
Unallocated Loss Adjustment Expense ratio (ULAE)	Increase 20%	-	13,628	(13,628)	(10,902)
	Decrease 20%	-	(13,628)	13,628	10,902

#### 21.1.2 Unearned premium reserve

	Consolidated financial statements		
	2023		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net Thousand Baht
Balance as at beginning year	4,554,228	(906,883)	3,647,345
Premium written for the year	10,236,806	(2,189,938)	8,046,868
Earned premium for the year	(10,010,750)	1,971,450	(8,039,300)
<b>Balance as at ending year</b>	<b>4,780,284</b>	<b>(1,125,371)</b>	<b>3,654,913</b>

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	Consolidated financial statements		
	2022		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net Thousand Baht
Balance as at beginning year	2,826,998	(668,642)	2,158,356
Increase from Business Acquisition	1,641,373	(1,938)	1,639,435
Premium written for the year	8,031,778	(1,830,002)	6,201,776
Earned premium for the year	(7,945,921)	1,593,699	(6,352,222)
<b>Balance as at ending year</b>	<b>4,554,228</b>	<b>(906,883)</b>	<b>3,647,345</b>

As at 1 January 2023, the Company changed in accounting estimate of unearned premium reserve for fire, marine (hull), motor and miscellaneous from monthly average basis (the one - twenty four basis) to daily average basis (the one - three hundred sixty five basis). The Company recognized the impact of the change in accounting estimate in profit or loss for gross unearned premium reserve increased amounting to Baht 33.91 million and net of reinsurance increased amounting to Baht 10.22 million.

### 21.1.3 Unexpired risk reserve

As at 31 December 2023 and 2022, no additional reserve for unexpired risk reserve has been established as the gross unexpired risk reserve estimated by the Group amounting to Baht 2,833.04 million and Baht 2,683.08 million, respectively and net unexpired risk reserve estimated by the Group amounting to Baht 2,513.42 million and Baht 2,428.50 million, respectively, is lower than the unearned premium reserve.

## 21.2 Claim Development Table

### 21.2.1 Claim development table before reinsurance

Accident Year / Reporting Year	Consolidated financial statements					Total Thousand Baht
	2023					
	2019 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	
Gross estimate of cumulative claim costs						
- At the end of the accident year	5,768,605	5,216,231	4,535,312	5,196,246	5,544,265	
- One year later	5,871,198	5,181,177	4,277,283	4,904,752	-	
- Two years later	5,837,294	5,132,902	4,217,238	-	-	
- Three years later	5,843,133	5,126,565	-	-	-	
- Four years later	5,854,437	-	-	-	-	
Absolute estimated claim	5,854,437	5,126,565	4,217,238	4,904,752	5,544,265	25,647,257
Cumulative claim paid	(5,530,989)	(5,090,137)	(4,136,400)	(4,668,525)	(4,031,839)	(23,457,890)
Total claim reserve	323,448	36,428	80,838	236,227	1,512,426	2,189,367
Claim liability before year 2019						391,698
<b>Total claim liability</b>						<b>2,581,065</b>



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Accident Year / Reporting Year	Consolidated financial statements					Total Thousand Baht
	2022					
	2018 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	
Gross estimate of cumulative claim costs						
- At the end of the accident year	6,168,846	5,768,605	5,216,231	4,535,312	5,196,246	
- One year later	5,832,897	5,871,198	5,181,177	4,277,283	-	
- Two years later	5,736,608	5,837,294	5,131,902	-	-	
- Three years later	5,623,494	5,843,133	-	-	-	
- Four years later	5,610,465	-	-	-	-	
Absolute estimated claim	5,610,465	5,843,133	5,131,902	4,277,283	5,196,246	26,059,029
Cumulative claim paid	(5,568,916)	(5,521,631)	(5,056,774)	(4,069,431)	(3,443,212)	(23,659,964)
Total claim reserve	41,549	321,502	75,128	207,852	1,753,034	2,399,065
Claim liability before year 2018						278,490
<b>Total claim liability</b>						<b>2,677,555</b>

**21.2.2 Claim development table after reinsurance**

Accident Year / Reporting Year	Consolidated financial statements					Total Thousand Baht
	2023					
	2019 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	
Gross estimate of cumulative claim costs						
- At the end of the accident year	4,302,475	4,308,398	3,951,772	4,529,798	4,864,439	
- One year later	4,312,269	4,282,618	3,864,353	4,364,851	-	
- Two years later	4,311,999	4,285,383	3,815,347	-	-	
- Three years later	4,309,827	4,283,246	-	-	-	
- Four years later	4,313,061	-	-	-	-	
Absolute estimated claim	4,313,061	4,283,246	3,815,347	4,364,851	4,864,439	21,640,944
Cumulative claim paid	(4,301,674)	(4,276,664)	(3,768,855)	(4,249,262)	(3,722,287)	(20,318,742)
Total claim reserve	11,387	6,582	46,492	115,589	1,142,152	1,322,202
Claim liability before year 2019						201,069
<b>Total claim liability</b>						<b>1,523,271</b>

Accident Year / Reporting Year	Consolidated financial statements					Total Thousand Baht
	2022					
	2018 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	
Gross estimate of cumulative claim costs						
- At the end of the accident year	4,172,771	4,302,475	4,308,398	3,951,772	4,529,798	
- One year later	4,157,078	4,312,269	4,282,618	3,864,353	-	
- Two years later	4,125,233	4,311,999	4,285,383	-	-	
- Three years later	4,118,628	4,309,827	-	-	-	
- Four years later	4,118,277	-	-	-	-	
Absolute estimated claim	4,118,277	4,309,827	4,285,383	3,864,353	4,529,798	21,107,638
Cumulative claim paid	(4,112,983)	(4,296,497)	(4,264,952)	(3,721,241)	(3,208,042)	(19,603,715)
Total claim reserve	5,294	13,330	20,431	143,112	1,321,756	1,503,923
Claim liability before year 2018						97,031
<b>Total claim liability</b>						<b>1,600,954</b>

## 22 Amount due to reinsurers

Amount due to reinsurers as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Amounts withheld on reinsurance	364,096	357,021
Reinsurance payables	855,553	610,634
<b>Total amount due to reinsurers</b>	<b>1,219,649</b>	<b>967,655</b>

## 23 Employee benefit obligations

The Group operates post-employment benefit plans under the Labor Protection Act, which are considered as unfunded defined benefits plans.

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
Long-term employee benefits	8,744	-
Share - based compensation	30,828	22,595
Retirement benefits	141,568	135,947
<b>Total employee benefit obligations</b>	<b>181,140</b>	<b>158,542</b>

### 23.1 Retirement benefits

The plans are final salary retirement plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movements in the present value of employee benefit obligation for the years are as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>As at 1 January</b>	135,947	114,858
Increase from business acquisition	-	18,864
Current service cost	19,249	18,028
Interest expense	2,663	2,245
Actuarial loss	5,581	3,314
Benefit payment during the year	(21,872)	(21,362)
<b>As at 31 December</b>	<b>141,568</b>	<b>135,947</b>



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The expenses that were recorded in the statement of profit or loss and other comprehensive income for employee benefit obligations for the year 31 December 2023 consisted of the following:

	<b>Consolidated financial statements</b>	
	<b>2023</b>	<b>2022</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Current service cost	19,249	18,028
Interest expense	2,663	2,245
Actuarial (gain) losses on actuarial remeasurements:		
from change in demographic assumptions	5,637	(583)
from change in financial assumptions	(5,608)	(2,380)
from experience gain adjustment	5,552	6,277
<b>Total employee benefit expenses</b>	<b>27,493</b>	<b>23,587</b>

The Group calculated employee benefit obligations by an actuary using the projected unit credit cost method. The assumptions consisted of the following:

	<b>Consolidated financial statements</b>	
	<b>2023</b>	<b>2022</b>
Financial assumptions:		
Discount rate (%)	2.36 - 4.55	1.67, 1.68, 2.35
Salary growth rate (%)	3.5 - 6.0	3, 4.5
Demographic assumptions:		
Turnover rate (%) subject to range of age of employees	7 - 27.5	9 - 27.5
Retirement age (Years)	60	60

Significant actuarial assumptions - Impact on increase (decrease) in defined benefit obligation

	<b>Consolidated financial statements</b>	
	<b>2023</b>	<b>2022</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Financial assumptions:		
Discount rate - 0.5 % increase in 2023 and 1% in 2022	(6,138)	(12,135)
Discount rate - 0.5 % decrease in 2023 and 1% in 2022	6,555	13,811
Expected rate of salary - 0.25% increase in 2023 and 1% in 2022	3,181	14,195
Expected rate of salary - 0.25% decrease in 2023 and 1% in 2022	(3,093)	(12,659)
Demographic assumptions:		
Turnover rate - 1% increase	(6,732)	(12,911)
Turnover rate - 1% decrease	7,440	5,097
Life expectancy - 1 year increase	470	605
Life expectancy - 1 year decrease	(552)	(601)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method has been applied as when calculating the retirement benefits recognised in the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

Maturity analysis of the benefit payments of the post-employment benefits obligation as at 31 December 2023 and 2022 were as follows:

	<b>Consolidated financial statements</b>	
	<b>2023</b>	<b>2022</b>
Weighted average duration of the defined benefit obligation (Years)	9.6, 10.55	10.45, 11.23, 11.50
Maturity analysis of undiscounted benefits expected to be paid (Thousand Baht)		
Benefits expected to be paid within 1 year	1,994	7,917
Benefits expected to be paid between 1 - 5 years	59,857	46,715
Benefits expected to be paid more than 5 years	385,264	613,145
<b>Total</b>	<b>447,115</b>	<b>667,777</b>

### **23.2 Long term employee benefits - Share-based compensation**

The Group has share-based compensation in accordance with Allianz Group policy using the share price of Allianz SE, a listed company in Frankfurt am Main in XETRA trading.

During the year 2023, there was a share-based compensation plan to employee. The details are as below:

#### **Employee Stock Purchase Plan (ESPP)**

The Allianz Group offers Allianz SE shares in 42 countries to entitled employees at favourable conditions. The offer provides an additional 1 Euro on top for every 3 Euro that had been invested by the employees. The shares have a three-year restriction period for not transferring or selling.

During the year ended 31 December 2023, the total Company's contribution under this plan was Baht 1.39 million (2022: Baht 0.63 million).

#### **Employee Stock Benefit Plan**

During the year ended 31 December 2023, the total recognized compensation in other employee benefit for the year ended 31 December 2023 amounting to Baht 4.30 million.

#### **Restricted stock unit (RSU)**

The Allianz Equity Incentive (AEI) is a long-term equity-based plan granting Restricted Stock Units (RSU) provided to executives. The AEI are granted once a year and have a four-year vesting period from the time of their grant. The plan participant is required to formally accept the grant during a defined period. Failure to do so will result in forfeiture of the grant. Any value can be realized if the plan participant remains employed within the Allianz Group or under certain conditions.



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Performance criteria are set by the Board of Directors and will measure the performance of the Group.

	RSU	
	2023 Number of shares	2022 Number of shares
As at 1 January	5,384	4,317
Granted/Transferred in	1,294	1,908
Exercised	(1,208)	(841)
As at 31 December	5,470	5,384

The total recognised compensation in other employee benefits for the year ended 31 December 2023 amounting to Baht 15.87 million (2022: Baht 9.38 million) and the total compensation liabilities under “Employee benefits” amounting to Baht 30.83 million (2022: Baht 22.60 million). The Company uses projected cash flow technique to calculate the fair value of this share-based payment plan. The key assumptions for valuations are expected share price and employee turn-over rate.

### 23.3 Long term employee benefits - Long service award

The Company has long service award compensation according to the years of service with the Company. The years of service will be counted since the first working day. The awarded employee must be the Company’s employee on the benefit pay out date.

For the year 31 December 2023, the total recognized compensation in other employee benefit amounting to Baht 8.74 million.

## 24 Lease liabilities

The maturity analysis of lease liabilities is aged as follows:

	Consolidated financial statements	
	2023 Thousand Baht	2022 Thousand Baht
<b>Maturity</b>		
Within 1 year	37,498	44,925
Between 1 - 2 years	37,250	36,498
Between 2 - 3 years	35,243	28,045
Between 3 - 4 years	33,582	24,636
Between 4 - 5 years	34,144	23,590
Over 5 years	15,857	35,852
<b>Total</b>	193,574	193,546
<i>Including - Principal</i>	214,296	212,380
<i>- Interest</i>	(20,722)	(18,834)

For the year ended 31 December 2023 and 2022, the Group have Interest expenses on lease liabilities amounted to Baht 6.78 million and Baht 6.73 million, respectively are recorded as “finance cost” in the statement of comprehensive income.

## 25 Other liabilities

Other liabilities as at 31 December 2023 and 2022 consisted of the following:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Other payables - Promotion expense	51,981	35,110	-	-
Other payables - Claim settling service	62,936	55,038	-	-
Other payables - Claim service deposit	23,730	23,730	-	-
Other payables - others	38,603	19,631	-	-
Premium refund	38,758	32,662	-	-
Premium suspense	263,553	292,119	-	-
Withholding tax payable	33,675	33,830	68	260
Undue output VAT	38,675	3,089	1	1
Contribution related to non-life insurance	24,593	18,205	-	-
Decommission expense	12,492	23,526	-	-
Others	45,527	50,268	8,864	9,505
<b>Total</b>	<b>634,523</b>	<b>587,208</b>	<b>8,933</b>	<b>9,766</b>

## 26 Share capital

As at 31 December 2023, the Group had total authorised number of ordinary shares were 463.47 million shares (2022: 463.47 million shares) amounting to Baht 463.47 million (2022: Baht 463.47 million) with a par value of Baht 1 per share (2022: Baht 1 per share). The Group have total issued and paid-up number of ordinary shares is 389.27 million shares (2022: 389.27 million shares) amounting to Baht 389.27 million (2022: Baht 389.27 million).

## 27 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
As at 1 January	50,000	50,000	50,000	50,000
Appropriation during the year	16,200	-	-	-
As at 31 December	66,200	50,000	50,000	50,000

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

As at 31 December 2023 and 2022, the Company already had legal reserve of not less than 10% of the authorised capital in separate financial statements.



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**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 three principal business segments: (1) Non-life insurance business (2) Investment business and (3) Service business, which are only organised and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the year ended 31 December 2023 and 2022, there is no revenue from a single external customer contributed 10% or more to the Group's total revenue.

The financial statements of the Group for the year ended 31 December 2023 and 2022 were presented by business segment as follows:

	Consolidated financial statements									
	Non-life insurance business		Investment business		Service business		Elimination of inter-segment		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue from external	8,700,580	6,901,813	1,206,709	1,299,445	4,341	3,783	(1,207,870)	(1,372,864)	8,703,760	6,832,177
Share of profit on investment in an associate	-	-	607,983	981,916	-	-	-	-	607,983	981,916
Other income	14,135	15,657	136,194	465,022	1	3	(138,034)	(468,578)	12,296	12,104
<b>Total revenue</b>	<b>8,714,715</b>	<b>6,917,470</b>	<b>1,950,886</b>	<b>2,746,383</b>	<b>4,342</b>	<b>3,786</b>	<b>(1,345,904)</b>	<b>(1,841,442)</b>	<b>9,324,039</b>	<b>7,826,197</b>
Insurance business expenses	7,245,965	5,942,218	-	-	-	-	(34,916)	3,852	7,211,049	5,946,070
Cost of medical service	-	-	-	-	2,796	1,313	-	-	2,796	1,313
Directors and key management personnel's remuneration	155,691	150,650	12,478	14,438	-	-	-	-	168,169	165,088
Other expenses	911,092	778,983	13,979	58,361	15,697	18,971	(20,809)	(190,901)	919,959	665,414
Income tax expense (income)	88,160	(17,906)	1,283	38,439	-	-	(379)	23,052	89,064	43,585
<b>Total expenses</b>	<b>8,400,908</b>	<b>6,853,945</b>	<b>27,740</b>	<b>111,238</b>	<b>18,493</b>	<b>20,284</b>	<b>(56,104)</b>	<b>(163,997)</b>	<b>8,391,037</b>	<b>6,821,470</b>
<b>Net income (loss)</b>	<b>313,807</b>	<b>63,525</b>	<b>1,923,146</b>	<b>2,635,145</b>	<b>(14,151)</b>	<b>(16,498)</b>	<b>(1,289,800)</b>	<b>(1,677,445)</b>	<b>933,002</b>	<b>1,004,727</b>

**29 Dividend**

At the Annual General Meeting of Shareholders on 24 April 2023, the payment of dividend was approved from the unappropriated retained earnings at Baht 0.26 per share, totalling Baht 101.21 million. The dividend payment was made on 24 May 2023.

At the Board of Directors' meeting on 15 August 2023, the payment of interim dividend was approved from the operating results at Baht 0.90 per share, totalling Baht 350.34 million. The dividend payment was made on 14 September 2023.

At the Annual General Meeting of Shareholders on 29 April 2022, the payment of dividend was approved from the unappropriated retained earnings at Baht 0.77 per share, totalling Baht 299.74 million. The dividend payment was made on 17 May 2022.

At the Board of Directors' meeting on 31 August 2022, the payment of interim dividend was approved from the unappropriated retained earnings at Baht 5.14 per share, totalling Baht 2,000.83 million. The dividend payment was made on 28 September 2022.

30 Gain (Loss) on investment

Gain (Loss) on investment for the year ended 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Gains (Losses) on investment measured at fair value through profit or loss</b>				
Gains (losses) on sale of investments Equity securities	-	-	-	10,774
Gains (losses) on fair value adjustment Debt securities	-	-	6,424	(5,196)
	-	-	6,424	5,578
<b>Gains (losses) on investment designated at fair value through profit or loss</b>				
Gains (losses) on fair value adjustment Debt securities	3,125	592	-	-
	3,125	592	-	-
<b>Gains (losses) on investment measured at fair value through other comprehensive income</b>				
Gains (losses) on sale of investments Debt securities	-	1,989	-	1,989
Equity securities	(5,738)	(98,894)	-	-
	(5,738)	(96,905)	-	1,989
<b>Gains (losses) on investments</b>	<b>(2,613)</b>	<b>(96,313)</b>	<b>6,424</b>	<b>7,567</b>



### 31 Operating expenses

Operating expenses for the year ended 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Employee expenses not relating to underwriting or claim administrative expense	509,432	435,236	25	26
Premises and equipment expense, not relating to underwriting expense	279,840	220,883	1,984	1,736
Stamp and tax duty	12,922	9,804	382	1,763
Bad debt and doubtful debt	18	2,493	-	-
Directors' remuneration	13,283	12,279	11,126	10,382
Management fee	72,658	63,077	-	-
Advertising and sales promotion expenses	24,335	30,143	1	10
Professional fee	14,911	18,119	5,954	11,251
Integration Cost	102,031	102,646	5,663	45,618
Other operating expense	56,769	103,044	640	694
<b>Total operating expenses</b>	<b>1,086,199</b>	<b>997,724</b>	<b>25,775</b>	<b>71,480</b>

### 32 Employee expenses

The employee expenses for the year ended 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Salary and wages	712,043	640,534	-	-
Social fund expenses	7,321	3,950	-	-
Employee benefit expenses	31,423	12,802	-	-
Providend fund (Note 38)	25,880	24,588	-	-
Share-based compensation	56,496	42,368	-	-
Other employee benefits	21,769	9,239	-	-
Other	11,937	4,089	25	26
<b>Total employee expenses</b>	<b>866,869</b>	<b>737,570</b>	<b>25</b>	<b>26</b>

### 33 Expected credit loss

The expected credit loss for the year ended 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash and cash equivalent (Reversal)	(222)	72	-	-
Investments in debt securities measured at fair value through other comprehensive income (Reversal)	274	(1,378)	7	(950)
Investments in debt securities measured at amortised cost (Reversal)	(172)	(185)	-	-
<b>Total expected credit loss</b>	<b>(120)</b>	<b>(1,491)</b>	<b>7</b>	<b>(950)</b>

### 34 Income tax expense

Income tax expense for the year ended 31 December 2023 and 2022 comprises the following:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Current tax:				
Current tax on profits for the year	140,802	10,236	-	-
Adjustments in respect of prior year	-	(91,707)	-	-
<b>Total current tax</b>	<b>140,802</b>	<b>(81,471)</b>	<b>-</b>	<b>-</b>
Deferred income tax:				
Decrease (increase) in deferred tax assets (Note 19)	(53,842)	125,971	(2)	40,359
Increase (decrease) in deferred tax liabilities (Note 19)	2,104	(915)	1,285	(1,920)
<b>Total deferred income tax</b>	<b>(51,738)</b>	<b>125,056</b>	<b>1,283</b>	<b>38,439</b>
<b>Income tax expense</b>	<b>89,064</b>	<b>43,585</b>	<b>1,283</b>	<b>38,439</b>



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The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Profit before tax	1,022,066	1,048,312	1,180,630	1,228,834
Tax calculated at a tax rate of 20% (2020: 20%)	204,413	209,662	236,126	245,767
Tax effect of:				
Revenue that are granted income tax exemption				
Dividend	(20)	(15)	(236,338)	(250,423)
Share of profit on investment in an associate	(121,597)	(196,383)	-	-
Others	(5,660)	(1,464)	-	-
Expenses not deductible for tax purpose	510	7,329	(1,059)	(9,406)
Reversal of unutilised derered tax assets in the future	-	87,014	-	26,762
Tax losses for which no deferred income tax asset was recorded	5,460	(61,892)	2,554	25,739
Tax losses from prior period for which no deferred income tax asset was recorded	5,958	(666)	-	-
<b>Tax charge</b>	<b>89,064</b>	<b>43,585</b>	<b>1,283</b>	<b>38,439</b>

For the year ended 31 December 2023, the effective tax rate for the Group and the Company were 8.71% and 0.11%, respectively (2022: 4.16% and 3.13%, respectively).

Effect from income tax relating to components of other comprehensive income.

	Consolidated financial statements					
	2023			2022		
	Before tax Thousand Baht	Benefit (expense) of tax Thousand Baht	Net of tax Thousand Baht	Before tax Thousand Baht	Benefit (expense) of tax Thousand Baht	Net of tax Thousand Baht
<b>Item that will not be reclassified subsequently to profit or loss</b>						
Actuarial gain (loss) on deficit employee benefit plans	(5,581)	1,116	(4,465)	(3,313)	663	(2,650)
Share of other comprehensive income (loss) in an associate	(2,188)	438	(1,750)	17,435	(3,487)	13,948
<b>Item that will be reclassified subsequently to profit or loss</b>						
Gain (loss) on revaluation of investments measured at fair value through other comprehensive income	(64,371)	12,874	(51,497)	(225,355)	45,071	(180,284)
Gain (loss) on sale of investment transferred to profit or loss	7,062	(1,412)	5,650	155,579	(31,116)	124,463
Share of other comprehensive income (loss) in an associate	419,734	(83,947)	335,787	(3,996,527)	799,306	(3,197,221)
<b>Total</b>	<b>354,656</b>	<b>(70,931)</b>	<b>283,725</b>	<b>(4,052,181)</b>	<b>810,437</b>	<b>(3,241,744)</b>

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	Separate financial statements					
	2023			2022		
	Before tax Thousand Baht	Benefit (expense) of tax Thousand Baht	Net of tax Thousand Baht	Before tax Thousand Baht	Benefit (expense) of tax Thousand Baht	Net of tax Thousand Baht
<b>Item that will not be reclassified subsequently to profit or loss</b>						
Gain (loss) on revaluation of equity instruments measured at fair value through other comprehensive income	4,054	(811)	3,243	(25,415)	5,084	(20,331)
Gain (loss) on sale of investment transferred to profit or loss	6,617	(1,323)	5,294	58,791	(11,759)	47,032
<b>Item that will be reclassified subsequently to profit or loss</b>						
Gain (loss) on revaluation of debt instruments measured at fair value through other comprehensive income	(180)	36	(144)	(14,400)	2,880	(11,520)
<b>Total</b>	<b>10,491</b>	<b>(2,098)</b>	<b>8,393</b>	<b>18,976</b>	<b>(3,795)</b>	<b>15,181</b>

### 35 Earnings per share

Basic Earnings per share for the year ended 31 December 2023 and 2022 calculated from net profit for the year of the Company's shareholders and the number of issued share capital. The calculation was as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Basic Earnings per share</b>				
Profit attributable to Shareholders of the Company (Thousand Baht)	933,002	1,004,727	1,179,347	1,190,395
Weighted average number of ordinary shares (Thousand share)	389,267	389,267	389,267	389,267
Basic Earnings per share (Baht per share)	2.40	2.58	3.03	3.06



### 36 Business Acquisition

On 6 May 2022, the Company acquired 99.86% of the issued shares in group of entities of Aetna Thailand for a consideration of Baht 3,147,745,484 and on 26 September 2022, the Company received the refund from assets and liabilities adjustment and price consideration amounting to Baht 20,341,291. The net price consideration amounting to Baht 3,127,404,193.

The Amalgamation strengthens customer segment and distribution channel as well as strengthens the Group's market share in Thai non-life market, including the profitability growth and expected synergies from expenses.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	<b>As at acquisition date Thousand Baht</b>
Purchase consideration	
Cash paid	3,127,404
Total purchase consideration	3,127,404

The assets and liabilities recognised as a result of the acquisition are as follows:

	<b>Fair value Thousand Baht</b>
Cash and cash equivalents	436,529
Premiums due and uncollected	601,527
Investments	2,952,064
Reinsurance assets	1,938
Deferred tax assets, net	174,090
Property, plant and equipment	28,147
Intangible assets	32,906
Right of use assets	45,910
Goodwill	158,497
Other assets	233,479
Liabilities	(2,796,405)
Net identifiable assets acquired	1,868,682
<u>Less:</u> Non-controlling interests	-
<u>Add:</u> Goodwill	1,258,722
Net assets acquired	3,127,404

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Purchase consideration - cash outflow

	<b>Thousand Baht</b>
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	3,127,404
Less: Balances acquired	
- Cash	436,680
	2,690,724
Net outflow of cash - investing activities	2,690,724

a) *Acquired premiums due and uncollected*

The fair value of acquired premiums due and uncollected is Baht 601.53 million. The gross contractual amount for Premiums due and uncollected due is Baht 124.69 million, of which Baht 36.36 million is expected to be uncollectible.

b) *Acquired other receivables*

The fair value of acquired other receivables is Baht 200.70 million. The gross contractual amount for other receivables due is Baht 13.97 million.

c) *Acquired identifiable intangible assets*

The fair value of the acquired identifiable intangible assets of Baht 32.91 million.

d) *Revenue and profit contribution*

The revenue included in the consolidated income statement from 6 May 2022 to 31 December 2022 contributed by Aetna Thailand group entities was Baht 1,958.06 million. Aetna Thailand group entities also contributed loss of Baht 27.82 million over the same period.

Had Aetna Thailand group entities been consolidated from 1 January 2022, the consolidated income statement for the year ended 31 December 2022 would show revenue of Baht 8,795.73 million and profit of Baht 1,002.97 million.

e) *Expenses related to the acquisition of a subsidiary*

Expenses related to the acquisition of a subsidiary of Baht 101.38 million are recognised as administrative expenses in profit or loss in the consolidated financial statements for the year ending 2022.



### 37 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The Company's management believes that the Company has no significant influence over the related parties. The accompanying financial statements reflect the effects of these transactions determined on the basis of commitments and conditions as in the normal course of business. Transactions with the related parties are mainly as follows:

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

Companies	Relationship	Type of Business
Allianz SE	Ultimate parent company	Insurance
Allianz SE Singapore Branch	Related company of ultimate parent company	Insurance
Allianz Technology SE	Related company of ultimate parent company	Information technology
Allianz Global Corporate&Speciality SE	Related company of ultimate parent company	Insurance
Allianz Global Corporate&Speciality AG	Related company of ultimate parent company	Insurance
Allianz Australia Limited	Related company of ultimate parent company	Insurance
Euler Hermes Deutschland	Related company of ultimate parent company	Insurance
Euler Hermes Singapore Branch	Related company of ultimate parent company	Insurance
Allianz Fire and Marine Insurance Japan Ltd.	Related company of ultimate parent company	Insurance
Allianz General Insurance Malaysia Berhad	Related company of ultimate parent company	Insurance
Allianz Global Risks US Insurance Company	Related company of ultimate parent company	Insurance
AWP P&C S.A.	Related company of ultimate parent company	Service
Allianz Suisse Versicherungs-Gesellschaft AG	Related company of ultimate parent company	Insurance
Allianz China General Insurance Company Ltd.	Related company of ultimate parent company	Insurance
Allianz Benelux S.A	Related company of ultimate parent company	Insurance
AWP Services (Thailand) Co., Ltd.	Related company of ultimate parent company	Service
Allianz Technology (Thailand) Co., Ltd.	Related company of ultimate parent company	Information technology
Allianz 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
My Health Services (Thailand) Co., Ltd.,	Subsidiary	Service
Aqua Holdings (Thailand) Limited	Subsidiary	Holding
Health Care Management Co., Ltd.	Subsidiary	Holding
Minor Health Enterprise Ltd.	Subsidiary	Holding

**Allianz Ayudhya Capital Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2023**

Significant balances with related parties as at 31 December 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
<b>Assets</b>				
<b>Related company of ultimate parent</b>				
Amounts due from reinsurers	279,811	156,612	-	-
Investment in securities	45,774	35,256	-	-
Other assets	13,680	14,846	-	-
<b>Subsidiaries</b>				
Financial asset measured at fair value through profit or loss	-	-	211,337	204,911
Accrued investment income	-	-	6,184	67
Other assets	-	-	50	50
<b>Associates</b>				
Other assets	120	863	-	-
<b>Liabilities</b>				
<b>Related company of ultimate parent</b>				
Amounts withheld on reinsurance	301,095	200,436	-	-
Amount due to reinsurers	731,543	429,700	-	-
Other liabilities	54,161	51,536	-	-
<b>Subsidiaries</b>				
Other liabilities	-	-	600	600
<b>Associates</b>				
Other liabilities	27,334	6,019	-	-



**Allianz Ayudhya Capital Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2023**

Significant transactions for year ended 31 December 2023 and 2022 with related parties were as follows:

	<b>Consolidated financial statements</b>	
	<b>2023 Thousand Baht</b>	<b>2022 Thousand Baht</b>
<b>Revenues</b>		
<b>Related company of ultimate parent company</b>		
Claim recovered from reinsurers	534,678	428,158
Fee and commission income	365,866	340,379
Other income	1,774	9,784
<b>Associates</b>		
Other income	630	-
<b>Expenses</b>		
<b>Related company of ultimate parent company</b>		
Premiums ceded to reinsurers	1,556,149	1,203,209
Commission and brokerage expenses	51,554	27,828
Other expenses	236,447	184,086
<b>Associate</b>		
Other expenses	68,389	49,688
	<b>Separate financial statements</b>	
	<b>2023 Thousand Baht</b>	<b>2022 Thousand Baht</b>
<b>Revenues</b>		
<b>Associate</b>		
Net investment income	782,776	810,236
<b>Subsidiary</b>		
Net investment income	411,018	453,984
Gain (loss) on investment	6,425	(5,195)
<b>Expenses</b>		
<b>Related company of ultimate parent company</b>		
Other expenses	-	196
<b>Associate</b>		
Other expense	342	1,484
<b>Subsidiary</b>		
Other expense	1,392	1,392

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

The Company entered into a management service agreement with a subsidiary for providing about services of managerial and administrative services of accounting, 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 Company.

The Group paid commissions and brokerages and other underwriting expenses between the Group and related companies. 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.

The Company has office service agreements with a subsidiary for a term of 3 years. Service rates and conditions are the same as the subsidiary offer to other companies.

#### **Directors and key management personnel's remuneration**

During the year ended 31 December 2023 and 2022, the Group had salaries, bonuses, directors' allowance and other benefits of its directors and key management personnel recognised as expenses as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Thousand Baht</b>	<b>2022 Thousand Baht</b>	<b>2023 Thousand Baht</b>	<b>2022 Thousand Baht</b>
<b>Directors and key management personnel's remuneration</b>				
Short-term benefits	145,482	140,948	-	-
Post-employment benefits	7,487	7,131	-	-
Directors' remuneration	15,200	17,009	12,478	14,438
<b>Total</b>	<b>168,169</b>	<b>165,088</b>	<b>12,478</b>	<b>14,438</b>

#### **38 Provident fund**

The Group have established a contributory registered provident fund, in accordance with the Provident Fund Act B.E. 2530. Under the plan, employees must pay their contributions, with the Group matching the individuals' contributions as follows:

<b>Year of services</b>	<b>Percentage</b>
Less than 5 years	5
5 years and above	5, 7

A registered provident fund manager has been appointed to manage the fund in compliance with the requirements of the Ministerial Regulations issued under the Provident Fund Act B.E. 2542.

For the years ended 31 December 2023 and 2022, the Group's contributions recorded as expenses were Baht 25.88 million and Baht 24.59 million, respectively.



### 39 Securities and assets pledged with the Registrar

As at 31 December 2023 and 2022, certain investments in securities of the Group were pledged and used for assets reserved with the Registrar (Note 13) in accordance with the Insurance Act and the Notification of the Office of Insurance Commission regarding "Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2557", respectively as follows:

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

	Consolidated financial statements			
	2023		2022	
	Book value Thousand Baht	Face value Thousand Baht	Book value Thousand Baht	Face value Thousand Baht
Deposit at bank	-	-	400,000	400,000
Government and state enterprise securities	931,305	931,000	483,928	471,000
	Separate financial statements			
	2023		2022	
	Book value Thousand Baht	Face value Thousand Baht	Book value Thousand Baht	Face value Thousand Baht
Government and state enterprise securities	1,020	1,000	1,046	1,000

39.2 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 statements			
	2023		2022	
	Book value Thousand Baht	Face value Thousand Baht	Book value Thousand Baht	Face value Thousand Baht
Deposits at banks	-	-	3,500	3,500
Government and state enterprise securities	15,427	15,000	15,917	15,000

### 40 Restricted assets

As at 31 December 2023, the Group has undrawn committed credit facilities amounting to Baht 5 million, with savings at banks pledged as collateral (31 December 2022: Saving at banks amounting to Baht 5 million).

#### 41 Contribution to non-life guarantee fund

The Group has accumulated funding amount which was paid into contribution to non-life guarantee fund as at 31 December 2023 and 2022 amounting to Baht 288.11 million and Baht 163.08 million, respectively.

#### 42 Litigation

As at 31 December 2023 and 2022, lawsuits have been brought against the Group, as insurer, from which the Group estimates losses totalling Baht 198.14 million and Baht 236.72 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.

#### 43 Event after the statement of financial position date

On 29 February 2024, the Board of Directors' meeting of the Company approved a dividend of Baht 1.67 per share, totalling to the amount of Baht 650.08 million from operating results. Such dividend payment shall be made on 29 May 2024. The dividend payment shall be made subject to the approval of the Annual General Meeting of the shareholders.