

Information Disclosure
Allianz Ayudhya Assurance Public Company Limited

The Company has cautiously reviewed the disclosed information and has verified that the information is completed, accurate and is not misleading or lack of essence .

This is to certify the accuracy of all disclosed information reported by the Company.

Sign 
 Name Mr. Thomas Charles Wilson
 Position Director

Sign 
 Name Mr. Kitti Pintavirooj
 Position Director

Disclosed on 15 November 2021
 Quarterly 3 Year 2021



1. Adequacy of Capital

Allianz Ayudhya Assurance Public Company Limited holds a strong RBC Solvency Ratio. At the end of third quarter in 2021, the Company's capital adequacy ratio is at the 282 percent which is significant high comparing to the minimum ratio required by the OIC at the 120 percent. The Company also conducts the regular tests of its financial status under crisis at every quarter end to ensure that the Company is capable of confronting and coping with any economic change in the event of uncontrollable or undesired situation.

Disclosed on 15 November 2021

Unit: million baht

Item	Quarter 1		Quarter 2		Quarter 3	
	2021	2020	2021	2020	2021	2020
Common Equity Tier 1 (%)	328%	304%	297%	305%	282%	368%
Tier 1 Capital Ratio (%)	328%	304%	297%	305%	282%	368%
Capital Adequacy Ratio (%)	328%	304%	297%	305%	282%	368%
Total Capital Availability	29,225.54	27,179.40	28,011.50	28,487.30	28,567.14	29,648.56
Total Capital Requirement	8,922.28	8,939.93	9,437.43	9,339.69	10,122.23	8,060.17

- Remark**
- Notification of the Office of Insurance Commission (OIC): Specification of Type and Category of the Capital including Rules, Procedures and Conditions of the Capital Calculation in Life Insurance Companies. For legal requirement, the Capital adequacy ratio (supervisory CAR):
 - Capital is based on appraisal value aligned with the announcement of OIC regarding the Life Insurance Company's asset and liability assessment; the announcement of OIC regarding the Type and Category of the Capital including Rules, Procedures and Conditions of the Capital Calculation in Life Insurance Companies
 - The second quarter is the six-months operating results while the third quarter is the nine-months operating results

2. Financial Statement

ALLIANZ AYUDHYA ASSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2021



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

To the Board of Directors of Allianz Ayudhya Assurance Public Company Limited

I have reviewed the interim financial information of Allianz Ayudhya Assurance Public Company Limited, which comprises the statement of financial position as at 30 September 2021, the statements of comprehensive income for the three-month and nine-month periods then ended, the related statement of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

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

Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
Bangkok
11 November 2021

Allianz Ayudhya Assurance Public Company Limited
Statement of Financial Position
As at 30 September 2021

		(Unaudited) 30 September 2021	(Audited) 31 December 2020
	Notes	Thousand Baht	Thousand Baht
Assets			
Cash and cash equivalents, net	6, 24	6,775,659	7,265,076
Premiums due and uncollected	7	1,661,994	2,097,939
Accrued investment income		1,573,726	1,266,158
Reinsurance receivables	8, 24	421,474	472,314
Investment receivables		121,052	750
Derivative assets	9	233,604	1,383,921
Investment assets			
Investments in securities, net	10, 24, 25	194,562,131	198,539,860
Loans, net	11	9,887,094	9,761,947
Investment assets held to cover linked liabilities	12	817,874	632,844
Premises and equipment, net	13	614,673	644,745
Right-of-use assets	14	508,976	575,369
Intangible assets, net	15	855,154	381,908
Other assets	24	1,388,982	614,952
Total assets		219,422,393	223,637,783

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2021

		(Unaudited) 30 September 2021	(Audited) 31 December 2020
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Liabilities			
Insurance contract liabilities	16	182,560,330	180,871,206
Investment contract liabilities	17	4,191,680	4,017,023
Reinsurance payables	18, 24	399,195	557,240
Investment payables		249,869	-
Derivative liabilities	9	2,025,015	176,416
Income tax payable		493,387	635,766
Accrued expenses	19, 24	2,019,330	2,145,342
Employee benefit obligations		760,905	754,537
Provisions	20	210,704	79,896
Deferred tax liabilities, net	21	1,588,455	3,339,220
Other liabilities	24	965,746	2,087,290
Total liabilities		<u>195,464,616</u>	<u>194,663,936</u>
Equity			
Share capital			
Authorised share capital			
400,000,000 ordinary shares of 10 Baht each		<u>4,000,000</u>	<u>4,000,000</u>
Issued and paid-up share capital			
295,000,000 ordinary shares of 10 Baht each		2,950,000	2,950,000
Retained earnings			
Appropriated			
Legal reserve		400,000	400,000
Unappropriated		10,812,764	9,415,446
Other components of equity		<u>9,795,013</u>	<u>16,208,401</u>
Total equity		<u>23,957,777</u>	<u>28,973,847</u>
Total liabilities and equity		<u>219,422,393</u>	<u>223,637,783</u>

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 September 2021

		(Reclassified)	
		2021	2020
	Notes	Thousand Baht	Thousand Baht
Revenues			
Gross premiums written	24	7,334,691	7,310,595
<u>Less</u> premiums ceded	24	<u>(241,939)</u>	<u>(258,822)</u>
Net premiums written		7,092,752	7,051,773
<u>Add (Less)</u> unearned premium reserve decreased (increased) from previous period		<u>12,303</u>	<u>(38,249)</u>
Net premiums earned		7,105,055	7,013,524
Fees and commission income	24	36,587	40,492
Net investment income	24	1,935,335	1,708,198
Gains on investment	24	152,036	305,458
Gains on fair value		136,543	32,196
Other income		<u>17,699</u>	<u>15,670</u>
Total revenues		<u>9,383,255</u>	<u>9,115,538</u>
Expenses			
Long-term technical reserves increased from previous period		1,181,369	(252,301)
Benefits payments and insurance claims expenses	24	5,205,205	5,690,328
<u>Less</u> benefits payments and insurance claims expenses recovered from reinsurers	24	<u>(136,570)</u>	<u>(98,389)</u>
Net benefits payment and insurance claims expenses		5,068,635	5,591,939
Commissions and brokerages		978,718	875,864
Other underwriting expenses		419,518	448,495
Operating expenses	3,22,24	656,294	662,172
Impairment loss on investments in securities		259,663	1,044,440
Expected Credit Loss (reversal)	28	1,583	(29,777)
Finance costs	3	<u>4,103</u>	<u>2,862</u>
Total expenses		<u>8,569,883</u>	<u>8,343,694</u>
Profit before income tax		813,372	771,844
Income tax		<u>150,103</u>	<u>133,823</u>
Net profit		<u>663,269</u>	<u>638,021</u>

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 September 2021

	2021	2020
Notes	Thousand Baht	Thousand Baht
Other comprehensive income (loss)		
Items that will not be subsequently reclassified to profit or loss		
Losses on remeasurements of post-employment benefit obligations	-	(34,538)
Income tax on items that will not be reclassified to profit or loss	-	6,907
	<u>-</u>	<u>6,907</u>
Total items that will not be subsequently reclassified to profit or loss	<u>-</u>	<u>(27,631)</u>
Items that will be subsequently reclassified to profit or loss		
Gain (Loss) from investments measured at fair value through other comprehensive income	(412,621)	(532,043)
Change in fair value of cash flow hedges	(211,624)	(240,585)
Cost of hedging	17,583	61,292
Items in other comprehensive income transferred to profit or loss	(47,415)	(89,625)
Income tax on items that will be subsequently reclassified to profit or loss	130,815	160,193
	<u>(523,262)</u>	<u>(640,768)</u>
Total items that will be subsequently reclassified to profit or loss	<u>(523,262)</u>	<u>(640,768)</u>
Other comprehensive income (expense) for the period, net of income tax	<u>(523,262)</u>	<u>(668,399)</u>
Total comprehensive income (expense) for the period	<u>140,007</u>	<u>(30,378)</u>
Basic earnings per share (Baht)	23	<u>2.25</u>
		<u>2.16</u>

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2021

		(Reclassified)	
		2021	2020
	Notes	Thousand Baht	Thousand Baht
Revenues			
Gross premiums written	24	22,481,106	22,429,205
<u>Less</u> premiums ceded	24	<u>(779,113)</u>	<u>(767,022)</u>
Net premiums written		21,701,993	21,662,183
<u>Less</u> unearned premium reserve increased from previous period		<u>(320,012)</u>	<u>(435,290)</u>
Net premiums earned		21,381,981	21,226,893
Fees and commission income	24	118,171	160,246
Net investment income	24	5,704,029	5,317,091
Gains on investment	24	1,623,462	348,259
Gains on fair value		131,105	22,687
Other income		<u>45,415</u>	<u>63,585</u>
Total revenues		<u>29,004,163</u>	<u>27,138,761</u>
Expenses			
Long-term technical reserves increased (decreased) from previous period		992,705	1,920,552
Benefits payments and insurance claims expenses	24	17,451,103	15,196,438
<u>Less</u> benefits payments and insurance claims expenses recovered from reinsurers	24	<u>(440,603)</u>	<u>(334,249)</u>
Net benefits payment and insurance claims expenses		17,010,500	14,862,189
Commissions and brokerages		2,913,147	2,699,720
Other underwriting expenses		1,285,733	1,360,955
Operating expenses	3,22,24	1,828,887	1,963,138
Impairment loss on investments in securities		487,498	1,170,221
Expected Credit Loss (reversal)	28	(3,818)	(32,989)
Finance costs	3	<u>13,861</u>	<u>11,141</u>
Total expenses		<u>24,528,513</u>	<u>23,954,927</u>
Profit before income tax		4,475,650	3,183,834
Income tax		<u>868,782</u>	<u>599,213</u>
Net profit		<u>3,606,868</u>	<u>2,584,621</u>

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2021

	2021	2020
Notes	Thousand Baht	Thousand Baht
Other comprehensive income (loss)		
Items that will not be subsequently reclassified to profit or loss		
Losses on remeasurements of post-employment benefit obligations	-	(58,596)
Income tax on items that will not be reclassified to profit or loss	-	11,719
	<u>-</u>	<u>11,719</u>
Total items that will not be subsequently reclassified to profit or loss	<u>-</u>	<u>(46,877)</u>
Items that will be subsequently reclassified to profit or loss		
Gain (Loss) from investments measured at fair value through other comprehensive income	(5,891,378)	(2,767,664)
Change in fair value of cash flow hedges	(693,497)	(1,340,914)
Cost of hedging	28,533	131,872
Items in other comprehensive income transferred to profit or loss	(1,460,393)	79,781
Income tax on items that will be subsequently reclassified to profit or loss	21 1,603,347	779,385
	<u>(6,413,388)</u>	<u>(3,117,540)</u>
Total items that will be subsequently reclassified to profit or loss	<u>(6,413,388)</u>	<u>(3,117,540)</u>
Other comprehensive income (expense) for the period, net of income tax	<u>(6,413,388)</u>	<u>(3,164,417)</u>
Total comprehensive income (expense) for the period	<u><u>(2,806,520)</u></u>	<u><u>(579,796)</u></u>
Basic earnings per share (Baht)	23 <u>12.23</u>	<u>8.76</u>

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Allianz Ayudhya Assurance Public Company Limited
Statement of Changes in Equity (Unaudited)
For the nine-month period ended 30 September 2021

	Retained earnings		Other components of equity					Total equity Thousand Baht
	Issued and paid-up share capital Thousand Baht	Legal reserve Thousand Baht	Unappropriated income Thousand Baht	Gain (Loss) from investments measured at fair value through other comprehensive income Thousand Baht	Change in fair value of cash flow hedges Thousand Baht	Cost of hedging Thousand Baht	Total other components of equity Thousand Baht	
Balance as at 1 January 2020 - previously reported	2,950,000	400,000	7,658,831	15,488,271	785,803	-	16,274,074	27,282,905
Impact of changes in accounting policies	-	-	(49,869)	1,086,067	(67,137)	67,137	1,086,067	1,036,198
Balance at 1 January 2020 - restated	2,950,000	400,000	7,608,962	16,574,338	718,666	67,137	17,360,141	28,319,103
Transaction with shareholders, recorded directly in equity	-	-	-	-	-	-	-	-
Distributions to shareholders of the Company	-	-	(1,374,700)	-	-	-	-	(1,374,700)
Dividends to shareholders of the Company (Note 29)	-	-	-	-	-	-	-	-
Total transaction with shareholders, recorded directly in equity	-	-	(1,374,700)	-	-	-	-	(1,374,700)
Comprehensive income (loss) for the period	-	-	2,584,621	-	-	-	-	2,584,621
Net profit	-	-	2,584,621	-	-	-	-	2,584,621
Other comprehensive income (loss)	-	-	-	-	-	-	-	-
Change in fair value of cash flow hedges	-	-	-	(1,072,731)	-	-	(1,072,731)	(1,072,731)
Change in rematuring defer cost of hedge	-	-	-	-	-	105,497	105,497	105,497
Change in fair value of investments measured at fair value through other comprehensive income items in other comprehensive income transferred to profit or loss	-	-	-	(2,214,131)	-	-	(2,214,131)	(2,214,131)
Losses from remeasurements of post-employment benefit obligations	-	-	-	63,825	-	-	63,825	63,825
Total comprehensive income (loss) for the period	-	-	2,537,744	(2,150,306)	(1,072,731)	105,497	(3,117,540)	(579,796)
Balance as at 30 September 2020	2,950,000	400,000	8,772,006	14,424,032	(354,066)	172,634	14,242,601	26,364,607

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Changes in Equity (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2021

	Retained earnings		Other components of equity				Total other components of equity	Total equity
	Issued and paid-up share capital	Legal reserve	Gain (Loss) from investments measured at fair value through other comprehensive income	Change in fair value of cash flow hedges	Cost of hedging	Thousand Baht		
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Balance as at 1 January 2021	2,950,000	400,000	9,415,446	16,038,036	317,572	(147,207)	16,208,401	28,973,847
Transaction with shareholders, recorded directly in equity								
Distributions to shareholders of the Company								
Dividends to shareholders of the Company (Note 29)	-	-	(2,209,550)	-	-	-	-	(2,209,550)
Total transaction with shareholders, recorded directly in equity	-	-	(2,209,550)	-	-	-	-	(2,209,550)
Comprehensive income (loss) for the period								
Net profit	-	-	3,606,868	-	-	-	-	3,606,868
Other comprehensive income (loss)								
Change in fair value of cash flow hedges	-	-	-	(554,798)	(554,798)	-	(554,798)	(554,798)
Change in rematuring defer cost of hedge	-	-	-	-	-	22,826	22,826	22,826
Change in fair value of investments measured at fair value through other comprehensive income	-	-	-	(4,713,102)	-	-	(4,713,102)	(4,713,102)
Items in other comprehensive income transferred to profit or loss	-	-	-	(1,168,314)	-	-	(1,168,314)	(1,168,314)
Total comprehensive income for the period	-	-	3,606,868	(5,881,416)	(554,798)	22,826	(6,413,388)	(2,806,520)
Balance as at 30 September 2021	2,950,000	400,000	10,812,764	10,156,620	(237,226)	(124,381)	9,795,013	23,957,777

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2021

		2021	(Reclassified) 2020
	Notes	Thousand Baht	Thousand Baht
Cash flows from operating activities			
Premiums written		22,904,444	21,484,928
Cash paid relating to reinsurance		(327,544)	(128,946)
Interest received		5,768,865	6,519,917
Dividends received		1,233,485	486,841
Other income		52,790	66,277
Benefits payments and insurance claims expenses		(16,917,792)	(14,650,244)
Commissions and brokerages		(3,049,092)	(2,843,972)
Other underwriting expenses		(1,195,733)	(1,268,455)
Operating expenses	3	(1,722,897)	(1,924,084)
Income tax paid		(1,158,579)	(78,017)
Cash received from selling and redeeming investment in securities		23,511,138	15,700,262
Cash paid for purchasing investment in securities		(28,651,531)	(26,833,774)
Cash received from loans		19,113	157,372
Cash received (paid) from deposits		(17)	214
Cash received from maturity of fixed deposit		2,000,000	-
Net cash flow provided from (used in) operating activities		2,466,650	(3,311,681)
Cash flows from investing activities			
Cash flows provided			
Cash received from selling premises and equipment		587	922
Cash received from selling intangible assets		8,958	-
Cash flows used			
Cash paid for purchasing premises and equipment		(34,400)	(165,395)
Cash paid for purchasing intangible assets		(654,922)	(60,928)
Net cash flow used in investing activities		(679,777)	(225,401)
Cash flows from financing activities			
Cash flows used			
Cash paid for lease liabilities	3	(54,280)	(30,209)
Cash paid for finance cost	3	(12,418)	(6,374)
Dividend paid	29	(2,209,550)	(1,374,700)
Net cash flow used in financing activities		(2,276,248)	(1,411,283)
Net decrease in cash and cash equivalents		(489,375)	(4,948,365)
Cash and cash equivalents as at 1 January		7,265,076	9,505,841
Cash and cash equivalents as at 30 September		6,775,701	4,557,476
<u>Less</u> Allowance for expected credit loss		(42)	(3,591)
Cash and cash equivalents as at 30 September	6	6,775,659	4,553,885
Supplemental cash flows information			
Non-cash items			
Receivables from selling investments		121,052	369,297
Payables from purchasing investments		249,869	196,793

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

1 General information

Allianz Ayudhya Assurance Public Company Limited, ("the Company"), was first incorporated in Thailand under the name of Sri Ayudhya Life Assurance Company Limited on 11 April 1951 and the Company was granted its license to operate as a life insurance company on 20 April 1951.

Its registered office is located at 898 Ploenchit Tower, Ploenchit Road, Lumpini, Pathumwan, Bangkok.

The immediate parent companies are CPRN (Thailand) Limited, Allianz Ayudhya Capital Public Company Limited. The immediate parent company was incorporated in Thailand and the ultimate parent company is Allianz SE which was incorporated in Germany.

The principal business of the Company is the provision of life insurance business.

This interim financial information was approved by the Board of Directors on 11 November 2021.

This interim financial information has been reviewed, not audited.

2 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. In addition, the interim financial information presentation is based on the formats of life insurance interim financial information attached in an Office of Insurance Commission's notification "Principle, methodology, condition and timing for preparation, submission and reporting of financial statements and operation performance for life insurance company (No.2) B.E. 2562" dated 4 April 2019 ("OIC Notification"). The notes to the interim financial information are prepared in a condensed format. Additional notes are presented as required by the aforementioned OIC Notification.

The interim financial information should be read together with the annual financial statements for the year ended 31 December 2020.

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

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2020

3.1 Reclassification

The comparative amounts have been reclassified to conform to the current period presentation of the statement of comprehensive income for the current period as follows:

	(Unaudited) For the three-month period ended 30 September 2020		
	As previously reported Thousand Baht	Reclassification Thousand Baht	Reclassified Thousand Baht
Expenses			
Operating expenses	664,507	(2,335)	662,172
Finance cost	527	2,335	2,862

	(Unaudited) For the nine-month period ended 30 September 2020		
	As previously reported Thousand Baht	Reclassification Thousand Baht	Reclassified Thousand Baht
Expenses			
Operating expenses	1,969,512	(6,374)	1,963,138
Finance cost	4,767	6,374	11,141
Statement of Cash flows			
Operating expenses	(1,925,666)	1,582	(1,924,084)
Lease liabilities	(32,277)	2,068	(30,209)
Finance cost	(2,724)	(3,650)	(6,374)

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, incomes and expenses. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2020.

5 Fair value

5.1 Fair value estimation

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities, and the Company is able to access that market on valuation date.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for the asset or liability that are not based on observable market data.

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

The following table presents the Company's financial assets and liabilities that were measured and recognised at fair value on the interim financial information as at 30 September 2021.

	(Unaudited)			Total Thousand Baht
	30 September 2021			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Financial assets				
Derivative assets	-	233,604	-	233,604
Investment in securities				
Financial assets at fair value through other comprehensive income				
Debt securities	9,133,284	148,104,211	-	157,237,495
Equity securities	14,777,138	-	6,754	14,783,892
Financial assets designated at fair value through profit or loss				
Debt securities	122,711	-	-	122,711
Investment assets held to cover linked liabilities	-	817,874	-	817,874
Total	24,033,133	149,155,689	6,754	173,195,576
Financial liabilities				
Derivative liabilities	-	2,025,015	-	2,025,015
Total	-	2,025,015	-	2,025,015

5 Fair value (Cont'd)

5.1 Fair value estimation (Cont'd)

The following table presents the Company's financial assets and liabilities that are measured and recognised at fair value on the financial statements as at 31 December 2020.

	(Audited)			Total Thousand Baht
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
31 December 2020				
Financial assets				
Derivative assets	-	1,383,921	-	1,383,921
Investment in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	5,634,985	147,687,897	-	153,322,882
Equity securities	13,394,082	-	881,574	14,275,656
Investments designated at fair value				
Debt securities	113,363	-	-	113,363
Investment assets held to cover linked liabilities	-	632,844	-	632,844
Total	19,142,430	149,704,662	881,574	169,728,666
Financial liabilities				
Derivative liabilities	-	176,416	-	176,416
Total	-	176,416	-	176,416

5.2 Valuation techniques used to derive Level 1 fair values

The Company determines Level 1 for fair value of financial instruments in level one is based on the latest bid price of common stock on the last working day of the reporting period as quoted on the Stock Exchange of Thailand.

5.3 Valuation techniques used to derive Level 2 fair values

The Company determines Level 2 fair values for debt securities using the prices on the last business day of the period provided by the Thai Bond Market Association which using a discounted cash flow approach, which discounts the contractual cash flows using discount rates derived from observable market prices of other quoted debt instruments of the counterparties.

The Company determines Level 2 fair values for unit trusts using the net asset value (NAV) on the last business day of the period provided by assets management companies.

The Company determines Level 2 for simple over-the-counter hedging derivatives which comprise cross currency swap and bond forward contracts based on broker quotes. The cross currency swap have been fair valued based on exchange rates that are quoted in an active market. The bond forward contracts have been fair valued based on forward interest rates extracted from observable yield curves. The effects of discounting are generally insignificant for Level 2 derivatives.

5 Fair value (Cont'd)

5.4 Valuation techniques used to derive Level 3 fair values

The fair value of significant general investments are based on dividend discount model technique using the net present value of dividends and terminal value expected to be received in the future. The fair value are within level 3 of the fair value hierarchy.

There was no transfer between Levels 1, 2 and 3 during the period.

There was no change in valuation techniques during the periods.

6 Cash and cash equivalents, net

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Cash on hand	479	479
Deposits at banks - call deposits	4,658,779	4,085,317
Short-term investments	2,116,443	3,184,636
Expected credit losses	(42)	(5,356)
Total	6,775,659	7,265,076

As at 30 September 2021, cash and cash equivalents were denominated in foreign currencies amounting to Baht 800.60 million (31 December 2020: Baht 162.27 million).

7 Premiums due and uncollected

As at 30 September 2021 and 31 December 2020, the balances of premiums due and uncollected were aged as follows:

	From direct insurance	
	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Within credit terms	1,497,587	2,345,065
Overdue:		
Less than 30 days	192,482	10,930
31 - 60 days	3,438	2,033
61 - 90 days	43,173	14,156
91 days - 1 year	90,361	9,166
Over 1 year	7,568	6,170
Total	1,834,609	2,387,520
<u>Less</u> Allowance for doubtful accounts	<u>(172,615)</u>	<u>(289,581)</u>
Net premiums due and uncollected	1,661,994	2,097,939

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7 Premiums due and uncollected (Cont'd)

In case of individual policies, premiums due and uncollected represent those amounts that are within the grace period, which is 30 days. For policies with cash values having amounts overdue longer than the grace period, the premiums due and uncollected will be settled by granting automatic policy loans. For policies without cash values and overdue longer than the grace period, the policies are lapsed.

In case of group policies, the credit term is 90 days. For overdue premium due and uncollected, the Company is processing the collection in accordance with the Company's policy.

8 Reinsurance receivables

The details of reinsurance receivables are as follows:

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Due from reinsurance	421,474	472,314
Total reinsurance receivables	421,474	472,314

9 Derivative assets and liabilities

All derivatives are for the purpose of hedging activities.

The details of derivative assets are as follow:

Type of contract	Purpose	Number of contracts	(Unaudited) 30 September 2021		(Unaudited) Change in fair value for the nine-month period ended 30 September 2021 Thousand Baht
			Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	4	1,249,700	56,101	(144,599)
Bond forward	To hedge reinvestment risk	9	2,440,000	177,503	(254,088)
Foreign currency forward	To hedge fair value risk	-	-	-	-
Total		13	3,689,700	233,604	(398,687)

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9 Derivative assets and liabilities (Cont'd)

(Audited) 31 December 2020					(Audited) Change in fair value for the year ended 31 December 2020 Thousand Baht
Type of contract	Purpose	Number of contracts	Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	75	12,128,465	721,718	(369,841)
Bond forward	To hedge reinvestment risk	25	4,680,000	662,203	101,222
Total		100	16,808,465	1,383,921	(268,619)

The details of derivative liabilities are as follow:

(Unaudited) 30 September 2021					(Unaudited) Change in fair value for the nine-month period ended 30 September 2021 Thousand Baht
Type of contract	Purpose	Number of contracts	Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	134	18,438,600	1,833,990	(2,160,474)
Bond forward	To hedge reinvestment risk	27	2,630,000	70,305	(92,096)
Foreign currency forward	To hedge fair value risk	6	3,209,726	120,720	(120,720)
Total		167	24,278,326	2,025,015	2,373,290

(Audited) 31 December 2020					(Audited) Change in fair value for the year ended 31 December 2020 Thousand Baht
Type of contract	Purpose	Number of contracts	Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	36	4,171,698	173,744	261,451
Bond forward	To hedge reinvestment risk	4	300,000	2,672	2,672
Total		40	4,471,698	176,416	264,123

As at 30 September 2021, the Company has hedged the risk on foreign currency offshore bonds and debentures by entering into cross currency swap contracts with local banks. The notional value of these hedges is U.S. Dollar 596.45 million, Euro 13 million and SGD 2 million (31 December 2020: U.S. Dollar 489 million, Euro 13 million and SGD 2 million).

The notional value is the amount used as a reference for calculation of the settlements made on the derivatives.

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10 Investments in securities, net

The details of investments in securities as at 30 September 2021 and 31 December 2020 are as follows:

	(Unaudited) 30 September 2021	
	Cost/ amortised cost Thousand Baht	Fair value Thousand Baht
Investments measured at fair value through other comprehensive income		
Government and state enterprise debt securities	90,284,072	98,436,302
Private debt securities	26,360,616	27,111,496
Foreign debt securities	29,043,130	31,689,697
Equity securities	13,583,765	14,341,507
Foreign equity securities	447,381	442,385
Total	159,718,964	172,021,387
<u>Add</u> Unrealised gain	12,302,423	-
Total Investments measured at fair value through other comprehensive income	172,021,387	172,021,387
Investments measured at amortised cost		
Government and state enterprise debt securities	17,704,289	
Private debt securities	2,716,170	
Deposits at financial institutions with original maturities more than 3 months	2,000,000	
Total	22,420,459	
<u>Less</u> Expected Credit Losses	(2,426)	
Total investments measured at amortised cost	22,418,033	
Investments designated at fair value through profit or loss		
Foreign debt securities	93,492	122,711
<u>Add</u> Unrealised gain	29,219	-
Total Investments designated at fair value through profit or loss	122,711	122,711
Total investments in securities, net	194,562,131	

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10 Investments in securities, net (Cont'd)

	(Audited) 31 December 2020	
	Cost/ amortised cost Thousand Baht	Fair value Thousand Baht
Investments measured at fair value through other comprehensive income		
Government and state enterprise debt securities	92,635,060	107,515,395
Private debt securities	21,635,834	22,827,256
Foreign debt securities	21,721,647	22,980,231
Equity securities	12,598,894	13,854,693
Foreign equity securities	371,550	420,963
Total	148,962,985	167,598,538
<u>Add</u> Unrealised gain	18,635,553	-
Total Investments measured at fair value through other comprehensive income	167,598,538	167,598,538
Investments measured at amortised cost		
Government and state enterprise debt securities	23,119,014	
Private debt securities	3,717,159	
Deposits at financial institutions with original maturities more than 3 months	4,000,000	
Total	30,836,173	
<u>Less</u> Expected Credit Losses	(8,214)	
Total investments measured at amortised cost	30,827,959	
Investments designated at fair value through profit or loss		
Foreign debt securities	77,594	113,363
<u>Add</u> Unrealised gain	35,769	-
Total Investments designated at fair value through profit or loss	113,363	113,363
Total investments in securities, net	198,539,860	

During the three-month period ended 30 September 2021, the Company recognised interest income and dividend income amounting to Baht 1,443 million and Baht 626 million, respectively (2020: Baht 1,577 million and Baht 211 million, respectively).

During the nine-month period ended 30 September 2021, the Company recognised interest income and dividend income amounting to Baht 4,503 million and Baht 1,462 million, respectively (2020: Baht 4,755 million and Baht 703 million, respectively).

During the three-month period ended 30 September 2021, the Company received consideration from selling investments measured at fair value through other comprehensive income amounting to Baht 3,199 million (2020: Baht 1,366 million).

During the nine-month period ended 30 September 2021, the Company received consideration from selling investments measured at fair value through other comprehensive income amounting to Baht 16,914 million (2020: Baht 7,537 million).

As at 30 September 2021, the Company had investment in securities deposited with the Office of Insurance Commission in order to comply with the Life Insurance Act with a fair value amounting to Baht 42,791 million (31 December 2020: Baht 43,783 million) (Note 25).

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10 Investments in securities, net (Cont'd)

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

	(Unaudited) 30 September 2021	
	Fair value Thousand Baht	Expected credit losses recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	157,237,495	(24,064)
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	157,237,495	(24,064)

	(Audited) 31 December 2020	
	Fair value Thousand Baht	Expected credit losses recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	153,322,882	(16,525)
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	153,322,882	(16,525)

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10 Investments in securities, net (Cont'd)

10.2 Debt securities that are measured at amortised cost

	(Unaudited) 30 September 2021		
	Gross carrying value Thousand Baht	Expected credit losses Thousand Baht	Carrying value Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	22,420,459	(2,426)	22,418,033
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	22,420,459	(2,426)	22,418,033
	(Audited) 31 December 2020		
	Gross carrying value Thousand Baht	Expected credit losses Thousand Baht	Carrying value Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	30,836,173	(8,214)	30,827,959
Investment in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	30,836,173	(8,214)	30,827,959

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11 Loans and accrued interest income

As at 30 September 2021 and 31 December 2020, the details of loans and accrued interests are aged by outstanding period as follows:

Outstanding periods	(Unaudited)										
	30 September 2021					30 September 2020					
	Policy loans			Mortgage loans			Total				
	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Total Thousand Baht
Within credit terms	8,420,482	1,460,089	6,240	7	8,426,722	1,460,096					9,886,818
Overdue	-	-	321	2	321	2					323
Less than 3 months	-	-	-	-	-	-					-
Over 3 - 6 months	-	-	-	-	-	-					-
Over 6 - 12 months	-	-	-	-	-	-					-
Over 12 months	-	-	43,938	4,041	43,938	4,041					47,979
Total	8,420,482	1,460,089	50,499	4,050	8,470,981	1,464,139					9,935,120
Less Expected Credit Losses	-	-	(43,984)	(4,042)	(43,984)	(4,042)					(48,026)
Loans and accrued interests, net	8,420,482	1,460,089	6,515	8	8,426,997	1,460,097					9,887,094

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11 Loans and accrued interest income (Cont'd)

As at 30 September 2021 and 31 December 2020, the balance of loans and accrued interest are aged as follows: (Cont'd)

Outstanding periods	(Audited) 31 December 2020							
	Policy loans			Mortgage loans			Total	
	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Total Thousand Baht	
Within credit terms	8,281,400	1,471,925	8,046	17	8,289,446	1,471,942	9,761,388	
Overdue	-	-	-	-	-	-	-	
Less than 3 months	-	-	431	2	431	2	433	
Over 3 - 6 months	-	-	390	26	390	26	416	
Over 6 - 12 months	-	-	-	-	-	-	-	
Over 12 months	-	-	43,549	4,006	43,549	4,006	47,555	
Total	8,281,400	1,471,925	52,416	4,051	8,333,816	1,475,976	9,809,792	
Less Allowance for doubtful accounts	-	-	(43,840)	(4,005)	(43,840)	(4,005)	(47,845)	
Loans and accrued interests, net	8,281,400	1,471,925	8,576	46	8,289,976	1,471,971	9,761,947	

Policy loans represent loans granted to the policyholders in an amount not exceeding the cash value of the policy. The loans carry interest rate are not more than 8% per annum, as approved by the Office of Insurance Commission.

Mortgage loans are loans secured by real estates. The Company had stopped providing new mortgage loans since 2010.

As at 30 September 2021, the Company had mortgage loans to staffs amounting to Baht 0.38 million (31 December 2020: Baht 0.86 million) with interest rates at 5% per annum (31 December 2020: 5% per annum). The mortgage loans were provided in accordance with the Company's welfare policy.

12 Assets held to cover linked liabilities

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Investment in mutual funds - debt securities that are measured at fair value through profit or loss	193,483	167,236
Investment in mutual funds - equity securities that are measured at fair value through profit or loss	623,677	462,089
Cash at bank for purchasing investment	714	3,519
Total	817,874	632,844

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13 Premises and equipment, net

As at 30 September 2021 and 31 December 2020, the balance of premises and equipment are as follows:

(Unaudited)
30 September 2021

	Cost				Accumulated depreciation				Premises and equipment beginning balance		Premises and equipment ending balance	
	Beginning balance Thousand Baht	Additions Thousand Baht	Disposal / Write off Thousand Baht	Transfer in (out) Thousand Baht	Ending balance Thousand Baht	Beginning balance Thousand Baht	Depreciation charges Thousand Baht	Disposal / Write off Thousand Baht	Transfer in (out) Thousand Baht	Ending balance Thousand Baht	Thousand Baht	Thousand Baht
Land	247,916	-	-	-	247,916	-	-	-	-	-	247,916	247,916
Building	504,546	-	-	-	504,546	360,082	17,083	-	-	377,165	144,464	127,381
Computer	283,150	1,321	(1,606)	-	282,865	239,747	15,127	(1,606)	-	253,268	43,403	29,597
Office equipment	157,870	14,698	(7,114)	5,027	170,481	120,660	10,743	(6,893)	-	124,510	37,210	45,971
Furniture	3,671	692	(395)	61	4,029	2,723	260	(357)	-	2,626	948	1,403
Fitting	350,937	17,689	(4,175)	49,980	414,431	236,303	17,397	(1,674)	-	252,026	114,634	162,405
Vehicles	1,030	-	(477)	-	553	1,030	-	(477)	-	553	-	-
Assets under installation	56,170	-	(1,102)	(55,068)	-	-	-	-	-	-	56,170	-
Total	1,605,290	34,400	(14,869)	-	1,624,821	960,545	60,610	(11,007)	-	1,010,148	644,745	614,673

(Audited)

31 December 2020

	Cost				Accumulated depreciation				Premises and equipment beginning balance		Premises and equipment ending balance	
	Beginning balance Thousand Baht	Additions Thousand Baht	Disposal / Write off Thousand Baht	Transfer in (out) Thousand Baht	Ending balance Thousand Baht	Beginning balance Thousand Baht	Depreciation charges Thousand Baht	Disposal / Write off Thousand Baht	Transfer in (out) Thousand Baht	Ending balance Thousand Baht	Thousand Baht	Thousand Baht
Land	247,916	-	-	-	247,916	-	-	-	-	-	247,916	247,916
Building	504,546	-	-	-	504,546	337,242	22,840	-	-	360,082	167,304	144,464
Computer	296,461	15,933	(29,244)	-	283,150	242,294	26,668	(29,215)	-	239,747	54,167	43,403
Office equipment	157,600	29,736	(30,079)	613	157,870	139,692	9,906	(28,938)	-	120,660	17,908	37,210
Furniture	3,763	726	(818)	3,671	3,671	3,385	156	(818)	-	2,723	378	948
Fitting	316,989	110,241	(79,246)	2,953	350,937	290,099	16,365	(70,161)	-	236,303	26,890	114,634
Vehicles	1,030	-	-	-	1,030	924	106	-	-	1,030	106	-
Assets under installation	3,566	56,170	-	(3,566)	56,170	-	-	-	-	-	3,566	56,170
Total	1,531,871	212,806	(139,387)	-	1,605,290	1,013,636	76,041	(129,132)	-	960,545	518,235	644,745

As at 30 September 2021, the gross carrying amount of the fully depreciated assets still in use are Baht 555 million (31 December 2020: Baht 556 million).

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14 Right-of-use assets

	Building and improvement Thousand Baht	Others Thousand Baht	Total Thousand Baht
At 1 January 2021 (Audited)			
Cost	674,743	13,442	688,185
<u>Less</u> Accumulated amortisation	<u>(110,800)</u>	<u>(2,016)</u>	<u>(112,816)</u>
Net book amount	<u>563,943</u>	<u>11,426</u>	<u>575,369</u>
For the nine-month period ended 30 September 2021 (Unaudited)			
Beginning net book amount	563,943	11,426	575,369
Additions	10,395	427	10,822
Write-off	(17,683)	(856)	(18,539)
Amortisation charge	<u>(56,450)</u>	<u>(2,226)</u>	<u>(58,676)</u>
Net closing net book amount	<u>500,205</u>	<u>8,771</u>	<u>508,976</u>
At 30 September 2021 (Unaudited)			
Cost	666,534	12,157	678,691
<u>Less</u> Accumulated amortisation	<u>(166,329)</u>	<u>(3,386)</u>	<u>(169,715)</u>
Net book amount	<u>500,205</u>	<u>8,771</u>	<u>508,976</u>

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15 Intangible assets, net

Intangible assets as at 30 September 2021 and 31 December 2020 comprise of:

	(Unaudited)											
	30 September 2021						31 December 2020					
	Cost						Accumulated Amortization					
	Beginning balance	Additions	Disposal / Write off	Transfer in (out)	Ending balance	Beginning balance	Amortisation charges	Disposal / transfer	Transfer in (out)	Ending balance	Intangible assets beginning balance	Intangible assets ending balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Developed in-house Computer software	526,944	49,365	(7,220)	25,231	594,320	284,501	75,921	(6,262)	-	354,160	242,443	240,160
Work-in-process	33,895	5,411	(54)	(31,633)	7,619	-	-	-	-	-	33,895	7,619
Total	560,839	54,776	(7,274)	(6,402)	601,939	284,501	75,921	(6,262)	-	354,160	276,338	247,779
Buying Computer software	233,849	146	(50)	6,402	240,347	128,279	14,743	(50)	-	142,972	105,570	97,375
Total	233,849	146	(50)	6,402	240,347	128,279	14,743	(50)	-	142,972	105,570	97,375
Right to utilise benefits	370,000	600,000	-	-	970,000	370,000	90,000	-	-	460,000	-	510,000
Grand total	1,164,688	654,922	(7,324)	-	1,812,286	782,780	180,664	(6,312)	-	957,132	381,908	855,154
	(Audited)											
	31 December 2020						31 December 2020					
	Cost						Accumulated Amortization					
	Beginning balance	Additions	Disposal / Write off	Transfer in (out)	Ending balance	Beginning balance	Amortisation charges	Disposal / transfer	Transfer in (out)	Ending balance	Intangible assets beginning balance	Intangible assets ending balance
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Developed in-house Computer software	443,747	57,366	(14,112)	39,943	526,944	201,654	87,920	(5,073)	-	284,501	242,093	242,443
Work-in-process	42,901	32,153	-	(41,159)	33,895	-	-	-	-	-	42,901	33,895
Total	486,648	89,519	(14,112)	(1,216)	560,839	201,654	87,920	(5,073)	-	284,501	284,994	276,338
Buying Computer software	244,930	5,923	(18,220)	1,216	233,849	125,987	19,708	(17,416)	-	128,279	118,943	105,570
Total	244,930	5,923	(18,220)	1,216	233,849	125,987	19,708	(17,416)	-	128,279	118,943	105,570
Right to utilise benefits	370,000	-	-	-	370,000	246,666	123,334	-	-	370,000	123,334	-
Grand total	1,101,578	95,442	(32,332)	-	1,164,688	574,307	230,962	(22,489)	-	782,780	527,271	381,908

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16 Insurance contract liabilities

	(Unaudited) 30 September 2021			(Audited) 31 December 2020		
	Insurance contract liabilities Thousand Baht	Liabilities recovered from reinsurance Thousand Baht	Net Thousand Baht	Insurance contract liabilities Thousand Baht	Liabilities recovered from reinsurance Thousand Baht	Net Thousand Baht
Long-term technical reserves	171,366,779	-	171,366,779	170,363,700	-	170,363,700
Short-term technical reserves:						
Loss reserves and outstanding claims						
- Reported claims	310,528	-	310,528	341,109	-	341,109
- Claims incurred but not reported	343,809	-	343,809	301,426	-	301,426
Total Loss reserves and outstanding claims	654,337	-	654,337	642,535	-	642,535
Unearned premium reserves	3,722,322	-	3,722,322	3,402,310	-	3,402,310
Total short-term technical reserves	4,376,659	-	4,376,659	4,044,845	-	4,044,845
Unpaid policy benefits	5,323,410	-	5,323,410	5,181,980	-	5,181,980
Due to insured	1,493,482	-	1,493,482	1,280,681	-	1,280,681
Total	182,560,330	-	182,560,330	180,871,206	-	180,871,206

16.1 Long-term technical reserves

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Beginning balances for the period/year	170,363,700	167,709,402
Reserves increased from new and in-force policies in the period/year	13,307,942	18,935,798
Reserves released for benefits payment under insurance policies, lapse and cancelled policies in the period/year	(12,304,863)	(16,281,500)
Change in assumption	-	-
Closing balances at the end of period/year	171,366,779	170,363,700

16.2 Short-term technical reserves

16.2.1 Loss reserves and outstanding claims

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Beginning balances for the period/year	642,535	545,886
Claims incurred during the period/year	3,635,046	4,909,414
Claims paid during the period/year	(3,623,244)	(4,812,765)
Closing balances at the end of period/year	654,337	642,535

16 Insurance contract liabilities (Cont'd)

16.2 Short-term technical reserves (Cont'd)

16.2.2 Unearned premium reserves

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Beginning balances for the period/year	3,402,310	3,142,261
Premiums written for the period/year	7,933,638	10,136,043
Premiums earned in the period/year	(7,613,626)	(9,875,994)
Closing balances at the end of period/year	<u>3,722,322</u>	<u>3,402,310</u>

16.2.3 Unexpired risk reserve

No reserve for unexpired risks was established as at 30 September 2021 as the unexpired risk reserve estimated by the Company of Baht 2,641 million (31 December 2020: Baht 2,354 million) was lower than the unearned premium reserve.

16.3 Unpaid policy benefits

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Death benefits	143,710	93,704
Dividend	4,183,769	4,199,520
Others	995,931	888,756
Total	<u>5,323,410</u>	<u>5,181,980</u>

16.4 Due to insured

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Uncashed cheques	988,810	793,840
Premiums received during underwriting	504,512	486,680
Others	160	161
Total	<u>1,493,482</u>	<u>1,280,681</u>

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17 Investment contract liabilities

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Investment contract liabilities with discretionary participation features	3,373,806	3,384,179
Unit-linked contract liabilities	817,874	632,844
Total	4,191,680	4,017,023

Investment contract liabilities with discretionary participation features

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Beginning balance for the period/year	3,384,179	3,276,981
Reserves increased from in-force policies in the period/year	144,232	192,568
Reserves released for benefits payment, lapse, and cancelled policies in the period/year	(154,605)	(85,370)
Closing balance at the end of period/year	3,373,806	3,384,179

18 Reinsurance payables

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Due to reinsurers	399,195	557,240
Total reinsurance payables	399,195	557,240

19 Accrued expenses

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Accrued commission expenses	338,655	431,819
Accrued production cost	699,033	759,585
Accrued agency overhead	587,049	500,084
Accrued administration expenses	294,221	344,781
Others	100,372	109,073
Total	2,019,330	2,145,342

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20 Provisions

During the nine-month period ended 30 September 2021, a lawsuit has been brought against the Company, as insurer. The Company has reviewed the case and expected that it is probable to be lost. A provision was set up accordingly amounting to Baht 131 million.

21 Deferred tax

As at 30 September 2021 and 31 December 2020, deferred tax assets and liabilities were as follows:

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Deferred tax assets	1,582,093	1,434,392
Deferred tax liabilities	(3,170,548)	(4,773,612)
Deferred tax liabilities, net	(1,588,455)	(3,339,220)

Movements in deferred tax assets and liabilities were as follows:

	(Unaudited) 30 September 2021			
	As at 1 January 2021 Thousand Baht	Increase (decrease) in profit (loss) Thousand Baht	Increase (decrease) in other comprehensive income Thousand Baht	As at 30 September 2021 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	97,722	(25,483)	-	72,239
Provisions	168,668	48,702	-	217,370
Insurance reserves	437,063	(130,729)	-	306,334
Employee benefit obligations	134,725	2,141	-	136,866
Unrealised loss on derivative Instruments	43,906	-	34,773	78,679
Cost of Hedge	45,944	-	1,279	47,223
Unrealised loss on investments measured at FVOCI	96,718	-	155,354	252,072
Allowance for impairment loss on equity instruments	288,977	75,251	-	364,228
Expected Credit Losses	2,875	(849)	(1,507)	519
Lease liabilities	117,794	(11,231)	-	106,563
Total	1,434,392	(42,198)	189,899	1,582,093
Deferred tax liabilities				
Unrealised gain on derivative instruments	(123,297)	-	103,925	(19,372)
Cost of Hedge	(9,143)	-	(6,986)	(16,129)
Unrealised gain on investments measured at FVOCI	(4,102,922)	-	1,316,509	(2,786,413)
Premium due and uncollected	(415,318)	170,591	-	(244,727)
Right of use assets	(115,074)	13,279	-	(101,795)
Others	(7,858)	5,746	-	(2,112)
Total	(4,773,612)	189,616	1,413,448	(3,170,548)
Net	(3,339,220)	147,418	1,603,347	(1,588,455)

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22 Operating expenses

	For the three-month period ended	
	(Unaudited) 30 September 2021 Thousand Baht	(Unaudited) 30 September 2020 Thousand Baht
Employee expenses not relating to underwriting expenses, and loss adjusting expenses	288,069	294,517
Property and equipment expenses not relating to underwriting expenses, and loss adjusting expenses	136,257	135,667
Tax expenses	36,230	51,890
Bad debt and doubtful debt expenses	(7,265)	26,031
Other operating expenses	203,003	154,067
Total	656,294	662,172

	For the nine-month period ended	
	(Unaudited) 30 September 2021 Thousand Baht	(Unaudited) 30 September 2020 Thousand Baht
Employee expenses not relating to underwriting expenses, and loss adjusting expenses	844,726	839,135
Property and equipment expenses not relating to underwriting expenses, and loss adjusting expenses	390,258	316,668
Tax expenses	139,623	157,742
Bad debt and doubtful debt expenses	(117,983)	200,685
Other operating expenses	572,263	448,908
Total	1,828,887	1,963,138

23 Basic earnings per share

The calculations of basic earnings per share for the three-month and nine-month periods ended 30 September 2021 and 2020 were based on the profit for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

	(Unaudited) 2021	(Unaudited) 2020
For the three-month period ended 30 September		
Profit for the period attributable to ordinary shareholders of the Company (Thousand Baht)	663,269	638,021
Number of ordinary shares outstanding (Thousand shares)	295,000	295,000
Basic earnings per share (Baht per share)	2.25	2.16

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23 Basic earnings per share (Cont'd)

	(Unaudited) 2021	(Unaudited) 2020
For the nine-month period ended 30 September		
Profit for the period attributable to ordinary shareholders of the Company (Thousand Baht)	3,606,868	2,584,621
Number of ordinary shares outstanding (Thousand shares)	295,000	295,000
Basic earnings per share (Baht per share)	12.23	8.76

24 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

24.1) Significant transactions for the three-month and nine-month periods ended 30 September 2021 and 2020 with related parties were as follows:

	(Unaudited) For the three-month period ended 30 September		(Unaudited) For the nine-month period ended 30 September	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Gross premiums written				
Major shareholder	-	(3)	-	6
Other related parties	(57)	(1,414)	304,186	285,694
Premiums ceded to reinsurers				
Ultimate parent	5,646	16,729	117,841	92,413
Other related parties	178,947	146,025	506,357	440,105
Fees and commission income				
Ultimate parent	1,535	3,346	23,974	24,361
Other related parties	30,905	28,982	73,701	108,145
Net investment income				
Other related parties	-	-	1,169	1,590
Insurance claim expenses				
Other related parties	57,444	69,103	192,931	215,575
Insurance claims expenses recovered from reinsurers				
Ultimate parent	14,000	21,665	51,562	68,303
Other related parties	99,466	58,531	256,452	186,569
Operating expenses				
Ultimate parent	104,272	11,826	164,300	30,531
Other related parties	138,714	146,473	422,903	381,980

24 Related parties (Cont'd)

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

24.1) Significant transactions for the three-month and nine-month periods ended 30 September 2021 and 2020 with related parties were as follows: (Cont'd)

	(Unaudited) For the three-month period ended 30 September		(Unaudited) For the nine-month period ended 30 September	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Key management personnel compensation				
Short-term benefits	40,637	49,195	124,137	131,975
Long-term benefits	6,678	6,458	18,921	12,754
Post-employment benefits	2,985	1,449	8,956	4,174
Total key management personnel compensation	50,300	57,102	152,014	148,903

24.2) Significant balances with related parties as at 30 September 2021 and 31 December 2020 were as follows:

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Cash and cash equivalents		
Other related party	1,079,870	2,462,288
Reinsurance receivables		
Ultimate parent	28,441	31,468
Other related parties	321,739	362,861
Other assets		
Ultimate parent	122,711	113,363
Other related parties	22,825	25,084
Reinsurance payables		
Ultimate parent	-	-
Other related parties	344,535	455,650
Accrued expenses		
Ultimate parent	30,304	30,304
Other related parties	154,362	190,751
Other liabilities		
Ultimate parent	-	55,292
Other related parties	450,017	503,829

24 Related parties (Cont'd)

24.2) Significant balances with related parties as at 30 September 2021 and 31 December 2020 were as follows: (Cont'd)

Investments in related parties

Investments in related parties as at 30 September 2021 and 31 December 2020 and dividends received for the three-month and nine-month periods ended 30 September 2021 and 2020 were as follows:

	Fair value		(Unaudited) Dividend income For the three-month period ended		(Unaudited) Dividend income For the nine-month period ended	
	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht	30 September 2021 Thousand Baht	30 September 2020 Thousand Baht	30 September 2021 Thousand Baht	30 September 2020 Thousand Baht
Investments - equity securities	149,602	1,003,446	1,352	1,317	319,857	4,346
Total	149,602	1,003,446	1,352	1,317	319,857	4,346

During the nine-month period ended 30 September 2021, the Company sold the investment in related parties amounting to Baht 1,417 million and received gain on sale of investment amounting to Baht 1,377 million.

Significant agreements with related parties

- (a) The Company entered into an agreement with a related company whereby the related company will provide the support services to the Company. The Company was charged a service fee of SGD 1.23 million. (31 December 2020: SGD 2.16 million). The term of the agreement is for 1 year from 1 January 2021 to 31 December 2021. The payments are made on quarterly basis. Either party may terminate this agreement at any time by giving 6 months prior written notice to another party.
- (b) The Company entered into an agreement with ultimate parent whereby ultimate parent will provide the support services to the Company. The Company was charged a service fee of EUR 1.26 million (31 December 2020: EUR 0.88 million). The agreement is continuous contract from 1 January 2019 subject to six months notice of cancellation by either party.
- (c) The Company has entered into lease and service agreements for offices and equipment with a related company from 1 July 2020 to 30 June 2023 with monthly rental and service fees of Baht 4.87 million (excluding VAT).

25 Securities and assets pledged with the Registrar

25.1) The Company pledged investments in debt securities with the Registrar in accordance with Section 20 of the Life Assurance Act B.E. 2535 were as follows:

	(Unaudited) 30 September 2021		(Audited) 31 December 2020	
	Book value Thousand Baht	Face value Thousand Baht	Book value Thousand Baht	Face value Thousand Baht
Investments measured at amortised cost				
Government bonds	27,052	20,000	20,014	20,000

25.2) The Company placed investments in debt securities for life policy reserve with the Registrar in accordance with Section 24 of the Life Assurance Act B.E. 2535 and amendment Act (No. 2) B.E. 2551 were as follows:

	(Unaudited) 30 September 2021		(Audited) 31 December 2020	
	Book value Thousand Baht	Face value Thousand Baht	Book value Thousand Baht	Face value Thousand Baht
Investments measured at fair value through other comprehensive income				
Government bonds	26,927,746	20,840,000	27,564,056	19,640,000
State enterprise bonds	8,403,234	7,420,000	8,724,600	7,420,000
Total	35,330,980	28,260,000	36,288,656	27,060,000
Investments measured at amortised cost				
Government bonds	6,159,554	5,912,000	6,194,435	5,912,000
State enterprise bonds	1,300,000	1,300,000	1,300,000	1,300,000
Total	7,459,554	7,212,000	7,494,435	7,212,000

26 Asset-backed

As of 30 September 2021, and 31 December 2020, the Company pledged investments in restricted securities with the Bank and Registrar as asset-backed in accordance with Section 27/4 of the Life Assurance Act B.E. 2535 and amendment Act (No.2) B.E. 2551 were as follows:

	(Unaudited) 30 September 2021		(Audited) 31 December 2020	
	Book value Thousand Baht	Appraisal value Thousand Baht	Book value Thousand Baht	Appraisal value Thousand Baht
Deposits with financial institutions	4,470,978	4,470,978	5,227,091	5,227,091
Equity securities	23,917,177	23,611,052	19,961,046	19,961,046
Debt securities	170,641,112	172,476,235	183,041,760	185,639,425
Total	199,029,267	200,558,265	208,229,897	210,827,562

27 Commitments with non-related parties

27.1 Commitments for long-term agreements

The Company's obligation for future payments under service agreement as at 30 September 2021 and obligation for future payments under rental and service agreement as at 31 December 2020 were as follows:

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Within one year	47,826	35,415
After one year but not more than five years	52,548	42,739
More than five years	14,124	17,721
Total	<u>114,498</u>	<u>95,875</u>

27.2 Investment commitments

As at 30 September 2021, the Company had commitments to invest in several series of bills of exchange issued by banks amounting to Baht 124 million (31 December 2020: Baht 124 million). These investments have a duration up to 2023 (31 December 2020: up to 2023) and are payable based on the contract terms. The timing of the commitments are as follows:

	(Unaudited) 30 September 2021 Thousand Baht	(Audited) 31 December 2020 Thousand Baht
Within one year	55,000	-
After one year but not more than five years	69,000	124,000
Total	<u>124,000</u>	<u>124,000</u>

28 Expected credit losses

	(Unaudited) For the three-month period ended		(Unaudited) For the nine-month period ended	
	30 September 2021 Thousand Baht	30 September 2020 Thousand Baht	30 September 2021 Thousand Baht	30 September 2020 Thousand Baht
Cash and cash equivalents (Reversal)	(6)	(8,236)	(5,314)	(1,379)
Investment in securities (Reversal)	1,601	(21,099)	1,751	(31,443)
Loans (Reversal)	(3)	(112)	181	(313)
Other receivable (Reversal)	(9)	(330)	(436)	146
Total	<u>1,583</u>	<u>(29,777)</u>	<u>(3,818)</u>	<u>(32,989)</u>

29 Dividend

At the annual general meeting of the shareholders of the Company held on 22 April 2021, the shareholders approved the appropriation of dividend payment of Baht 7.49 per share, on 295 million shares, amounting to Baht 2,209.55 million and the dividend payment was made on 28 June 2021. (2020: At the annual general meeting of the shareholders of the Company held on 16 July 2020, the shareholders approved the appropriation of dividend payment of Baht 4.66 per share, on 295 million shares, amounting to Baht 1,374.7 million and the dividend payment was made on 31 July 2020.)

30 Event after the statement of financial position date

During 16 September - 6 October 2021, the Company had arranged Employee Stock Purchase Plan (ESPP) to offer the Allianz SE shares to entitled Company staff. The ESPP 2021 was offered to entitled Allianz employees all across the world, in 42 countries. The offer provides additional €1 on top for every €3 that had been invested by the employees. The shares have a three-year restriction period for not transferring or selling. The ultimate parent company approved the share allocation under this ESPP on 2 November 2021 with the total Company's contribution amounting to Baht 3.92 million.