

**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 Ms. Napha Trirattanawongse  
Position Director

Disclosed on 15 August 2025  
Quarterly 2 Year 2025



## 1. Adequacy of Capital

Allianz Ayudhya Assurance Public Company Limited holds a strong RBC Solvency Ratio. At the end of second quarter in 2025, the Company's capital adequacy ratio is at the 333 percent which is significant high comparing to the minimum ratio required by the OIC at the 140 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 August 2025

Unit: million baht

Item	Quarter 1		Quarter 2		Quarter 3	
	2025	2024	2025	2024	2025	2024
Common Equity Tier 1 (%)	329%	291%	333%	252%		285%
Tier 1 Capital Ratio (%)	329%	291%	333%	252%		285%
Capital Adequacy Ratio (%)	329%	291%	333%	252%		285%
Total Capital Availability	32,953.50	31,288.27	32,912.01	26,305.68		30,901.63
Total Capital Requirement	10,016.08	10,743.38	9,887.56	10,424.17		10,828.07

- 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 JUNE 2025



## 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 June 2025, the statements of comprehensive income for the three-month and six-month periods then ended, the related statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### Scope of review

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

### Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

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

**Sakuna Yamsakul**  
Certified Public Accountant (Thailand) No. 4906  
Bangkok  
13 August 2025

Allianz Ayudhya Assurance Public Company Limited

Statement of Financial Position

As at 30 June 2025

		(Unaudited)	(Audited and restated)	(Audited and restated)
		30 June	31 December	1 January
		2025	2024	2024
	Notes	Thousand Baht	Thousand Baht	Thousand Baht
<b>Assets</b>				
Cash and cash equivalents, net	4, 9	22,175,397	18,271,222	14,736,059
Accrued investment income		1,539,513	1,537,593	1,720,960
Investment receivables		35,523	274,372	239,066
Insurance contract assets	4, 7, 19	1,149,917	1,025,863	844,685
Reinsurance contract assets	4, 7, 19	1,937,634	1,936,527	1,617,512
Debt instruments - financial assets	4, 10	183,275,135	177,584,810	169,183,099
Equity instruments - financial assets	4, 11	21,603,403	22,514,509	19,605,527
Derivative assets	12	2,808,506	2,041,195	374,516
Loans and accrued interest receivable, net	4, 13	-	297	848
Property, plant and equipment, net	14	402,717	425,029	444,898
Right-of-use assets, net	15	237,647	273,772	320,558
Intangible assets, net	16	340,987	420,185	545,482
Deferred tax assets, net	4, 17	952,597	1,955,536	3,358,946
Other assets, net	4, 18	317,690	461,959	1,119,002
<b>Total assets</b>		<b>236,776,666</b>	<b>228,722,869</b>	<b>214,111,158</b>

The accompanying condensed notes to interim financial information form part of this interim financial information.

Allianz Ayudhya Assurance Public Company Limited

Statement of Financial Position (Cont'd)

As at 30 June 2025

		(Unaudited)	(Audited and restated)	(Audited and restated)
		30 June	31 December	1 January
		2025	2024	2024
	Notes	Thousand Baht	Thousand Baht	Thousand Baht
<b>Liabilities and equity</b>				
<b>Liabilities</b>				
Insurance contract liabilities	4, 7, 19	216,174,169	209,408,243	204,596,244
Reinsurance contract liabilities	4, 7, 19	204,709	226,168	6,910
Investment payables		8,495	2,352,108	379
Derivative liabilities	12	237,170	372,903	673,631
Income tax payable		7,277	322,103	561,391
Employee benefit obligations		706,428	814,780	732,768
Accrued expense	4, 20	211,915	199,875	192,719
Provisions	4, 21	135,933	95,933	95,140
Other liabilities	4, 22	4,078,031	2,861,786	1,881,200
<b>Total liabilities</b>		<b>221,764,127</b>	<b>216,653,899</b>	<b>208,740,382</b>
<b>Equity</b>				
<b>Share capital</b>				
Registered share capital				
Ordinary shares, 400,000,000 shares				
at par value of Baht 10 each				
		4,000,000	4,000,000	4,000,000
Issued and paid-up share capital				
Ordinary shares, 295,000,000 shares				
paid-up at Baht 10 each				
		2,950,000	2,950,000	2,950,000
Retained earnings				
Appropriated				
Legal reserve				
		400,000	400,000	400,000
Unappropriated				
	4	11,781,179	9,548,758	4,850,034
Other components of equity	4	(118,640)	(829,788)	(2,829,258)
<b>Total equity</b>		<b>15,012,539</b>	<b>12,068,970</b>	<b>5,370,776</b>
<b>Total liabilities and equity</b>		<b>236,776,666</b>	<b>228,722,869</b>	<b>214,111,158</b>

The accompanying condensed notes to interim financial information form part of this interim financial information.

Allianz Ayudhya Assurance Public Company Limited  
Statement of Comprehensive Income (Unaudited)  
For the three-month period ended 30 June 2025

		(Restated)
	2025	2024
Note	Thousand Baht	Thousand Baht
<b>Revenues</b>		
Insurance revenue	6,796,827	6,746,477
Insurance service expense	(3,736,772)	(3,669,397)
Expenses from reinsurance contracts	(71,074)	(142,322)
<b>Insurance service result</b>	<u>2,988,981</u>	<u>2,934,758</u>
Net investment income	1,719,732	1,729,115
Losses on financial instruments	(74,984)	(103,405)
Fair value gains (losses)	106,111	(94,080)
Reversal of expected credit loss	570	33,314
<b>Net investment result</b>	<u>1,751,429</u>	<u>1,564,944</u>
Finance expenses from insurance contracts issued	(1,776,763)	(1,604,754)
Finance income from reinsurance contracts held	8,703	3,929
<b>Net insurance finance expenses</b>	<u>(1,768,060)</u>	<u>(1,600,825)</u>
<b>Net investment result and insurance finance expenses</b>	<u>(16,631)</u>	<u>(35,881)</u>
Other finance cost	(8,682)	(3,141)
Other operating expense	(257,759)	(259,876)
Other income	19,178	42,717
<b>Profit before income tax</b>	<u>2,725,087</u>	<u>2,678,577</u>
Income tax expense	(483,473)	(530,742)
<b>Net profit</b>	<u><u>2,241,614</u></u>	<u><u>2,147,835</u></u>

The accompanying condensed notes to interim financial information form part of this interim financial information.

Allianz Ayudhya Assurance Public Company Limited  
Statement of Comprehensive Income (Unaudited) (Cont'd)  
For the three-month period ended 30 June 2025

		(Reclassified)	
		2025	2024
	Note	Thousand Baht	Thousand Baht
<b>Other comprehensive income (expense)</b>			
<b>Items that will be reclassified subsequently to profit or loss</b>			
Gains (losses) on debt instruments measured at fair value through other comprehensive income		5,479,723	(2,499,842)
Gains (losses) on fair value of cash flow hedges		1,603,842	(602,450)
Losses on deferred cost of hedging		(57,346)	(25,021)
Finance expenses from insurance contracts issued		(4,987,291)	2,040,124
Finance income from reinsurance contracts held		6,671	(24,785)
Items in other comprehensive income (expense) transferred to profit or loss		(731,599)	263,363
Income tax relating to items that will be reclassified subsequently to profit or loss		(262,802)	169,722
<b>Total items that will be reclassified subsequently to profit or loss</b>		<u>1,051,198</u>	<u>(678,889)</u>
<b>Items that will not be reclassified subsequently to profit or loss</b>			
Losses on equity instruments measured at fair value through other comprehensive income		(52,174)	(2,191,315)
Losses on fair value of fair value hedges for equity instruments measured at fair value through other comprehensive income		(10,650)	(181,383)
Items in other comprehensive income (expense) transferred to retained earnings		303,468	271,784
Income tax relating to items that will not be reclassified to profit or loss		(48,129)	420,182
<b>Total items that will not be reclassified subsequently to profit or loss</b>		<u>192,515</u>	<u>(1,680,732)</u>
<b>Other comprehensive income (expense) for the period, net of tax</b>		<u>1,243,713</u>	<u>(2,359,621)</u>
<b>Total comprehensive income (expense) for the period</b>		<u><u>3,485,327</u></u>	<u><u>(211,786)</u></u>
<b>Basic earnings per share (Baht)</b>	30	<u><u>7.60</u></u>	<u><u>7.28</u></u>

The accompanying condensed notes to interim financial information form part of this interim financial information.

Allianz Ayudhya Assurance Public Company Limited  
Statement of Comprehensive Income (Unaudited)  
For the six-month period ended 30 June 2025

		(Restated)
		2024
	2025	2024
	Notes	Thousand Baht
	Thousand Baht	Thousand Baht
<b>Revenues</b>		
Insurance revenue	19, 24	13,251,672
Insurance service expense	19, 24	(7,514,194)
Expenses from reinsurance contracts	19, 24	(101,064)
<b>Insurance service result</b>		<b>5,636,414</b>
Net investment income	25	3,364,810
Losses on financial instruments	26	(117,908)
Fair value gains (losses)	27	(34,176)
Reversal of expected credit loss	28	15,128
<b>Net investment result</b>		<b>3,227,854</b>
Finance expenses from insurance contracts issued	19	(3,255,699)
Finance income from reinsurance contracts held	19	16,603
<b>Net insurance finance expenses</b>		<b>(3,239,096)</b>
<b>Net investment result and insurance finance expenses</b>		<b>(11,242)</b>
Other finance cost		(16,109)
Other operating expense	29	(463,338)
Other income		39,278
<b>Profit before income tax</b>		<b>5,185,003</b>
Income tax expense		(942,114)
<b>Net profit</b>		<b>4,242,889</b>
		<b>3,747,871</b>

The accompanying condensed notes to interim financial information form part of this interim financial information.

Allianz Ayudhya Assurance Public Company Limited  
Statement of Comprehensive Income (Unaudited) (Cont'd)  
For the six-month period ended 30 June 2025

		(Reclassified)
		2025
		2024
	Notes	Thousand Baht
		Thousand Baht
<b>Other comprehensive income (expense)</b>		
<b>Items that will be reclassified subsequently to profit or loss</b>		
Gains (losses) on debt instruments measured at fair value through other comprehensive income		8,444,138 (193,735)
Gains (losses) on fair value of cash flow hedges		1,911,869 (1,268,662)
Losses on deferred cost of hedging		(139,208) (69,357)
Finance expenses from insurance contracts issued		(8,437,985) (340,215)
Finance income from reinsurance contracts held		21,071 1,958
Items in other comprehensive income (expense) transferred to profit or loss		(727,190) 1,378,933
Income tax relating to items that will be reclassified subsequently to profit or loss	17	(214,540) 98,215
<b>Total items that will be reclassified subsequently to profit or loss</b>		<b>858,155 (392,863)</b>
<b>Items that will not be reclassified subsequently to profit or loss</b>		
Losses on equity instruments measured at fair value through other comprehensive income		(367,265) (2,018,588)
Losses on fair value of fair value hedges for equity instruments measured at fair value through other comprehensive income		(58,079) (430,500)
Items in other comprehensive income (expense) transferred to retained earnings		241,585 334,278
Income tax relating to items that will not be reclassified to profit or loss	17	36,752 422,961
<b>Total items that will not be reclassified subsequently to profit or loss</b>		<b>(147,007) (1,691,849)</b>
<b>Other comprehensive income (expense) for the period, net of tax</b>		<b>711,148 (2,084,712)</b>
<b>Total comprehensive income for the period</b>		<b>4,954,037 1,663,159</b>
<b>Basic earnings per share (Baht)</b>	30	<b>14.38 12.70</b>

The accompanying condensed notes to interim financial information form part of this interim financial information.

	Retained earnings		Other components of equity							Total equity Thousand Baht	
	Issued and paid-up share capital Thousand Baht	Appropriated reserve - Legal reserve Thousand Baht	Unappropriated reserve Thousand Baht	Gains (losses) from change in value of debt instruments measured at fair value through other comprehensive income, net of tax Thousand Baht	Gains (losses) on cash flow hedges, net of tax Thousand Baht	Gains (losses) on deferred cost of hedging, net of tax Thousand Baht	Change in insurance contract reserve, net of tax Thousand Baht	Gains (losses) from change in value of equity instruments measured at fair value through other comprehensive income, net of tax Thousand Baht	Gains (losses) on fair value of equity instruments measured at fair value through other comprehensive income, net of tax Thousand Baht		
Balance as at 1 January 2025 - previously reported	2,950,000	400,000	11,189,060	4,220,836	1,371,113	212,847	(428,854)	710,884	-	6,088,826	20,625,906
Retrospective adjustments from changes in accounting policy (Note 4)	-	-	(1,640,322)	(8,829)	-	-	(4,017,969)	(3,472,063)	580,246	(6,916,614)	(8,556,936)
Balance as at 1 January 2025 - restated	2,950,000	400,000	9,548,738	4,214,007	1,371,113	212,847	(4,446,822)	(2,761,179)	580,246	(829,788)	12,068,970
Transaction with shareholders, recorded directly in equity	-	-	(1,817,200)	-	-	-	-	-	-	-	(1,817,200)
Dividends to shareholders of the Company (Note 23)	-	-	-	-	-	-	-	-	-	-	-
Total transaction with shareholders, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-
Comprehensive income (expense) for the period	2,950,000	400,000	7,731,558	4,214,007	1,371,113	212,847	(4,446,822)	(2,761,179)	580,246	(829,788)	10,251,770
Net profit	-	-	4,242,889	-	-	-	-	-	-	-	4,242,889
Other comprehensive income (expense)	-	-	-	6,755,311	1,529,494	(111,367)	-	-	-	6,755,311	6,755,311
Gains from change in value of debt instruments measured at fair value through other comprehensive income, net of tax	-	-	-	6,755,311	-	-	-	-	-	6,755,311	6,755,311
Gains on fair value of cash flow hedges, net of tax	-	-	-	-	1,529,494	-	-	-	-	1,529,494	1,529,494
Losses on deferred cost of hedging, net of tax	-	-	-	-	-	(111,367)	-	-	-	(111,367)	(111,367)
Finance expenses from insurance contracts issued, net of tax	-	-	-	-	-	-	(6,750,389)	-	-	(6,750,389)	(6,750,389)
Finance income from reinsurance contracts held, net of tax	-	-	-	-	-	-	18,857	-	-	18,857	18,857
Items in other comprehensive income transferred to profit or loss, net of tax	-	-	-	-	(581,752)	-	-	-	-	(581,752)	(581,752)
Losses from change in value of equity instruments measured at fair value through other comprehensive income, net of tax	-	-	-	-	-	-	-	(293,812)	-	(293,812)	(293,812)
Losses on fair value of fair value hedges for equity instruments measured at fair value through other comprehensive income, net of tax	-	-	-	-	-	-	-	-	(46,462)	(46,462)	(46,462)
Items in other comprehensive income transferred to retained earnings	-	-	(193,269)	-	-	-	-	764,245	(570,977)	193,268	-
Total comprehensive income (expense) for the period	-	-	4,049,621	6,755,311	947,742	(111,367)	(6,733,532)	470,433	(817,439)	711,148	4,760,769
Balance at 30 June 2025	2,950,000	400,000	11,781,179	10,969,318	2,318,855	101,480	(11,180,354)	(2,290,746)	(37,193)	(118,640)	15,012,539

The accompanying condensed notes to interim financial information form part of this interim financial information.



Allianz Ayudhya Assurance Public Company Limited  
Statement of Cash Flows (Unaudited)  
For the six-month period ended 30 June 2025

		(Restated)	
		2025	2024
	Notes	Thousand Baht	Thousand Baht
<b>Cash flows from operating activities</b>			
Premiums received	19	20,812,694	19,059,032
Premiums paid net of directly attributable expenses paid	19	(199,774)	(785,874)
Recoveries from reinsurance	19	113,818	712,318
Interest received		2,188,797	3,153,197
Dividends received		680,816	744,051
Other income		36,180	36,684
Claims and directly attributable expenses paid	19	(15,333,129)	(13,225,103)
Insurance acquisition cash flows	19	(4,793,899)	(3,180,408)
Other operating expenses		(324,268)	(1,292,832)
Income tax expense		(431,790)	(634,596)
Cash received for financial assets		12,760,961	10,304,350
Cash paid from financial assets		(9,710,370)	(13,372,030)
Cash received from loans		300	30,486
Deposits		1,124	225
<b>Net cash flow provided by operating activities</b>		<b>5,801,460</b>	<b>1,549,500</b>
<b>Cash flows from investing activities</b>			
Cash received from selling property, plant and equipment		1	9
Cash paid for purchasing property, plant and equipment	14	(1,778)	(7,819)
Cash paid for purchasing or developing intangible assets	16	(32,748)	(23,181)
<b>Net cash flow used in investing activities</b>		<b>(34,525)</b>	<b>(30,991)</b>
<b>Cash flows from financing activities</b>			
Cash paid for lease liabilities		(44,238)	(41,580)
Cash paid for finance cost		(15,052)	(6,713)
Dividends paid	23	(1,817,200)	(1,899,800)
<b>Net cash flow used in financing activities</b>		<b>(1,876,490)</b>	<b>(1,948,093)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>3,890,445</b>	<b>(429,584)</b>
Cash and cash equivalents as at 1 January		18,271,311	14,736,112
Exchange gains (losses) on cash and cash equivalents		13,747	(25,165)
<b>Cash and cash equivalents as at 30 June</b>		<b>22,175,503</b>	<b>14,281,363</b>
<u>Less</u> Allowance for expected credit loss		(106)	(98)
<b>Cash and cash equivalents as at 30 June</b>	9	<b>22,175,397</b>	<b>14,281,265</b>
<b>Supplemental cash flows information</b>			
Significant non-cash items			
Acquisition of right-of-use assets	15	1,896	46,550
Lease liability write-off		-	6,100

The accompanying condensed notes to interim financial information form part of this interim financial information.

**Allianz Ayudhya Assurance Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2025**

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## 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 and Allianz Ayudhya Capital Public Company Limited which were incorporated in Thailand and Allianz Asia Holding Pte. Ltd which was incorporated in Singapore, holding 34.75%, 31.97% and 16.10% of shares, respectively, and the ultimate parent Company is Allianz SE which was incorporated in Germany. (31 December 2024: The immediate parent companies are CPRN (Thailand) Limited and Allianz Ayudhya Capital Public Company Limited which were incorporated in Thailand, holding 34.75% and 31.97% of shares, respectively, and the ultimate parent Company is Allianz SE which was incorporated in Germany holding 16.10% of shares.)

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 13 August 2025.

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 (TAS) 34 *Interim Financial Reporting*. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows) is presented in a format consistent with the annual financial statements complying with TAS 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 B.E. 2023" dated 8 February 2023 ("OIC Notification") and additional information are disclosed to the condensed notes to the interim financial information as required by the OIC Notification.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024.

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, new and amended financial reporting standards

### 3.1 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the financial statements for the year ended 31 December 2024. Except for the adoption of the new financial reporting standards, which has been disclosed in Note 4.

### 3.2 New financial reporting standard that is effective for the accounting period beginning on or after 1 January 2025 which is relevant and has significant impacts on the Company

**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 Company'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 Company 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 companies that issue insurance contracts or investment contracts with discretionary participation features.

The impact from the first-time adoption has been disclosed in Note 4.

#### **4 Initial application of the new financial reporting standards and changes in accounting policy and reclassification**

##### **4.1 New accounting policies from the initial adoption of new reporting standards**

###### **4.1.1 Insurance contracts and reinsurance contracts**

###### **Insurance contract**

Insurance contract is a contract that transfers significant insurance risk and under which the Company (the issuer) 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.

TFRS17 insurance contracts liabilities is the total of fulfilment cash flows, which represents the total of present value of best estimate future cash flows arising from the contract and risk adjustment for non-financial risks, and contractual service margin.

###### **a) Separating components**

TFRS 17 requires the Company to separate other components from the host insurance contract, such as investment components, embedded derivatives or a component for services other than insurance contracts services. The Company must apply other related financial reporting standards for those separating components.

Investment component is the amount that an insurance contract requires the entity to repay to a policyholder in all circumstances, regardless of whether an insured event occurs. The Company will separate an investment component from a host insurance contract only if, that investment component is distinct and has commercial value (Distinct Investment Component). If all conditions of the investment component that has not been separated from the host insurance contract (Non-Distinct Investment Component), such as Profit sharing, are met, the Company must apply TFRS 17. However, the Company will separately recognise an investment component that has not been separated from the host insurance contract from insurance revenue and insurance services expenses.

b) Measurement

According to TFRS 17, there are three measurement models. Insurance contracts

- with direct participation features (DPF) are measured under with the Variable Fee Approach (VFA); or
- without direct participation features (DPF) are measured under the General Measurement Model GMM); or
- without direct participation features can be measured under the Premium Allocation Approach (PAA), if selected instead of GMM and eligibility criteria are fulfilled.

For the measurement of a group of reinsurance contracts held, the Company applies the same accounting policies as insurance contracts issued without direct participation features, with following adjustments:

The estimates of the present value of future cash flows are measured using assumptions that are consistent with those used to measure the estimates of the present value of future cash flows for the underlying insurance contracts, with an adjustment for any risk of non performance by the reinsurer. The effect of the non-performance risk of the reinsurer is assessed at each reporting date and the effect of changes in the non-performance risk is recognised in profit or loss.

c) Classification

Insurance contracts are classified as contracts with direct participating features (DPF) or contracts without direct participation features. The classification of insurance contracts forms the basis for the measurement model applied. Direct participating contracts are contracts for which, at inception:

- the contractual terms specify that the policyholder participates in a share of a clearly identified pool of underlying items;
- the Company expects to pay the policyholder an amount equal to a substantial share of the fair value returns on the underlying items; and
- the Company expects a substantial proportion of any change in the amounts to be paid to the policyholder to vary with the change in fair value of the underlying items.

The Company uses judgement to assess whether the amounts expected to be paid to the policyholder constitute a substantial share of the fair value returns on the underlying items.

d) Level of aggregation

To allocate individual insurance contracts to groups of contracts, the Company first defines portfolios which include contracts with similar risks that are managed together. These portfolios are subdivided into groups of contracts on the basis of profitability and annual cohorts which are:

- contracts that are onerous at initial recognition;
- contracts that at initial recognition have no significant possibility of becoming onerous subsequently; and
- a group of remaining contracts.

For insurance contracts issued measured under the PAA, management judgment is required to assess the likelihood of changes in assumptions that could make them onerous and to use profitability estimates for the relevant product group.

e) Recognition and derecognition

Groups of insurance contracts issued are initially recognised from the earliest of the following:

- the beginning of the coverage period;
- the date when the first payment from the policyholder is due or actually received, if there is no due date; and
- when the Company determines that a group of contracts becomes onerous.

Reinsurance contracts held are recognised as follows:

- a group of reinsurance contracts held that provide proportionate coverage (quota share reinsurance) is recognised at the later of:
- the beginning of the coverage period of the Company; and
- the initial recognition of any underlying insurance contract;
- all other groups of reinsurance contracts held are recognised from the beginning of the coverage period of the reinsurance contracts held unless the Company entered into the reinsurance contract held at or before the date when an onerous group of underlying contracts is recognised prior to the beginning of the coverage period of the reinsurance contracts held, in which case the reinsurance contract held is recognised at the same time as the Company of underlying insurance contracts is recognised.

f) Accounting for contract modification and derecognition

The Company derecognises a contract when it is extinguished or its terms are modified in a way that would have changed the accounting for the contract significantly had the new terms always existed, in which case a new contract based on the modified terms is recognised. If a contract modification does not result in derecognition, then the Company treats the changes in cash flows caused by the modification as changes in estimates of fulfilment cash flows.

g) Fulfilment cash flows within contract boundary

The fulfilment cash flows represent the risk adjusted present value of the Company's rights and obligations to the policyholders, comprising the estimates of expected future cash flows, discounting, and an explicit risk adjustment for nonfinancial risk. The estimates of future cash flows comprise all cash flows expected to arise as the insurance contract is fulfilled with an adjustment to reflect the time value of money and the financial risks related to future cash flows. In estimating these future cash flows, the Company incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. The Company performs regular expense studies and uses judgement to determine the extent to which fixed and variable overheads are directly attributable to fulfilling insurance contracts. Cash flows within the boundary of a contract relate directly to the fulfilment of the contract, including those for which the Company has discretion over the amount or timing. These include premiums from policyholders, payments to (or on behalf of) policyholders, insurance acquisition cash flows, and other costs incurred in fulfilling the contracts. Fulfilment cash flows are determined prospectively at every reporting date, including the date of initial application.

h) Contract boundary

The Company uses the concept of contract boundary to determine what cash flows should be considered in the measurement of groups of insurance contracts.

Cash flows are within the boundary of an insurance contract if they arise from the rights and obligations that exist during the period in which the policyholder is obligated to pay premiums or the Company has a substantive obligation to provide the policyholder with insurance contract services. A substantive obligation ends when:

- a) the Company has the practical ability to reassess the risks of and reprice the particular policyholder or change the level of benefits so that the price fully reflects those risks; or
- b) both of the following criteria are satisfied:
  - i. the Company has the practical ability to reprice the contract or a portfolio of contracts so that the price fully reflects the reassessed risk of that portfolio; and
  - ii. the pricing of premiums up to the date when risks are reassessed does not reflect the risks related to periods beyond the reassessment date.

Riders, representing add-on provisions to a basic insurance policy that provide additional benefits to the policyholder at additional cost, which are attached to the main insurance contracts form part of a single insurance contract with all of the cash flows within its boundary.

Cash flows outside the insurance contracts boundary relate to future insurance contracts and are recognised when those contracts meet the recognition criteria.

Cash flows are within the boundaries of investment contracts with DPF if they result from a substantive obligation of the Company to deliver cash at a present or future date.

For groups of reinsurance contracts held, cash flows are within the contract boundary if they arise from substantive rights and obligations of the Company that exist during the reporting period in which the Company is compelled to pay amounts to the reinsurer or in which the Company has a substantive right to receive insurance contract services from the reinsurer.

In defining contract boundary of reinsurance held, the Company considers the end of contract boundary from the date when reinsurer has practical ability to reassess risk being transferred or the reinsurance premium, reinsurance contract termination date (when applicable) and substantive right of insurer or reinsurer to terminate cover (subject to notice period).

Future cash flows arising from all underlying contract issued within reinsurance contract boundary are included in the measurement of reinsurance contracts.

The Company recognises the expected recovery from reinsurance held with respect to incurred claims during reporting period from reinsured policies in liabilities of incurred claims of the reinsurance contracts held.

i) Insurance acquisition costs

Insurance acquisition cash flows arise from the activities of selling, underwriting and starting a group of contracts that are directly attributable to the portfolio of contracts to which the group belongs. Insurance acquisition cash flows are allocated to groups of insurance contracts on a systematic and rational basis. Insurance acquisition cash flows that are directly attributable to a group of insurance contracts are allocated:

- a) to that group; and
- b) to groups that will include insurance contracts that are expected to arise from renewals of the insurance contracts in that group.

Insurance acquisition cash flows not directly attributable to a group of contracts but directly attributable to a portfolio of contracts are allocated to groups of contracts in the portfolio or expected to be in the portfolio.

Cash flows used to acquire insurance coverage that occur before the recognition of the related group of contracts are recognized as an asset. This asset is allocated to each group of contracts to which the cash flows for acquiring insurance coverage are assigned. The asset will be derecognized in whole or in part when the cash flows used to acquire insurance coverage are incorporated into the measurement of the related group of contracts.

Insurance acquisition cash flows assets not yet allocated to a group are assessed for recoverability if facts and circumstances indicate that the assets might be impaired. Impairment losses reduce the carrying amount of these assets and are recognised in insurance service expenses. Previously recognised impairment losses are reversed to the extent that the impairment conditions no longer exist or have improved.

The recoverability assessment is performed in two steps, as follows:

1. The Company must recognize impairment losses in profit or loss and reduce the carrying amount of the asset for cash flows that acquire insurance coverage, so that the carrying amount of this asset does not exceed the expected net cash inflows for the related group of insurance contracts.
2. Additionally, when the Company allocates cash flows used to acquire insurance coverage to the group of contracts expected to arise from the renewal of insurance contracts within that group, these cash flows should not exceed the anticipated net cash inflows for the expected renewals. This amount is determined based on the cash flows expected to be received at the initial recognition of the expected renewal. An impairment loss will be recognized for any excess amount that was not recognized in step (1) above.

Cash flows that are not directly attributable to a portfolio of insurance contracts, such as some product development and training costs, are recognised in other operating expenses as incurred.

j) Risk adjustment for non-financial risk

The risk adjustment reflects the compensation an entity would require for bearing non-financial risks, i.e., the uncertainty of cash flows that arise from insurance contracts, other than the uncertainty arising from financial risks. Such non-financial risks include insurance risks, lapses and expense risk. The Company applies a Cost of Capital approach.

k) Groups of contracts not measured under the PAA

**Initial measurement**

On initial recognition, the Company measures a group of contracts as the total of:

- a) the fulfilment cash flows, which comprise estimates of future cash flows, an adjustment to reflect time value of money and associated financial risks, and a risk adjustment for non-financial risk; and
- b) the contractual service margin (CSM).

### Contractual service margin

The CSM is a component of the carrying amount of the asset or liability for a group of insurance contracts issued representing the unearned profit that the Company will recognise as it provides insurance contract services in the future.

At initial recognition, the CSM is an amount that results in no income or expenses (unless a group of contracts is onerous, or insurance revenue and insurance service expenses are recognised as in (d) below) arising from:

- a. the initial recognition of the FCF;
- b. cash flows arising from the contracts in the group at that date;
- c. the derecognition of any insurance acquisition cash flows asset; and
- d. the derecognition of any other pre-recognition cash flows. Insurance revenue and insurance service expenses are recognised immediately for any such assets derecognised.

When the above calculation results in a net outflow, the group of insurance contracts issued is onerous. A loss from onerous insurance contracts is recognised in profit or loss immediately, with no CSM recognised on the balance sheet on initial recognition, and a loss component is established in the amount of loss recognised.

For groups of reinsurance contracts held, any net gain or loss at initial recognition is recognised as the CSM unless the net cost of purchasing reinsurance relates to past events that occurred before the purchase of group of reinsurance contracts held, in which case the Company recognises the net cost immediately in profit or loss.

For reinsurance contracts held, the CSM represents a deferred gain or loss that the Company will recognise as a reinsurance expense as it receives insurance contract services from the reinsurer in the future. CSM at initial recognition is calculated as the sum of:

- a. the initial recognition of the FCF;
- b. cash flows arising from the contracts in the group at that date;
- c. the amount derecognised at the date of initial recognition of any asset or liability previously recognised for cash flows related to the group of reinsurance contracts held (other pre-recognition cash flows); and
- d. any income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised in (d) above. This amount is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Company expects to recover from the reinsurance contracts held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

### Subsequent measurement

At subsequent measurement, the CSM gets adjusted for changes in cash flows related to future services and for the interest accretion at interest rates locked-in at initial recognition of the group of contracts. A release from the CSM is recognised in profit or loss each period to reflect the services provided in that period based on "coverage units".

The carrying amount at the end of each reporting period of a group of insurance contracts held is the sum of:

- a. the liabilities remaining coverage, comprising:
  - i. the FCF related to future service allocated to the group at that date;
  - ii. the CSM of the group at that date;
- b. the liabilities for incurred claims, comprising the FCF related to past service allocated to the group at the reporting date

#### Changes in fulfilment cash flows

The FCF are updated by the Company for current assumptions at the end of every reporting period, using the current estimates of the amount, timing and uncertainty of future cash flows and of discount rates.

The way in which the changes in estimates of the FCF are treated depends on which estimate is being updated:

- a. changes that relate to current or past service are recognised in profit or loss; and
- b. changes that relate to future service are recognised by adjusting the CSM or the loss component within the LRC.

For insurance contracts under the GMM, the following adjustments relate to future service and thus adjust the CSM:

- a. experience adjustments - arising from premiums received in the period that relate to future service and related cash flows such as insurance acquisition cash flows and premium-based taxes;
- b. changes in estimates of the present value of future cash flows in the LRC, except to the extent that such change exceed carrying amount of CSM resulting in a loss or such change are allocated to loss component of LRC;
- c. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and
- d. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (a), (b) and (d) above are measured using discount rates determined on initial recognition (the locked-in discount rates).

For insurance contracts under the GMM, the following adjustments do not adjust the CSM:

- a. changes in the FCF for the effect of the time value of money and the effect of financial risk and changes thereof;
- b. changes in the FCF relating to the LIC;
- c. experience adjustments - arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and
- d. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows)

For insurance contracts under the VFA, the following adjustments relate to future service and thus adjust the CSM:

- a. changes in the amount of the Company's share of the fair value of the underlying items; and
- b. changes in the FCF that do not vary based on the returns of underlying items:
  - i. changes in the effect of the time value of money and financial risks including the effect of financial guarantees;
  - ii. experience adjustments arising from premiums received in the period that relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes;
  - iii. changes in estimates of the present value of future cash flows in the LRC, except to the extent that such change exceed carrying amount of CSM resulting in a loss or such change are allocated to loss component of LRC;
  - iv. differences between any investment component expected to become payable in the period and the actual investment component that becomes payable in the period, determined by comparing (i) the actual investment component that becomes payable in a period with (ii) the payment in the period that was expected at the start of the period plus any insurance finance income or expenses related to that expected payment before it becomes payable; and
  - v. changes in the risk adjustment for non-financial risk that relate to future service.

Adjustments (ii), (iii) and (v) are measured using the current discount rates.

For insurance contracts under the VFA, the following adjustments do not adjust the CSM:

- a. changes in the obligation to pay the policyholder the amount equal to the fair value of the underlying items;
- b. changes in the FCF that do not vary based on the returns of underlying items:
  - i. changes in the FCF relating to the LIC; and
  - ii. experience adjustments arising from premiums received in the period that do not relate to future service and related cash flows, such as insurance acquisition cash flows and premium-based taxes; and
  - iii. experience adjustments relating to insurance service expenses (excluding insurance acquisition cash flows).

#### Changes to the contractual service margin

For insurance contracts issued, at the end of each reporting period the carrying amount of the CSM is adjusted by the Company to reflect the effect of the following changes:

- a. The effect of any new contracts added to the group.
- b. For contracts measured under the GMM, interest accreted on the carrying amount of the CSM.
- c. Changes in the FCF relating to future service are recognised by adjusting the CSM. Changes in the FCF are recognised in the CSM to the extent that the CSM is available. When an increase in the FCF exceeds the carrying amount of the CSM, the CSM is reduced to zero, the excess is recognised in insurance service expenses and a loss component is recognised within the LRC. When the CSM is zero, changes in the FCF adjust the loss component within the LRC with correspondence to insurance service expenses. The excess of any decrease in the FCF over the loss component reduces the loss component to zero and reinstates the CSM.
- d. The effect of any currency exchange differences.
- e. The amount recognised as insurance revenue for insurance contract services provided during the period, determined after all other adjustments above.

The Company has made an accounting policy choice to apply the year-to-date approach for the accounting for insurance contracts. Therefore, the treatment of accounting estimates made in previous interim financial statements may change under IFRS 17 in subsequent interim financial statements and in the annual reporting period.

For reinsurance contracts held, at the end of each reporting period, the carrying amount of the CSM is adjusted by the Company to reflect the effect of the following changes:

- a. The effect of any new contracts added to the group.
- b. Interest accreted on the carrying amount of the CSM.
- c. Income recognised in profit or loss when the entity recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group. A loss-recovery component is established or adjusted within the remaining coverage for reinsurance contracts held for the amount of income recognised.
- d. Reversals of a loss-recovery component other than changes in the FCF of reinsurance contracts held.
- e. Changes in the FCF, to the extent that the change relates to future service, unless the change results from a change in FCF allocated to a group of underlying insurance contracts that does not adjust the CSM for the group of underlying insurance contracts.
- f. The effect of any currency exchange differences.
- g. The amount recognised in profit or loss for insurance contract services received during the period, determined after all other adjustments above.

Income referred to in (c) above is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Company expects to recover from the reinsurance contract held that is entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

For the purposes of (c)–(e) above, when underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

The Company does not have any reinsurance contracts held measured under the GMM with underlying contracts measured under the PAA.

#### **Interest accretion on the CSM**

Under the GMM, interest accretion on the CSM is calculated using locked-in rate determined at initial recognition for each respective group of contract. As the locked-in rate is cash-flow duration dependent in nature, the interest accretion is based on weighted-average discount rate using discounted coverage unit as the weight. In terms of locked-in rate, the rate used for given cohort of issue year is determined based on weighted average of quarterly locked-in rate.

#### **Adjusting the CSM for changes in the FCF relating to future service**

The CSM is adjusted for changes in the FCF, measured applying the discount rates as specified in the Changes in fulfilment cash flows section above.

#### **Release of the CSM to profit or loss**

The amount of the CSM recognised in profit or loss for insurance contract services in the period is determined by the allocation of the CSM remaining at the end of the reporting period over the current and remaining expected coverage period of the group of insurance contracts based on coverage units.

The coverage period is defined as a period during which the entity provides insurance contract services. Insurance contract services include coverage for an insured event (insurance coverage), the generation of an investment return for the policyholder, if applicable (investment-return service) for the contracts under the GMM, and the management of underlying items on behalf of the policyholder (investment-related service) for the contracts under the VFA. The period of investment-return service or investment-related service ends at or before the date when all amounts due to current policyholders relating to those services have been paid. Investment-return services are provided only when an investment component exists in insurance contracts or the policyholder has a right to withdraw an amount, and the Company expects these amounts to include an investment return that is achieved by the Company by performing investment activities to generate that investment return.

For contracts issued, the Company determines the coverage period for the CSM recognition as follows:

- a. for direct participating contracts, insurance coverage period is within the period of investment-related services and, thus, the coverage period is determined by the period in which investment-related services are expected to be provided;
- b. for term life insurance contracts, no investment-return services are provided and, thus, the coverage period is determined by insurance coverage.

The total number of coverage units in a group is the quantity of service provided by the contracts in the group over the expected coverage period. Coverage units for each group of contracts are determined at each reporting period-end prospectively by considering:

- a. the quantity of benefits provided;
- b. the expected coverage period of the group of contracts, taking into account the likelihood of insured events occurring; and
- c. the time value of money.

The Company reflects the time value of money in the allocation of the CSM to coverage units, using discount rates determined at initial recognition that are applied to nominal cash flows that do not vary based on the returns of underlying items.

For reinsurance contracts held, the CSM is released to profit or loss as insurance contract services are received from the reinsurer in the period.

Coverage units for the proportionate term life reinsurance contracts held are based on the insurance coverage provided by the reinsurer, and they are determined by the ceded policies' fixed face values.

The coverage period for these contracts is determined based on the coverage period of all underlying contracts whose cash flows are included in the reinsurance contract boundary.

#### **Onerous contracts - Loss component**

When adjustments to the CSM exceed the amount of the CSM, the group of contracts becomes onerous and the Company recognises the excess in insurance service expenses, and it records the excess as a loss component of the LRC.

When a loss component exists, subsequent changes to the LRC need to be allocated separately and systematically between the loss component and the remaining in the LRC. Part of the change allocated to the loss component is excluded from insurance revenue

Decreases in the FCF relating to future service in subsequent periods reduce the remaining loss component and reinstate the CSM after the loss component is reduced to zero. Increases in the FCF relating to future service in subsequent periods increase the loss component.

#### **Reinsurance contracts held - Loss-recovery component**

A loss-recovery component is established or adjusted within the asset for remaining coverage for reinsurance contracts held for the amount of income recognised in profit or loss when the Company recognises a loss on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group.

Subsequently, the loss-recovery component is adjusted to reflect changes in the loss component of an onerous group of underlying insurance contracts. The loss-recovery component is further adjusted, if required, to ensure that it does not exceed the portion of the carrying amount of the loss component of the onerous group of underlying insurance contracts that the Company expects to recover from the group of reinsurance contracts held.

For insurance contracts issued, insurance acquisition cash flows allocated to a group are deferred and recognised over the coverage period of contracts in a group. For reinsurance contracts held, broker fees are recognised over the coverage period of contracts in a group.

#### **l) Groups of contracts measured under the PAA**

The Company uses the PAA for measuring contracts with a coverage period of one year or less and for groups of contracts where it is reasonably expected that the measurement of the LRC does not differ materially from the one that would be produced by applying the GMM or the VFA.

For insurance contracts issued, insurance acquisition cash flows allocated to a group are deferred and recognised over the coverage period of contracts in a group. For reinsurance contracts held, broker fees are recognised over the coverage period of contracts in a group.

#### Initial measurement

For insurance contracts issued, on initial recognition, the Company measures the LRC at the amount of premiums received, less any acquisition cash flows paid and any amounts arising from the derecognition of the insurance acquisition cash flows asset and the derecognition of any other relevant pre-recognition cash flows.

For reinsurance contracts held, on initial recognition, the Company measures the remaining coverage at the amount of ceding premiums paid, plus broker fees paid to a party other than the reinsurer and any amounts arising from the derecognition of any other relevant pre-recognition cash flows.

The carrying amount of a group of insurance contracts issued at the end of each reporting period is the sum of:

- a. the LRC; and
- b. the LIC, comprising the FCF related to past service allocated to the group at the reporting date.

The carrying amount of a group of reinsurance contracts held at the end of each reporting period is the sum of:

- a. the remaining coverage; and
- b. the incurred claims, comprising the FCF related to past service allocated to the group at the reporting date.

#### Subsequent measurement

For insurance contracts issued, at each of the subsequent reporting dates, the LRC is:

- a. increased for premiums received in the period, excluding amounts that relate to premium receivables included in the LIC;
- b. decreased for insurance acquisition cash flows paid in the period;
- c. decreased for the amounts of expected premium receipts recognised as insurance revenue for the services provided in the period; and
- d. increased for the amortisation of insurance acquisition cash flows in the period recognised as insurance service expenses.

For reinsurance contracts held, at each of the subsequent reporting dates, the remaining coverage is:

- a. increased for ceding premiums paid in the period;
- b. increased for broker fees paid in the period; and
- c. decreased for the expected amounts of ceding premiums and broker fees recognised as reinsurance expenses for the services received in the period.

The Company does not adjust the LRC for insurance contracts issued and the remaining coverage for reinsurance contracts held for the effect of the time value of money, because insurance premiums are due within the coverage period of contracts, which is one year or less.

The Company adjusts the remaining coverage for reinsurance contracts held for the effect of the risk of reinsurer's non-performance.

If facts and circumstances indicate that a group of insurance contracts measured under the PAA is onerous on initial recognition or becomes onerous subsequently, the Company increases the carrying amount of the LRC to the amounts of the FCF determined under the GMM with the amount of such an increase recognised in insurance service expenses, and a loss component is established for the amount of the loss recognised.

Subsequently, the loss component is remeasured at each reporting date as the difference between the amounts of the FCF determined under the GMM relating to the future service and the carrying amount of the LRC without the loss component.

Where applicable, resulting changes in the loss component are disaggregated between insurance service expenses and insurance finance income or expenses for the effect of the time value of money, financial risk and effect of changes therein.

When a loss is recognised on initial recognition of an onerous group of underlying insurance contracts or on addition of onerous underlying insurance contracts to that group, the carrying amount of the asset for remaining coverage for reinsurance contracts held measured under the PAA is increased by the amount of income recognised in profit or loss and a loss-recovery component is established or adjusted for the amount of income recognised.

The referred income is calculated by multiplying the loss recognised on underlying insurance contracts by the percentage of claims on underlying insurance contracts that the Company expects to recover from the reinsurance contract held that are entered into before or at the same time as the loss is recognised on the underlying insurance contracts.

When underlying insurance contracts are included in the same group with insurance contracts issued that are not reinsured, the Company applies a systematic and rational method of allocation to determine the portion of losses that relates to underlying insurance contracts.

m) Insurance revenue

For contracts under the GMM or VFA, the insurance revenue is recognized as the Company provides services under groups of insurance contracts and the insurance revenue relating to services provided for each reporting period represents the total of the changes in the LRC that relate to services for which the Company expects to receive consideration, and comprises the following items:

- A release of the CSM, measured based on coverage units provided.
- Changes in the risk adjustment for non-financial risk relating to current services.
- Claims and other insurance service expenses incurred in the year, generally measured at the amounts expected at the beginning of the year, excluding amounts allocated to a potential loss component, repayments of investment components, insurance acquisition expenses, and amounts that relate to transaction based taxes collected on behalf of third parties.
- Amortization of acquisition expenses.
- Other amounts, including experience adjustments for premium receipts for current or past services.

For contracts measured under the PAA, the insurance revenue for each period is the amount of expected premium for providing services in the period. The Company allocates the expected premium to each period on the following bases:

- the passage of time; or
- the expected timing of incurred insurance service expenses, if the expected pattern of release of risk during the coverage period differs significantly from the passage of time.

n) Insurance service expenses

Insurance service expenses include the following:

- a. incurred claims and benefits, excluding investment components reduced by loss component allocations;
- b. other incurred directly attributable expenses, including amounts of any other pre-recognition cash flows assets (other than insurance acquisition cash flows) derecognised at the date of initial recognition;
- c. amortisation of insurance acquisition cash flows: for contracts not measured under the PAA, this is equal to the amount of insurance revenue recognised in the period that relates to recovering insurance acquisition cash flows. For contracts measured under the PAA, the Company amortises insurance acquisition cash flows on a straight - line basis over the coverage period of the group of contracts;
- d. changes that relate to past service - changes in the FCF relating to the LIC; and
- e. changes that relate to future service - changes in the FCF that result in onerous contract losses or reversals of those losses; and
- f. insurance acquisition cash flows assets impairment, net of reversals

o) Net income (expenses) from reinsurance contracts held

The Company presents financial performance of groups of reinsurance contracts held on a net basis in net income (expenses) from reinsurance contracts held, comprising the following amounts:

- a. reinsurance expenses;
- b. for groups of reinsurance contracts measured under the PAA, broker fees are included within reinsurance expenses;
- c. incurred claims recovery, excluding investment components reduced by loss-recovery component allocations;
- d. other incurred directly attributable expenses;
- e. changes that relate to past service - changes in the FCF relating to incurred claims recovery;
- f. effect of changes in the risk of reinsurers' non-performance; and
- g. amounts relating to accounting for onerous groups of underlying insurance contracts issued:
  - i. income on initial recognition of onerous underlying contracts;
  - ii. reinsurance contracts held under the GMM: reversals of a loss -recovery component other than changes in the FCF of reinsurance contracts held; and
  - iii. reinsurance contracts held under the GMM: changes in the FCF of reinsurance contracts held from onerous underlying contracts.

For groups of reinsurance contracts held measured under the GMM, reinsurance expenses comprise the following amounts relating to the changes in the remaining coverage:

- a. claims and other directly attributable expenses recovery in the period, measured at the amounts expected to be incurred at the beginning of the period, excluding:
  - amounts allocated to the loss - recovery component;
  - repayments of investment components; and
  - amounts related to the risk adjustment for non - financial risk;
- b. changes in the risk adjustment for non - financial risk, excluding:
  - changes included in finance income (expenses) from reinsurance contracts held;
  - changes that relate to future coverage (which adjust the CSM); and
  - amounts allocated to the loss - recovery component;
- c. amounts of the CSM recognised for the services received in the period; and
- d. experience adjustments - arising from premiums paid in the period other than those that relate to future service.

For groups of reinsurance contracts held measured under the PAA, the Company recognises reinsurance expenses based on the passage of time over the coverage period of a group of contracts.

Ceding commissions that are not contingent on claims of the underlying contracts issued reduce ceding premiums and are accounted for as part of reinsurance expenses. Ceding commissions that are contingent on claims of the underlying contracts issued are part of incurred claims recovery.

p) Insurance finance income or expenses

Insurance finance income or expenses comprise the change in the carrying amount of the group of insurance contracts arising from the effect of the time value of money and changes in the time value of money; and the effect of financial risk and changes in financial risk.

For the insurance contracts without direct participation features, the main amounts within insurance finance income or expenses are interest accreted on the FCF and the CSM; and the effect of changes in interest rates and other financial assumptions.

For the insurance contracts with direct participation features, insurance finance income or expenses comprise changes in the value of underlying items (excluding additions and withdrawals).

The Company chooses to disaggregate the insurance finance income or expenses other than those arising from the risk mitigation option between profit or loss and other comprehensive income (OCI) based on a systematic allocation. Furthermore, the Company chooses to disaggregate the change in risk adjustment for non-financial risk between a change related to non-financial risk and the effect of the time value of money and changes in the time value of money, which are included in net insurance finance expenses.

For the contracts measured using the VFA, the OCI option is applied. Since the Company holds the underlying items for these contracts, the use of the OCI option results in the elimination of accounting mismatches, with income or expenses included in profit or loss on the underlying assets held. The amount that exactly matches income or expenses recognised in profit or loss on underlying assets is included in finance income or expenses from insurance contracts issued. The remaining amount of finance income or expenses from insurance contracts issued for the period is recognised in OCI.

#### 4.1.2 Financial assets

##### a) Recognition and derecognition

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

At initial recognition, the Company 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.

##### b) Classification and measurement

###### Debt instruments

The Company classifies its debt instrument financial assets 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).

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

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 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 net gains or losses from financial assets. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **Fair value through other comprehensive income (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 i) for the recognition of impairment losses (reversal), ii) interest income using the effective interest method, and iii) foreign exchange gains or 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 presented in net gains or losses from financial instruments. Interest income presented in investment income. Impairment expenses are presented separately in the statement of comprehensive income.
- **Fair value through profit or loss (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 fair value gains (losses) on financial instruments in the period in which it arises.

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

#### Equity instruments

Except for equity instruments held for trading, which are measured at FVPL, the Company makes an irrevocable election at the time of initial recognition, classifying its equity instruments into two measurement categories.

- FVPL: the equity instruments are measured at fair value and changes in the fair value are recognised in fair value gains (losses) on financial instruments in the statement of comprehensive income.
- FVOCI: the equity instruments are measured at fair value and changes in the fair value are recognised in OCI. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Impairment losses (and reversal of impairment losses) are not reported separately from other changes in fair value.

Dividends from such investments (FVPL/FVOCI) continue to be recognised in profit or loss as investment income when the right to receive payments is established.

The Company presents its investments in Property Fund unit trusts / Real Estate Investment Trust units / Infrastructure Fund units / Infrastructure Trust units (the fund / the trust) established and registered in Thailand as equity investments and measures them at FVOCI 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 [fund / trust] is required to distribute benefits of not less than 90% of its adjusted net profit.

#### c) Impairment

The Company measures expected credit losses using the following methods

- a) Simplified approach : The Company uses the simplified approach to calculate the allowance for expected credit losses, considering the expected credit losses over the lifetime for other receivables.
- b) General approach : For financial assets that are debt instruments measured at fair value through other comprehensive income and at amortized cost, the Company uses the general approach according to TFRS 9 to measure expected credit losses. This approach requires consideration of expected losses within 12 months or over the asset's lifetime, depending on whether there has been a significant increase in credit risk. The Company recognizes impairment losses from the initial recognition of such financial assets. The Company assesses changes in the credit quality of financial assets in three stages, with each stage defining different methodologies for measuring impairment allowances and calculating effective interest rates, as follows:
  - Stage 1 When the credit risk of financial assets has not increased significantly relative to its initial recognition, allowance for expected credit losses is recognised equal to the credit losses expected from defaults occurring over the next 12 months.
  - Stage 2 When the credit risk of financial assets has increased significantly increase relative to its initial recognition, allowance for expected credit losses is recognised equal to the credit losses expected over the full lifetime of the asset.
  - Stage 3 When financial assets are considered to be credit-impaired, allowance for expected credit losses is recognised equal to the credit losses expected over the full lifetime of the asset.

The Company evaluates the credit risk of the financial assets at the end of each reporting period to determine whether there has been a significant increase since the initial recognition (comparing the risk of default as of the reporting date with the risk of default as of the initial recognition date).

The Company assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted present value of estimated cash shortfall. The cash shortfall is the difference between all contractual cash flows that are due to the Company and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Company reflects the following:

- Probability - weighted estimated uncollectible amounts
- Time value of money; and
- Supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

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**4.2 Impacts from initial application of the new financial reporting standards and changes in accounting policy**

This note explains the impact of the initial application of TFRS 17 Insurance Contracts, TFRS 7 Financial Instruments: Disclosure and TFRS 9 Financial Instruments on the Company's financial statements on 1 January 2025. The retrospective adjustments from changes in accounting policy applied from 1 January 2022 (Transition date) were disclosed in Note 4.1

TFRS 7 and TFRS 9 are effective for the accounting period beginning on or after 1 January 2020. However, The Company passes criteria and elect to apply temporary exemption from the standards under TFRS 4 Insurance Contracts. The Company applies the 'Financial Instruments and Disclosure for Insurance Companies' accounting guidelines' ('The Accounting Guidance') for financial statement preparation for the prior period. On 1 January 2025, the Company applied retrospective application in the adoption of both financial reporting standards, with a corresponding TFRS 17, which is effective for the accounting period beginning on or after 1 January 2025.

On 1 January 2025, the Company applied retrospectively for the changes in accounting policy for the following topics.

- Fair value measurement of investment in securities previously measured based on bid price to be measured based on close price.
- Changes in classification of short-term investments from debt instruments - financial assets to cash and cash equivalents by changing the interpretation of the cash and cash equivalents classification period from the original 92 days to 100 days, in accordance with the financial reporting standards that specify a period of 3 months and from measured at fair value through other comprehensive income to measured at amortised cost to meet the hold to collect business model

The impact of first-time adoption of new financial reporting standards and changes in accounting policy are as follows:

Statement of financial position	Notes	Impacts			1 January 2022 (Transition date) Restated Thousand Baht	
		31 December 2021 As previously reported Thousand Baht	TFRS 9 (Note 4.3) Thousand Baht	TFRS 17 Thousand Baht		Changes in accounting policy (Note 4.3) Thousand Baht
<b>Assets</b>						
Cash and cash equivalents, net	4.2 e	6,489,635	-	9,169	3,207,594	9,706,398
Premiums receivable, net		1,417,259	-	(1,417,259)	-	-
Amount due from reinsurance		542,822	-	(542,822)	-	-
Insurance contract assets		-	-	1,113,532	-	1,113,532
Reinsurance contract assets		-	-	1,791,474	-	1,791,474
Investments in debt securities	4.2 a, 4.2 e	-	173,654,989	934,166	(3,207,563)	171,381,592
Investments in equity securities	4.2 a, 4.2 d	-	24,092,190	-	125,468	24,217,658
Investments in securities net		195,497,550	(195,497,550)	-	-	-
Investment assets held to cover linked liabilities		943,335	-	(943,335)	-	-
Loans and accrued interest receivable		9,748,164	-	(9,742,029)	-	6,135
Deferred tax (assets) liabilities		(1,377,610)	(456,118)	5,675,108	(25,100)	3,816,280
Other asset, net		1,528,802	-	(6,778)	-	1,522,024
<b>Total assets affected</b>		<b>214,789,957</b>	<b>1,793,511</b>	<b>(3,128,774)</b>	<b>100,399</b>	<b>213,555,093</b>
<b>Liabilities</b>						
Insurance contract liabilities		183,912,401	-	25,773,967	-	209,686,368
Investment contract liabilities		4,306,310	-	(4,306,310)	-	-
Amount due to reinsurers		627,870	-	(627,870)	-	-
Accrued expenses		2,047,767	-	(1,878,386)	-	169,381
Other liabilities		989,890	-	728,930	-	1,718,820
<b>Total liabilities affected</b>		<b>191,884,238</b>	<b>-</b>	<b>19,690,331</b>	<b>-</b>	<b>211,574,569</b>
Unappropriated retained earnings	4.2 a, 4.2 b, 4.2 c, 4.2 d	11,279,937	1,539,486	(15,198,138)	998	(2,377,717)
Other components of equity	4.2 a, 4.2 b, 4.2 c, 4.2 d, 4.2 e	8,839,656	254,025	(7,620,967)	99,401	1,572,115
<b>Total equity affected</b>		<b>20,119,593</b>	<b>1,793,511</b>	<b>(22,819,105)</b>	<b>100,399</b>	<b>(805,602)</b>

**Note:**

4.2 a) Changes in classification and measurement of financial assets (Note 4.3)

4.2 b) Adjustments for hedge accounting impacts with reference to the changes in classification and measurement of financial assets (Note 4.3 i)

4.2 c) Adjustments for impairment of financial assets (Note 4.3)

4.2 d) Changes in accounting policy for the fair value measurement of investment in securities (Note 4.3 g, 4.3 h)

4.2 e) Changes in accounting policy for the classification of short-term investments from debt instruments - financial assets to cash and cash equivalents and from measured at fair value through other comprehensive income to measured at amortised cost.

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Statement of financial position	Notes	Impacts				31 December 2023 Restated Thousand Baht
		31 December 2023 As previously reported Thousand Baht	TFRS 9 Thousand Baht	TFRS 17 Thousand Baht	Changes in accounting policy Thousand Baht	
<b>Assets</b>						
Cash and cash equivalents, net	4.2 e	9,162,094	-	21,667	5,552,298	14,736,059
Premiums receivable, net		1,598,021	-	(1,598,021)	-	-
Reinsurance assets		75,167	-	(75,167)	-	-
Amount due from reinsurance		653,012	-	(653,012)	-	-
Insurance contract assets		-	-	844,685	-	844,685
Reinsurance contract assets		-	-	1,617,512	-	1,617,512
Investments in debt securities	4.2a, 4.2e	-	173,319,573	1,414,988	(5,551,462)	169,183,099
Investments in equity securities	4.2 a, 4.2 d	-	19,520,881	-	84,646	19,605,527
Investments in securities net		192,100,540	(192,100,540)	-	-	-
Investment assets held to cover linked liabilities		1,436,655	-	(1,436,655)	-	-
Loans and accrued interest receivable		9,794,658	-	(9,793,810)	-	848
Deferred tax assets (liabilities)		1,044,751	(132,367)	2,463,658	(17,096)	3,358,946
Other asset, net		1,120,007	-	(1,005)	-	1,119,002
<b>Total assets affected</b>		<b>216,984,905</b>	<b>607,547</b>	<b>(7,195,160)</b>	<b>68,386</b>	<b>210,465,678</b>
<b>Liabilities</b>						
Insurance contract liabilities		195,520,962	-	9,075,282	-	204,596,244
Investment contract liabilities		4,459,473	-	(4,459,473)	-	-
Reinsurance contract liabilities		-	-	6,910	-	6,910
Amount due to reinsurers		727,687	-	(727,687)	-	-
Accrued expenses		2,447,509	-	(2,254,790)	-	192,719
Provision		98,163	-	(3,023)	-	95,140
Other liabilities		860,903	-	1,020,297	-	1,881,200
<b>Total liabilities affected</b>		<b>204,114,697</b>	<b>-</b>	<b>2,657,516</b>	<b>-</b>	<b>206,772,213</b>
Unappropriated retained earnings	4.2 a, 4.2 b, 4.2 c, 4.2 d	11,308,354	2,411,229	(8,869,600)	51	4,850,034
Other components of equity	4.2 a, 4.2 b, 4.2 c, 4.2 d, 4.2 e	(110,835)	(1,803,682)	(983,076)	68,335	(2,829,258)
<b>Total equity affected</b>		<b>11,197,519</b>	<b>607,547</b>	<b>(9,852,676)</b>	<b>68,386</b>	<b>2,020,776</b>

**Note:**

4.2 a) Changes in classification and measurement of financial assets

4.2 b) Adjustments for hedge accounting impacts with reference to the changes in classification and measurement of financial assets

4.2 c) Adjustments for impairment of financial assets

4.2 d) Changes in accounting policy for the fair value measurement of investment in securities

4.2 e) Changes in accounting policy for the classification of short-term investments from debt instruments - financial assets to cash and cash equivalents and from measured at fair value through other comprehensive income to measured at amortised cost

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Statement of financial position	Notes	31 December 2024 As previously reported Thousand Baht	Impacts			31 December 2024 Restated Thousand Baht
			TFRS 9 Thousand Baht	TFRS 17 Thousand Baht	Changes in accounting policy Thousand Baht	
<b>Assets</b>						
Cash and cash equivalents, net	4.2 e	13,872,441	-	16,646	4,382,135	18,271,222
Premiums receivable, net		1,805,030	-	(1,805,030)	-	-
Reinsurance assets		50,153	-	(50,153)	-	-
Amount due from reinsurance		754,396	-	(754,396)	-	-
Insurance contract assets		-	-	1,025,863	-	1,025,863
Reinsurance contract assets		-	-	1,936,527	-	1,936,527
Investments in debt securities	4.2 a, 4.2 e	-	180,217,271	1,751,853	(4,384,314)	177,584,810
Investments in equity securities	4.2 a, 4.2 d	-	22,419,413	-	95,096	22,514,509
Investments in securities net		201,901,992	(201,901,992)	-	-	-
Investment assets held to cover linked liabilities		1,768,499	-	(1,768,499)	-	-
Loans and accrued interest receivable		10,193,741	-	(10,193,444)	-	297
Deferred tax assets (liabilities)		(195,196)	(117,331)	2,286,646	(18,583)	1,955,536
Other asset, net		514,266	-	(52,307)	-	461,959
<b>Total assets affected</b>		<b>230,665,322</b>	<b>617,361</b>	<b>(7,606,294)</b>	<b>74,334</b>	<b>223,750,723</b>
<b>Liabilities</b>						
Insurance contract liabilities		201,695,131	-	7,713,112	-	209,408,243
Investment contract liabilities		4,515,036	-	(4,515,036)	-	-
Reinsurance contract liabilities		-	-	226,168	-	226,168
Amount due to reinsurers		425,855	-	(425,855)	-	-
Accrued expenses		2,677,352	-	(2,477,477)	-	199,875
Provision		98,956	-	(3,023)	-	95,933
Other liabilities		1,737,338	-	1,124,448	-	2,861,786
<b>Total liabilities affected</b>		<b>211,149,668</b>	<b>-</b>	<b>1,642,337</b>	<b>-</b>	<b>212,792,005</b>
Unappropriated retained earnings	4.2 a, 4.2 b, 4.2c, 4.2 d	11,189,080	3,590,340	(5,230,662)	-	9,548,758
Other components of equity	4.2 a, 4.2 b, 4.2 c, 4.2 d, 4.2 e	6,086,826	(2,972,979)	(4,017,969)	74,334	(829,788)
<b>Total equity affected</b>		<b>17,275,906</b>	<b>617,361</b>	<b>(9,248,631)</b>	<b>74,334</b>	<b>8,718,970</b>

**Note:**

- 4.2 a) Changes in classification and measurement of financial assets
- 4.2 b) Adjustment for hedge accounting impacts with reference to the changes in classification and measurement of financial assets
- 4.2 c) Adjustments for impairment of financial assets
- 4.2 d) Changes in accounting policy for the fair value measurement of investment in securities
- 4.2 e) Changes in accounting policy for the classification of short-term investments from debt instruments - financial assets to cash and cash equivalents and from measured at fair value through other comprehensive income to measured at amortised cost

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**4.3 Financial instruments**

The impact of TFRS9 and changes in accounting policy on the Company's equity as of 1 January 2022 are as follows:

Notes	Equity				Retained earnings Thousand Baht
	Gains (losses) from change in value of debt instruments measured at fair value through other comprehensive income Thousand Baht	Gains (losses) from change in value of equity instruments measured at fair value through other comprehensive income Thousand Baht	Gains (losses) on fair value of fair value hedges for equity instruments measured at fair value through other comprehensive income Thousand Baht		
Balance as of 31 December 2021 (Previously reported)	7,714,430	1,139,088	-	-	11,279,937
4.3 a Reclassification of debt instruments measured at amortized cost to fair value through profit or loss (FVPL)	-	-	-	-	245,910
4.3 b Derecognition of allowance for expected credit loss for debt instruments measured at fair value through profit or loss (FVPL)	-	-	-	-	224
4.3 c Reclassification of debt instruments measured at amortized cost to fair value through other comprehensive income (FVOCI)	2,001,584	-	-	-	-
4.3 d Reclassification of allowance for expected credit loss for debt instruments measured at fair value through other comprehensive income (FVOCI)	1,911	-	-	-	-
4.3 e Reclassifications of debt instruments measured at fair value through other comprehensive income to fair value through profit or loss (FVPL)	69,672	-	-	-	(69,672)
4.3 e Reclassifications of equity instruments measured at fair value through other comprehensive income to fair value through profit or loss (FVPL)	-	14,591	-	-	(14,591)
4.3 f Derecognition of allowance for impairment for equity instruments measured at fair value through other comprehensive income	-	(1,768,199)	-	-	1,768,199
4.3 g Changes in accounting policy for fair value measurement of debt instruments measured at fair value through profit or loss	-	-	-	-	1,173
4.3 g Changes in accounting policy for fair value measurement of equity instruments measured at fair value through profit or loss	-	-	-	-	75
4.3 h Reclassifications and changes in accounting policy for fair value measurement of equity instruments designated at fair value through other comprehensive income	-	124,220	-	-	-
4.3 i Adjustment in relation to hedge accounting for equity instruments measured at fair value through other comprehensive income	-	-	(2,026)	-	2,026
Changes in accounting policy for the classification of short-term investments from debt instruments - financial assets to cash and cash equivalents and from measured at fair value through other comprehensive income to measured at amortised cost	31	-	-	-	-
Recognition of deferred tax on the adjustments above	(414,640)	325,878	-	405	(386,669)
Total impact of TFRS9 and changes in accounting policy	1,658,558	(1,303,510)	(1,521)		1,546,875
Balance as of 1 January 2022 after the impact of TFRS9 and changes in accounting policy (Before TFRS 17 adjustments)	9,372,988	(164,422)	(1,521)		12,826,612

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On 1 January 2022, the management has assessed which business models apply to the financial assets and financial liabilities, and has classified its financial instruments into the appropriate IFRS 9 categories as follows.

**Debt instruments - Financial assets, Equity instruments – Financial asset, and cash and cash equivalent**

**Balance as of 31 December 2021 (Previously reported)**

	FVOCI Thousand Baht	FVPL Thousand Baht	Amortised cost Thousand Baht
Reclassifications and measurements of debt instruments measured at amortized cost to fair value through profit or loss (FVPL)	176,086,342	1,059,987	25,784,191
Derecognition of allowance for expected credit loss for debt instruments measured at fair value through profit or loss (FVPL)	-	1,245,910	(1,000,000)
Reclassification and measurements of debt instruments measured at amortized cost to fair value through other comprehensive income (FVOCI)	-	-	224
Reclassifications of allowance for expected credit loss for debt instruments measured through other comprehensive income	22,520,057	-	(20,518,473)
Reclassifications of debt instruments measured through other comprehensive income to fair value through profit or loss (FVPL)	-	-	1,911
Reclassifications of equity instruments measured through other comprehensive income to fair value through profit or loss (FVPL)	(783,422)	783,422	-
Changes in accounting policy for fair value measurement of debt instruments measured at fair value through profit or loss	(599,234)	599,234	-
Changes in accounting policy for fair value measurement of equity instruments measured at fair value through profit or loss	-	1,173	-
Reclassifications and changes in accounting policy for fair value measurement of equity instruments designated at fair value through other comprehensive income	-	75	-
Changes in accounting policy for the classification of short-term investments from debt instruments - financial assets to cash and cash equivalents and from measured at fair value through other comprehensive income to measured at amortised cost	124,220	-	-
<b>Balance as of 1 January 2022 after the impact of TFRS9 and changes in accounting policy (Before TFRS 17 adjustments)</b>	<b>(5,438,514)</b>	<b>-</b>	<b>5,438,545</b>
	<b>191,909,449</b>	<b>3,689,801</b>	<b>9,706,398</b>

4.3 a) Reclassifications of debt instruments measured at amortized cost to fair value through profit or loss (FVPL)

On 1 January 2022, certain debt instruments measured at amortized cost amounting to Baht 1,000 million were reclassified to fair value through profit or loss amounting to Baht 1,245.91 million. They do not meet the TFRS 9 criteria for classification at amortised cost, because their cash flows do not represent solely payments of principal and interest.

Fair value gains amounting to Baht 245.91 million were recognized in retained earnings as at 1 January 2022.

4.3 b) Derecognition of allowance for expected credit loss for debt instruments measured at amortized cost to fair value through profit or loss (FVPL)

Referring to Note 4.3 (a), as previously reported as of 31 December 2021, the Company recognized allowance for expected credit loss for investments measured at amortised cost amounting to Baht 0.22 million. On 1 January 2022, as these investments were reclassified to fair value through profit or loss, the allowance for expected credit loss was derecognized through retained earnings.

4.3 c) Reclassifications of debt instruments measured at amortized cost to fair value through other comprehensive income (FVOCI)

On 1 January 2022, certain debt instruments measured at amortized cost amounting to Baht 20,518.47 million were reclassified to fair value through other comprehensive income amounting to Baht 22,520.06 million.

Fair value gains amounting to Baht 2,001.58 million were recognized in other comprehensive income as at 1 January 2022.

4.3 d) Reclassifications of allowance for expected credit loss for debt instruments measured at fair value through other comprehensive income

Referring to Note 4.3 (c), as previously reported as of 31 December 2021, the Company recognized allowance for expected credit loss for investments measured at amortised cost amounting to Baht 1.91 million. On 1 January 2022, as these investments were reclassified to fair value through other comprehensive income, the allowance for expected credit loss was reclassified to other comprehensive income.

4.3 e) Reclassifications of debt instruments and equity instruments measured at fair value through other comprehensive income to fair value through profit or loss (FVPL)

On 1 January 2022, debt instruments and equity instruments measured at fair value through other comprehensive income were reclassified to fair value through profit or loss as these investments are held as short to medium term investments. As a result, the unrealized losses from change in fair value of debt instruments and equity instruments amounting to Baht 69.67 million and 14.59 million, respectively were transferred from other comprehensive income to retained earnings.

4.3 f) Derecognition of allowance for impairment for equity instruments measured at fair value through other comprehensive income

As previously reported as of 31 December 2021, the Company recognized allowance for impairment for equity instruments measured at fair value through other comprehensive income amounting to Baht 1,768.20 million. As of 1 January 2022, in accordance with the impairment criteria under TFRS9, the allowance for impairment was derecognized through retained earnings.

4.3 g) Changes in accounting policy for fair value measurement of debt instruments and equity instruments designated at fair value through other comprehensive income

On 1 January 2022, the Company has changed its accounting policy for fair value measurement of debt instruments and equity instruments designated at fair value through other comprehensive income previously measured based on bid price to close price. The change in fair value was recognized in profit or loss amounting to Baht 1.17 million and Baht 0.08 million, respectively.

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4.3 h) Reclassifications and changes in accounting policy for fair value measurement of equity instruments designated at fair value through other comprehensive income

On 1 January 2022, certain debt instruments amounting to Baht 8,670.29 million were reclassified from debt instruments measured at fair value through other comprehensive income to equity instruments designated at fair value through other comprehensive income. In addition, the Company has changed its accounting policy for fair value measurement of all equity instruments designated at fair value through other comprehensive income previously measured based on bid price to close price. The change in fair value was recognized in other comprehensive income amounting to Baht 124.22 million.

4.3 i) Adjustments in relation to hedge accounting for equity instruments measured at fair value through other comprehensive income

As previously reported as of 31 December 2021, foreign exchange gains (losses) on equity instruments measured at fair value through other comprehensive income (hedged item) were recognized in profit or loss as similar to the change in fair value of foreign exchange forward (hedging instrument). On 1 January 2022, in accordance with hedge accounting under TFRS9, the corresponding adjustments were made to transfer the loss impact from retained earnings to the other comprehensive income amounting to Baht 2.03 million.

4.3 j) Reclassifications of financial instruments on adoption of TFRS 9 and changes in accounting policy

On 1 January 2022, the measurement categories and carrying amounts of financial assets and financial liabilities were as follows.

	Notes	Measurement categories		1 January 2022		New carrying amount Thousand Baht	
		Previously reported	Restated	Previously reported Thousand Baht	Changes in accounting policy Thousand bath		
<b>Financial assets</b>							
Cash and cash equivalents		FVOCI	Amortised cost	5,438,514	31	5,438,545	
Debt instruments	4.3 a, 4.3 b	Amortised cost	FVPL	999,776	246,134	1,245,910	
Debt instruments	4.3 c, 4.3 d	Amortised cost	FVOCI	20,516,562	2,003,495	22,520,057	
Debt instruments	4.3 e, 4.3 g	FVOCI	FVPL	783,422	1,173	784,595	
Equity instruments	4.3 e, 4.3 g	FVOCI	FVPL	599,234	75	599,309	
Debt instruments	4.3 h	FVOCI	FVOCI	8,670,293	(8,670,293)	-	
Equity instruments	4.3 h	FVOCI	FVOCI	14,823,837	8,794,513	23,618,350	
				<b>1 January 2022</b>	<b>Change in carrying amounts</b>	<b>1 January 2022</b>	
				<b>Carrying amounts</b>		<b>Carrying amounts</b>	
				<b>- previously reported</b>		<b>- restated</b>	
				<b>Thousand Baht</b>	<b>Reclassification</b>	<b>Thousand Baht</b>	
					<b>Revaluation</b>		
<b>Financial assets</b>							
<b>1. Amortised cost</b>							
- Cash and cash equivalents				6,489,635	3,216,732	31	9,706,398
- Debt instruments - Financial assets				21,516,338	(21,516,338)	-	-
<b>Total</b>				<b>28,005,973</b>	<b>(18,299,606)</b>	<b>31</b>	<b>9,706,398</b>
<b>2. Fair value through profit or loss</b>							
- Debt instruments - Financial assets				335,012	2,508,174	247,307	3,090,493
- Equity instruments - Financial assets				724,976	(125,742)	75	599,309
<b>Total</b>				<b>1,059,988</b>	<b>2,382,432</b>	<b>247,382</b>	<b>3,689,802</b>
<b>3. Fair value through other comprehensive income</b>							
- Debt instruments - Financial assets				158,432,320	7,855,284	2,003,495	168,291,099
- Equity instruments - Financial assets				15,423,070	8,071,059	124,220	23,618,349
<b>Total</b>				<b>173,855,390</b>	<b>15,926,343</b>	<b>2,127,715</b>	<b>191,909,448</b>

## 5 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies. This may result in the difference between the actual amounts and the estimates of assets, liabilities, revenues and expenses.

In preparing the 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 2024, except for the estimates related to the TFRS17 Insurance contracts as follows:

### 5.1 Transition to TFRS 17

The Company applied TFRS 17 for an annual reporting period beginning on 1 January 2025. The accounting policy choice for the transition approach was made on a group of contract level. If a full retrospective application is impracticable, the Company can choose between a modified retrospective approach or a fair value approach. The decision involved the consideration of multiple criteria, such as availability of reliable and objective information, operational complexity, or the reasonableness of the split between earned and unearned profits.

The Company has determined that it was impracticable to apply the full retrospective approach for groups of contracts with annual cohorts prior to 2021 because certain historical information was not available or was not available without undue cost or effort that would enable it to be used under full retrospective approach. Therefore, the Company applied fair value approaches for these groups of contracts. For groups of contracts with annual cohorts 2021 or later, the full retrospective approach has been applied. The Company exercises judgements in determining the transition approaches, applying the transition methods and measuring the transition impacts on the transition date, which will affect the amounts recognised in the financial statements on the transition date.

### 5.2 Level of aggregation and recognition of group of insurance contracts

Measurement of insurance contracts liabilities under TFRS17 is performed on groups of insurance contracts. In particular, the contracts are grouped based on portfolio classification, profitability of insurance contracts and annual cohorts based on year of issue.

Portfolio classification of insurance contracts is performed by considering similarity of risk and the extent to which contracts are managed together. For contracts with multiple risks, classification is determined based on predominant risk of the contracts. Overview of portfolio grouping is as follows

	Contract Groups	Portfolio Grouping Consideration	Accounting Basis
Insurance Contract	Traditional non-participating	Long term protection contracts with savings components with benefit payments which are guaranteed at outset as set out in the contract term with no participating features	General measurement model
	Term (pure protection)	Long term pure protection contracts with benefit payments which are guaranteed at outset as set out in the contract term	General measurement model
	Traditional participating	Contract grouping is determined based on product characteristics and the way participating fund is managed: <u>Product characteristics</u> Long term protection contracts with savings with participating features and hence non-guaranteed benefit in addition to guaranteed benefit <u>Participating fund management</u> Contracts which are managed in the same participating fund will have the same contract group	General measurement model applying TFRS17.B132 for the reporting of insurance finance income/expense applicable for indirect participating business
	Unit Linked	Unit linked products which contain both saving and protection component	Variable Fee Measurement model in line with the measurement for insurance contract with direct participation features (TFRS17. B104)
	Short Term Contract	Short term contracts with contract boundary that is less than or equal to one year	Premium Allocation Approach
Reinsurance Contract	Long Term Contract	All reinsurance contract with respect to underlying contracts which have contract boundary that is greater than one year is grouped in same contract group	General measurement model
	Short Term Contract	All reinsurance contract with respect to underlying contracts which have contract boundary that is less than or equal to one year is grouped in same contract group	Premium Allocation Approach

In terms of profitability grouping, contracts are classified into three different groups, i.e. onerous contracts at initial recognition, non-onerous contracts with no significant possibility of becoming onerous and other contracts.

### 5.3 Determination of coverage unit

The CSM of a group of contracts is recognised as insurance revenue in each period based on the number of coverage units provided in the period, which is determined by considering for each contract the quantity of the services provided, its expected coverage period and time value of money. The CSM is rolled forward over time, a split of profits between equity ("earned profits") and CSM ("unearned profits") involves management judgement.

The quantity of services provided by insurance contracts could include insurance coverage, investment-return service and investment-related service, as applicable. In assessing the services provided by insurance contracts, the terms and benefit features of the contracts are considered.

The Company determines the quantity of benefits for insurance coverage based on the amount that policyholders can claim in each reporting period if an insured event occurs. For contracts that provide only insurance services (e.g., term life insurance), the quantity of benefits reflects the expected claim amount. For investment related or investment services component of the contract, the quantity of benefits is represented by the expected surrender value. In the case of insurance contracts with multiple services, the quantity of benefits is calculated by applying appropriate weighting to the benefits from each service.

### 5.4 Discounting and interest rates

According to TFRS 17, all future cash flows must be discounted. Interest rates are required for discounting and - in the case of participating business - projecting fulfilment cash flows. The TFRS 17 requirements for the interest curves are principle-based. An entity should use observable market data based on a risk-free base curve and portfolio-specific adjustments to reflect the illiquidity of insurance obligations in determining the interest curves. The Company pursues a bottom-up approach in the determination of the discount rates, where all cash flows are discounted using the risk-free rates adjusted for an illiquidity premium. The risk free rates are constructed from observed spot rates of the local government bonds up to 15 years, with adjustment to remove the credit risk of the government bonds. Thereafter, the risk-free rates are extrapolated towards the ultimate forward rate using the Smith-Wilson method.

The Company determines the illiquidity adjustment based on the spread of reference portfolio, corrected for expected and unexpected credit loss and application ratio to reflect the difference in illiquidity characteristics of the insurance contract liabilities and the chosen reference portfolio.

The Company applies the OCI option and recognises the impact of changes in discount rates in OCI. Current interest rates are applied in the measurement of FCF in the statement of financial position. The interest rates used in the reporting of insurance finance income or expense in profit or loss is based on locked-in interest rates determined at initial recognition.

The table below sets out the range of discount rates used to discount the cash flows of insurance contracts for various terms from various portfolios:

Term (Year)	30 June 2025	31 December 2024
1	1.21% - 1.86%	2.09% - 2.60%
10	1.44% - 2.09%	2.38% - 2.89%
20	1.98% - 2.60%	3.00% - 3.47%

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**5.5 Risk adjustment for non-financial risk**

The risk adjustment reflects the compensation an entity would require for bearing non-financial risks, i.e., the uncertainty of cash flows that arise from insurance contracts, other than the uncertainty arising from financial risks. Such non-financial risks include insurance risks, lapse and expense risk. TFRS 17 does not prescribe a specific approach for determining the risk adjustment. The Company applies a Cost of Capital approach, in which the risk adjustment is determined by applying a Cost of Capital rate to the present value of projected capital relating to non-financial risk. The Cost of Capital rate is set at 6% per annum, representing the return required to compensate for the exposure to non-financial risk. The capital is determined at a 99.5% confidence level over one year period, and it is projected in line with the run-off of the business. The diversification benefit is included to reflect the diversification between risk categories, as well as the contracts sold across geographies (i.e. on the Group level), because this reflects the compensation that the entity requires.

As at 30 June 2025, the resulting amount of the calculated risk adjustment corresponds to the confidence level of 70%. (31 December 2024 : 70%)

However, if the Company applies the calculated risk adjustment corresponds to the confidence level of 75%, the risk adjustment will be as follows.

Risk adjustment corresponds to the confidence level of 75%	30 June 2025 Million Baht	31 December 2024 Million Baht
Insurance contract	12,641.44	9,159.90
Reinsurance contract	(234.71)	(189.03)

**6 Fair value**

**6.1 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 assets or liabilities, either directly or indirectly.
- Level 3: Inputs for the assets or liabilities that are not based on observable market data.

The following table presents the Company's financial assets and financial liabilities that are measured at fair value by level as at 30 June 2025 and 31 December 2024, excluding where its fair value is approximating the carrying amount.

	(Unaudited)			
	30 June 2025			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
<b>Financial assets</b>				
Debt instruments				
measured at fair value through profit or loss	-	3,163,926	-	3,163,926
measured at fair value through other comprehensive income	-	179,956,615	-	179,956,615
designated at fair value through profit or loss	154,594	-	-	154,594
Equity instruments				
designated at fair value through other comprehensive income	21,586,024	-	17,379	21,603,403
Derivative assets	-	2,808,506	-	2,808,506
<b>Total</b>	<b>21,740,618</b>	<b>185,929,047</b>	<b>17,379</b>	<b>207,687,044</b>
<b>Financial liabilities</b>				
Derivative liabilities	-	237,170	-	237,170
<b>Total</b>	<b>-</b>	<b>237,170</b>	<b>-</b>	<b>237,170</b>

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	(Audited and restated)			Total Thousand Baht
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
<b>Financial assets</b>				
Debt instruments				
measured at fair value through profit or loss	-	3,016,821	-	3,016,821
measured at fair value through other comprehensive income	-	174,418,574	-	174,418,574
designated at fair value through profit or loss	149,415	-	-	149,415
Equity instruments				
designated at fair value through other comprehensive income	22,500,920	-	13,589	22,514,509
Derivative assets	-	2,041,195	-	2,041,195
<b>Total</b>	<b>22,650,335</b>	<b>179,476,590</b>	<b>13,589</b>	<b>202,140,514</b>
<b>Financial liabilities</b>				
Derivative liabilities	-	372,903	-	372,903
<b>Total</b>	<b>-</b>	<b>372,903</b>	<b>-</b>	<b>372,903</b>

There was no transfer between levels during the period.

There was no change in valuation techniques during the period.

#### 6.2 Valuation techniques used to measure fair value level 1

The Company determines level 1 fair values for financial instruments traded in active markets which is based on the latest close price on the last business day of the reporting period as quoted on the Stock Exchange.

#### 6.3 Valuation techniques used to measure fair value level 2

The Company determines level 2 fair values for debt securities using the prices on the last business day of the reporting period provided by the Thai Bond Market Association which is determined from contractual cash flows, discounted at the rate derived from observable market price 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 reporting period provided by assets management companies.

The Company determines level 2 fair values for over-the-counter hedging derivatives which comprise cross currency swap contracts, bond forward contracts and foreign exchange forward contracts based on broker quotes. The cross currency swap contracts have been fair valued based on interest rates and foreign 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 foreign exchange forward contracts have been fair valued based on foreign exchange rates that are observable in publicly available source. The discount model has no significant impact on the fair value of derivative, which is categorized at level 2.

The Company determines level 2 fair values for over-the-counter derivative that are not used for hedge accounting, which include contracts that grant the holder the right to buy/sell based on a specified index at a predetermined price, priced based on quotes from brokers. The fair value of the contracts that grant the holder the right to buy/sell based on a specified index at a predetermined price is measured based on the index reference prices and exchange rates from brokers.

6.4 Valuation techniques used to measure fair value level 3

Fair value level 3 valuation process

Management has put a process of performing the valuations of financial assets required for financial reporting purposes, including level 3 fair values. Appropriate valuation techniques and unobservable inputs are selectively used based on the characteristic of financial assets. The valuation of level 3 fair value is reviewed and approved by management for financial reporting purposes.

The main information that the Company uses to derive level 3 fair values are based on dividend discount model technique using the net present value of dividends and terminal value expected to be received in the future.

Changes in level 3 financial instruments for the six-month period ended 30 June 2025 and for the year ended 31 December 2024 are as follows:

	(Unaudited) 30 June 2025 Thousand Baht	(Audited) 31 December 2024 Thousand Baht
<b>Beginning balance</b>	13,589	25,468
Gains (losses) on remeasuring investments in equity instruments designated at fair value through other comprehensive income	3,790	(11,879)
<b>Ending balance</b>	17,379	13,589

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**7 Components of statement of financial position**

The analysis of the amounts presented in the statement of financial position for insurance contracts as at 30 June 2025 and 31 December 2024, is shown in the table below.

	Life risk contracts not measured under the PAA Thousand Baht	Life risk contracts measured under the PAA Thousand Baht	Total Thousand Baht
<b>As at 30 June 2025</b>			
Insurance contract asset			
- Insurance contract asset excluding pre-recognition cash flows	-	245,296	245,296
- Pre-recognition cash flows	-	(1,395,213)	(1,395,213)
<b>Insurance contract asset</b>	<b>-</b>	<b>(1,149,917)</b>	<b>(1,149,917)</b>
Insurance contract liabilities			
- Insurance contract liabilities excluding pre-recognition cash flows	215,101,974	1,072,195	216,174,169
- Pre-recognition cash flows	-	-	-
<b>Insurance contract liabilities</b>	<b>215,101,974</b>	<b>1,072,195</b>	<b>216,174,169</b>
Reinsurance contract assets			
Reinsurance contract liabilities	1,906,182	31,452	1,937,634
Investment contract liabilities	(204,709)	-	(204,709)
	-	-	-

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	Life risk contracts not measured under the PAA Thousand Baht	Life risk contracts measured under the PAA Thousand Baht	Total Thousand Baht
<b>As at 31 December 2024</b>			
Insurance contract asset	-	271,707	271,707
- Insurance contract asset excluding pre-recognition cash flows	-	(1,297,570)	(1,297,570)
- Pre-recognition cash flows	-	-	-
<b>Insurance contract asset</b>	<b>(1,025,863)</b>	<b>(1,025,863)</b>	<b>(1,025,863)</b>
Insurance contract liabilities	208,813,600	594,643	209,408,243
- Insurance contract asset excluding pre-recognition cash flows	-	-	-
- Pre-recognition cash flows	-	-	-
<b>Insurance contract liabilities</b>	<b>208,813,600</b>	<b>594,643</b>	<b>209,408,243</b>
Reinsurance contract assets	1,885,690	50,837	1,936,527
Reinsurance contract liabilities	(226,168)	-	(226,168)
Investment contract liabilities	-	-	-

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**8 Classification and measurement of financial assets and liabilities**

	Fair value through profit or loss Thousand Baht	Fair value through other comprehensive income Thousand Baht	Amortised cost Thousand Baht	Total Thousand Baht	Underlying Asset - Insurance contracts with direct participation features Thousand Baht	Other Thousand Baht	Total Thousand Baht
<b>As at 30 June 2025</b>							
<b>Financial assets</b>							
Cash and cash equivalents, net	-	-	22,175,397	22,175,397	10,018	22,165,379	22,175,397
Accrued investment income	-	-	1,539,513	1,539,513	-	1,539,513	1,539,513
Investment receivables	-	-	35,523	35,523	9,744	25,779	35,523
Debt instruments - financial assets	3,318,520	179,956,615	-	183,275,135	1,741,631	181,533,504	183,275,135
Equity instruments - financial assets	-	21,603,403	-	21,603,403	-	21,603,403	21,603,403
Derivative assets	2,808,506	-	-	2,808,506	-	2,808,506	2,808,506
Other assets	-	-	258,368	258,368	-	258,368	258,368
<b>Total financial assets</b>	<b>6,127,026</b>	<b>201,560,018</b>	<b>24,008,801</b>	<b>231,695,845</b>	<b>1,761,393</b>	<b>229,934,452</b>	<b>231,695,845</b>
<b>Financial liabilities</b>							
Investment payables	-	-	8,495	8,495	-	8,495	8,495
Derivative liabilities	237,170	-	-	237,170	-	237,170	237,170
Other liabilities	-	-	4,199,546	4,199,546	-	4,199,546	4,199,546
<b>Total financial liabilities</b>	<b>237,170</b>	<b>-</b>	<b>4,208,041</b>	<b>4,445,211</b>	<b>-</b>	<b>4,445,211</b>	<b>4,445,211</b>
<b>As at 31 December 2024</b>							
<b>Financial assets</b>							
Cash and cash equivalents, net	-	-	18,271,222	18,271,222	16,667	18,254,555	18,271,222
Accrued investment income	-	-	1,537,593	1,537,593	-	1,537,593	1,537,593
Investment receivables	-	-	274,372	274,372	4,134	270,238	274,372
Debt instruments - financial assets	3,166,236	174,418,574	-	177,584,810	1,751,854	175,832,956	177,584,810
Equity instruments - financial assets	-	22,514,509	-	22,514,509	-	22,514,509	22,514,509
Derivative assets	2,041,195	-	-	2,041,195	-	2,041,195	2,041,195
Loans and accrued interest receivable, net	-	-	297	297	-	297	297
Other assets	-	-	403,921	403,921	-	403,921	403,921
<b>Total financial assets</b>	<b>5,207,431</b>	<b>196,933,083</b>	<b>20,487,405</b>	<b>222,627,919</b>	<b>1,772,655</b>	<b>220,855,264</b>	<b>222,627,919</b>
<b>Financial liabilities</b>							
Investment payables	-	-	2,352,108	2,352,108	-	2,352,108	2,352,108
Derivative liabilities	372,903	-	-	372,903	-	372,903	372,903
Other liabilities	-	-	2,961,601	2,961,601	-	2,961,601	2,961,601
<b>Total financial liabilities</b>	<b>372,903</b>	<b>-</b>	<b>5,313,709</b>	<b>5,686,612</b>	<b>-</b>	<b>5,686,612</b>	<b>5,686,612</b>

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9. Cash and cash equivalents, net

	(Unaudited) 30 June 2025 Thousand Baht	(Audited and restated) 31 December 2024 Thousand Baht
Cash on hand	479	479
Call deposits at banks	9,152,835	7,917,669
Short-term investments	13,022,189	10,353,163
<u>Less</u> Allowance for expected credit losses	(106)	(89)
<b>Total cash and cash equivalents, net</b>	<b>22,175,397</b>	<b>18,271,222</b>

As at 30 June 2025, cash and cash equivalents were denominated in foreign currencies amounting to Baht 22.59 million (31 December 2024: Baht 212.28 million).

10. Debt instruments - financial assets

	(Unaudited) 30 June 2025 Fair value Thousand Baht	(Audited and restated) 31 December 2024 Fair value Thousand Baht
<b><u>Debt instruments measured at fair value through profit or loss</u></b>		
Government and state enterprise debt securities	1,422,295	1,264,967
Mutual fund - policyholders <sup>1</sup>	1,741,631	1,751,854
<b>Total debt instruments measured at fair value through profit or loss</b>	<b>3,163,926</b>	<b>3,016,821</b>
<b><u>Debt instruments measured at fair value through other comprehensive income</u></b>		
Government and state enterprise debt securities	126,305,931	118,580,493
Private debt securities	34,899,186	36,420,845
Foreign debt securities	17,751,498	18,417,236
Deposits at financial institutions with original maturities more than 3 months	1,000,000	1,000,000
<b>Total debt instruments measured at fair value through other comprehensive income</b>	<b>179,956,615</b>	<b>174,418,574</b>
<b><u>Debt instruments designated at fair value through profit or loss</u></b>		
Foreign debt securities (Note 31)	154,594	149,415
<b>Total debt instruments designated at fair value through profit or loss</b>	<b>154,594</b>	<b>149,415</b>
<b>Total debt instruments - financial assets</b>	<b>183,275,135</b>	<b>177,584,810</b>

For the six-month period ended 30 June 2025, the Company did not have any sales of debt instruments. (2024: the Company received consideration from debt instruments measured at fair value through other comprehensive income amounting to Baht 3,749.61 million.)

Investment in securities deposited with the Office of Insurance Commission are disclosed in Note 32.

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10.1 Debt instruments measured at fair value through other comprehensive income

a) Allowance for expected credit losses

	(Unaudited) 30 June 2025	
	Fair value Thousand Baht	Allowance for expected credit losses recognised in other comprehensive income Thousand Baht
Debt securities which credit risk has not significantly increased (Stage 1)	179,956,615	(8,747)
Debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired debt securities (Stage 3)	-	-
<b>Total</b>	<b>179,956,615</b>	<b>(8,747)</b>
	(Audited and restated) 31 December 2024	
	Fair value Thousand Baht	Allowance for expected credit losses recognised in other comprehensive income Thousand Baht
Debt securities which credit risk has not significantly increased (Stage 1)	174,418,574	(9,517)
Debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired debt securities (Stage 3)	-	-
<b>Total</b>	<b>174,418,574</b>	<b>(9,517)</b>

11 Equity instruments - financial assets

As at 30 June 2025 and 31 December 2024, the Company has equity financial assets as follows:

	(Unaudited) 30 June 2025	(Audited and restated) 31 December 2024
	Fair value Thousand Baht	Fair value Thousand Baht
<b>Equity instruments designated at fair value through other comprehensive income</b>		
Equity securities	3,337,806	4,193,186
Equity securities - Real Estate Investment Funds	23,703	93,306
Equity securities - Infrastructure Funds	1,369,129	1,498,594
Equity securities - REITs	4,335,845	4,943,997
Foreign equity securities	595,875	568,023
Foreign debt securities - REITs	11,941,045	11,217,403
<b>Total equity instruments designated at fair value through other comprehensive income</b>	<b>21,603,403</b>	<b>22,514,509</b>
<b>Total equity instruments - financial assets</b>	<b>21,603,403</b>	<b>22,514,509</b>

For the six-month period ended 30 June 2025, the Company received consideration from selling equity instruments designated at fair value through other comprehensive income amounting to Baht 2,312.48 million (2024: Baht 1,265.21 million).

**Allianz Ayudhya Assurance Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
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**12 Derivative assets and liabilities**

The details of derivative assets which applied hedge accounting are as follows:

(Unaudited) 30 June 2025					
Type of contract	Purpose	Number of contracts	Notional amount Thousand Baht	Derivative fair value Thousand Baht	Gains (losses) on fair value of derivative for the period Thousand Baht
Cross currency swap	To hedge foreign exchange rate risk of investment in foreign currency	96	13,990,070	991,925	505,081
Bond forward	To hedge reinvestment risk	61	8,115,000	1,742,576	920,876
Foreign exchange forward	To hedge fair value risk	4	2,141,486	68,035	(657,275)
<b>Total derivative assets</b>		<b>161</b>	<b>24,246,556</b>	<b>2,802,536</b>	<b>768,682</b>

(Audited) 31 December 2024					
Type of contract	Purpose	Number of contracts	Notional amount Thousand Baht	Derivative fair value Thousand Baht	Gains on fair value of derivative for the year Thousand Baht
Cross currency swap	To hedge foreign exchange rate risk of investment in foreign currency	75	11,551,727	486,844	268,757
Bond forward	To hedge reinvestment risk	61	8,115,000	821,700	727,571
Foreign exchange forward	To hedge fair value risk	12	9,710,000	725,310	663,010
<b>Total derivative assets</b>		<b>148</b>	<b>29,376,727</b>	<b>2,033,854</b>	<b>1,659,338</b>

The details of derivative assets which do not apply hedge accounting are as follows:

(Unaudited) 30 June 2025					
Type of contract	Purpose	Number of contracts	Notional amount Thousand Baht	Derivative fair value Thousand Baht	Gains (losses) on fair value of derivative for the period Thousand Baht
Index option	To enhance the return to match the feature of the product	4	146,627	5,582	(1,907)
Foreign exchange forward	To hedge fair value risk	3	48,514	388	388
<b>Total derivative assets</b>		<b>7</b>	<b>195,141</b>	<b>5,970</b>	<b>(1,519)</b>

(Audited) 31 December 2024					
Type of contract	Purpose	Number of contracts	Notional amount Thousand Baht	Derivative fair value Thousand Baht	Losses on fair value of derivative for the year Thousand Baht
Index option	To enhance the return to match the feature of the product	3	144,213	7,341	(1,562)
<b>Total derivative assets</b>		<b>3</b>	<b>144,213</b>	<b>7,341</b>	<b>(1,562)</b>

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The details of derivative liabilities which applied hedge accounting are as follows:

(Unaudited) 30 June 2025					
Type of contract	Purpose	Number of contracts	Notional amount Thousand Baht	Derivative fair value Thousand Baht	Gains (losses) on fair value of derivative for the period Thousand Baht
Cross currency swap	To hedge foreign exchange rate risk of investment in foreign currency	42	5,373,936	119,846	(250,604)
Foreign exchange forward	To hedge fair value risk	8	6,935,821	114,525	114,525
<b>Total derivative liabilities</b>		<b>50</b>	<b>12,309,757</b>	<b>234,371</b>	<b>(136,079)</b>

(Audited) 31 December 2024					
Type of contract	Purpose	Number of contracts	Notional amount Thousand Baht	Derivative fair value Thousand Baht	Gains on fair value of derivative for the year Thousand Baht
Cross currency swap	To hedge foreign exchange rate risk of investment in foreign currency	67	8,174,758	370,450	209,363
Bond forward	To hedge reinvestment risk	1	60,000	2,453	57,804
<b>Total derivative liabilities</b>		<b>68</b>	<b>8,234,758</b>	<b>372,903</b>	<b>267,167</b>

The details of derivative liabilities which do not apply hedge accounting are as follows:

(Unaudited) 30 June 2025					
Type of contract	Purpose	Number of contracts	Notional amount Thousand Baht	Derivative fair value Thousand Baht	Losses on fair value of derivative for the period Thousand Baht
Foreign exchange forward	To hedge fair value risk	4	153,478	2,799	(2,799)
<b>Total derivative liabilities</b>		<b>4</b>	<b>153,478</b>	<b>2,799</b>	<b>(2,799)</b>

The Company applies hedge accounting. The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedge is recognised in other components of equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within fair value gains or losses. For fair value hedge of equity instruments designated at fair value through other comprehensive income, the gains or losses on the hedging instrument are recognised in other comprehensive income.

As at 30 June 2025, the Company has hedged the risk on foreign currency of offshore bonds by entering into cross currency swap contracts with local banks. The notional amount of these hedges is U.S. Dollar 578.07 million, EUR 17 million and SGD 2.25 million (31 December 2024: U.S. Dollar 587.32 million, EUR 17 million and SGD 2.25 million).

As at 30 June 2025, the Company has hedged the risk on foreign currency of foreign debt securities - REITs by entering into foreign exchange forward contracts with local banks. The notional amount of these hedges is AUD 270.69 million and SGD 139.23 million (31 December 2024: AUD 254.11 million and SGD 145.91 million).

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

**Allianz Ayudhya Assurance Public Company Limited**  
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**13 Loans and accrued interest receivable, net**

As at 30 June 2025 and 31 December 2024, the balance of loans and accrued interest receivable are aged as follows:

**13.1 Mortgage loans**

	(Unaudited)		(Audited)	
	30 June 2025		31 December 2024	
	Principal Thousand Baht	Accrued interest receivable Thousand Baht	Principal Thousand Baht	Accrued interest receivable Thousand Baht
<b>Staging</b>				
Mortgage loans which credit risk has not significantly increased (Stage 1)	-	-	300	-
Mortgage loans which credit risk has significantly increased (Stage 2)	-	-	-	-
Credit-impaired mortgage loans (Stage 3)	-	-	13,178	1,160
<b>Total</b>	-	-	13,478	1,160
<b>Less: Allowance for expected credit losses</b>	-	-	(13,181)	(1,160)
<b>Mortgage loans and accrued interest receivable, net</b>	-	-	<b>297</b>	-

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

For the six-month period ended 30 June 2025, the Company write off principal and accrued interest for loans secured by mortgaged assets totaling Baht 14.34 million, and an allowance for expected credit losses totaling Baht 14.34 million.

For the six-month period ended 30 June 2024, the Company was returned principal and accrued interest receivable of mortgage loan amounting to Baht 2.39 million and derecognised principal and accrued interest receivable and allowance for expected credit losses on this loan amounting to Baht 30.37 million and Baht 32.76 million respectively. The Company also received the consideration from the interest that was overdue more than 180 days amounting to Baht 11.23 million which was recorded as net investment income in the statement of comprehensive income.

**Allianz Ayudhya Assurance Public Company Limited**  
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**14 Property, plant and equipment, net**

	Land Thousand Baht	Building Thousand Baht	Computer Thousand Baht	Office equipment Thousand Baht	Furniture Thousand Baht	Fitting Thousand Baht	Vehicles Thousand Baht	Assets under installation		Total Thousand Baht
								Thousand Baht	Thousand Baht	
<b>At 1 January 2025 (Audited)</b>										
Cost	243,116	51,637	222,198	140,688	2,279	304,545	553	1,149	1,149	966,165
Less Accumulated depreciation	-	(50,792)	(187,479)	(118,723)	(1,967)	(181,622)	(553)	-	-	(541,136)
<b>Net book amount</b>	<b>243,116</b>	<b>845</b>	<b>34,719</b>	<b>21,965</b>	<b>312</b>	<b>122,923</b>	<b>-</b>	<b>1,149</b>	<b>1,149</b>	<b>425,029</b>
<b>For the six-month period ended</b>										
<b>30 June 2025 (Unaudited)</b>										
Beginning net book amount	243,116	845	34,719	21,965	312	122,923	-	1,149	1,149	425,029
Additions during the period - cost	-	-	1,407	321	-	50	-	-	-	1,778
Disposal during the period - net book amount	-	-	-	(9)	-	-	-	-	-	(9)
Depreciation charges during the period	-	(228)	(6,088)	(6,410)	(145)	(11,210)	-	-	-	(24,081)
<b>Ending net book amount</b>	<b>243,116</b>	<b>617</b>	<b>30,038</b>	<b>15,867</b>	<b>167</b>	<b>111,763</b>	<b>-</b>	<b>1,149</b>	<b>1,149</b>	<b>402,717</b>
<b>At 30 June 2025 (Unaudited)</b>										
Cost	243,116	51,637	218,503	140,480	2,279	304,595	553	1,149	1,149	962,312
Less Accumulated depreciation	-	(51,020)	(188,465)	(124,613)	(2,112)	(192,832)	(553)	-	-	(559,595)
<b>Net book amount</b>	<b>243,116</b>	<b>617</b>	<b>30,038</b>	<b>15,867</b>	<b>167</b>	<b>111,763</b>	<b>-</b>	<b>1,149</b>	<b>1,149</b>	<b>402,717</b>

Allianz Ayudhya Assurance Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 June 2025

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15 Right-of-use assets, net

	Building and improvement Thousand Baht	Total Thousand Baht
<b>At 1 January 2025 (Audited)</b>		
Cost	545,533	545,533
<u>Less</u> Accumulated amortisation	<u>(271,761)</u>	<u>(271,761)</u>
<b>Net book amount</b>	<b><u>273,772</u></b>	<b><u>273,772</u></b>
<b>For the six-month period ended 30 June 2025 (Unaudited)</b>		
Beginning net book amount	273,772	273,772
Addition during the period	1,896	1,896
Amortisation	<u>(38,021)</u>	<u>(38,021)</u>
<b>Ending net book amount</b>	<b><u>237,647</u></b>	<b><u>237,647</u></b>
<b>At 30 June 2025 (Unaudited)</b>		
Cost	544,373	544,373
<u>Less</u> Accumulated amortisation	<u>(306,726)</u>	<u>(306,726)</u>
<b>Net book amount</b>	<b><u>237,647</u></b>	<b><u>237,647</u></b>

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16 Intangible assets, net	Developed in-house		Purchased		Distribution rights Thousand Baht	Total Thousand Baht
	Computer software Thousand Baht	Work-in-process Thousand Baht	Computer software Thousand Baht	Computer software Thousand Baht		
<b>At 1 January 2025 (Audited)</b>						
Cost	881,114	12,744	258,543		600,000	1,752,401
Less Accumulated amortisation	(658,404)	-	(193,812)		(480,000)	(1,332,216)
<b>Net book amount</b>	<b>222,710</b>	<b>12,744</b>	<b>64,731</b>		<b>120,000</b>	<b>420,185</b>
<b>For the six-month period ended 30 June 2025 (Unaudited)</b>						
Beginning net book amount	222,710	12,744	64,731		120,000	420,185
Additions during the period - cost	32,253	495	-		-	32,748
Transfer in (Transfer out) during the period - net book amount	457	(457)	-		-	-
Amortisation charges during the period	(43,917)	-	(8,029)		(60,000)	(111,946)
<b>Ending net book amount</b>	<b>211,503</b>	<b>12,782</b>	<b>56,702</b>		<b>60,000</b>	<b>340,987</b>
<b>At 30 June 2025 (Unaudited)</b>						
Cost	913,824	12,782	258,543		600,000	1,785,149
Less Accumulated amortisation	(702,321)	-	(201,841)		(540,000)	(1,444,162)
<b>Net book amount</b>	<b>211,503</b>	<b>12,782</b>	<b>56,702</b>		<b>60,000</b>	<b>340,987</b>

**Allianz Ayudhya Assurance Public Company Limited**  
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**17 Deferred tax**

As at 30 June 2025 and 31 December 2024, deferred tax assets and liabilities are as follows:

	(Unaudited) 30 June 2025 Thousand Baht	(Audited and restated) 31 December 2024 Thousand Baht
Deferred tax assets	5,810,771	5,084,355
Deferred tax liabilities	(4,858,174)	(3,128,819)
<b>Deferred tax assets, net</b>	<b>952,597</b>	<b>1,955,536</b>

Movements in deferred tax assets and liabilities are as follows:

	(Unaudited) 30 June 2025			
	(Restated) As at 1 January 2025 Thousand Baht	Increase (decrease) in profit or loss Thousand Baht	Increase (decrease) in other comprehensive income Thousand Baht	As at 30 June 2025 Thousand Baht
<b>Deferred tax assets</b>				
Allowance for expected credit losses	41,367	(2,985)	155	38,537
Unrealised losses on debt instruments	439,743	32,042	(249,363)	222,422
Unrealised losses on equity instruments	1,255,627	-	(68,616)	1,187,011
Unrealised losses on cash flow hedges	33,011	-	(7,596)	25,415
Unrealised losses on fair value hedges	-	560	22,905	23,465
Unrealised losses on index option	312	382	-	694
Cost of hedging	30,333	-	14,969	45,302
Lease liabilities	65,913	(8,469)	-	57,444
Insurance reserve and insurance - related liabilities	603,420	22,177	-	625,597
Temporary differences from the adoption of financial reporting standards	2,397,354	(775,503)	1,751,241	3,373,092
Employee benefit obligations	175,427	(21,770)	-	153,657
Accrued expenses	22,661	8,287	-	30,948
Provisions	19,187	8,000	-	27,187
<b>Total deferred tax assets</b>	<b>5,084,355</b>	<b>(737,279)</b>	<b>1,463,695</b>	<b>5,810,771</b>
<b>Deferred tax liabilities</b>				
Unrealised gains on debt instruments	(1,553,232)	(31,155)	(1,439,620)	(3,024,007)
Unrealised gains on equity instruments	(565,332)	-	(48,992)	(614,324)
Unrealised gains on cash flow hedges	(375,789)	-	(229,341)	(605,130)
Unrealised gains on fair value hedges	(145,062)	(78)	131,455	(13,685)
Cost of hedging	(83,545)	-	12,873	(70,672)
Right of use assets	(54,754)	7,225	-	(47,529)
Premium receivable	(332,894)	(64,515)	-	(397,409)
Temporary differences from the adoption of financial reporting standards	(2,890)	-	(67,858)	(70,748)
Ceded reserves	(15,321)	651	-	(14,670)
<b>Total deferred tax liabilities</b>	<b>(3,128,819)</b>	<b>(87,872)</b>	<b>(1,641,483)</b>	<b>(4,858,174)</b>
<b>Deferred tax assets (liabilities), net</b>	<b>1,955,536</b>	<b>(825,151)</b>	<b>(177,788)</b>	<b>952,597</b>

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18 Other assets

	(Unaudited) 30 June 2025 Thousand Baht	(Audited and restated) 31 December 2024 Thousand Baht
Cash collateral from derivative contracts	-	63,500
Other receivables	113,431	141,449
<u>Less Allowance for expected credit losses</u>	<u>(7,779)</u>	<u>(7,808)</u>
Other receivables, net	105,652	133,641
Prepaid expenses	37,916	38,365
Receivables from the Revenue Department	97,382	97,382
Others	76,740	129,071
<b>Other assets, net</b>	<b><u>317,690</u></b>	<b><u>461,959</u></b>

Cash collateral from derivative contracts is cash collateral which the Company has pledged under the derivative contracts with financial institutions.



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	Contracts not measured under the PAA		Contracts measured under the PAA		Total Thousand Baht	
	LRC		LIC			
	Excluding Loss component Thousand Baht	Loss component Thousand Baht	Excluding Loss component Thousand Baht	Present value of future cash flow Thousand Baht		Risk adjustment for non- financial risk Thousand Baht
<b>Insurance contracts issued</b>						
Insurance contract liabilities - opening balance	202,885,293	14,390	969,683	421,876	751	204,596,244
Insurance contract assets - opening balance	-	-	-	(1,049,979)	961	(844,685)
<b>Net opening balance as at 1 January 2024</b>	<b>202,885,293</b>	<b>14,390</b>	<b>969,683</b>	<b>(628,103)</b>	<b>1,712</b>	<b>203,751,559</b>
<b>Insurance revenue</b>	<b>(20,518,686)</b>	-	-	<b>(4,698,082)</b>	-	<b>(25,216,768)</b>
<b>Insurance service expenses</b>						
Incurred claims and directly attributable expenses	901,452	-	5,213,749	60,414	1,643	9,613,550
Changes that relate to past service - changes in the FCF relating to the LIC	-	-	(180,119)	-	(1,712)	(252,590)
Losses and reversal of losses on onerous contracts	-	(507)	-	-	-	(507)
Insurance acquisition cash flows amortisation	4,263,707	-	-	1,364,999	-	5,628,706
<b>Insurance service expenses</b>	<b>5,165,159</b>	<b>(507)</b>	<b>5,033,630</b>	<b>1,425,413</b>	<b>(69)</b>	<b>14,989,159</b>
<b>Insurance service result</b>	<b>(15,353,527)</b>	<b>(507)</b>	<b>5,033,630</b>	<b>(3,272,669)</b>	<b>(69)</b>	<b>(10,227,609)</b>
Finance expenses from insurance contracts issued	11,958,293	-	3,940	-	-	11,962,233
<b>Total amounts recognised in comprehensive income</b>	<b>(3,395,234)</b>	<b>(507)</b>	<b>5,037,570</b>	<b>(3,272,669)</b>	<b>(69)</b>	<b>1,734,624</b>
<b>Investment components</b>						
Cash flows	(18,846,823)	-	18,846,823	-	-	-
Premiums received	34,620,207	-	-	4,584,614	-	39,204,821
Claims and directly attributable expenses paid	(924,132)	-	(23,865,903)	(83,182)	-	(28,310,858)
Insurance acquisition cash flows	(6,527,767)	-	-	(1,469,999)	-	(7,997,766)
<b>Total cash flows</b>	<b>27,168,308</b>	-	<b>(23,865,903)</b>	<b>3,031,433</b>	-	<b>2,896,197</b>
<b>As at 31 December 2024</b>	<b>207,811,544</b>	<b>13,883</b>	<b>988,173</b>	<b>(869,339)</b>	<b>1,643</b>	<b>208,382,380</b>
Insurance contract liabilities - closing balance	207,811,544	13,883	988,173	336,808	700	209,408,243
Insurance contract assets - closing balance	-	-	-	(1,206,147)	943	(1,025,863)
<b>Net closing balance as at 31 December 2024</b>	<b>207,811,544</b>	<b>13,883</b>	<b>988,173</b>	<b>(869,339)</b>	<b>1,643</b>	<b>208,382,380</b>

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19.1.2 Reconciliation of the measurement components of insurance contract balances

The table below exclude contracts measured under the PAA

<b>Insurance contracts issued</b>	<b>Present value of future cash flows Thousand Baht</b>	<b>Risk adjustment for non - financial risk Thousand Baht</b>	<b>CSM Thousand Baht</b>	<b>Total Thousand Baht</b>
Insurance contract liabilities - opening balance	127,508,037	6,957,522	74,348,041	208,813,600
Insurance contract assets - opening balance	-	-	-	-
<b>Net opening balance as at 1 January 2025</b>	<b>127,508,037</b>	<b>6,957,522</b>	<b>74,348,041</b>	<b>208,813,600</b>
<b>Changes that relate to current service</b>				
CSM recognised for the services provided	-	-	(4,847,286)	(4,847,286)
Change in the risk adjustment for non - financial risk for the risk expired	-	(296,884)	-	(296,884)
Experience adjustments	(392,334)	-	-	(392,334)
	(392,334)	(296,884)	(4,847,286)	(5,536,504)
<b>Changes that relate to future service</b>				
Changes in estimates that adjust the CSM	(146,638)	969,239	(822,601)	-
Changes in estimates that result in onerous contract losses and reversals of those losses	-	-	(42)	(42)
Contracts initially recognised in the period	(5,527,038)	1,197,820	4,329,218	-
Experience adjustments	(73,595)	-	73,595	-
	(5,747,271)	2,167,059	3,580,170	(42)
<b>Changes that relate to past service</b>				
Changes that relate to past service - changes in the FCF relating to the LIC	(47,810)	(210)	-	(48,020)
	(47,810)	(210)	-	(48,020)
<b>Insurance service result</b>	<b>(6,187,415)</b>	<b>1,869,965</b>	<b>(1,267,116)</b>	<b>(5,584,566)</b>
Finance expenses from nsurance contracts issued	9,314,418	1,098,293	1,280,973	11,693,684
<b>Total amounts recognised in comprehensive income</b>	<b>3,127,003</b>	<b>2,968,258</b>	<b>13,857</b>	<b>6,109,118</b>
<b>Cash flows</b>				
Premiums received	17,769,108	-	-	17,769,108
Claims and directly attributable expenses paid	(13,632,925)	-	-	(13,632,925)
Insurance acquisition cash flows	(3,956,927)	-	-	(3,956,927)
<b>Total cash flows</b>	<b>179,256</b>	<b>-</b>	<b>-</b>	<b>179,256</b>
<b>As at 30 June 2025</b>	<b>130,814,296</b>	<b>9,925,780</b>	<b>74,361,898</b>	<b>215,101,974</b>
Insurance contract liabilities - closing balance	130,814,296	9,925,780	74,361,898	215,101,974
Insurance contract assets - closing balance	-	-	-	-
<b>Net closing balance as at 30 June 2025</b>	<b>130,814,296</b>	<b>9,925,780</b>	<b>74,361,898</b>	<b>215,101,974</b>

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Insurance contracts issued	Present value of future cash flows Thousand Baht	Risk adjustment for non - financial risk Thousand Baht	CSM Thousand Baht	Total Thousand Baht
Insurance contract liabilities - opening balance	128,395,757	3,601,542	71,872,067	203,869,366
Insurance contract assets - opening balance	-	-	-	-
<b>Net opening balance as at 1 January 2024</b>	<b>128,395,757</b>	<b>3,601,542</b>	<b>71,872,067</b>	<b>203,869,366</b>
<b>Changes that relate to current service</b>				
CSM recognised for the services provided	-	-	(9,908,484)	(9,908,484)
Change in the risk adjustment for non - financial risk for the risk expired	-	(466,494)	-	(466,494)
Experience adjustments	232,979	-	-	232,979
	232,979	(466,494)	(9,908,484)	(10,141,999)
<b>Changes that relate to future service</b>				
Changes in estimates that adjust the CSM	(5,489,167)	2,218,013	3,271,154	-
Changes in estimates that result in onerous contract losses or reversals of those losses	-	-	1,714	1,714
Contracts initially recognised in the period	(8,202,760)	1,253,178	6,949,582	-
Experience adjustments	582,155	-	(582,155)	-
	(13,109,772)	3,471,191	9,640,295	1,714
<b>Changes that relate to past service</b>				
Changes that relate to past service - changes in the FCF relating to the LIC	(179,352)	(767)	-	(180,119)
	(179,352)	(767)	-	(180,119)
<b>Insurance service result</b>	<b>(13,056,145)</b>	<b>3,003,930</b>	<b>(268,189)</b>	<b>(10,320,404)</b>
Finance expenses from insurance contracts issued	8,866,020	352,050	2,744,163	11,962,233
<b>Total amounts recognised in comprehensive income</b>	<b>(4,190,125)</b>	<b>3,355,980</b>	<b>2,475,974</b>	<b>1,641,829</b>
<b>Cash flows</b>				
Premiums received	34,620,207	-	-	34,620,207
Claims and other directly attributable expenses paid	(24,790,035)	-	-	(24,790,035)
Insurance acquisition cash flows	(6,527,767)	-	-	(6,527,767)
<b>Total cash flows</b>	<b>3,302,405</b>	<b>-</b>	<b>-</b>	<b>3,302,405</b>
<b>As at 31 December 2024</b>	<b>127,508,037</b>	<b>6,957,522</b>	<b>74,348,041</b>	<b>208,813,600</b>
Insurance contract liabilities - closing balance	127,508,037	6,957,522	74,348,041	208,813,600
Insurance contract assets - closing balance	-	-	-	-
<b>Net closing balance as at 31 December 2024</b>	<b>127,508,037</b>	<b>6,957,522</b>	<b>74,348,041</b>	<b>208,813,600</b>

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19.1.3 Impact of contracts recognised in the year

The items shown below exclude contracts measured under PAA

	(Unaudited) 30 June 2025 Contract issued		(Audited) 31 December 2024 Contract issued	
	Non-onerous contracts originated Thousand Baht	Onerous contracts originated Thousand Baht	Non-onerous contracts originated Thousand Baht	Onerous contracts originated Thousand Baht
<b>Insurance contracts issued</b>				
Estimates of the present value of future cash outflows				
- Insurance acquisition cash flows	4,711,070	-	7,883,553	-
- Insurance cash flow excluding insurance acquisition cash flows	22,005,738	-	35,112,795	-
Estimates of the present value of future cash outflows	26,716,808	-	42,996,348	-
Estimates of the present value of future cash inflows	(32,243,846)	-	(51,199,108)	-
Risk adjustment for non-financial risk	1,197,820	-	1,253,178	-
CSM	4,329,218	-	6,949,582	-
<b>Increase in insurance contract liabilities from contracts recognised in the period</b>	-	-	-	-

19.1.4 Insurance acquisition cash flows asset

	(Unaudited) 30 June 2025 Thousand Baht	(Audited) 31 December 2024 Thousand Baht
<b>Insurance contracts issued</b>		
Insurance acquisition cash flows asset	1,395,213	1,321,186
<u>Less</u> Cumulative impairment, net of reversals recognised at the end of the period	-	(23,616)
<b>Total insurance acquisition cash flows asset</b>	<b>1,395,213</b>	<b>1,297,570</b>

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19.2 Reinsurance contracts held

19.2.1 Reconciliation of the remaining coverage and incurred claims components.

	Reinsurance contract not measured under the PAA		Reinsurance contract measured under the PAA		Total Thousand Baht
	Remaining coverage		Incurred claims		
	Excluding loss recovery component Thousand Baht	Loss recovery component Thousand Baht	Excluding loss recovery component Thousand Baht	Loss recovery component Thousand Baht	
Reinsurance contracts held					
Reinsurance contract assets - opening balance	1,334,138	-	551,552	-	1,936,527
Reinsurance contract liabilities - opening balance	(320,944)	-	94,776	-	(226,168)
<b>Net opening balance as at 1 January 2025</b>	<b>1,013,194</b>	<b>-</b>	<b>646,328</b>	<b>-</b>	<b>1,710,359</b>
<b>Net income (expenses) from reinsurance contracts held</b>					
Reinsurance expenses	(216,945)	-	-	-	(288,278)
Incurred claims recovery	-	-	172,292	-	237,244
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(38,012)	-	(50,030)
<b>Net income (expenses) from reinsurance contracts held</b>	<b>(216,945)</b>	<b>-</b>	<b>134,280</b>	<b>-</b>	<b>(101,064)</b>
Finance income from reinsurance contracts held	37,674	-	-	-	37,674
<b>Total amounts recognised in comprehensive income</b>	<b>(179,271)</b>	<b>-</b>	<b>134,280</b>	<b>-</b>	<b>(63,390)</b>
Investment components	(8,633)	-	8,633	-	-
Cash flows					
Premiums paid net of directly attributable expenses paid	194,281	-	-	-	199,774
Recoveries from reinsurance	-	-	(107,339)	-	(113,818)
<b>Total cash flows</b>	<b>194,281</b>	<b>-</b>	<b>(107,339)</b>	<b>-</b>	<b>85,956</b>
<b>As at 30 June 2025</b>	<b>1,019,571</b>	<b>-</b>	<b>681,902</b>	<b>-</b>	<b>1,732,925</b>
Reinsurance contract assets - closing balance	1,330,413	-	575,769	-	1,937,634
Reinsurance contract liabilities - closing balance	(310,842)	-	106,133	-	(204,709)
<b>Net closing balance as at 30 June 2025</b>	<b>1,019,571</b>	<b>-</b>	<b>681,902</b>	<b>-</b>	<b>1,732,925</b>

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	Reinsurance contract not measured under the PAA		Reinsurance contract measured under the PAA		Reinsurance contract measured under the PAA		Total Thousand Baht
	Remaining coverage		Remaining coverage		Incurred claims		
	Excluding loss recovery component Thousand Baht	Loss recovery component Thousand Baht	Excluding loss recovery component Thousand Baht	Incurred claims Thousand Baht	Loss recovery component Thousand Baht	Present value of future cash flows Thousand Baht	
Reinsurance contracts held							
Reinsurance contract assets - opening balance	953,206	-	575,494	-	124,657	-	1,617,512
Reinsurance contract liabilities - opening balance	(34,937)	-	28,027	-	-	-	(6,910)
Net opening balance as at 1 January 2024	918,269	-	603,521	-	124,657	-	1,610,602
Net income (expenses) from reinsurance contracts held							
Reinsurance expenses	(689,943)	-	-	-	-	-	(856,286)
Incurred claims recovery	-	-	689,144	-	217,711	-	906,855
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	-	-	(98,569)	-	(65,921)	-	(164,490)
Net income (expenses) from reinsurance contracts held	(689,943)	-	590,575	-	151,790	-	(113,921)
Finance income from reinsurance contracts held	35,333	-	-	-	-	-	35,333
Total amounts recognised in comprehensive income	(654,610)	-	590,575	-	151,790	-	(78,588)
Investment components	(5,987)	-	5,987	-	-	-	-
Cash flows							
Premiums paid net of directly attributable expenses paid	755,522	-	-	94,804	-	-	850,326
Recoveries from reinsurance	-	-	(553,755)	-	(118,226)	-	(671,981)
Total cash flows	755,522	-	(553,755)	94,804	(118,226)	-	178,345
As at 31 December 2024	1,013,194	-	646,328	(107,384)	158,221	-	1,710,359
Reinsurance contract assets - closing balance	1,334,138	-	551,552	(107,384)	158,221	-	1,936,527
Reinsurance contract liabilities - closing balance	(320,944)	-	94,776	-	-	-	(226,168)
Net closing balance as at 31 December 2024	1,013,194	-	646,328	(107,384)	158,221	-	1,710,359

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19.2.2 Reconciliation of the measurement components of reinsurance contract held balances

The tables below exclude contracts measured under the PAA

Reinsurance contracts held	Present value of future cash flows Thousand Baht	Risk adjustment for non- financial risk Thousand Baht	CSM Thousand Baht	Total Thousand Baht
Reinsurance contract assets - opening balance	92,796	89,476	1,703,418	1,885,690
Reinsurance contract liabilities - opening balance	(167,673)	54,028	(112,523)	(226,168)
<b>Net opening balance as at 1 January 2025</b>	<b>(74,877)</b>	<b>143,504</b>	<b>1,590,895</b>	<b>1,659,522</b>
<b>Changes that relate to current service</b>				
CSM recognised for the services provided	-	-	(90,187)	(90,187)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(7,176)	-	(7,176)
Experience adjustments	52,710	-	-	52,710
	52,710	(7,176)	(90,187)	(44,653)
<b>Changes that relate to future service</b>				
Changes in estimates that adjust the CSM	(17,704)	17,617	87	-
Contracts initially recognised in the period	(26,913)	12,716	14,197	-
	(44,617)	30,333	14,284	-
<b>Changes that relate to past service</b>				
Changes that relate to past service - changes in the FCF relating to the LIC	(38,012)	-	-	(38,012)
	(38,012)	-	-	(38,012)
<b>Net income (expense) from reinsurance contracts held</b>	<b>(29,919)</b>	<b>23,157</b>	<b>(75,903)</b>	<b>(82,665)</b>
Finance income from reinsurance contracts held	1,468	17,562	18,644	37,674
<b>Total amounts recognised in comprehensive income</b>	<b>(28,451)</b>	<b>40,719</b>	<b>(57,259)</b>	<b>(44,991)</b>
<b>Cash flows</b>				
Premiums paid net of directly attributable expenses paid	194,281	-	-	194,281
Recoveries from reinsurance	(107,339)	-	-	(107,339)
<b>Total cash flows</b>	<b>86,942</b>	<b>-</b>	<b>-</b>	<b>86,942</b>
<b>As at 30 June 2025</b>	<b>(16,386)</b>	<b>184,223</b>	<b>1,533,636</b>	<b>1,701,473</b>
Reinsurance contract assets - closing balance	156,231	107,816	1,642,135	1,906,182
Reinsurance contract liabilities - closing balance	(172,617)	76,407	(108,499)	(204,709)
<b>Net closing balance as at 30 June 2025</b>	<b>(16,386)</b>	<b>184,223</b>	<b>1,533,636</b>	<b>1,701,473</b>

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<b>Reinsurance contracts held</b>	<b>Present value of future cash flows Thousand Baht</b>	<b>Risk adjustment for non- financial risk Thousand Baht</b>	<b>CSM Thousand Baht</b>	<b>Total Thousand Baht</b>
Reinsurance contract assets - opening balance	(881,563)	466,262	1,944,001	1,528,700
Reinsurance contract liabilities - opening balance	(76,127)	13,867	55,350	(6,910)
<b>Net opening balance as at 1 January 2024</b>	<b>(957,690)</b>	<b>480,129</b>	<b>1,999,351</b>	<b>1,521,790</b>
<b>Changes that relate to current service</b>				
CSM recognised for the services provided	-	-	(191,866)	(191,866)
Change in the risk adjustment for nonfinancial risk for the risk expired	-	(13,029)	-	(13,029)
Experience adjustments	204,096	-	-	204,096
	204,096	(13,029)	(191,866)	(799)
<b>Changes that relate to future service</b>				
Changes in estimates that adjust the CSM	837,188	(461,392)	(375,796)	-
Contracts initially recognised in the period	(252,392)	132,374	120,018	-
	584,796	(329,018)	(255,778)	-
<b>Changes that relate to past service</b>				
Changes that relate to past service - changes in the FCF relating to the LIC	(98,569)	-	-	(98,569)
	(98,569)	-	-	(98,569)
<b>Net income (expenses) from reinsurance contracts held</b>	<b>690,323</b>	<b>(342,047)</b>	<b>(447,644)</b>	<b>(99,368)</b>
Finance income (expenses) from reinsurance contracts held	(9,277)	5,422	39,188	35,333
<b>Total amounts recognised in comprehensive income</b>	<b>681,046</b>	<b>(336,625)</b>	<b>(408,456)</b>	<b>(64,035)</b>
<b>Cash flows</b>				
Premiums paid net of directly attributable expenses paid	755,522	-	-	755,522
Recoveries from reinsurance	(553,755)	-	-	(553,755)
<b>Total cash flows</b>	<b>201,767</b>	<b>-</b>	<b>-</b>	<b>201,767</b>
<b>As at 31 December 2024</b>	<b>(74,877)</b>	<b>143,504</b>	<b>1,590,895</b>	<b>1,659,522</b>
Reinsurance contract assets - closing balance	92,796	89,476	1,703,418	1,885,690
Reinsurance contract liabilities - closing balance	(167,673)	54,028	(112,523)	(226,168)
<b>Net closing balance as at 31 December 2024</b>	<b>(74,877)</b>	<b>143,504</b>	<b>1,590,895</b>	<b>1,659,522</b>

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19.2.3 Impact of contracts recognised in the year

The tables below exclude contracts measured under PAA

Reinsurance contracts held	(Unaudited) 30 June 2025		
	Contracts originated not in a net gain		Total Thousand Baht
	Contracts purchased Thousand Baht	Contracts acquired Thousand Baht	
Estimates of the present value of future cash inflows	207,010	-	207,010
Estimates of the present value of future cash outflows	(233,923)	-	(233,923)
Risk adjustment for non-financial risk	12,716	-	12,716
CSM	14,197	-	14,197

Reinsurance contracts held	(Audited) 31 December 2024		
	Contracts originated not in a net gain		Total Thousand Baht
	Contracts purchased Thousand Baht	Contracts acquired Thousand Baht	
Estimates of the present value of future cash inflows	1,887,376	-	1,887,376
Estimates of the present value of future cash outflows	(2,139,768)	-	(2,139,768)
Risk adjustment for non-financial risk	132,374	-	132,374
CSM	120,018	-	120,018

**20 Accrued expenses**

	(Unaudited) 30 June 2025 Thousand Baht	(Audited and restated) 31 December 2024 Thousand Baht
Accrued marketing expenses	58,093	64,251
Accrued administration expenses	125,956	108,033
Others	27,866	27,591
<b>Total accrued expenses</b>	<b>211,915</b>	<b>199,875</b>

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**21 Provisions**

As at 30 June 2025, the Company set up the provision for lawsuits as the insurer and normal business operation amounting to Baht 95.93 million and Baht 40.00 million accordingly. (31 December 2024: The Company set up the provision for lawsuits as the insurer amounting to Baht 95.93 million). The Company's management believes that the amount of provision recorded in the interim financial information for the potential losses and expenses is adequate.

**22 Other liabilities**

	(Unaudited) 30 June 2025 Thousand Baht	(Audited and restated) 31 December 2024 Thousand Baht
Cash collateral from derivative contracts	1,952,507	889,142
Lease liabilities	260,626	303,206
Decommissioning provisions	26,596	26,359
Other creditors	78,852	40,583
Others	1,759,450	1,602,496
<b>Total other liabilities</b>	<b>4,078,031</b>	<b>2,861,786</b>

**23 Dividends**

Dividends are recorded in the financial statements in the period in which they are approved by the shareholders and the Office of Insurance Commission.

At the annual general meeting of the shareholders of the Company held on 23 April 2025, the shareholders approved the appropriation of dividend payment from the Company's performance for the year 2024 of Baht 6.16 per share, on 295 million shares, totaling at Baht 1,817.28 million. On 12 June 2025, the Office of Insurance Commission endorsed for distribution of profit for the year 2024 for dividend payments not exceeding a total of Baht 1,817.28 million. The dividend payment was made at Baht 6.16 per share, on 295 million shares, totaling at Baht 1,817.20 million on 27 June 2025. (2024: At the annual general meeting of the shareholders of the Company held on 23 April 2024, the shareholders approved the appropriation of dividend payment from the Company's performance for the year 2023 of Baht 6.45 per share, on 295 million shares, totaling at Baht 1,901.76 million. On 12 June 2024, the Office of Insurance Commission endorsed for distribution of profit for the year 2023 for dividend payments not exceeding a total of Baht 1,901.76 million. The dividend payment was made at Baht 6.44 per share, on 295 million shares, totaling at Baht 1,899.80 million on 28 June 2024).

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24 Insurance revenue and expenses	(Unaudited)		(Unaudited)		Total Thousand Baht	Thousand Baht	Thousand Baht	Total Thousand Baht
	For the six-month period ended 30 June 2025		For the six-month period ended 30 June 2024					
	Life risk contract not measured under the PAA	Life risk contract measured under the PAA	Life risk contract not measured under the PAA	Life risk contract measured under the PAA				
24.1 Insurance revenue and insurance service result								
Insurance revenue								
Contracts not measured under the PAA								
Amounts relating to the changes in the LRC								
- Expected incurred claims and directly attributable expenses after allocating to loss component	3,385,662	-	2,976,275	-	3,385,662	2,976,275	-	2,976,275
- Change in the risk adjustment for non-financial risk for the risk expired after allocating to loss component	296,697	-	234,148	-	296,697	234,148	-	234,148
- CSM recognised for the services provided	4,847,286	-	4,880,957	-	4,847,286	4,880,957	-	4,880,957
- Others	(50,759)	-	(95,424)	-	(50,759)	(95,424)	-	(95,424)
Insurance acquisition cash flows recovery	2,335,501	-	2,115,261	-	2,335,501	2,115,261	-	2,115,261
Insurance revenue from contracts not measured under the PAA	10,814,387	-	10,111,217	-	10,814,387	10,111,217	-	10,111,217
Insurance revenue from contracts measured under the PAA	-	2,437,285	-	2,337,898	2,437,285	2,337,898		2,337,898
<b>Total insurance revenue</b>	<b>10,814,387</b>	<b>2,437,285</b>	<b>10,111,217</b>	<b>2,337,898</b>	<b>13,251,672</b>	<b>10,111,217</b>	<b>2,337,898</b>	<b>12,449,115</b>
Insurance service expenses								
Incurred claims and other directly attributable expenses	(2,943,387)	(1,660,206)	(2,853,009)	(1,731,261)	(4,603,593)	(2,853,009)	(1,731,261)	(4,584,270)
Changes that relate to past service changes in the FCF relating to the LIC	48,020	31,443	72,237	19,548	79,463	72,237	19,548	91,785
Losses on onerous contracts	1,047	-	1,013	-	1,047	1,013	-	1,013
Insurance acquisition cash flows amortisation	(2,335,501)	(655,610)	(2,115,260)	(677,026)	(2,991,111)	(2,115,260)	(677,026)	(2,792,286)
<b>Total insurance service expenses</b>	<b>(5,229,821)</b>	<b>(2,284,373)</b>	<b>(4,895,019)</b>	<b>(2,388,739)</b>	<b>(7,514,194)</b>	<b>(4,895,019)</b>	<b>(2,388,739)</b>	<b>(7,283,758)</b>

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	(Unaudited) For the six-month period ended 30 June 2025		(Unaudited) For the six-month period ended 30 June 2024		Total Thousand Baht	Life risk contract measured under the PAA Thousand Baht	Life risk contract measured under the PAA Thousand Baht	Total Thousand Baht
	Life risk contract not measured under the PAA Thousand Baht	Life risk contract measured under the PAA Thousand Baht	Life risk contract not measured under the PAA Thousand Baht	Life risk contract measured under the PAA Thousand Baht				
Net income (expenses) from reinsurance contracts held	(112,030)	-	(112,030)	-	(112,030)			(362,869)
Reinsurance expenses - contracts not measured under the PAA	(7,176)	-	(7,176)	-	(7,176)			(31,051)
Amounts relating to the changes in the remaining coverage	(90,187)	-	(90,187)	-	(90,187)			(153,161)
- Expected incurred claims and other directly attributable expenses recovery	(7,552)	-	(7,552)	-	(7,552)			(2,968)
- Change in the risk adjustment for non-financial risk for the risk expired								
- CSM recognised for the services received								
- Other								
Reinsurance expenses - contracts not measured under the PAA	(216,945)	-	(216,945)	-	(216,945)			(550,049)
Reinsurance expenses - contracts measured under the PAA		(18,399)		(18,399)	(18,399)		(26,930)	(26,930)
Incurred claims recovery	172,292	-	172,292	-	172,292			454,242
Changes that relate to past service - changes in the FCF relating to incurred claims recovery	(38,012)	-	(38,012)	-	(38,012)			(18,105)
<b>Total net expenses from reinsurance contracts held</b>	<b>(82,665)</b>	<b>(18,399)</b>	<b>(101,064)</b>	<b>(26,930)</b>	<b>(113,912)</b>		<b>(26,930)</b>	<b>(140,842)</b>
<b>Total insurance service result</b>	<b>5,501,901</b>	<b>134,513</b>	<b>5,636,414</b>	<b>5,102,286</b>	<b>5,636,414</b>		<b>(77,771)</b>	<b>5,024,515</b>

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25 Investment income

	(Unaudited) For the six-month period ended 30 June	
	2025	2024
	Thousand Baht	Thousand Baht
Interest income	2,866,528	2,809,247
Dividend income	686,251	767,720
<u>Less</u> Investment expense	(187,969)	(177,940)
<b>Total investment income</b>	<b>3,364,810</b>	<b>3,399,027</b>

26 Gains (losses) on financial instruments

	(Unaudited) For the six-month period ended 30 June	
	2025	2024
	Thousand Baht	Thousand Baht
<b>Gains (losses) on disposal and derecognition</b>		
Debt instruments measured at fair value through profit or loss	(31,572)	(2,705)
Debt instruments measured at fair value through other comprehensive income	-	10,207
Equity instruments measured at fair value through profit or loss	-	52,813
Derivatives	(86,336)	(118,351)
<b>Total losses on financial instruments</b>	<b>(117,908)</b>	<b>(58,036)</b>

27 Fair value gains (losses)

	(Unaudited) For the six-month period ended 30 June	
	2025	2024
	Thousand Baht	Thousand Baht
<b>Fair value gains (losses)</b>		
Debt instruments designated at fair value through profit or loss	2,308	8
Debt instruments measured at fair value through profit or loss	157,327	(2,854)
Debt instruments measured at fair value through profit or loss - Policyholders'	(160,208)	(37,243)
Derivatives	(4,318)	-
<b>Total fair value losses</b>	<b>(4,891)</b>	<b>(40,089)</b>
<b>Exchange rate gains (losses)</b>		
Debt instruments designated at fair value through profit or loss	3,192	1,426
Debt instruments measured at fair value through other comprehensive income	(775,143)	1,512,575
Derivatives apply hedge accounting	728,282	(1,385,880)
Other	14,384	(22,480)
<b>Total exchange rate gains (losses)</b>	<b>(29,285)</b>	<b>105,641</b>
<b>Total fair value gains (losses)</b>	<b>(34,176)</b>	<b>65,552</b>

**Allianz Ayudhya Assurance Public Company Limited**  
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**28 Reversal of expected credit losses (increase)**

	(Unaudited) For the six-month period ended 30 June	
	2025	2024
	Thousand Baht	Thousand Baht
Cash and cash equivalents (Note 9)	(17)	(46)
Debt instruments measured at fair value through other comprehensive income (Note 10)	770	434
Loans and accrued interest receivables (Note 13)	14,341	32,761
Collateral in derivative contracts	5	(80)
Other receivable (Note 18)	29	(14)
<b>Total reversal of expected credit losses</b>	<b>15,128</b>	<b>33,055</b>

**29 Other operating expenses**

	(Unaudited) For the six-month period ended 30 June	
	2025	2024
	Thousand Baht	Thousand Baht
Employee expenses not relating to underwriting and loss adjustment	239,934	212,416
Property and equipment expenses not relating to underwriting and loss adjustment	65,371	61,292
Tax expenses	1,455	1,320
Bad debt and doubtful debt expenses	14,562	31,374
Other operating expenses	142,016	113,083
<b>Total other operating expenses</b>	<b>463,338</b>	<b>419,485</b>

**30 Basic earnings per share**

The calculations of basic earnings per share for the three-month and six-month period ended 30 June 2025 and 2024 are 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) 2025	(Unaudited) 2024
<b>For the three-month period ended 30 June</b>		
Profit for the period attributable to ordinary shareholders of the Company (Thousand Baht)	2,241,614	2,147,835
Number of ordinary shares outstanding (Thousand shares)	295,000	295,000
Basic earnings per share (Baht per share)	7.60	7.28
<b>For the six-month period ended 30 June</b>		
Profit for the period attributable to ordinary shareholders of the Company (Thousand Baht)	4,242,889	3,747,871
Number of ordinary shares outstanding (Thousand shares)	295,000	295,000
Basic earnings per share (Baht per share)	14.38	12.70

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**31 Related parties**

For the purposes of the preparation of financial information, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or jointly 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.

**31.1 Significant transactions with related parties**

Significant transactions for the six-month period ended 30 June 2025 and 2024 with related parties are as follows:

	(Unaudited)	
	For the six-month period ended 30 June	
	2025	2024
	Thousand Baht	Thousand Baht
<b>Gross written premiums</b>		
Other related parties	2,421	2,407
<b>Premiums ceded to reinsurers</b>		
Ultimate parent	150,434	132,984
Other related parties	113,248	447,152
<b>Fees and commission income</b>		
Ultimate parent	29,716	26,312
Other related parties	33,618	115,091
<b>Gains on fair value</b>		
Ultimate parent	36,189	18,117
<b>Other income</b>		
Other related parties	31,439	29,647
Major shareholders	477	568
<b>Gross benefits and claim paid</b>		
Other related parties	139	1,502
<b>Benefit and claim paid recovered from reinsurers</b>		
Ultimate parent	45,449	38,684
Other related parties	60,098	347,646
<b>Operating expenses</b>		
Ultimate parent	33,584	29,715
Other related parties	159,731	140,949
<b>Key management personnel compensation</b>		
Short-term benefits	77,082	97,413
Post-employment benefits	6,062	6,490
Share-based payments	10,259	11,418
<b>Total</b>	<b>93,403</b>	<b>115,321</b>

**Allianz Ayudhya Assurance Public Company Limited**  
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**31.2 Significant balances with related parties**

Significant balances with related parties as at 30 June 2025 and 31 December 2024 are as follows:

	(Unaudited) 30 June 2025 Thousand Baht	(Audited) 31 December 2024 Thousand Baht
<b>Claims recovery receivables</b>		
Ultimate parent	203,051	157,602
Other related parties	577,145	551,792
<b>Debt instruments - financial assets</b>		
Ultimate parent	154,594	149,415
<b>Intangible assets</b>		
Other related parties	23,464	28,734
<b>Other assets, net</b>		
Other related parties	23,888	70,091
Major shareholder	546	1,399
<b>Ceded premiums payable</b>		
Other related parties	233,036	112,318
Major shareholder	131,899	176,763
<b>Accrued expenses</b>		
Ultimate parent	70,297	35,911
Other related parties	153,856	118,019
<b>Other liabilities</b>		
Ultimate parent	31,415	2,360

**31.3 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 term of the agreement is for 1 year from 1 January 2025 to 31 December 2025 for which the service fee is estimated at SGD 2.15 million (31 December 2024: SGD 1.43 million). The payments are made on quarterly basis. Either party may terminate this agreement at any time by giving six-month prior written notice to another party. As at 30 June 2025, there was no notice to terminate such agreement.
- (b) The Company entered into an agreement with ultimate parent whereby ultimate parent will provide the support services to the Company. As at 30 June 2025, the Company set up the provision for the service fee amounting to EUR 1.16 million (31 December 2024: EUR 0.82 million). The agreement is continuous contract from 1 January 2019 subject to six-month notice of cancellation by either party. As at 30 June 2025, there was no notice to terminate such agreement.

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**32 Securities placed and securities reserved with the Registrar**

**32.1 Securities placed with the Registrar**

As at 30 June 2025 and 31 December 2024. The Company placed investments in securities with the Registrar in accordance with Section 20 of the Life Insurance Act B.E. 1992 as follows:

	(Unaudited) 30 June 2025		(Audited) 31 December 2024	
	Carrying amount Thousand Baht	Face value Thousand Baht	Carrying amount Thousand Baht	Face value Thousand Baht
Government bonds	28,237	20,000	26,016	20,000
<b>Total</b>	<b>28,237</b>	<b>20,000</b>	<b>26,016</b>	<b>20,000</b>

**32.2 Securities reserved with the Registrar**

As at 30 June 2025 and 31 December 2024. The Company placed investments in debt securities for life policy reserve with the Registrar in accordance with Section 24 of the Life Insurance Act B.E. 1992 and amendment Act (No. 2) B.E. 2017 as follows:

	(Unaudited) 30 June 2025		(Audited) 31 December 2024	
	Carrying amount Thousand Baht	Face value Thousand Baht	Carrying amount Thousand Baht	Face value Thousand Baht
Government bonds	50,014,293	40,802,000	45,932,529	40,302,000
State enterprise bonds	815,197	800,000	1,300,000	1,300,000
<b>Total</b>	<b>50,829,490</b>	<b>41,602,000</b>	<b>47,232,529</b>	<b>41,602,000</b>

**33 Commitments**

The Company has payment obligations of low-value leases and service agreements which have payment due date from the statement of financial position date as follows:

	(Unaudited) 30 June 2025 Thousand Baht	(Audited) 31 December 2024 Thousand Baht
Due within 1 year	33,948	33,041
Due more than 1 year but not later than 5 years	21,030	5,667
<b>Total</b>	<b>54,978</b>	<b>38,708</b>

The Company has entered into several lease agreements in respect of office space and service agreements. The maximum period of the agreements remains up to 2029.

**34 Contribution to life insurance fund**

As at 30 June 2025, the Company has accumulated funding amount which was paid into contribution to Office of Insurance Commission and Life insurance fund in order to comply with the Life Insurance Act B.E. 1992 and amendment Act (No.2) B.E. 2008 amounting to Baht 878.20 million and Baht 487.05 million, respectively. (31 December 2024: Baht 839.96 million and Baht 465.62 million, respectively).