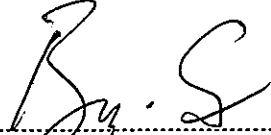
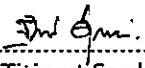


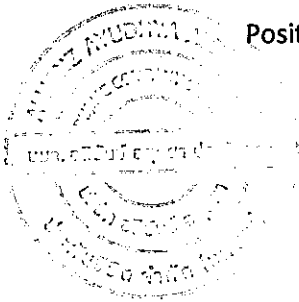
Information Disclosure
Allianz Ayudhya Assurance Public Company Limited

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. Bryan James Smith
 Position Director

Sign 
 Name Mr. Titiwut Soukpornchaikul
 Position Director



Disclosed on 14 November 2019
 Quarterly 3 Year 2019

1. Adequacy of Capital

Allianz Ayudhya Assurance Public Company Limited holds a strong RBC Solvency Ratio. At the end of third quarter in 2019, the Company's capital adequacy ratio is at the 336 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 14 November 2019

Unit: million baht

Item	Quarter 1		Quarter 2		Quarter 3	
	2019	2018	2019	2018	2019	2018
Capital Adequacy Ratio (%)	282%	376%	290%	340%	336%	299%
Total Capital Availability	26,492.35	26,475.29	28,642.64	25,383.28	33,465.75	25,888.95
Total Capital Requirement	9,394.63	7,040.89	9,885.79	7,462.86	9,951.60	8,669.39

- 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 shall not be lower than 140 percent.
 - Capital is based on appraisal value aligned with the announcement of OIC regarding the Life Insurance Company's asset and liability assessment
 - The second quarter is the six-months operating results while the third quarter is the nine-months operating results

2. Financial Statement

ALLIANZ AYUDHYA ASSURANCE PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2019



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the interim financial information of Allianz Ayudhya Assurance Public Company Limited, which comprises the statement of financial position as at 30 September 2019, and the related statements of comprehensive income for the three-month and nine-month periods then ended, changes in equity, and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

Anothai Leekitwattana
Certified Public Accountant (Thailand) No. 3442
Bangkok
12 November 2019

Allianz Ayudhya Assurance Public Company Limited
Statement of Financial Position
As at 30 September 2019

		(Unaudited) 30 September 2019	(Audited) 31 December 2018
	Notes	Thousand Baht	Thousand Baht
Assets			
Cash and cash equivalents	5, 24	7,214,179	5,916,023
Premiums due and uncollected	6	1,461,135	1,834,464
Accrued investment income		3,497,639	3,325,727
Reinsurance receivables	7, 24	345,048	410,098
Investment receivables		249,857	42,695
Derivative assets	8	2,526,211	454,869
Investment assets			
Investments in securities, net	9, 24, 25	192,651,989	167,110,712
Loans, net	10	8,412,945	8,266,485
Investment assets held to cover linked liabilities		391,157	303,126
Premises and equipment, net	11	524,614	573,693
Intangible assets, net	12	536,939	604,073
Other assets	13, 24	255,855	282,280
Total assets		218,067,568	189,124,245

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2019

		(Unaudited) 30 September 2019	(Audited) 31 December 2018
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Liabilities			
Insurance contract liabilities	14	175,488,413	165,966,837
Investment contract liabilities	15	3,653,095	3,478,037
Reinsurance payables	16, 24	342,014	528,717
Investment payables		688,182	445,901
Derivative liabilities	8	-	113,680
Income tax payable		93,507	386,269
Accrued expenses	17, 24	2,147,066	2,015,660
Employee benefit obligations		567,512	486,183
Provisions		80,939	106,378
Deferred tax liabilities, net	18	3,969,030	485,738
Other liabilities	19	2,425,160	589,108
Total liabilities		189,454,918	174,602,508
Equity			
Share capital			
Authorised share capital			
400,000,000 ordinary shares of 10 Baht each			
		<u>4,000,000</u>	<u>4,000,000</u>
Issued and paid-up share capital			
295,000,000 ordinary shares of 10 Baht each			
		2,950,000	2,950,000
Retained earnings			
Appropriated			
Legal reserve			
		400,000	400,000
Unappropriated			
		7,091,675	7,335,792
Other components of equity			
		<u>18,170,975</u>	<u>3,835,945</u>
Total equity		28,612,650	14,521,737
Total liabilities and equity		218,067,568	189,124,245

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 September 2019

	Notes	2019 Thousand Baht	2018 Thousand Baht
Revenues			
Gross premiums written	24	7,544,155	7,669,047
<u>Less</u> premiums ceded	24	(219,599)	(203,942)
Net premiums written		7,324,556	7,465,105
<u>Add (Less)</u> unearned premium reserve decreased (increased) from previous period		17,839	(2,408)
Net premiums earned		7,342,395	7,462,697
Fees and commission income	24	45,736	40,778
Net investment income	24	1,812,690	1,689,992
Gains (losses) on investment		(108,094)	129,601
Gains on fair value		102,348	5,453
Other income		21,894	15,244
Total revenues		9,216,969	9,343,765
Expenses			
Long-term technical reserves increased from previous period		3,029,832	3,040,834
Benefits payments and insurance claims expenses	24	3,945,533	4,077,607
<u>Less</u> benefits payments and insurance claims expenses recovered from reinsurers	24	(116,267)	(87,551)
Net benefits payment and insurance claims expenses		3,829,266	3,990,056
Commissions and brokerages		1,006,177	877,257
Other underwriting expenses		424,281	420,078
Operating expenses	20, 24	622,203	460,706
Other expenses		-	23
Total expenses		8,911,759	8,788,954
Profit before income tax		305,210	554,811
Income tax	21	52,921	96,001
Net profit		252,289	458,810

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 September 2019

		(Reclassified)	
		2019	2018
	Note	Thousand Baht	Thousand Baht
Other comprehensive income (loss)			
Items that will not be subsequently reclassified to profit or loss			
Losses on remeasurements of post-employment benefit obligations		(39,647)	(8,032)
Income tax on items that will not be reclassified to profit or loss	18	7,929	1,606
Total items that will not be subsequently reclassified to profit or loss		<u>(31,718)</u>	<u>(6,426)</u>
Items that will be subsequently reclassified to profit or loss			
Change in fair value of available-for-sale investments	2	9,826,306	397,278
Change in fair value of cash flow hedges		1,001,094	115,140
Items in other comprehensive income transferred to profit or loss	2	(29,025)	(160,119)
Income tax on items that will be subsequently reclassified to profit or loss		<u>(2,159,675)</u>	<u>(83,107)</u>
Total items that will be subsequently reclassified to profit or loss		<u>8,638,700</u>	<u>269,192</u>
Other comprehensive income for the period, net of income tax		<u>8,606,982</u>	<u>262,766</u>
Total comprehensive income for the period		<u><u>8,859,271</u></u>	<u><u>721,576</u></u>
Basic earnings per share (Baht)	23	<u>0.86</u>	<u>1.56</u>

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2019

		2019	2018
	Notes	Thousand Baht	Thousand Baht
Revenues			
Gross premiums written	24	23,174,440	23,535,538
<u>Less</u> premiums ceded	24	(605,172)	(593,102)
Net premiums written		22,569,268	22,942,436
<u>Less</u> unearned premium reserve increased from previous period		(491,589)	(463,597)
Net premiums earned		22,077,679	22,478,839
Fees and commission income	24	121,161	118,767
Net investment income	24	5,489,967	5,027,510
Gains on investment		276,354	550,298
Gains (losses) on fair value		39,335	(7,369)
Other income		64,132	36,937
Total revenues		28,068,628	28,204,982
Expenses			
Long-term technical reserves increased from previous period		8,699,982	9,100,182
Benefits payments and insurance claims expenses	24	11,787,657	11,914,623
<u>Less</u> benefits payments and insurance claims expenses recovered from reinsurers	24	(316,918)	(290,265)
Net benefits payment and insurance claims expenses		11,470,739	11,624,358
Commissions and brokerages		2,858,637	2,584,943
Other underwriting expenses		1,302,256	1,213,642
Operating expenses	20, 24	1,968,346	1,709,797
Other expenses		-	28
Total expenses		26,299,960	26,232,950
Profit before income tax		1,768,668	1,972,032
Income tax	21	293,920	368,399
Net profit		1,474,748	1,603,633

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2019

		(Reclassified)	
		2019	2018
	Note	Thousand Baht	Thousand Baht
Other comprehensive income (loss)			
Items that will not be subsequently reclassified to profit or loss			
Losses on remeasurements of post-employment benefit obligations		(31,957)	(17,058)
Income tax on items that will not be reclassified to profit or loss	18	6,391	3,412
Total items that will not be subsequently reclassified to profit or loss		<u>(25,566)</u>	<u>(13,646)</u>
Items that will be subsequently reclassified to profit or loss			
Change in fair value of available-for-sale investments	2	16,703,925	(3,206,237)
Change in fair value of cash flow hedges		1,509,004	13,482
Items in other comprehensive income transferred to profit or loss	2	(294,140)	(560,585)
Income tax on items that will be subsequently reclassified to profit or loss		(3,583,758)	779,334
Total items that will be subsequently reclassified to profit or loss		<u>14,335,031</u>	<u>(2,974,006)</u>
Other comprehensive income (loss) for the period, net of income tax		<u>14,309,465</u>	<u>(2,987,652)</u>
Total comprehensive income (loss) for the period		<u>15,784,213</u>	<u>(1,384,019)</u>
Basic earnings per share (Baht)	23	<u>5.00</u>	<u>5.44</u>

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Changes in Equity (Unaudited)
For the nine-month period ended 30 September 2019

	Retained earnings		Other components of equity				Total equity
	Issued and paid-up share capital	Legal reserve	Unappropriated	Change in fair value of available-for-sale investments	Change in fair value of cash flow hedges	Total other components of equity	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at 1 January 2018	2,950,000	400,000	6,253,505	6,786,315	4,209	6,790,524	16,394,029
Transaction with shareholders, recorded directly in equity							
Distributions to shareholders of the Company							
Dividends to shareholders of the Company (note 22)	-	-	(1,427,800)	-	-	-	(1,427,800)
Total transaction with shareholders, recorded directly in equity	-	-	(1,427,800)	-	-	-	(1,427,800)
Comprehensive income (loss) for the period							
Net profit	-	-	1,603,633	-	-	-	1,603,633
Other comprehensive income (loss)							
Change in fair value of cash flow hedges	-	-	-	-	39,452	39,452	39,452
Change in fair value of available-for-sale investments	-	-	-	(2,564,990)	-	(2,564,990)	(2,564,990)
Items in other comprehensive income transferred to profit or loss	-	-	-	(448,468)	-	(448,468)	(448,468)
Losses from remeasurements of post-employment benefit obligations	-	-	(13,646)	-	-	-	(13,646)
Total comprehensive income (loss) for the period	-	-	1,589,987	(3,013,458)	39,452	(2,974,006)	(1,384,019)
Balance as at 30 September 2018	2,950,000	400,000	6,415,692	3,772,857	43,661	3,816,518	13,582,210

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Changes in Equity (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2019

	Retained earnings		Other components of equity				Total equity
	Issued and paid-up share capital	Legal reserve	Unappropriated reserve	Change in fair value of available-for-sale investments	Change in fair value of cash flow hedges	Total other components of equity	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at 1 January 2019	2,950,000	400,000	7,335,792	3,653,892	182,053	3,835,945	14,521,737
Transaction with shareholders, recorded directly in equity							
Distributions to shareholders of the Company							
Dividends to shareholders of the Company (note 22)	-	-	(1,693,300)	-	-	-	(1,693,300)
Total transaction with shareholders, recorded directly in equity	-	-	(1,693,300)	-	-	-	(1,693,300)
Comprehensive income (loss) for the period							
Net profit	-	-	1,474,748	-	-	-	1,474,748
Other comprehensive income (loss)							
Change in fair value of cash flow hedges	-	-	-	-	1,207,203	1,207,203	1,207,203
Change in fair value of available-for-sale investments	-	-	-	13,363,140	-	13,363,140	13,363,140
Items in other comprehensive income transferred to profit or loss	-	-	-	(235,312)	-	(235,312)	(235,312)
Losses from remeasurements of post-employment benefit obligations	-	-	(25,566)	-	-	-	(25,566)
Total comprehensive income (loss) for the period	-	-	1,449,182	13,127,828	1,207,203	14,335,031	15,784,213
Balance as at 30 September 2019	2,950,000	400,000	7,091,674	16,781,720	1,389,256	18,170,976	28,612,650

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

Allianz Ayudhya Assurance Public Company Limited
Statement of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2019

	2019	2018
Notes	Thousand Baht	Thousand Baht
Cash flows from operating activities		
Premiums written	23,589,581	23,126,665
Cash paid relating to reinsurance	(288,745)	(373,062)
Interest received	4,687,766	3,999,511
Dividends received	700,474	604,443
Other income	65,764	37,587
Benefits payments and insurance claims expenses	(10,829,889)	(11,372,219)
Commissions and brokerages	(2,848,521)	(2,680,178)
Other underwriting expenses	(1,209,756)	(1,119,125)
Operating expenses	(1,563,098)	(1,574,718)
Income tax paid	(680,755)	(425,050)
Cash received from selling and redeeming investments in securities	10,719,786	13,449,967
Cash paid for purchasing investments in securities	(19,018,188)	(22,470,334)
Cash received from loans	8,357	4,530
Cash paid from loans	(258,971)	(364,041)
Net cash flow provided from (used in) operating activities	3,073,805	843,976
Cash flows from investing activities		
Cash flows provided		
Cash received from selling premises and equipment	7,100	-
Cash flows used		
Cash paid for purchasing premises and equipment	(6,595)	(15,433)
Cash paid for purchasing intangible assets	(82,854)	(443,896)
Net cash flow used in investing activities	(82,349)	(459,329)
Cash flows from financing activities		
Cash flows used		
Dividends paid to shareholders of the Company	22 (1,693,300)	(1,427,800)
Net cash flow used in financing activities	(1,693,300)	(1,427,800)
Net decrease in cash and cash equivalents	1,298,156	(1,043,153)
Cash and cash equivalents as at 1 January	5,916,023	5,181,609
Cash and cash equivalents as at 30 September	5 7,214,179	4,138,456
Supplemental cash flows information		
Non-cash items		
Receivables from sold investments	249,857	792,887
Payables from bought investments	688,182	823,721

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

1 General information

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

Its registered office is located at Ploenchit Tower, 1st floor Zone B, 2nd floor Zone B (Mezzanine), 5th floor Zone B, 6th floor, 14th floor and 17th floor, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

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

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

This interim financial information was approved by the Board of Directors on 12 November 2019.

This interim financial information has been reviewed, not audited.

2 Basis of preparation and accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statements of comprehensive income, changes in equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. In addition, the interim financial information presentation are 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. 2559" dated on 4 March 2016 ('OIC Notification'). The notes to the interim financial information are prepared in a condensed format. Additional notes are presented as required by the aforementioned OIC Notification.

The interim financial information should be read together with the annual financial statements for the year ended 31 December 2018.

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.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2018.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Income taxes in the interim periods are accrued by using the expected income taxes in the interim period.

2.2 Reclassification

The comparative amounts have reclassified to conform to the current period presentation of the statement of comprehensive income for the three-month and nine-month periods ended 30 September 2019 as follow:

	For the three-month period ended 30 September 2018		
	As previously reported Thousand Baht	Reclassification Thousand Baht	Reclassified Thousand Baht
Other comprehensive income (loss) Items that will be subsequently reclassified to profit or loss			
Change in fair value of available-for-sale investments	237,159	160,119	397,278
Items in other comprehensive income transferred to profit or loss	-	(160,119)	(160,119)

	For the nine-month period ended 30 September 2018		
	As previously reported Thousand Baht	Reclassification Thousand Baht	Reclassified Thousand Baht
Other comprehensive income (loss) Items that will be subsequently reclassified to profit or loss			
Change in fair value of available-for-sale investments	(3,766,822)	560,585	(3,206,237)
Items in other comprehensive income transferred to profit or loss	-	(560,585)	(560,585)

2.3 New financial reporting standards and revised financial reporting standard which are effective for periods beginning on or after 1 January 2019 which relevant to the Company

TFRS 2 (revised 2018)	Share-based Payment
TFRS 4 (revised 2018)	Insurance Contracts
TFRS 15	Revenue from contracts with customers
TFRIC 22	Foreign Currency Transactions and Advance Consideration

TFRS 2 clarifies;

- The measurement basis for cash-settled share-based payments
- Where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority, the award is treated as if it is wholly equity-settled.
- The accounting for modifications from cash-settled awards to equity-settled awards.

2.3 New financial reporting standards and revised financial reporting standard which are effective for periods beginning on or after 1 January 2019 which have significant changes and are relevant to the Company (Cont'd)

TFRS 4 provides insurance companies an optional exemption from compliance with TFRS 9 and TFRS 7. The exemption is temporarily effective and not mandatory. Entities who choose to use the exemption must follow the 'financial instruments and disclosure for insurance companies' accounting guidelines to be issued by the Federation of Accounting Professions until TFRS 17 becomes effective.

TFRS 15 is based on the principle that revenue is recognised when control of a good or service transfers to a customer so the notion of control replaces the existing notion of risks and rewards.

TFRIC 22 clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

The Company has adopted the above standards and considered that these standards does not have significant impact on the Company, except TFRS 4 which the Company's management is currently assessing the impact to make decision whether the option will be applied.

2.4 Financial reporting standards are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Company. The Company has not yet adopted these revised standards

2.4.1 Financial instruments

The new financial reporting standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These new standards address the classification, measurement and derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

2.4.2 TFRS 16 Leases

TFRS 16 will result in almost all leases where the Group is a lessee being recognised on the balance sheet as the distinction between operating and finance lease is removed. An asset (the right to use the leased item) and financial liability to pay rentals are recognised, with exception on short-term and low-value leases.

Management is currently assessing the impact from initial application of these standards in detail.

3 Estimates

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

In preparing these interim financial statements, 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 2018.

4 Fair value

4.1 Fair value estimation

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

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

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

Allianz Ayudhya Assurance Public Company Limited
 Condensed Notes to the Interim Financial Information (Unaudited)
 For the interim period ended 30 September 2019

4 Fair value (Cont'd)

4.1 Fair value estimation (Cont'd)

The following table presents the Company's financial assets and liabilities that are measured and recognised at fair value on the interim financial information as at 30 September 2019.

	(Unaudited)			Total Thousand Baht
	30 September 2019			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Financial assets				
Derivative assets	-	2,526,211	-	2,526,211
Investment in securities				
Held for trading				
Equity securities	1,970	-	-	1,970
Available-for-sale investments				
Debt securities	-	127,957,473	-	127,957,473
Equity securities	15,814,609	-	-	15,814,609
Foreign equity securities	6,989,605	-	-	6,989,605
Investment assets held to cover linked liabilities	-	391,157	-	391,157
Total	22,806,184	130,874,841	-	153,681,025
Financial liabilities				
Derivative liabilities	-	-	-	-
Total	-	-	-	-

The following table presents the fair values of the Company's financial assets that are not measured at fair value on the interim financial information as at 30 September 2019.

	(Unaudited)			Total Thousand Baht
	30 September 2019			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Financial assets				
Investment in securities				
Held-to-maturity investments				
Debt securities	-	41,048,528	-	41,048,528
Deposit at financial institutions with maturities over 3 months from acquisition date	4,900,000	-	-	4,900,000
Total	4,900,000	41,048,528	-	45,948,528

4 Fair value (Cont'd)

4.1 Fair value estimation (Cont'd)

The following table presents the Company's financial assets and liabilities that are measured and recognised at fair value on the financial statements as at 31 December 2018.

	(Audited)			Total Thousand Baht
	31 December 2018			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Financial assets				
Derivative assets	-	454,869	-	454,869
Investment in securities				
Held for trading				
Equity securities	2,074	-	-	2,074
Available-for-sale investments				
Debt securities	-	100,356,499	-	100,356,499
Equity securities	13,360,666	-	-	13,360,666
Foreign equity securities	6,539,010	-	-	6,539,010
Investment assets held to cover linked liabilities	-	303,126	-	303,126
Total	19,901,750	101,114,494	-	121,016,244
Financial liabilities				
Derivative liabilities	-	113,680	-	113,680
Total	-	113,680	-	113,680

The following table presents the fair values of the Company's financial assets that are not measured at fair value on the financial statement as at 31 December 2018.

	(Audited)			Total Thousand Baht
	31 December 2018			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	
Financial assets				
Investment in securities				
Held-to-maturity investments				
Debt securities	-	45,165,412	-	45,165,412
Deposit at financial institutions with maturities over 3 months from acquisition date	4,900,000	-	-	4,900,000
Total	4,900,000	45,165,412	-	50,065,412

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

There was no change in valuation techniques during the periods.

4 Fair value (Cont'd)

4.2 Valuation techniques used to derive Level 2 fair values

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

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

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

5 Cash and cash equivalents

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Cash on hand	482	61
Deposits at banks - call deposits	2,206,784	1,854,357
Short-term investments	5,006,913	4,061,605
Total	7,214,179	5,916,023

As at 30 September 2019, cash and cash equivalents were denominated in foreign currencies amounting to Baht 42 million (31 December 2018: Baht 115 million).

6 Premiums due and uncollected

As at 30 September 2019 and 31 December 2018, the balances of premiums due and uncollected were aged as follows:

	From direct insurance	
	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Within credit terms	1,409,421	1,790,196
Overdue:		
Less than 30 days	166,158	190,927
31 - 60 days	8,294	7,181
61 - 90 days	6,306	3,064
91 days - 1 year	6,815	7,864
Over 1 year	8,524	10,696
Total	1,605,518	2,009,928
<u>Less</u> Allowance for doubtful accounts	(144,383)	(175,464)
Net premiums due and uncollected	1,461,135	1,834,464

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

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

7 Reinsurance receivables

The details of reinsurance assets are as follows:

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Due from reinsurance (Note 24)	345,048	410,098
Total reinsurance receivable	345,048	410,098

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8 Derivative assets and liabilities

All derivatives are for the purpose of hedging activities.

The details of derivative assets are as follow:

(Unaudited) 30 September 2019					(Unaudited) Change in fair value for the nine-month period ended 30 September 2019 Thousand Baht
Type of contract	Purpose	Number of contracts	Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	82	13,604,582	978,188	767,418
Bond forward	To hedge reinvestment risk	37	8,990,000	1,548,023	1,439,483
Total		119	22,594,582	2,526,211	2,206,901

(Audited) 31 December 2018					(Audited) Change in fair value for the year ended 31 December 2018 Thousand Baht
Type of contract	Purpose	Number of contracts	Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	40	6,691,070	319,390	103,864
Bond forward	To hedge reinvestment risk	29	7,540,000	135,479	136,215
Total		69	14,231,070	454,869	240,079

The details of derivative liabilities are as follow:

(Unaudited) 30 September 2019					(Unaudited) Change in fair value for the nine-month period ended 30 September 2019 Thousand Baht
Type of contract	Purpose	Number of contracts	Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	-	-	-	-
Bond forward	To hedge reinvestment risk	-	-	-	-
Total		-	-	-	-

(Audited) 31 December 2018					(Audited) Change in fair value for the year ended 31 December 2018 Thousand Baht
Type of contract	Purpose	Number of contracts	Notional value Thousand Baht	Derivative book value Thousand Baht	
Cross currency swap	To hedge foreign currency risk of investment in foreign currency	27	4,410,237	108,620	108,620
Bond forward	To hedge reinvestment risk	3	1,300,000	5,060	(5,090)
Total		30	5,710,237	113,680	103,530

As at 30 September 2019, the Company has hedged the risk on foreign currency offshore bonds and debentures by entering into cross currency swap contracts with local banks. The notional value of these hedges is U.S. Dollar 402 million and Euro 13 million (31 December 2018: U.S. Dollar 335 million).

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

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9 Investments in securities, net

The details of investments in securities as at 30 September 2019 and 31 December 2018 are as follows:

	(Unaudited) 30 September 2019		(Audited) 31 December 2018	
	Cost/ Amortised cost Thousand Baht	Fair value Thousand Baht	Cost/ Amortised cost Thousand Baht	Fair value Thousand Baht
Trading securities				
Equity securities	5,447	1,970	5,447	2,074
Add Unrealised loss	(3,477)	-	(3,373)	-
Total Trading securities, net	1,970	1,970	2,074	2,074
Available-for-sale investments				
Government and state enterprise debt securities	87,457,200	103,002,094	77,613,712	80,596,762
Private debt securities	10,216,285	11,019,075	8,856,667	9,066,154
Foreign debt securities	13,143,757	13,936,304	11,013,665	10,693,583
Equity securities	11,908,535	15,814,609	11,489,480	13,360,666
Foreign equity securities	7,059,147	6,989,605	6,974,214	6,539,010
Total	129,784,924	150,761,687	115,947,738	120,256,175
Add Unrealised gain	21,043,102	-	4,340,806	-
Less Allowance for impairment	(66,339)	-	(32,369)	-
Total available-for-sale investments, net	150,761,687	150,761,687	120,256,175	120,256,175
Held-to-maturity investments				
Government and state enterprise debt securities	34,062,554		39,051,963	
Private debt securities	2,882,890		2,858,648	
Deposits at financial institutions with original maturities more than 3 months	4,900,000		4,900,000	
Total held-to-maturity investments	41,845,444		46,810,611	
General investments				
Equity securities	42,888		41,852	
Total general investments	42,888		41,852	
Total investments in securities	192,651,989		167,110,712	

During the three-month period ended 30 September 2019, the Company recognised interest income and dividend income amounting to Baht 1,604 million and Baht 250 million, respectively (2018: Baht 1,523 million and Baht 197 million, respectively).

During the nine-month period ended 30 September 2019, the Company recognised interest income and dividend income amounting to Baht 4,719 million and Baht 868 million, respectively (2018: Baht 4,506 million and Baht 593 million, respectively).

During the three-month period ended 30 September 2019, the Company received consideration from selling available-for-sale investments amounting to Baht 615 million (2018: Baht 650 million).

During the nine-month period ended 30 September 2019, the Company received consideration from selling available-for-sale investments amounting to Baht 5,395 million (2018: Baht 4,329 million).

As at 30 September 2019, the Company had investment in securities deposited with the Office of Insurance Commission in order to comply with the Life Insurance Act with a fair value amounting to Baht 45,099 million (31 December 2018: Baht 35,875 million) (Note 24).

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10 Loans, net

As at 30 September 2019 and 31 December 2018, the details of loans and accrued interests are aged by outstanding period as follows:

Outstanding periods	(Unaudited) 30 September 2019						
	Policy loans			Mortgage loans			Total
	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	
Within credit terms	8,396,235	1,475,341	15,553	8,411,788	1,475,365	9,887,153	
Overdue	-	-	1,157	1,157	9	1,166	
Less than 3 months	-	-	-	-	-	-	
Over 3 - 6 months	-	-	-	-	-	-	
Over 6 - 12 months	-	-	-	-	-	-	
Over 12 months	-	-	43,598	43,598	4,025	47,623	
Total	8,396,235	1,475,341	60,308	8,456,543	1,479,399	9,935,942	
Less Allowance for doubtful accounts	-	-	(43,598)	(43,598)	(4,025)	(47,623)	
Loans and accrued interests, net	8,396,235	1,475,341	16,710	8,412,945	1,475,374	9,888,319	

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10 Loans, net (Cont'd)

Outstanding periods	(Audited) 31 December 2018									
	Policy loans				Mortgage loans				Total	
	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Principle Thousand Baht	Accrued interest Thousand Baht	Total Thousand Baht	Total Thousand Baht
Within credit terms	8,244,747	1,376,393	20,054	37	8,264,801	1,376,430	8,264,801	1,376,430	9,641,231	9,641,231
Overdue	-	-	-	-	-	-	-	-	-	-
Less than 3 months	-	-	1,683	12	1,683	12	1,683	12	1,695	1,695
Over 3 - 6 months	-	-	-	-	-	-	-	-	-	-
Over 6 - 12 months	-	-	-	-	-	-	-	-	-	-
Over 12 months	-	-	46,929	4,394	46,929	4,394	46,929	4,394	51,323	51,323
Total	8,244,747	1,376,393	68,666	4,443	8,313,413	1,380,836	8,313,413	1,380,836	9,694,249	9,694,249
Less Allowance for doubtful accounts	-	-	(46,928)	(4,394)	(46,928)	(4,394)	(46,928)	(4,394)	(51,322)	(51,322)
Loans and accrued interests, net	8,244,747	1,376,393	21,738	49	8,266,485	1,376,442	8,266,485	1,376,442	9,642,927	9,642,927

Accrued interests are presented under "Accrued income on investments" on the statement of financial position.

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

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

As at 30 September 2019, the Company had mortgage loans to staffs amounting to Baht 2 million (31 December 2018: Baht 3 million) with interest rates at 5% per annum (2018: 5% per annum). The mortgage loans were provided in accordance with the Company's welfare policy.

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11 Premises and equipment, net

As at 30 September 2019, the Company had cost for premises and equipment amounting to Baht 1,568 million (31 December 2018: Baht 1,564 million) and had accumulated depreciation amounting to Baht 1,043 million (31 December 2018: Baht 990 million).

For the nine-month period ended 30 September 2019, the Company had depreciation for premises and equipment amounting to Baht 56 million, and purchases amounting to Baht 7 million.

As at 30 September 2019, the gross carrying amount of the fully depreciated assets still in use were Baht 620 million (31 December 2018: Baht 602 million).

12 Intangible assets, net

As at 30 September 2019, the Company had cost for intangible assets which consist of computer software and right amounting to Baht 1,057 million (31 December 2018: Baht 977 million) and had accumulated amortisation for Intangible assets amounting to Baht 520 million (31 December 2018: Baht 373 million).

For the nine-month period ended 30 September 2019, the Company had amortization for intangible assets from computer software and right amounting to Baht 60 million and Baht 93 million, respectively, and increase in intangible assets from computer software amounting to Baht 86 million.

13 Other assets

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Cash collateral from derivative contracts	-	51,000
Other account receivables	67,064	69,491
Prepaid expenses	27,139	77,061
Others	161,652	84,728
Total	<u>255,855</u>	<u>282,280</u>

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

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14 Insurance contract liabilities

	(Unaudited) 30 September 2019			(Audited) 31 December 2018		
	Insurance contract liabilities Thousand Baht	Liabilities recovered from reinsurance Thousand Baht	Net Thousand Baht	Insurance contract liabilities Thousand Baht	Liabilities recovered from reinsurance Thousand Baht	Net Thousand Baht
Long-term technical reserves	165,696,515	-	165,696,515	157,083,560	-	157,083,560
Short-term technical reserves:						
Loss reserves and outstanding claims						
- Reported claims	377,648	-	377,648	209,812	-	209,812
- Claims incurred but not reported	274,053	-	274,053	285,134	-	285,134
Total Loss reserves and outstanding claims	651,701	-	651,701	494,946	-	494,946
Unearned premium reserves	3,310,170	-	3,310,170	2,818,581	-	2,818,581
Total short-term technical reserves	3,961,871	-	3,961,871	3,313,527	-	3,313,527
Unpaid policy benefits	4,853,256	-	4,853,256	4,649,219	-	4,649,219
Due to insured	976,771	-	976,771	920,531	-	920,531
Total	175,488,413	-	175,488,413	165,966,837	-	165,966,837

14.1 Long-term technical reserves

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Beginning balances for the period/year	157,083,560	143,920,680
Reserves increased from new and inforce policies in the period/year	14,619,873	21,319,057
Reserves released for benefits payment under insurance policies, lapse and cancelled policies in the period/year	(6,006,918)	(8,761,452)
Change in assumption	-	605,275
Closing balances at the end of period/year	165,696,515	157,083,560

14 Insurance contract liabilities (Cont'd)

14.2 Short-term technical reserves

14.2.1 Loss reserves and outstanding claims

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Beginning balances for the period/year	494,946	533,432
Claims incurred during the period/year	3,649,614	4,749,431
Claims paid during the period/year	(3,492,859)	(4,787,917)
Closing balances at the end of period/year	<u>651,701</u>	<u>494,946</u>

14.2.2 Unearned premium reserves

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Beginning balances for the period/year	2,818,581	2,540,027
Premiums written for the period/year	7,848,043	8,440,872
Premiums earned in the period/year	(7,356,454)	(8,162,318)
Closing balances at the end of period/year	<u>3,310,170</u>	<u>2,818,581</u>

14.2.3 Unexpired risk reserve

No reserve for unexpired risks was established as at 30 September 2019 as the unexpired risk reserve estimated by the Company of Baht 2,322 million (31 December 2018: Baht 1,991 million) was lower than the unearned premium reserve.

14.3 Unpaid policy benefits

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Death benefits	162,326	82,738
Dividend	4,054,068	3,897,964
Others	636,862	668,517
Total	<u>4,853,256</u>	<u>4,649,219</u>

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14 Insurance contract liabilities (Cont'd)

14.4 Due to insured

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Uncashed cheques	545,301	589,580
Premiums received during underwriting	431,293	330,760
Others	177	191
Total	976,771	920,531

15 Investment contract liabilities

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Investment contract liabilities with discretionary participation features	3,261,938	3,174,910
Unit-linked contract liabilities	391,157	303,127
Total	3,653,095	3,478,037

Investment contract liabilities with discretionary participation features

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Beginning balance for the period/year	3,174,910	3,767,971
Reserves increased from inforce policies in the period/year	161,159	244,133
Reserves released for benefits payment, lapse, and cancelled policies in the period/year	(74,131)	(837,194)
Closing balance at the end of period/year	3,261,938	3,174,910

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16 Reinsurance payables

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Due to reinsurers	342,014	528,717
Total reinsurance payables	<u>342,014</u>	<u>528,717</u>

17 Accrued expenses

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Accrued commission expenses	348,415	376,753
Accrued production cost	581,495	596,001
Accrued agency overhead	363,249	504,577
Accrued administration expenses	853,907	538,329
Total	<u>2,147,066</u>	<u>2,015,660</u>

18 Deferred tax

As at 30 September 2019 and 31 December 2018, deferred tax assets and liabilities were as follows:

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Deferred tax assets	897,247	1,122,906
Deferred tax liabilities	(4,866,277)	(1,608,644)
Deferred tax liabilities, net	<u>(3,969,030)</u>	<u>(485,738)</u>

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18 Deferred tax (Cont'd)

Movements in deferred tax assets and liabilities during the nine-month periods ended 30 September 2019 and 2018 were as follows:

	(Unaudited) 30 September 2019			
	As at 1 January 2019 Thousand Baht	Increase (decrease) in profit (loss) Thousand Baht	Increase (decrease) in other comprehensive income Thousand Baht	As at 30 September 2019 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	91,903	(4,139)	-	87,764
Provisions	279,098	348	-	279,446
Insurance reserves	429,343	(56,497)	-	372,846
Employee benefit obligations	46,420	47,654	6,391	100,465
Unrealised loss on derivative instruments	3,855	-	(3,890)	(35)
Unrealised loss on available-for-sale investments	272,287	-	(215,526)	56,761
Total	1,122,906	(12,634)	(213,025)	897,247
Deferred tax liabilities				
Unrealised gain on derivative instruments	(49,367)	-	(297,911)	(347,278)
Unrealised gain on available-for-sale investments	(1,185,760)	-	(3,066,431)	(4,252,191)
Premium due and uncollected	(365,446)	111,896	-	(253,550)
Others	(8,071)	(5,187)	-	(13,258)
Total	(1,608,644)	106,709	(3,364,342)	(4,866,277)
Net	(485,738)	94,075	(3,577,367)	(3,969,030)
	(Unaudited) 30 September 2018			
	As at 1 January 2018 Thousand Baht	Increase (decrease) in profit (loss) Thousand Baht	Increase (decrease) in other comprehensive income Thousand Baht	As at 30 September 2018 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	83,883	(928)	-	82,955
Provisions	310,070	(11,900)	-	298,170
Insurance reserves	387,988	(16,127)	-	371,861
Employee benefit obligations	42,070	5,064	3,412	50,546
Unrealised loss on derivative instruments	6,699	-	44,906	51,605
Unrealised loss on available-for-sale investments	165,763	-	125,011	290,774
Total	996,473	(23,891)	173,329	1,145,911
Deferred tax liabilities				
Unrealised gain on derivative instruments	(43,584)	-	(18,936)	(62,520)
Unrealised gain on available-for-sale investments	(1,862,342)	-	628,353	(1,233,989)
Premium due and uncollected	(332,096)	6,961	-	(325,135)
Others	-	(9,041)	-	(9,041)
Total	(2,238,022)	(2,080)	609,417	(1,630,685)
Net	(1,241,549)	(25,971)	782,746	(484,774)

19 Other liabilities

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Cash collateral from derivative contract	1,930,600	167,400
Other creditors	227,050	199,778
Others	267,510	221,930
Total	2,425,160	589,108

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

20 Operating expenses

	For the three-month period ended	
	(Unaudited) 30 September 2019 Thousand Baht	(Unaudited) 30 September 2018 Thousand Baht
Employee expenses not relating to underwriting expenses, and loss adjusting expenses	267,709	283,284
Property and equipment expenses not relating to underwriting expenses, and loss adjusting expenses	87,236	47,738
Tax expenses	45,512	35,685
Bad debt and doubtful debt expenses	(17,505)	(18,819)
Other operating expenses	239,251	112,818
Total	622,203	460,706

	For the nine-month period ended	
	(Unaudited) 30 September 2019 Thousand Baht	(Unaudited) 30 September 2018 Thousand Baht
Employee expenses not relating to underwriting expenses, and loss adjusting expenses	884,263	795,957
Property and equipment expenses not relating to underwriting expenses, and loss adjusting expenses	252,651	195,753
Tax expenses	134,166	127,286
Bad debt and doubtful debt expenses	131,554	141,250
Other operating expenses	565,712	449,551
Total	1,968,346	1,709,797

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21 Income tax

Income tax recognised in profit or loss

	(Unaudited) For the three-month period ended	
	30 September 2019 Thousand Baht	30 September 2018 Thousand Baht
Current tax		
Current period	98,022	178,035
Deferred tax		
Movements in temporary differences	(45,101)	(82,034)
Total	<u>52,921</u>	<u>96,001</u>

	(Unaudited) For the nine-month period ended	
	30 September 2019 Thousand Baht	30 September 2018 Thousand Baht
Current tax		
Current period	400,082	338,717
Prior year tax adjustment	(12,088)	3,711
Deferred tax		
Movements in temporary differences	(94,074)	25,971
Total	<u>293,920</u>	<u>368,399</u>

22 Dividend

At the annual general meeting of the shareholders of the Company held on 23 August 2019, the shareholders approved the appropriation of dividend payment of Baht 5.74 per share, on 295 million shares, amounting to Baht 1,693.3 million and the dividend payment was made on 19 September 2019. (2018: At the annual general meeting of the shareholders of the Company held on 9 April 2018, the shareholders approved the appropriation of dividend payment of Baht 4.84 per share, on 295 million shares, amounting to Baht 1,427.8 million and the dividend payment was made on 20 June 2018.)

23 Basic earnings per share

The calculations of basic earnings per share for the three-month and nine-month periods ended 30 September 2019 and 2018 were based on the profit for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

For the three-month period ended 30 September	(Unaudited) 2019	(Unaudited) 2018
Profit for the period attributable to ordinary shareholders of the Company (Thousand Baht)	252,289	458,810
Number of ordinary shares outstanding (Thousand shares)	295,000	295,000
Basic earnings per share (Baht per share)	0.86	1.56
For the nine-month period ended 30 September	(Unaudited) 2019	(Unaudited) 2018
Profit for the period attributable to ordinary shareholders of the Company (Thousand Baht)	1,474,748	1,603,633
Number of ordinary shares outstanding (Thousand shares)	295,000	295,000
Basic earnings per share (Baht per share)	5.00	5.44

24 Related parties

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

Relationships with key management and related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thai/foreigners	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company
Allianz SE	Germany	Ultimate parent, 16.10% shareholding
Allianz SE, Singapore Branch	Singapore	Related company of ultimate parent
Allianz Technology SE	Germany	Related company of ultimate parent
Allianz Investment Management Singapore Pte. Ltd.	Singapore	Related company of ultimate parent
Allianz Global Investors Singapore Limited	Singapore	Related company of ultimate parent
Allianz Technology (Thailand) Company Limited	Thailand	Related company of ultimate parent
CPRN (Thailand) Limited	Thailand	Immediate parent, 34.75% shareholding
Allianz Ayudhya Capital Public Company Limited	Thailand	Major shareholder, 31.97% shareholding and common director
Bangkok Broadcasting & Television Company Limited	Thailand	Related company of major shareholders

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24 Related parties (Cont'd)

Relationships with key management and related parties were as follows: (Cont'd)

Name of entities	Country of incorporation/ nationality	Nature of relationships
Bank of Ayudhya Public Company Limited	Thailand	Related company of major shareholders
Krungsri Asset Management Company Limited	Thailand	Related company of major shareholders and common director
Krungsri Securities Public Company Limited	Thailand	Related company of major shareholders
Ayudhya Development Leasing Company Limited	Thailand	Related company of major shareholders
Ayudhya Capital Auto Lease Public Company Limited	Thailand	Related company of major shareholders
BBTV Equity Company Limited	Thailand	Related company of major shareholders
Siam City Cement Public Company Limited	Thailand	Related company of major shareholders and common director
Eastern Star Real Estate Public Company Limited	Thailand	Related company of major shareholders and common director
Allianz General Insurance Public Company Limited	Thailand	Related company of ultimate parent and common director
Allianz Ayudhya General Insurance Public Company Limited	Thailand	Related company of major shareholders and common director

24.1) Significant transactions for the three-month and nine-month periods ended 30 September 2019 and 2018 with key management and related parties were as follows:

	(Unaudited) For the three-month period ended 30 September		(Unaudited) For the nine-month period ended 30 September	
	2019 Thousand Baht	2018 Thousand Baht	2019 Thousand Baht	2018 Thousand Baht
Gross premiums written				
Major shareholder	(3)	(1)	46	32
Other related parties	1,743	1,962	275,377	240,096
Premiums ceded to reinsurers				
Ultimate parent	18,550	27,697	73,072	114,184
Other related parties	149,740	117,670	384,606	321,195
Fees and commission income				
Ultimate parent	3,654	5,489	12,974	22,786
Other related parties	33,731	24,118	87,144	68,448
Net investment income				
Other related parties	-	-	1,347	908
Insurance claim expenses				
Other related parties	68,335	61,279	208,687	196,363

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24 Related parties (Cont'd)

24.1) Significant transactions for the three-month and nine-month periods ended 30 September 2019 and 2018 with key management and related parties were as follows: (Cont'd)

	(Unaudited) For the three-month period ended 30 September		(Unaudited) For the nine-month period ended 30 September	
	2019 Thousand Baht	2018 Thousand Baht	2019 Thousand Baht	2018 Thousand Baht
Insurance claims expenses recovered from reinsurers				
Ultimate parent	21,125	22,838	63,071	67,809
Other related parties	76,831	51,603	195,313	171,118
Operating expenses				
Ultimate parent	5,656	6,136	19,082	18,506
Other related parties	106,560	82,754	367,655	335,719
Key management personnel compensation				
Short-term benefits	49,549	32,210	138,439	117,606
Post-employment benefits	1,262	1,513	3,905	4,608
Total	50,811	33,723	142,344	122,214

24.2) Significant balances with related parties as at 30 September 2019 and 31 December 2018 were as follows:

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Cash and cash equivalents		
Other related party	861,306	496,224
Reinsurance receivables		
Ultimate parent	47,921	41,800
Other related parties	240,428	278,112
Other assets		
Ultimate parent	66,291	48,805
Other related parties	19,676	18,500
Reinsurance payables		
Ultimate parent	25,444	38,915
Other related parties	256,593	346,186
Accrued expenses		
Ultimate parent	5,511	4,624
Other related parties	246,614	208,644

24 Related parties (Cont'd)

24.2) Significant balances with related parties as at 30 September 2019 and 31 December 2018 were as follows: (Cont'd)

Investments in related parties

Investments in related parties as at 30 September 2019 and 31 December 2018 and dividends received for the three-month and nine-month periods ended 30 September 2019 and 2018 were as follows:

	Book value		(Unaudited) Dividend income For the three-month period ended		(Unaudited) Dividend income For the nine-month period ended	
	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht	30 September 2019 Thousand Baht	30 September 2018 Thousand Baht	30 September 2019 Thousand Baht	30 September 2018 Thousand Baht
Investments - equity securities	205,312	88,447	3,029	869	64,524	51,214
Total	205,312	88,447	3,029	869	64,524	51,214

24.3) Significant agreements with related parties

- The Company entered into an agreement with a related company whereby the related company will provide the support services to the Company. The Company was charged a service fee of SGD 2.65 million. The term of the agreement is for 1 year from 1 January 2019 to 31 December 2019. The payments are made on quarterly basis. Either party may terminate this agreement at any time by giving 6 months prior written notice to another party.
- The Company entered into an agreement with ultimate parent whereby ultimate parent will provide the support services to the Company. The Company was charged a service fee of EUR 0.60 million (2018: EUR 0.96 million). The term of the agreement is for 1 year from 1 January 2019 to 31 December 2019. Either party may terminate this agreement at any time by giving 6 months prior written notice to another party.
- The Company has entered into lease and service agreements for offices and equipment with a related company from July 2018 to July 2021, from March 2019 to March 2022 and from November 2017 to November 2020 with monthly rental and service fees of Baht 0.20 million (excluding VAT), Baht 3.62 million (excluding VAT) and Baht 0.15 million (excluding VAT), respectively.
- As at 30 September 2019 and 31 December 2018, the Company had commitments from entering into long-term agreements for rental and services with related parties as follows:

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Operating lease commitments		
Within one year	47,593	10,739
After one year but not more than five years	67,044	5,301
Total	114,637	16,040

25 Securities and assets pledged with the Registrar

25.1 The Company pledged investments in debt securities with the Registrar in accordance with Section 20 of the Life Assurance Act B.E. 2535 and amendment Act (No.2) B.E. 2551 were as follows:

	(Unaudited) 30 September 2019		(Audited) 31 December 2018	
	Book value Thousand Baht	Face value Thousand Baht	Book value Thousand Baht	Face value Thousand Baht
Held-to-maturity investments				
Government bonds	20,124	20,000	20,183	20,000

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

	(Unaudited) 30 September 2019		(Audited) 31 December 2018	
	Book value Thousand Baht	Face value Thousand Baht	Book value Thousand Baht	Face value Thousand Baht
Available-for-sale investments				
Government bonds	25,684,315	17,840,000	19,437,439	16,640,000
State enterprise bonds	9,395,742	8,220,000	6,231,629	5,800,000
Total	35,080,057	26,060,000	25,669,068	22,440,000
Held-to-maturity investments				
Government bonds	7,817,801	7,147,000	7,503,091	7,147,000
State enterprise bonds	2,201,545	2,200,000	2,703,013	2,700,000
Total	10,019,346	9,347,000	10,206,104	9,847,000

26 Asset-backed

As of 30 September 2019 and 31 December 2018, the Company pledged investments in restricted securities with the Bank and Registrar as asset-backed in accordance with Section 27/4 of the Life Assurance Act B.E. 2535 and amendment Act (No.2) B.E. 2551 were as follows:

	(Unaudited) 30 September 2019		(Audited) 31 December 2018	
	Book value Thousand Baht	Appraisal value Thousand Baht	Book value Thousand Baht	Appraisal value Thousand Baht
Deposits with financial institutions	5,952,624	5,952,624	5,897,326	5,897,325
Equity securities	22,849,072	22,849,072	19,943,602	20,331,724
Debt securities	169,909,829	173,073,871	146,308,531	148,978,360
Total	198,711,525	201,875,567	172,149,459	175,207,409

27 Commitments with non-related parties

27.1 Commitments from operating lease and service agreements

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Within one year	19,682	15,570
After one year but not more than five years	16,122	20,732
Total	<u>35,804</u>	<u>36,302</u>

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 2022.

27.2 Investment commitments

As at 30 September 2019, the Company had commitments to invest in several series of bills of exchange issued by banks amounting to Baht 998 million (31 December 2018: Baht 1,467 million). These investments have a duration up to 2023 (31 December 2018: up to 2023) and are payable based on the contract terms. The timing of the commitments are as follows:

	(Unaudited) 30 September 2019 Thousand Baht	(Audited) 31 December 2018 Thousand Baht
Within one year	790,004	828,752
After one year but not more than five years	208,000	638,004
Total	<u>998,004</u>	<u>1,466,756</u>