

ALLIANZ AYUDHYA CAPITAL PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION (UNAUDITED)

30 JUNE 2020





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

To the Shareholders and the Board of Directors of Allianz Ayudhya Capital Public Company Limited

I have reviewed the interim consolidated financial information of Allianz Ayudhya Capital Public Company Limited and its subsidiaries, and the interim separate financial information of Allianz Ayudhya Capital Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2020, the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, the related consolidated and separate 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 consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

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

Conclusion

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

Emphasis of matter

I draw attention to Note 4 and Note 5 of the interim financial information, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact from COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My conclusion is not modified in respect to this matter.

PricewaterhouseCoopers ABAS Ltd.

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

Anothai Leekitwattana

Certified Public Accountant (Thailand) No. 3442

Bangkok

14 August 2020

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

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Cash and cash equivalents, net	9	4,552,650	4,497,250	1,950,442	179,669
Premium receivable, net	10	597,580	771,000	-	-
Accrued investment income		17,841	12,412	6,406	4,626
Reinsurance assets	11	2,363,201	2,741,204	-	-
Amounts due from reinsurers	12	515,350	496,239	-	-
Financial assets measured at fair value through profit or loss	13	-	-	466,423	-
Financial assets measured at fair value through other comprehensive income	13	-	-	2,084,801	-
Financial assets measured at amortised cost	13	-	-	12,927	-
Investments					
Investments in securities, net	13,14	6,641,704	7,352,462	-	4,318,476
Loans and interest receivable	15	-	14	-	-
Investment in an associate	16	10,886,469	10,715,018	5,455,863	5,455,863
Investment in a subsidiary	16	-	-	2,572,379	2,572,379
Property, Plant and Equipment, net	17	36,232	49,292	1,686	1,698
Goodwill		508,877	508,877	-	-
Right-of-use asset, net	18	160,028	-	-	-
Intangible assets, net	19	73,243	85,075	1,968	1,968
Deferred tax asset, net	20	290,826	328,450	19,137	26,644
Deferred commission expenses		71,569	72,513	-	-
Other assets	21	223,448	186,673	8,651	7,651
Total assets		26,939,018	27,816,479	12,580,683	12,568,974

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

Allianz Ayudhya Capital Public Company Limited

Statement of Financial Position (Cont'd)

As at 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2020	2019	2020	2019
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Liabilities					
Insurance contract liabilities	22	5,612,658	5,797,941	-	-
Amounts due to reinsurers	23	1,625,827	1,944,672	-	-
Payable from purchase of securities		643,848	992,853	232,863	-
Income Tax payables		-	-	-	-
Employee benefit obligations		130,317	135,518	712	7,669
Premium written received in advance		393,484	421,446	-	-
Commission and brokerage payables		100,229	107,768	-	-
Accrued expenses		416,547	389,469	14,866	15,088
Lease liabilities	24	162,336	-	-	-
Other liabilities	25	285,654	281,476	377	2,227
Total liabilities		9,370,900	10,071,143	248,818	24,984
Equity					
Share capital					
Authorised share capital					
463,473,361 ordinary shares of 1 Baht each	26	463,473	463,473	463,473	463,473
Issued and paid-up share capital					
389,266,931 ordinary shares of 1 Baht each	26	389,267	384,965	389,267	384,965
(2019: 384,964,961 ordinary shares of 1 Baht each)					
Premium on share capital		10,066,331	9,907,791	10,066,331	9,907,791
Retained earnings					
Appropriated					
Legal reserve		50,000	50,000	50,000	50,000
Unappropriated		3,107,532	3,076,794	1,837,248	2,320,224
Other components of equity					
Surplus (Deficit) on available-for-sale securities		(33,666)	(113,645)	(10,981)	(118,990)
Share of other comprehensive income in an associate		3,988,654	4,439,431	-	-
Total equity		17,568,118	17,745,336	12,331,865	12,543,990
Total liabilities and equity		26,939,018	27,816,479	12,580,683	12,568,974

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

Allianz Ayudhya Capital Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Revenues					
Gross premiums written		1,363,082	1,371,230	-	-
<u>Less</u> premiums ceded		(406,105)	(507,895)	-	-
Net premiums written		956,977	863,335	-	-
<u>Add (Less)</u> unearned premium reserve decreased (increased) from previous period		114,892	(11,020)	-	-
Net premiums earned		1,071,869	852,315	-	-
Fees and commission income		82,096	147,190	-	-
Net investment income		26,205	38,349	15,608	13,197
Gain (loss) on investment in securities		6,305	17,906	(9)	18,350
Gain on fair value		17,061	2,241	31,145	707
Share of profit on investment in an associate	16	401,391	178,320	-	-
Other income		7,206	8,816	5	3,361
				-	-
Total revenues		1,612,133	1,245,137	46,749	35,615
Expenses					
Gross claim paid		973,989	291,136	-	-
<u>(Less)/ Add</u> Claim recovered from reinsurers		(330,634)	103,104	-	-
Net claim paid		643,355	394,240	-	-
Commission and brokerage expenses		197,251	178,618	-	-
Other underwriting expenses		186,460	174,701	-	-
Operating expenses	31	202,153	219,346	12,910	17,722
Expected credit loss	32	1,275	-	824	-
Total expenses		1,230,494	966,905	13,734	17,722
Profit (loss) before income tax		381,639	278,232	33,015	17,893
Income tax expense (income)	33	(7,598)	18,871	6,887	939
Net profit (loss)		389,237	259,361	26,128	16,954

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

Allianz Ayudhya Capital Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the three-month period ended 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Other comprehensive income (loss)					
Items that will not be subsequently reclassified to profit or loss					
Actuarial gain (loss) on defined employee benefit plans		-	6,069	-	(969)
Loss on revaluation of equity instruments measured at fair value through other comprehensive income		-	-	11,028	-
Share of other comprehensive loss in an associate	16	(3,216)	5,084	-	-
Income tax related to items that will not be subsequently reclassified to profit or loss		643	(2,231)	(2,206)	194
Total items that will not be subsequently reclassified to profit or loss		(2,573)	8,922	8,822	(775)
Items that will be subsequently reclassified to profit or loss					
Gain on revaluation of investments measured at fair value through other comprehensive income		52,467	20,345	-	-
Gain (loss) on revaluation of debt instruments measured at fair value through other comprehensive income		-	-	(8,013)	13,536
Share of other comprehensive income (loss) of an associate	16	1,132,743	1,539,177	-	-
Income tax on items that will be subsequently reclassified to profit or loss		(257,307)	(311,904)	1,603	(2,707)
Total items that will be subsequently reclassified to profit or loss		927,903	1,247,618	(6,410)	10,829
Other comprehensive income (loss) for the period, net of income tax		925,330	1,256,540	2,412	10,054
Total comprehensive income (loss) for the period		1,314,567	1,515,901	28,540	27,008
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	30	1.00	0.79	0.07	0.05
Weighted average number of ordinary shares (Thousand shares)		388,132	326,723	388,132	326,723
Diluted earnings(loss) per share (Baht)	30	1.00	0.78	0.07	0.05
Weighted average number of ordinary shares (Thousand shares)		388,132	333,666	388,132	333,666

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

Allianz Ayudhya Capital Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Revenues					
Gross premiums written		3,037,938	2,281,830	-	-
<u>Less</u> premiums ceded		(828,298)	(859,128)	-	-
Net premiums written		2,209,640	1,422,702	-	-
<u>Less</u> unearned premium reserve increased from previous period		(96,945)	(56,624)	-	-
Net premiums earned		2,112,695	1,366,078	-	-
Fees and commission income		199,603	260,981	-	-
Net investment income		56,393	58,100	31,045	17,909
Gain (loss) on investment in securities		(118,336)	28,062	(121,532)	28,515
Gain on fair value		17,061	9,932	51,150	5,198
Share of profit on investment in an associate	16	622,229	290,456	-	-
Other income		29,050	8,928	8	8,615
Total revenues (loss)		2,918,695	2,022,537	(39,329)	60,237
Expenses					
Gross claim paid		1,866,245	829,912	-	-
<u>Less</u> Claim recovered from reinsurers		(583,990)	(228,503)	-	-
Net claim paid		1,282,255	601,409	-	-
Commission and brokerage expenses		450,942	307,368	-	-
Other underwriting expenses		443,727	330,212	-	-
Operating expenses	31	402,044	318,866	21,994	40,843
Expected credit loss	32	1,275	-	909	-
Total expenses		2,580,243	1,557,855	22,903	40,843
Profit (loss) before income tax		338,452	464,682	(62,232)	19,394
Income tax expense (income)	33	17,901	33,349	11,440	926
Net profit (loss)		320,551	431,333	(73,672)	18,468

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

Allianz Ayudhya Capital Public Company Limited
Statement of Comprehensive Income (Unaudited) (Cont'd)
For the six-month period ended 30 June 2020

	Notes	Consolidated financial information		Separate financial information	
		2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Other comprehensive income (loss)					
Items that will not be subsequently reclassified to profit or loss					
Actuarial gain (loss) on defined employee benefit plans		-	6,069	-	(969)
Loss on revaluation of equity instruments measured at fair value through other comprehensive income		-	-	(21,664)	-
Share of other comprehensive loss in an associate	16	(7,691)	3,428	-	-
Income tax related to items that will not be subsequently reclassified to profit or losses		1,538	(1,900)	4,333	194
Total items that will not be subsequently reclassified to profit or loss		(6,153)	7,597	(17,331)	(775)
Items that will be subsequently reclassified to profit or loss					
Gain on revaluation of investments measured at fair value through other comprehensive income		35,472	87,633	-	-
Gain on revaluation of debt instruments measured at fair value through other comprehensive income		-	-	2,051	68,650
Share of other comprehensive income (loss) of an associate	16	(989,793)	2,012,540	-	-
Income tax on items that will be subsequently reclassified to profit or loss		190,865	(420,034)	(410)	(13,730)
Total items that will be subsequently reclassified to profit or loss		(763,456)	1,680,139	1,641	54,920
Other comprehensive income (loss) for the period, net of income tax		(769,609)	1,687,736	(15,690)	54,145
Total comprehensive income (loss) for the period		(449,058)	2,119,069	(89,362)	72,613
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	30	0.83	1.32	(0.19)	0.06
Weighted average number of ordinary shares (Thousand shares)		386,549	326,723	386,549	326,723
Diluted earnings(loss) per share (Baht)	30	0.83	(Restated) 1.29	(0.19)	(Restated) 0.06
Weighted average number of ordinary shares (Thousand shares)		386,549	333,239	386,549	333,239

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

Allianz Ayudhya Capital Public Company Limited
Statement of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2020

	Consolidated financial information									
	Retained earnings					Other components of equity				
	Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated	Change in fair value of investments measured at	Actuarial gain (loss) on defined employee benefit plans of an associate	Share of other comprehensive income (loss)	Total equity	Thousand Baht	Thousand Baht
Balance as at 1 January 2019	296,417	5,276,027	50,000	3,179,207	(207,772)	-	674,074	9,267,953		
Increase capital	88,493	4,629,678	-	-	-	-	-	4,718,171		
Net profit	-	-	-	431,333	-	-	-	431,333		
Other comprehensive income (loss)	-	-	-	-	-	4,855	-	4,855		
Actuarial gain (loss) on defined employee benefit plans	-	-	-	-	-	-	-	-		
Gain on revaluation of investments measured at fair value through other comprehensive income	-	-	-	-	72,848	-	-	72,848		
Share of other comprehensive income (loss) of an associate	-	-	-	-	-	-	1,610,033	1,610,033		
Balance as at 30 June 2019	384,910	9,905,705	50,000	3,610,540	(134,924)	4,855	2,284,107	16,105,193		
Balance as at 1 January 2020	384,965	9,907,791	50,000	3,076,794	(113,645)	-	4,439,431	17,745,336		
Adjustment from adoption of new financial reporting standards (Note 5)	-	-	-	(1,089)	51,601	-	347,216	397,728		
Balance after adjustment	384,965	9,907,791	50,000	3,075,705	(62,044)	-	4,786,647	18,143,064		
Capital increase (Note 26)	4,302	158,540	-	-	-	-	-	162,842		
Dividend paid (Note 29)	-	-	-	(288,724)	-	-	-	(288,724)		
Net profit	-	-	-	320,551	-	-	-	320,551		
Other comprehensive income (loss)	-	-	-	-	-	-	-	-		
Gain on revaluation of investments measured at fair value through other comprehensive income	-	-	-	-	28,378	-	-	28,378		
Share of other comprehensive income (loss) of an associate	-	-	-	-	-	-	(797,993)	(797,993)		
Balance as at 30 June 2020	389,267	10,066,331	50,000	3,107,532	(33,666)	-	3,988,654	17,568,118		

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

Allianz Ayudhya Capital Public Company Limited
Statement of Changes in Equity (Unaudited) (Cont'd)
For the six-month period ended 30 June 2020

	Separate financial information						
	Retained earnings			Other components of equity			
	Issued and paid-up share capital	Premium on share capital	Legal reserve	Unappropriated	Financial asset measured at fair value through other comprehensive income	Actuarial gain (loss) on defined employee benefit plans	Total equity
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at 1 January 2019	296,417	5,276,027	50,000	2,152,489	(191,417)	-	7,583,516
Increase capital	88,493	4,629,678	-	-	-	-	4,718,171
Net profit	-	-	-	18,468	-	-	18,468
Other comprehensive income (loss)	-	-	-	-	-	(775)	(775)
Actuarial gain (loss) on defined employee benefit plans	-	-	-	-	-	(775)	(775)
Gain on revaluation of investments measured at fair value through other comprehensive income	-	-	-	-	54,920	-	54,920
Balance as at 30 June 2019	384,910	9,905,705	50,000	2,170,957	(136,497)	(775)	12,374,300
Balance as at 1 January 2020	384,965	9,907,791	50,000	2,320,224	(118,990)	-	12,543,990
Adjustment from adoption of new financial reporting standards (Note 5)	-	-	-	(123,741)	123,699	-	(42)
Balance after adjustment	384,965	9,907,791	50,000	2,196,483	4,709	-	12,543,948
Capital increase (Note 26)	4,302	158,540	-	-	-	-	162,842
Dividend paid (Note 29)	-	-	-	(288,724)	-	-	(288,724)
Net loss	-	-	-	(73,672)	-	-	(73,672)
Other comprehensive income (loss)	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	-	-	-	-	(15,690)	-	(15,690)
Realised gain from sale of investments measured at fair value through other comprehensive income transferred to profit or loss	-	-	-	3,161	-	-	3,161
Balance as at 30 June 2020	389,267	10,066,331	50,000	1,837,248	(10,981)	-	12,331,865

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

Allianz Ayudhya Capital Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2020

	Consolidated financial information		Separate financial information	
	2020	2019	2020	2019
Notes	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities				
Direct premium received	3,030,864	2,249,210	-	-
Cash received (paid) to reinsurance	(221,893)	103,475	-	-
Interest income	48,233	13,574	26,551	2,393
Dividend income	2,218	24,285	2,202	16,749
Other income	31,590	2,937	5	6,839
Loss incurred from direct insurance	(1,793,521)	(1,035,917)	-	-
Commission and brokerage paid from direct insurance	(440,267)	(302,727)	-	-
Other underwriting expenses	(438,660)	(331,522)	-	-
Operating expenses	(330,512)	(225,984)	(30,562)	(51,598)
Income tax expense	(26,877)	(61,080)	-	(375)
Cash received from financial assets	6,768,751	-	4,552,564	-
Cash paid for financial assets	(6,857,265)	(528,897)	(2,865,931)	(812,703)
Cash received for deposits at bank with maturity over 3 months and deposits used as collateral	491,143	36,843	214,000	14,000
Cash paid for deposits at bank with maturity over 3 months and deposits used as collateral	(57,285)	-	-	-
Loans	14	(12)	-	-
Net cash flow provided from (used in) operating activities	206,533	(55,815)	1,898,829	(824,695)
Cash flows from investing activities				
<u>Cash flows provided</u>				
Cash received from selling property, plant and equipment	220	21	3	-
<u>Cash flows used</u>				
Cash paid for purchase entire business transfer	-	(848,800)	-	-
Cash paid for purchasing property, plant and equipment	(4,148)	(3,986)	-	(17)
Cash paid for right-of-use assets	(17,322)	-	(1,449)	-
Cash paid for purchasing intangible assets	(2,186)	(267)	-	-
Net cash flow used in investing activities	(23,436)	(853,032)	(1,446)	(17)
Cash flows from financing activities				
Increase capital	162,842	749,571	162,842	749,571
Dividend paid	(288,724)	-	(288,724)	-
Net cash flow provided by activities	(125,882)	749,571	(125,882)	749,571
Net increase (decrease) in cash and cash equivalents	57,215	(159,276)	1,771,501	(75,141)
Cash and cash equivalents at the beginning of period	4,497,250	1,341,340	179,669	101,356
Cash received from the entire business transfer	-	1,047,398	-	-
Cash and cash equivalents at the end of period	4,554,465	2,229,462	1,951,170	26,215
<u>Less</u> Allowance for expected credit loss	(1,815)	-	(728)	-
Cash and cash equivalents, net at the end of period	9 4,552,650	2,229,462	1,950,442	26,215
Non-cash transactions				
Payable from purchase of securities	643,848	-	232,863	-

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

1 General information

Allianz Ayudhya Capital Public Company Limited (formerly "Sri Ayudhya Capital Public Company Limited") (the "Company") is a public limited company which listed on The Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows: Ploenchit Tower, 7th floor, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

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

The Company has a subsidiary company, Allianz Ayudhya General Insurance Public Company Limited (formerly "Sri Ayudhya General Insurance Public Company Limited") which operates non-life insurance business, holding by 99.99%.

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

The interim consolidated and separate financial information are presented in Thai Baht and rounded to the nearest thousand, unless otherwise stated.

The interim consolidated and separate financial information were authorised for issue by the board of directors on 14 August 2020.

2 Significant events during the current period

After the outbreak of Coronavirus Disease 2019 ("COVID-19 outbreak") in early 2020, it has resulted in the effects on the operating results for the six-month period ended 30 June 2020 as follows:

The Group can continue the business as usual. There are only 4 branches (Pattaya, Phuket, Chiang-mai and Hat Yai) which have been temporarily closed according to the lockdown policy of those provinces, since end of February. The Group has activated its Business Continuity Plan with introduction of digital sales tools and implemented work from home. 80%-90% of staff have been working from home to ensure continuity of operation. Furthermore, an internal COVID taskforce established and included key members of the management to immediately handle matters related to COVID-19.

The Group expected that the first year premium of the associate will be close to the plan and lower than business plan for the subsidiary. Moreover, to assist the customers who have been impacted from COVID-19, the requirements of premium payment due extension as instructed by the OIC are being implemented.

3 Basis of preparation for interim consolidated and separate financial information

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

This interim consolidated financial information includes the interim financial information of Allianz Ayudhya Capital Public Company Limited and Allianz Ayudhya General Insurance Public Company Limited which 99.99% owned by the Company. Significant transactions for the three-month and six-month periods ended 30 June 2020 and balances between the Company and the subsidiary have been eliminated.

The accounting period and significant accounting policies used for the interim financial information of the subsidiary is the same as those of the Company except the temporary exemption from compliance with TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures under TFRS 4 (revised 2018), Insurance Contracts and apply the 'financial instruments and disclosure for insurance companies' accounting guidelines ('Accounting Guidance').

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2019.

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

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

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

4 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2019, except for the following:

- 1) the adoption of the new financial reporting standards together with the application of the relevant relief measures as described in Note 5; and
- 2) the application of the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19) announced by the Federation of Accounting Professions (TFAC) for the reporting periods ending between 1 January 2020 and 31 December 2020 as described in Note 5.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020

On 1 January 2020, the Group met criteria of temporary exemption from TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures under TFRS 4 (revised 2018), Insurance Contracts. The Group is eligible to apply the 'financial instruments and disclosures for insurance companies' accounting guidelines' ('The Accounting Guidance) in consolidated financial information as the Group has not previously applied TFRS 9, Financial Instrument and the Group's activities are predominantly connected with insurance business. Insurance liabilities under TFRS 4 (revised 2018) Insurance Contracts as at 1 January 2018 is greater than 90% of total liabilities.

On 30 April 2019, the Group purchased and accepted the entire business transfer of Allianz General Insurance Public Company Limited. The Group reassesses the criteria of temporary exemption from TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures under TFRS 4 (revised 2018), Insurance Contracts. The Company still meets the criteria of temporary exemption from financial reporting standards related to financial instruments. Insurance liabilities under TFRS 4 (revised 2018) Insurance Contracts as at 31 December 2019 were greater than 80% but not less than 90% of total liabilities and the Group does not have any other predominant non-insurance activities.

However, the Company does not meet criteria of temporary exemption from TFRS 9, Financial Instruments and TFRS 7, Financial Instruments: Disclosures, so the Company has adopted financial reporting standards relating to financial instruments (TFRS 7 and TFRS 9) in the separate financial information and has different reporting level from the Group's consolidated financial information.

The Group has adopted financial reporting standards relating to financial instruments (TAS 32) and leases standard (TFRS 16) in consolidated and separate financial information.

The Group has adopted new financial reporting standards retrospectively from 1 January 2020, but has not restated comparatives for the 2019 reporting period, as permitted in the standards. The reclassifications and adjustments arising from the new requirements were therefore recognised in the opening statement of financial position on 1 January 2020.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and The Accounting Guidance) and leases standard (IFRS 16) in consolidated financial information are as follows.

	Consolidated financial information			
	As at The Accounting Guidance 31 December 2019 Previously reported Thousand Baht	TAS 32 and Adjustments and reclassifications Thousand Baht	IFRS 16 Adjustments and reclassifications Thousand Baht	As at 1 January 2020 Restated Thousand Baht
Assets				
Cash and cash equivalents	4,497,250	(932)	-	4,496,318
Available-for-sale investments	6,616,034	(6,616,034)	-	-
Held-to-maturity investments	716,362	(716,362)	-	-
General investments	20,066	(20,066)	-	-
Investments measured at fair value through other comprehensive income	-	6,700,209	-	6,700,209
Investments measured at amortised cost	-	716,324	-	716,324
Deferred income tax	328,450	(12,627)	-	315,823
Investment in an associate	10,715,018	347,216	-	11,062,234
Property, Plant and Equipment	49,292	-	(802)	48,490
Right-of-use assets	-	-	148,330	148,330
Other assets	186,673	-	(4,015)	182,658
Total assets	23,129,145	397,728	143,513	23,670,386
Liabilities and equity				
Liabilities				
Lease liabilities	-	-	143,513	143,513
Total liabilities	-	-	143,513	143,513
Equity				
Retained earnings	3,076,794	(1,089)	-	3,075,705
Unrealised gain (loss) on changes in value of investments measured at fair value through other comprehensive income	(113,645)	51,601	-	(62,044)
Share of other comprehensive income (loss) on investment in an associate	4,493,431	347,216	-	4,840,647
Total Equity	7,456,580	397,728	-	7,854,308
Total liabilities and equity	7,456,580	397,728	143,513	7,997,821

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relate to financial instruments (TAS 32 and TFRS 9) and leases standard (TFRS 16) in separate financial information are as follows.

	Separate financial information			As at 1 January 2020 Restated Thousand Baht
	As at 31 December 2019 Previously reported Thousand Baht	TAS 32 and TFRS 9 Adjustments and reclassifications Thousand Baht	TFRS 16 Adjustments and reclassifications Thousand Baht	
Assets				
Cash and cash equivalents	179,669	(40)	-	179,629
Available-for-sale investments	4,073,550	(4,073,550)	-	-
Held-to-maturity investments	226,928	(226,928)	-	-
General investments	17,998	(17,998)	-	-
Investments measured at fair value through profit and loss	-	514,529	-	514,529
Investments measured at fair value through other comprehensive income	-	3,577,018	-	3,577,018
Investments measured at amortised cost	-	226,916	-	226,916
Deferred income tax	26,644	11	-	26,655
Right-of-use assets	-	-	17,508	17,508
Total assets	4,524,789	(42)	17,508	4,542,225
Liabilities and equity				
Liabilities				
Lease liabilities	-	-	17,508	17,508
Total liabilities	-	-	17,508	17,508
Equity				
Retained earnings - unappropriated	2,320,224	(123,741)	-	2,196,483
Unrealised gain (loss) on changes in value of investments measured at fair value through other comprehensive income	(118,990)	123,699	-	4,709
Total Equity	2,201,234	(42)	-	2,201,192
Total liabilities and equity	2,201,234	(42)	17,508	2,218,700

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatment as follows:

5.1.1 Accounting Guidance (Consolidated financial information)

Classification and measurement

Currently, the Group has equity instruments measured at cost of Baht 20.10 million. These instruments will be reclassified and remeasured to fair value through other comprehensive income with a corresponding adjustment to other components of equity of Baht 70.16 million as of 1 January 2020.

The Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 when measuring unquoted equity investments. The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 January 2020. As a result, the equity investments measured at FVOCI as at 30 June 2020 of Baht 90.17 million was measured at their fair value as of 1 January 2020.

On the adoption of TAS 32 and the Accounting Guidance, there are certain investments in financial instruments with contingent settlement provision features and instruments that impose on the issuer an obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation reclassified from investment in equity securities to investment in debt securities. This reclassification excludes investment in Real Estate Investment Trust (REIT) and Infrastructure Trust, Property Funds and Infrastructure Funds registered in Thailand in accordance with the clarification from the Federation of Accounting Professions (TFAC): classification of investments in REIT and Infrastructure Trust, Property Funds and Infrastructure Funds announced on 14 May 2020.

Impairment

The new requirements on the impairment losses of debt instruments classified as available-for-sale investments will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. The Group accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. As of 1 January 2020, the Group recognised impairment losses for deposits with bank and financial institution of Baht 932,307 and investment in securities of Baht 429,730. The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatment as follows: (Cont'd)

5.1.2 Financial reporting standards relate to financial instruments (Separate financial information)

Classification and measurement of equity instruments (previously classified as general investments)

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss.

Currently, the Company has equity instruments measured at cost of Baht 18 million. These instruments will be reclassified and remeasured to fair value through other comprehensive income with a corresponding adjustment to equity of Baht (13.36) million as of 1 January 2020 in other comprehensive income.

The Company has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 when measuring unquoted equity investments. The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 January 2020. As a result, the equity investments measured at FVOCI as at 30 June 2020 of Baht 4.64 million was measured at their fair value as of 1 January 2020.

On the adoption of TAS 32 and TFRS 9, there are certain investments in financial instruments with contingent settlement provision features and instruments that impose on the issuer on obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation reclassified from investment in equity securities to investment in debt securities. This reclassification excludes investment in Real Estate Investment Trust (REIT) and Infrastructure Trust, Property Funds and Infrastructure Funds registered in Thailand in accordance with the clarification from the Federation of Accounting Professions (TFAC): classification of investments in REIT and Infrastructure Trust, Property Funds and Infrastructure Funds announced on 14 May 2020.

Impairment

The new requirements on the impairment losses of debt instruments classified as available-for-sale investments will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. The Company accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. As of 1 January 2020, the Company recognised impairment losses for deposits with bank and financial institution of Baht 40,430 and investment in securities of Baht 117,549. The transition adjustment will be recognised as an adjustment to the opening balance of retained earnings

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adoption of the new financial reporting standards on leases mainly affects the Group's accounting treatment as follows: (Cont'd)

5.1.3 Financial reporting standards relate to leases (IFRS 16)

On adoption of IFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities on the date of IFRS 16 adoption were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate as of 1 January 2020. The weighted average the Group's incremental borrowing rate applied to the lease liabilities was 2.93%.

	Consolidated financial information Thousand Baht	Separate financial information Thousand Baht
Operating lease commitments disclosed as at 31 December 2019	26,183	966
Less: discounted using the lessee's incremental borrowing rate of at the date of initial application	(9,052)	(846)
Less: short-term leases recognised on a straight-line basis as expense	(195)	-
Add: adjustments as a result of a different treatment of extension and termination options	126,577	17,388
Lease liability recognised as at 1 January 2020	143,513	17,508

The associated right-of-use assets for building and vehicle leases were measured on a retrospective basis as if the new rules had always been applied. Other right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

The recognised right-of-use assets relate to the following types of assets:

	Consolidated financial information		Separate financial information	
	30 June 2020 Thousand Baht	1 January 2020 Thousand Baht	30 June 2020 Thousand Baht	1 January 2020 Thousand Baht
Buildings	157,604	144,997	-	17,508
Vehicles	2,424	3,333	-	-
Total right-of-use assets	160,028	148,330	-	17,508

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.1 Adoption of new financial reporting standards effective in the accounting period beginning on or after 1 January 2020 (Cont'd)

The adoption of the new financial reporting standards on leases mainly affects the Group's accounting treatment as follows: (Cont'd)

5.1.3 Financial reporting standards relate to leases (TFRS 16) (Cont'd)

Practical expedients applied

In applying TFRS 16 for the first time with the existing leases the Group had before 1 January 2020, the group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- reliance on previous assessments before application of TFRS 16 on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease, and
- elect not to reassess whether a contract is or contains a lease as defined under TFRS 16 at the date of initial application but relied on its assessment made applying TAS 17 and TFRIC 4, Determining whether an Arrangement contains a Lease.

5.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases

5.2.1 Changes in accounting policies from adoption of the accounting guidance in consolidated financial information

Investment in securities

Classification and measurements

From 1 January 2020, the Group classifies its financial assets as follows:

- Investments measured at fair value through profit or loss
- Investments measured at fair value through other comprehensive income
- Investments measured at amortised cost

The Group initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

On the adoption of the financial reporting standards related to financial instruments (TAS 32 and the Accounting Guidance), there are certain investments in financial instruments with puttable features having a contractual obligation for the issuer to repurchase or redeem those instruments for cash or another financial asset on exercise of a put or financial instruments that impose on the issuer an obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation. These instruments have been reclassified from investment in equity securities to investment in debt securities.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases (Cont'd)

5.2.1 Changes in accounting policies from adoption of the accounting guidance in consolidated financial information (Cont'd)

Investment in securities (Cont'd)

However, for the classification of investment in Thailand's i) Real Estate Investment Trust (REIT) and Infrastructure Trust, ii) Infrastructure Fund, and iii) Property Fund, the Company applies the TFAC's clarification announced on 14 May 2020. The announcement requires the Group to classify the aforementioned investments as investments in equity instruments. Those investments are measured at fair value through other comprehensive income.

The Group has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 when measuring unquoted equity investments. The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 January 2020.

Impairment

From 1 January 2020, the Group assesses expected credit loss on a forward looking basis for its debt securities carried at fair value through other comprehensive income and at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Group always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

The expected credit loss will be recognised in profit or loss.

For impairment of equity instruments which classified as investments measured at fair value through other comprehensive income will be recognised in profit and loss immediately when there is evidence supports the impairment of the instruments. The Group will recognise allowance of losses in other comprehensive income and the carrying amount of financial assets which classified as equity instruments in the statement of financial position will not be decreased.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases (Cont'd)

5.2.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments in separate financial information

Investment and other financial assets

Classification and measurements

From 1 January 2020, the Company classifies its financial assets as follows:

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

The Company initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except financial assets that are measured at FVPL whose transaction costs are expensed in profit or loss.

On the adoption of the financial reporting standards related to financial instruments (TAS 32 and TFRS 9), there are certain investments in financial instruments with puttable features having a contractual obligation for the issuer to repurchase or redeem those instruments for cash or another financial asset on exercise of a put or financial instruments that impose on the issuer an obligation to deliver to another party a pro rata share of the net assets of the issuer only on a liquidation. These instruments have been reclassified from investment in equity securities to investment in debt securities.

However, for the classification of investment in Thailand's i) Real Estate Investment Trust (REIT) and Infrastructure Trust, ii) Infrastructure Fund, and iii) Property Fund, the Company applies the TFAC's clarification announced on 14 May 2020. The announcement requires the Company to classify the aforementioned investments as investments in equity instruments. Those investments are measured at fair value through other comprehensive income.

The Company has chosen to apply the temporary measures to relieve the impact from COVID-19 announced by TFAC for the reporting periods ending between 1 January 2020 and 31 December 2020 when measuring unquoted equity investments. The unquoted equity investments at the end of the reporting period was presented at the same amount as their fair values on 1 January 2020.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases (Cont'd)

5.2.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments in separate financial information (Cont'd)

Debt instruments

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

- Amortised cost: Assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item.
- FVOCI: Assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses. Impairment losses are presented as separate line item. Interest revenue is included in finance income. Foreign exchange gains and losses are presented in other gains/(losses). When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss in other gains/(losses).
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in other gains/(losses).

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

Equity instruments

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss. The classification of equity instruments is considered on investment-by-investment basis. Dividends from such equity instruments continue to be recognised in profit or loss as other income.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases (Cont'd)

5.2.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments in separate financial information (Cont'd)

Impairment

From 1 January 2020, the Company assesses expected credit loss on a forward looking basis for its debt instruments carried at FVOCI and at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. The Company always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - When a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

The expected credit loss will be recognised in profit or loss.

For impairment of equity instruments which classified as investments measured at fair value through other comprehensive income will be recognised in profit and loss immediately when there is evidence supports the impairment of the instruments. The Company will recognise allowance of losses in other comprehensive income and the carrying amount of financial assets which classified as equity instruments in the statement of financial position will not be decreased.

5 Adoption of new financial reporting standards and changes in accounting policies and reclassification (Cont'd)

5.2 Changes in accounting policies from adoption of the financial reporting standards related to financial instruments and leases (Cont'd)

5.2.3 Changes in accounting policies from adoption of the financial reporting standards related to leases (TFRS 16)

Right-of-use assets and lease liabilities

The Group leases building, equipment and vehicles. Rental contracts are typically made for fixed periods of 1 to 3 years but may have extension options. Before 2020 financial year, leases of building, equipment and vehicles were classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2020, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

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

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

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

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

6 Accounting estimates

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

In preparing the interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2019.

7 Fair value

7.1 Fair value estimation

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

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

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

The following table presents the Group's financial assets and liabilities that are measured and recognised at fair value on the interim financial information as at 30 June 2020 and 31 December 2019.

	Consolidated financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 30 June 2020 (Unaudited)				
Financial assets				
Investments in securities				
Investments measured at fair value through other comprehensive income				
Debt securities	-	5,736,571	-	5,736,571
Equity securities	85,645	466,183	70,814	622,642
Total financial assets	85,645	6,202,754	70,814	6,359,213

7 Fair value (Cont'd)

7.1 Fair value estimation (Cont'd)

The following table presents the Group's financial assets and liabilities that are measured and recognised at fair value on the interim financial information as at 30 June 2020 and 31 December 2019. (Cont'd)

	Consolidated financial information			
	Level 1	Level 2	Level 3	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December 2019 (Audited)				
Financial assets				
Investment in securities				
Available-for-sale investments				
Debt securities	-	3,629,716	-	3,629,716
Equity securities	521,361	2,464,957	-	2,986,318
Total financial assets	521,361	6,094,673	-	6,616,034
	Separate financial information			
	Level 1	Level 2	Level 3	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 30 June 2020 (Unaudited)				
Financial assets				
Investments measured at fair value through profit and loss				
Debt securities	-	241	-	241
Equity securities	-	466,182	-	466,182
Investments measured at fair value through other comprehensive income				
Debt securities	-	1,994,519	-	1,994,519
Equity securities	85,645	-	4,637	90,282
Total financial assets	85,645	2,460,942	4,637	2,551,224
As at 31 December 2019 (Audited)				
Financial assets				
Investment in securities				
Available-for-sale investments				
Debt securities	-	1,087,232	-	1,087,232
Equity securities	521,361	2,464,957	-	2,986,318
Total financial assets	521,361	3,552,189	-	4,073,550

7 Fair value (Cont'd)

7.1 Fair value estimation (Cont'd)

The following table presents the fair values of the Group's financial assets that are not measured at fair value on the financial statement as at 30 June 2020 and 31 December 2019.

	Consolidated financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 30 June 2020 (Unaudited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	3,443,237	-	3,443,237
Investments measured at amortised cost	-	282,505	-	282,505
Total	-	3,725,742	-	3,725,742
As at 31 December 2019 (Audited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	3,970,115	-	3,970,115
Investment in securities Held-to-maturity investments	-	716,875	-	716,875
Total	-	4,686,990	-	4,686,990
	Separate financial information			
	Level 1 Thousand Baht	Level 2 Thousand Baht	Level 3 Thousand Baht	Total Thousand Baht
As at 30 June 2020 (Unaudited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	1,524,228	-	1,524,228
Financial asset measured at amortised cost				
Deposits at financial institutions with Original maturities more than 3 months	-	12,928	-	12,928
Total	-	1,537,156	-	1,537,156
As at 31 December 2019 (Audited)				
Financial assets				
Cash and cash equivalents				
Short-term investments	-	162,937	-	162,937
Investment in securities Held-to-maturity investments	-	226,928	-	226,928
Total	-	389,865	-	389,865

7 Fair value (Cont'd)

7.2 Valuation techniques used to measure fair value level 1

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

7.3 Valuation techniques used to measure fair value level 2

Fair value of debt securities in level two are determined using the latest bid prices of the last working day of the reporting period as quoted by the Thai Bond Market Associate.

Fair value of debt securities in level two are determined using the unit trust's net asset value of the last working day of the reporting period.

7.4 Valuation techniques used to measure fair value level 3

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. In Level 3 fair values, discounted cash flows were used as the valuation techniques. The valuation model considers the present value of the expected future cash flow without risk-adjusted which the discount rate has been adjusted to include total return to compensate the risk that market needs.

There was no transfer between levels during the period.

There was no change in valuation techniques during the period.

8 Classification of financial assets and financial liabilities

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

	Separate financial information As at 30 June 2020					
	Financial instruments measured at fair value through profit or loss Thousand Baht	Financial instruments require to measure at fair value through profit or loss Thousand Baht	Debt instruments at fair value through other comprehensive income Thousand Baht	Equity investments at fair value through other comprehensive income Thousand Baht	Financial instruments measured at amortised cost Thousand Baht	Total Thousand Baht
Financial assets						
Cash and cash equivalents	-	-	-	-	1,950,442	1,950,442
Accrued investment income	-	-	-	-	6,406	6,406
Financial assets - Debt instruments	241	-	1,994,519	-	12,927	2,007,687
Financial assets - Equity instruments	466,182	-	-	90,282	-	556,464
Others	-	-	-	-	7,126	7,126
Total	466,423	-	1,994,519	90,282	1,976,901	4,528,125
Financial liabilities						
Payable from purchase of securities	-	-	-	-	232,863	232,863
Others	-	-	-	-	262	262
Total	-	-	-	-	233,125	233,125

9 Cash and cash equivalents, net

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

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Cash on hand	584	316	-	10
Cheque on hand	45,853	24,412	-	-
Deposits at bank - at call	1,064,791	502,407	426,942	16,722
Short-term investments	3,443,237	3,970,115	1,524,228	162,937
Total	4,554,465	4,497,250	1,951,170	179,669
Less: Allowance for expected credit loss	(1,815)	-	(728)	-
Total	4,552,650	4,497,250	1,950,442	179,669

10 Premiums due and uncollected, net

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

	Consolidated financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Within credit terms	392,641	614,032
Overdue:		
Less than 30 days	66,955	20,480
31 - 60 days	53,598	43,305
61 - 90 days	34,344	31,132
Over 90 days	81,805	95,153
Total	629,343	804,102
<u>Less</u> Allowance for doubtful accounts	<u>(31,763)</u>	<u>(33,102)</u>
Premiums due and uncollected, net	597,580	771,000

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

11 Reinsurance assets

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

	Consolidated financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Insurance reserve refundable from reinsurers		
Loss reserves	1,498,325	1,535,684
Unearned premium reserve - Unearned reinsurance premium reserve	864,876	1,205,520
Total reinsurance assets	2,363,201	2,741,204

12 Amount due from reinsurers

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

	Consolidated financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Amount deposit on reinsurance	666	841
Due from reinsurers	514,684	495,398
Total reinsurance assets	515,350	496,239

13 Financial assets

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

	<u>Separate financial information</u> (Unaudited) 30 June 2020 Fair value Thousand Baht
Financial asset measured at fair value through profit and loss	
Private debt securities	241
Local equity securities	466,182
Total Financial asset measured at fair value through profit and loss	<u>466,423</u>
Financial asset measured at fair value through other comprehensive income	
Government and state enterprise debt securities	1,169,476
Private debt securities	825,043
Local equity securities	90,282
Total Financial asset measured at fair value through other comprehensive income	<u>2,084,801</u>
Financial asset measured at amortised cost	
Deposits at financial institutions with original maturities more than 3 months	12,928
Deposits at banks used as collateral	-
Total	12,928
<u>Less</u> Expected credit loss	(1)
Total Financial asset measured at amortised cost	<u>12,927</u>
	<u>Separate financial information</u> (Audited) 31 December 2019 Fair value Thousand Baht
Available-for-sale investment	
Government and state enterprise debt securities	488,169
Private debt securities	599,063
Local equity securities	2,986,318
Total Available-for-sales investment	<u>4,073,550</u>
Held-to-maturity investment	
Deposits at financial institutions with original maturities more than 3 months	184,000
Deposits at banks used as collateral	42,928
Total Held-to-maturity investment	<u>226,928</u>
General investment	
Equity securities	19,505
<u>Less</u> Allowance for impairment	(1,507)
Total General investment	<u>17,998</u>

13 Financial assets (Cont'd)

13.1 Debt securities measured at fair value through other comprehensive income

	Separate financial information (Unaudited) 30 June 2020	
	Fair value Thousand Baht	Expected credit loss recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	1,994,519	(270)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	1,994,519	(270)

13.2 Debt securities measured at amortised cost

	Separate financial information (Unaudited) 30 June 2020		
	Gross carrying value Thousand Baht	Expected credit loss Thousand Baht	Carrying value Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	12,928	(1)	12,927
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	12,928	(1)	12,927

14 Investments in securities, net

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

	Consolidated financial information	
	(Unaudited)	
	30 June 2020	
	Cost/ Amortised cost	Fair value
	Thousand Baht	Thousand Baht
Investments measured at fair value through other comprehensive income		
Government and state enterprise debt securities	3,434,197	3,446,852
Private debt securities	2,224,807	2,228,595
Foreign debt securities	59,949	61,124
Equity securities	683,162	622,642
Total	6,402,115	6,359,213
<u>Less</u> Unrealised loss	(42,902)	-
Total Investments measured at fair value through other comprehensive income	6,359,213	6,359,213
Investments measured at amortised cost		
Deposits at financial institutions with original maturities more than 3 months	234,555	
Deposits at banks used as collateral	34,000	
Premium saving certificates used as collateral	13,950	
Total	282,505	
<u>Less</u> Allowance for expected credit loss	(14)	
Total Investments measured at amortised cost	282,491	
Total investments in securities	6,641,704	

14 Investments in securities, net (Cont'd)

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

	Consolidated financial information	
	(Audited)	
	31 December 2019	
	Cost/ Amortised cost Thousand Baht	Fair value Thousand Baht
Available-for-sale investment		
Government and state enterprise debt securities	2,181,429	2,186,309
Private debt securities	1,377,598	1,382,736
Foreign debt securities	59,934	60,671
Equity securities	3,139,196	2,986,318
Total	6,758,157	6,616,034
<u>Less</u> Unrealised loss	(142,123)	-
Total Available-for-sale investment	6,616,034	6,616,034
Held-to-maturity investment		
Government and state enterprise debt securities	249,149	
Deposits at financial institutions with original maturities more than 3 months	192,712	
Deposits at banks used as collateral	260,551	
Premium saving certificates used as collateral	13,950	
Total Held-to-maturity investment	716,362	
General investments		
Equity securities	21,573	
<u>Less</u> Allowance for impairment	(1,507)	
Total General investments	20,066	
Total investments in securities	7,352,462	

14 Investments in securities, net (Cont'd)

14.1 Debt securities measured at fair value through other comprehensive income

	Consolidated financial information	
	(Unaudited) 30 June 2020	
	Fair value	Expected credit loss
	Thousand Baht	recognised in other comprehensive income Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	5,736,571	(646)
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-
Total	5,736,571	(646)

14.2 Debt securities measured at amortised cost

	Consolidated financial information		
	(Unaudited) 30 June 2020		
	Gross carrying value	Expected credit loss	Carrying value
	Thousand Baht	Thousand Baht	Thousand Baht
Investments in debt securities which credit risk has not significantly increased (Stage 1)	282,505	(14)	282,491
Investments in debt securities which credit risk has significantly increased (Stage 2)	-	-	-
Credit-impaired investments in debt securities (Stage 3)	-	-	-
Total	282,505	(14)	282,491

14 Investments in securities, net (Cont'd)

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

- Interest income amounting to Baht 26.90 million and Baht 8.87 million, respectively (30 June 2019: Baht 21.09 million and Baht 0.81 million, respectively)
- Dividend income amounting to Baht 7.83 million and Baht 7.81 million, respectively (30 June 2019: Baht 17.60 million and Baht 12.03 million, respectively)
- Consideration from selling investments amounting to Baht 79.69 million and Baht 79.69 million, respectively and loss from selling investments amounting to Baht 6.31 million and Baht 6.31 million, respectively

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

- Interest income amounting to Baht 52.07 million and Baht 14.40 million, respectively (30 June 2019: Baht 34.94 million and Baht 1.51 million, respectively)
- Dividend income amounting to Baht 18.81 million and Baht 18.79 million, respectively (30 June 2019: Baht 24.64 million and Baht 17.10 million, respectively)
- Consideration from selling investments amounting to Baht 2,546.99 million and Baht 2,546.99 million, respectively and loss from selling investments amounting to Baht 118.34 million and Baht 118.34 million, respectively

As at 30 June 2020 and 31 December 2019, certain investments in securities (certain government and state enterprise securities and certain deposits at bank) of the Group are pledged and used for assets reserved with the Registrar (Note 35).

As at 30 June 2020, premium saving certificates of the Group were used as collateral for insured drivers are the alleged offenders amounting to Baht 2.55 million (31 December 2019: Baht 3.15 million) (Note 36)

As at 30 June 2020, certain bank deposits of the Group and the Company were pledged as collateral for bank overdrafts and borrowing facilities (Domestic Bill) amounting to Baht 40 million and Baht 10 million, respectively (31 December 2019: 40 million and Baht 20 million, respectively) (Note 36).

15 Loans and interest receivable

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

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

The Group had no allowance for expected credit loss for loans and interest receivables as at 1 January 2020.

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16 Investments in a subsidiary and an associate

16.1 Investments in an associate

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

Associated company	Consolidated financial information and separate financial information							
	Nature of business	Place of incorporation and operation	Percentage of shareholding		Cost		Carrying value under Equity method	
			30 June 2020 Percentage	As at 31 December 2019 Percentage	As at 30 June 2020 Thousand Baht	As at 31 December 2019 Thousand Baht	As at 30 June 2020 Thousand Baht	As at 31 December 2019 Thousand Baht
Allianz Ayudhya Assurance Plc.	Life Insurance	Thailand	31.97	31.97	5,455,863	5,455,863	10,886,469	10,715,018

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

	Consolidated financial information		Separate financial information	
	Equity method		Cost method	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Book value at the beginning period/ year	11,062,234	2,977,371	5,455,863	1,487,264
Increase in investment	-	3,968,599	-	3,968,599
Share of profit	622,229	553,245	-	-
Share of other comprehensive income (loss)	(797,994)	3,757,144	-	-
Dividend income	-	(541,341)	-	-
Decrease in investment	-	-	-	-
Book value at the ending period/ year	10,886,469	10,715,018	5,455,863	5,455,863

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

16.2 Investments in a subsidiary

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

	Separate financial information					
	Paid-up capital		Shareholding percentage		Cost	
	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht	30 June 2020 Percentage	31 December 2019 Percentage	30 June 2020 Thousand Baht	31 December 2019 Thousand Baht
Subsidiary company Allianz Ayudhya General Insurance Plc.	2,548,800	2,548,800	99.99	99.99	2,572,379	2,572,379

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17 Property, Plant and Equipment, net

Property, plant and equipment, net as at 30 June 2020 and 31 December 2019 consisted of the following.

	Consolidated financial information									
	Cost					Accumulated depreciation				
	As at 1 January 2020	Increase	Disposal / Write off	As at 30 June 2020	As at 1 January 2020	Depreciation	Disposal / Write off	As at 30 June 2020	Property, plant and equipment, net as at 1 January 2020	Property, plant and equipment, net as at 30 June 2020
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	1,610	1,610
Building	773	-	-	773	(773)	-	(773)	-	-	-
Leasehold improvement	63,784	-	(8,304)	55,480	(47,492)	(4,337)	5,150	(46,679)	16,292	8,801
Furniture, fixtures and office equipment	111,514	1,381	(7,036)	105,859	(88,172)	(4,573)	5,117	(87,628)	23,342	18,231
Vehicles	26,488	-	-	26,488	(19,781)	(2,422)	-	(22,203)	6,707	4,285
Leasehold improvement under installation	539	2,766	-	3,305	-	-	-	-	539	3,305
Total	204,708	4,147	(15,340)	193,515	(156,218)	(11,332)	10,267	(157,283)	48,490	36,232

	Consolidated financial information										
	Cost					Accumulated depreciation					
	As at 1 January 2019	Increase	Disposal / Write off	As at 31 December 2019	As at 1 January 2019	Depreciation	Disposal / Write off	Transfer from AZTH	As at 31 December 2019	Property, plant and equipment, net as at 1 January 2019	Property, plant and equipment, net as at 31 December 2019
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	-	1,610	1,610
Building	773	-	-	773	(773)	-	-	-	(773)	-	-
Leasehold improvement	56,013	3,079	(7,119)	67,396	(41,672)	(9,501)	6,500	(5,626)	(50,299)	14,341	17,097
Furniture, fixtures and office equipment	66,114	4,207	(16,165)	111,514	(58,365)	(8,022)	15,898	(37,684)	(88,173)	7,749	23,341
Vehicles	37,038	-	(10,550)	26,488	(20,986)	(6,185)	7,389	-	(19,782)	16,052	6,706
Leasehold improvement under installation	-	538	-	538	-	-	-	-	-	538	538
Total	161,548	7,824	(33,834)	208,319	(121,796)	(23,708)	29,787	(43,310)	(159,027)	39,752	49,292

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

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

	Separate financial information									
	Cost					Accumulated depreciation				
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Disposal / Write off Thousand Baht	As at 30 June 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Depreciation Thousand Baht	Disposal / Write off Thousand Baht	As at 30 June 2020 Thousand Baht	Property, plant and equipment, net as at 1 January 2020 Thousand Baht	Property, plant and equipment, net as at 30 June 2020 Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	1,610	1,610
Building	773	-	-	773	(773)	-	(773)	(773)	-	-
Leasehold improvement	344	-	-	344	(344)	-	(344)	(344)	-	-
Furniture, fixtures and office equipment	1,058	-	(87)	971	(970)	(12)	87	(895)	88	76
Total	3,785	-	(87)	3,698	(2,087)	(12)	87	(2,012)	1,698	1,686

	Separate financial information									
	Cost					Accumulated depreciation				
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Disposal / Write off Thousand Baht	As at 31 December 2019 Thousand Baht	As at 1 January 2019 Thousand Baht	Depreciation Thousand Baht	Disposal / Write off Thousand Baht	As at 31 December 2019 Thousand Baht	Property, plant and equipment, net as at 1 January 2019 Thousand Baht	Property, plant and equipment, net as at 31 December 2019 Thousand Baht
Land	1,610	-	-	1,610	-	-	-	-	1,610	1,610
Building	773	-	-	773	(773)	-	-	(773)	-	-
Leasehold improvement	4,456	-	(4,112)	344	(4,454)	(1)	4,111	(344)	2	-
Furniture, fixtures and office equipment	2,990	32	(1,964)	1,058	(2,876)	(34)	1,940	(970)	114	88
Vehicles	8,168	-	(8,168)	-	(3,943)	(1,064)	5,007	-	4,225	-
Total	17,997	32	(14,244)	3,785	(12,046)	(1,099)	11,058	(2,087)	5,951	1,698

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18 Right-of-use asset, net

		Consolidated financial information							
		30 June 2020 (Unaudited)			Accumulated amortisation				
		Cost							
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Change in contract Thousand Baht	As at 30 June 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	Change in contract Thousand Baht	As at 30 June 2020 Thousand Baht	Right-of-use asset, net as at 30 June 2020 Thousand Baht
Leasehold improvement	147,806	31,441	(2,703)	176,544	2,809	18,816	(2,685)	18,940	157,604
Vehicles	3,333	-	-	3,333	-	909	-	909	2,424
Total	151,139	31,441	(2,703)	179,877	2,809	19,725	(2,685)	19,849	160,028

		Separate financial information							
		30 June 2020 (Unaudited)			Accumulated amortisation				
		Cost							
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Change in contract Thousand Baht	As at 30 June 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	Change in contract Thousand Baht	As at 30 June 2020 Thousand Baht	Right-of-use asset, net as at 30 June 2020 Thousand Baht
Leasehold improvement	17,508	-	(17,508)	-	-	1,382	(1,382)	-	-
Vehicles	-	-	-	-	-	-	-	-	-
Total	17,508	-	(17,508)	-	-	1,382	(1,382)	-	17,508

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

For the six-month period ended 30 June 2020, the lease payments of the Group and the Company resulting from lease and service contracts which are not capitalised comprised of short-term contracts amounting to Baht 0.12 million and Baht 0 million.

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19 Intangible assets, net

Intangible assets, net as at 30 June 2020 and 31 December 2019 consisted of the following:

	Consolidated financial information											
	Cost					Accumulated amortisation						
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Write off Thousand Baht	Transfer in / (transfer out) Thousand Baht	As at 30 June 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	Write off Thousand Baht	30 June 2020 Thousand Baht	As at 30 June 2020 Thousand Baht	Intangible assets, net as at 1 January 2020 Thousand Baht	Intangible assets, net as at 30 June 2020 Thousand Baht
Purchase/subsequently acquire												
Computer software	233,110	1,794	-	(20,353)	214,551	(189,023)	(8,950)	-	(197,973)	(197,973)	44,087	16,578
Computer software in progress	32,557	392	-	20,353	53,302	-	-	-	-	-	32,557	53,302
Bancassurance agreement	100,000	-	-	-	100,000	(91,569)	(5,068)	-	(96,637)	(96,637)	8,431	3,363
Total	365,667	2,186	-	-	367,853	(280,592)	(14,018)	-	(294,610)	(294,610)	85,075	73,243

	Consolidated financial information											
	Cost					Accumulated amortisation						
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Disposal / Write off Thousand Baht	Transfer in / (transfer out) Thousand Baht	As at 31 December 2019 Thousand Baht	As at 1 January 2019 Thousand Baht	Amortisation Thousand Baht	Disposal / Write off Thousand Baht	Transfer from AZTH Thousand Baht	As at 31 December 2019 Thousand Baht	Intangible assets, net as at 1 January 2019 Thousand Baht	Intangible assets, net as at 31 December 2019 Thousand Baht
Purchase/subsequently acquire												
Computer software	90,096	2,671	-	-	233,110	(64,871)	(12,919)	-	(111,233)	(189,023)	25,225	44,087
Computer software in progress	7,381	1,968	(53,840)	-	32,557	-	-	-	-	-	7,381	32,557
Bancassurance agreement	100,000	-	-	-	100,000	(81,577)	(9,992)	-	-	(91,569)	18,423	8,431
Total	197,477	4,639	(53,840)	-	365,667	(146,448)	(22,911)	-	(111,233)	(280,592)	51,029	85,075

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19 Intangible assts, net (Cont'd)

Intangible assets, net as at 30 June 2020 and 31 December 2019 consisted of the following: (Cont'd)

	Separate financial information									
	Cost					Accumulated amortisation				
	As at 1 January 2020 Thousand Baht	Increase Thousand Baht	Transfer in / (transfer out) Thousand Baht	As at 30 June 2020 Thousand Baht	As at 1 January 2020 Thousand Baht	Amortisation Thousand Baht	As at 30 June 2020 Thousand Baht	Intangible assets, net as at 1 January 2020 Thousand Baht	Intangible assets, net as at 30 June 2020 Thousand Baht	
Purchase/subsequently acquire	41	-	1,968	2,009	(41)	-	(41)	-	1,968	
Computer software	1,968	-	(1,968)	-	-	-	-	1,968	-	
Computer software in progress	-	-	-	-	-	-	-	-	-	
Total	2,009	-	-	2,009	(41)	-	(41)	1,968	1,968	
	Separate financial information									
	Cost					Accumulated amortisation				
	As at 1 January 2019 Thousand Baht	Increase Thousand Baht	Transfer in / (transfer out) Thousand Baht	As at 31 December 2019 Thousand Baht	As at 1 January 2019 Thousand Baht	Amortisation Thousand Baht	As at 31 December 2019 Thousand Baht	Intangible assets, net as at 1 January 2019 Thousand Baht	Intangible assets, net as at 31 December 2019 Thousand Baht	
Purchase/subsequently acquire	41	-	-	41	(41)	-	(41)	-	-	
Computer software	-	1,968	-	1,968	-	-	-	-	1,968	
Computer software in progress	-	-	-	-	-	-	-	-	-	
Total	41	1,968	-	2,009	(41)	-	(41)	-	1,968	

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20 Deferred tax assets, net

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

	Consolidated financial information		Separate Financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Deferred tax assets, net	290,826	328,450	19,137	26,644

Movements of deferred tax assets for the six-month period ended 30 June 2020 and for the year ended 31 December 2019 consisted of tax effects from the following items:

	Consolidated financial information			
	As at 1 January 2020 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognised in other comprehensive income or loss Thousand Baht	As at 30 June 2020 Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts				
- Premium due and uncollected	6,620	(268)	-	6,352
Allowance for doubtful accounts				
- Other receivable	567	-	-	567
Unearned premium reserve	100,061	(30,428)	-	69,633
Unrealized loss on the change in fair value of available-for-sale investments	16,743	-	(6,106)	10,637
Expected credit loss	499	214	-	713
Claim reserve, net	137,009	10,609	-	147,618
Claim incurred but not reported	25,905	5,674	-	31,579
Employee benefit obligations	19,761	(1,040)	-	18,721
Accrued expense	11,840	(2,703)	-	9,137
Others	2,913	-	-	2,913
	<u>321,918</u>	<u>(17,942)</u>	<u>(6,106)</u>	<u>297,870</u>
Deferred tax liabilities				
Unrealized gain on transfer investment	(4,939)	-	-	(4,939)
Unrealized loss on the change in fair value of available-for-sale investments	(1,156)	-	(949)	(2,105)
	<u>(6,095)</u>	<u>-</u>	<u>(949)</u>	<u>(7,044)</u>
Deferred tax assets, net	<u>315,823</u>	<u>(17,942)</u>	<u>(7,055)</u>	<u>290,826</u>

	Consolidated financial information				
	As at 1 January 2019 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognised in other comprehensive income or loss Thousand Baht	Transfer from Allianz Insurance PCL Thousand Baht	As at 31 December 2019 Thousand Baht
Deferred tax assets					
Allowance for doubtful accounts					
- Premium due and uncollected	1,130	3,265	-	2,225	6,620
Allowance for doubtful accounts					
- Other receivable	567	-	-	-	567
Unearned premium reserve	102,450	(58,436)	-	56,047	100,061
Claim reserve, net	47,163	35,921	-	53,925	137,009
Claim incurred but not reported	15,737	4,048	-	6,120	25,905
Employee benefit obligations	13,730	7,244	(1,214)	-	19,760
Reinsurance payable	880	(880)	-	-	-
Accrued expense	-	(6,788)	-	18,629	11,841
Unrealized loss on the change in fair value of available-for-sale investments	51,943	-	(23,532)	-	28,411
Allowance for impairment of general investment	302	-	-	-	302
Others	-	(69)	-	2,982	2,913
	<u>233,902</u>	<u>(15,695)</u>	<u>(24,746)</u>	<u>139,928</u>	<u>333,389</u>
Deferred tax liabilities					
Unrealized gain on transfer of investments	(4,939)	-	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
Deferred tax assets, net	<u>228,963</u>	<u>(15,695)</u>	<u>(24,746)</u>	<u>139,928</u>	<u>328,450</u>

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20 Deferred tax assets, net (Cont'd)

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

	Separate financial information			
	As at 1 January 2020 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognised in other comprehensive income or loss Thousand Baht	As at 30 June 2020 Thousand Baht
Deferred tax assets				
Unrealized loss on the change in fair value of investments measured at fair value through profit and loss	30,904	(10,230)	-	20,674
Unrealized loss on the change in fair value of investments measured at fair value through other comprehensive income	-	-	4,871	4,871
Employee benefit obligations	1,534	(1,391)	-	143
Expected credit loss	312	181	-	493
	<u>32,750</u>	<u>(11,440)</u>	<u>4,871</u>	<u>26,181</u>
Deferred tax liabilities				
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
Unrealized gain on the change in fair value of investments measured at fair value through other comprehensive income	(1,156)	-	(949)	(2,105)
	<u>(6,095)</u>	<u>-</u>	<u>(949)</u>	<u>(7,044)</u>
Deferred tax assets, net	<u>26,655</u>	<u>(11,440)</u>	<u>3,922</u>	<u>19,137</u>

	Separate financial information			
	As at 1 January 2019 Thousand Baht	Transactions recognised in profit or loss Thousand Baht	Transaction recognised in other comprehensive income or loss Thousand Baht	As at 31 December 2019 Thousand Baht
Deferred tax assets				
Unrealized loss on the change in fair value of available-for-sale investments	47,854	-	(18,107)	29,747
Employee benefit obligations	931	409	194	1,534
Allowance for impairment of general investment	302	-	-	302
	<u>49,087</u>	<u>409</u>	<u>(17,913)</u>	<u>31,583</u>
Deferred tax liabilities				
Unrealized gain on transfer of investments	(4,939)	-	-	(4,939)
	<u>(4,939)</u>	<u>-</u>	<u>-</u>	<u>(4,939)</u>
Deferred tax assets, net	<u>44,148</u>	<u>409</u>	<u>(17,913)</u>	<u>26,644</u>

21 Other assets

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Other receivables	38,096	29,590	-	-
Less Allowance for doubtful accounts	(2,834)	(2,834)	-	-
	35,262	26,756	-	-
Revenue Department receivable	26,810	4,654	4,257	3,155
Withholding tax receivable	49,151	30,978	1,522	1,522
Prepaid expenses	11,245	9,607	437	541
Due from rice field insurance scheme	11,594	47,483	-	-
Accrued loss recovery	38,855	48,801	-	-
Deposits	9,889	10,021	1,431	1,432
Undue input value added tax	9,035	7,246	3	-
Others	31,607	1,127	1,001	1,001
Total	223,448	186,673	8,651	7,651

22 Insurance contract liabilities

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

	Consolidated financial information		
	As at 30 June 2020 (Unaudited)		
	Insurance contract liabilities Thousand Baht	Insurance liabilities recovered from reinsurers Thousand Baht	Net Thousand Baht
Loss reserves			
Loss incurred and reported	2,289,456	(1,426,557)	862,899
Loss incurred but not reported	229,663	(71,768)	157,895
	2,519,119	(1,498,325)	1,020,794
Premium reserve			
Unearned premium reserve	3,093,539	(864,876)	2,228,663
Total	5,612,658	(2,363,201)	3,249,457

22 Insurance contract liabilities (Cont'd)

Insurance contract liabilities as at 30 June 2020 and 31 December 2019 consisted of the following: (Cont'd)

	Consolidated financial information		
	As at 31 December 2019 (Audited)		
	Insurance contract liabilities	Insurance liabilities recovered from reinsurers	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Loss reserves			
Loss incurred and reported	2,273,231	(1,477,736)	795,495
Loss incurred but not reported	187,472	(57,948)	129,524
	<u>2,460,703</u>	<u>(1,535,684)</u>	<u>925,019</u>
Premium reserve			
Unearned premium reserve	3,337,238	(1,205,520)	2,131,718
Total	<u>5,797,941</u>	<u>(2,741,204)</u>	<u>3,056,737</u>

22.1 Insurance reserve for short-term insurance contract

22.1.1 Claim reserves

	Consolidated financial information		
	30 June 2020 (Unaudited)		
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning period	2,460,703	(1,535,684)	925,019
Claim and loss adjustment expenses incurred during the period	1,579,088	(446,357)	1,132,731
Change in claim reserves and assumptions used in loss reserve calculation	299,234	(165,834)	133,400
Loss paid during the period	<u>(1,819,906)</u>	<u>649,550</u>	<u>(1,170,356)</u>
Balance as at ending period	<u>2,519,119</u>	<u>(1,498,325)</u>	<u>1,020,794</u>

	Consolidated financial information		
	31 December 2019 (Audited)		
	Gross	Reinsurance	Net
	Thousand Baht	Thousand Baht	Thousand Baht
Balance as at beginning year	765,387	(449,047)	316,340
Claim and loss adjustment expenses incurred during the year	3,141,503	(1,153,340)	1,988,163
Change in claim reserves and assumptions used in loss reserve calculation	(621,816)	550,123	(71,693)
Loss paid during the year	<u>(2,909,908)</u>	<u>1,141,002</u>	<u>(1,768,906)</u>
Loss reserves and outstanding claim transferred from Allianz General Insurance Public Company Limited	<u>2,085,537</u>	<u>(1,624,422)</u>	<u>461,115</u>
Balance as at ending year	<u>2,460,703</u>	<u>(1,535,684)</u>	<u>925,019</u>

22 Insurance contract liabilities (Cont'd)

22.1 Insurance reserve for short-term insurance contract (Cont'd)

22.1.2 Unearned premium reserve

	Consolidated financial information		
	30 June 2020 (Unaudited)		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net Thousand Baht
Balance as at beginning period	3,337,238	(1,205,520)	2,131,718
Premium written for the period	3,037,938	(828,298)	2,209,640
Earned premium for the period	(3,281,637)	1,168,942	(2,112,695)
Balance as at ending period	3,093,539	(864,876)	2,228,663

	Consolidated financial information		
	31 December 2019 (Audited)		
	Gross Thousand Baht	Reinsurance Thousand Baht	Net Thousand Baht
Balance as at beginning year	1,679,389	(621,263)	1,058,126
Premium written for the year	5,757,300	(2,290,390)	3,466,910
Earned premium for the year	(5,683,693)	2,276,037	(3,407,656)
Premium reserves transferred from Allianz General Insurance Public Company Limited	1,584,242	(569,904)	1,014,338
Balance as at ending year	3,337,238	(1,205,520)	2,131,718

22.1.3 Unexpired risk reserve

As at 30 June 2020 and 31 December 2019, no additional reserve for unexpired risk reserve has been established as the gross unexpired risk reserve estimated by the Group amounting to Baht 1,533.46 million and Baht 1,868.91 million, respectively and net unexpired risk reserve estimated by the Group amounting to Baht 1,374.09 million and Baht 1,387.45 million is lower than the unearned premium reserve.

23 Amount due to reinsurers

	Consolidated financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
	Amounts withheld on reinsurance Reinsurance payables	1,017,046 608,781
Total amount due to reinsurers	1,625,827	1,944,672

24 Lease liabilities

The maturity analysis of lease liabilities is aged as follows;

Maturity	Consolidated financial information		Separate financial information	
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	30 June	30 June	30 June	30 June
	2020	2020	2020	2020
	Thousand Baht		Thousand Baht	
Within 1 year		31,299		-
Between 1 - 2 years		30,735		-
Between 2 - 3 years		28,987		-
Between 3 - 4 years		25,483		-
Between 4 - 5 years		23,459		-
Over 5 years		22,373		-
Total		162,336		-
Including - Principal		162,336		-
- Interest		(13,860)		-

For the three-month and six-month period ended 30 June 2020, the Group have Interest expenses on lease liabilities amounted to Baht 1.2 million and Baht 2.11 million, respectively (the Company: None) are recorded as "finance cost" in the statement of comprehensive income.

25 Other liabilities

	Consolidated financial information		Separate financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2020	2019	2020	2019
	Thousand Baht		Thousand Baht	
Other payables -				
promotion expense	64,253	69,343	-	-
Premium received in advance	120,642	95,127	-	-
Withholding tax payable	13,223	11,103	262	259
Undue output VAT	4,560	23,791	-	-
Contribution to non-life				
guarantee fund	8,873	15,810	-	-
Others	74,103	66,302	115	1,968
Total	285,654	281,476	377	2,227

26 Share Capital

On 18 May 2020, the Company's issued and fully paid share capital has been increased from Baht 384.96 million (384.96 million ordinary shares with a par value of Baht 1 each) to Baht 389.27 million (389.27 million ordinary shares with a par value of Baht 1 each) as a result of the exercises of the warrants (AYUD-W1) to ordinary shares amounting to Baht 4,301,970 (4,301,970 ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 158.54 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 18 May 2020.

On 30 April 2019, the Company received capital increase from Allianz SE and CPRN (Thailand) Co., Ltd. of Baht 4,717.40 million (88.47 million shares at Baht 53.32 per share, at a par value of Baht 1). The fully paid share capital has been increased from Baht 296.42 million (296.42 million ordinary shares with a par value of Baht 1 each) to Baht 384.89 million (384.89 million ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 4,628.93 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 30 April 2019.

26 Share Capital (Cont'd)

On 17 June 2019, the Company's issued and fully paid share capital has been increased from Baht 384.89 million (384.89 million ordinary shares with a par value of Baht 1 each) to Baht 384.91 million (384.91 million ordinary shares with a par value of Baht 1 each) as a result of the exercises of the warrants (AYUD-W1) to ordinary shares amounting to Baht 19,775 (19,775 ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 0.75 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 24 June 2019.

On 16 December 2019, the Company's issued and fully paid share capital has been increased from Baht 384.91 million (384.91 million ordinary shares with a par value of Baht 1 each) to Baht 384.96 million (384.96 million ordinary shares with a par value of Baht 1 each) as a result of the exercises of the warrants (AYUD-W1) to ordinary shares amounting to Baht 54,900 (54,900 ordinary shares with a par value of Baht 1 each), resulting in an increase in total share premium to Baht 2.09 million. The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 18 December 2019.

27 Warrants

The Company allocated and issued warrants to purchase ordinary shares, which is specified warrant's holder and transferable type. Terms of warrants are 2 years from initial issuance date. Exercise ratio is 1 warrant entitled to purchase 1 newly issued ordinary share at the determined exercise price (subject to change in case of the adjustment to the terms and conditions) and shall be able to exercise the warrants as identified period. The details of warrants are described as follows:

Warrant series	Term	Exercise date	Exercise period	Number of allocated and issued warrants (Unit)	Exercise ratio per 1 warrant	Exercise price (Baht per share)
^P "AYUD-W1"	2 Years	27 April 2018	On June 15 and December 15 every year throughout the term of warrants. The first exercise date is 15 June 2018 and the last exercise date is 8 May 2020.	124,999,807	1:1.03 (2019: 1:1)	37.85 (2019: 39.00)

Movements in warrants for the six-month periods ended 30 June 2020 and 2019 are as follows:

	(Unaudited) 30 June 2020		(Unaudited) 30 June 2019	
	Number of warrants (Unit)	Weighted average exercise price (Baht per share)	Number of warrants (Unit)	Weighted average exercise price (Baht per share)
Balance as at 1 January	78,508,207	39.00	78,582,882	39.00
Issued warrants	-	-	-	-
Forfeited warrants	(74,331,534)	-	-	-
Exercised warrants	(4,176,673)	37.85	(19,775)	39.00
Balance as at 30 June	-	-	78,563,107	39.00

27 Warrants (Cont'd)

On 6 March 2020, the Company adjusted the exercise price and exercise ratio of the warrants to purchase ordinary shares of the Company "AYUD-W1" under the condition as set forth in Clause 4.1 (5), the Company will adjust the exercise price and exercise ratio when makes a cash dividend payment at a rate higher than 80 percent of the net profit after income tax under the consolidated financial statement. The Company paid 2019 interim dividend at the rate of Baht 0.75 per share, equivalent to 152.23% of the consolidated profit. Exercise price was adjusted from Baht 39.00 per share to Baht 37.85 per share and exercise ratio was adjusted from 1 unit of warrant to 1 ordinary shares to 1 unit of warrant to purchase 1.03 ordinary shares which are effective on 9 March 2020.

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

28 Financial information by segment

The business segment results are prepared based on the preparation of management report of the Group. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to and assessing the performance of operating segments is measured in accordance with Financial Reporting Standards.

The Group has been operating in two principal business segments: (1) Non-life insurance business and (2) Investment business, which are only organized and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the three-month period and six-month ended 30 June 2020 and 2019, there is no revenue from a single external customer contributed 10% or more to the Group's total revenue.

The financial information of the Group for the three-month and six-month periods ended 30 June 2020 and 2019 were presented by business segment as follows:

	Consolidated financial information							
	For the three-month period ended 30 June (Unaudited)							
	Non-life insurance business		Investment business		Elimination of inter-segment		Total	
2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	
Revenue from external	1,181,623	1,025,747	46,744	32,254	(24,831)	-	1,203,536	1,058,001
Share of profit on investment in an associate	-	-	401,391	178,320	-	-	401,391	178,320
Other income	9,751	8,911	5	3,361	(2,550)	(3,456)	7,206	8,816
Total revenue	1,191,374	1,034,658	448,140	213,935	(27,381)	(3,456)	1,612,133	1,245,137
Insurance business expenses	1,027,067	747,559	-	-	-	-	1,027,066	747,559
Directors and key management personnel's remuneration	29,559	26,408	1,020	2,190	-	-	30,579	28,598
Other expenses	162,685	178,672	12,714	15,532	(2,550)	(3,456)	172,849	190,748
Income tax expense	(8,888)	17,932	6,887	939	(5,597)	-	(7,598)	18,871
Net income (loss)	(19,049)	64,087	427,519	195,274	(19,234)	-	389,237	259,361

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28 Financial information by segment (Cont'd)

The financial information of the Group for the three-month and six-month periods ended 30 June 2020 and 2019 were presented by business segment as follows: (Cont'd)

	Consolidated financial information							
	For the six-month period ended 30 June (Unaudited)							
	Non-life insurance business		Investment business		Elimination of inter-segment		Total	
	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht	2020 Thousand Baht	2019 Thousand Baht
Revenue from external	2,354,749	1,671,531	(39,337)	51,622	(47,996)	-	2,267,416	1,723,153
Share of profit on investment in an associate	-	-	622,229	290,456	-	-	622,229	290,456
Other income	31,592	9,182	8	8,615	(2,550)	(8,869)	29,050	8,928
Total revenue	2,386,341	1,680,713	582,900	350,693	(50,546)	(8,869)	2,918,695	2,022,537
Insurance business expenses	2,176,924	1,238,989	-	-	-	-	2,176,924	1,238,989
Directors and key management personnel's remuneration	77,063	39,905	4,076	8,094	-	-	81,139	47,999
Other expenses	305,903	246,987	18,827	32,749	(2,550)	(8,869)	322,180	270,867
Income tax expense	16,691	32,423	11,440	926	(10,230)	-	17,901	33,349
Net income (loss)	(190,240)	122,409	548,557	308,924	(37,766)	-	320,551	431,333

29 Dividend

At the Board of Directors' meeting on 8 April 2020, the payment of interim dividend was approved from the retained earnings at Baht 0.75 per share, totaling Baht 289 million. The dividend payment was made on 7 May 2020.

30 Earnings (loss) per share

Earnings (loss) per share for the three-month and six-month period ended 30 June 2020 and 2019 calculated from net profit for the period of the Company's shareholders and the number of issued share capital. The calculation was as follows:

	Consolidated financial information					
	For the three-month period ended 30 June (Unaudited)					
	Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share	
	2020 Thousand Baht	2019 Thousand Baht	2020 Shares	(Restated) 2019 Shares	2020 Baht	(Restated) 2019 Baht
Basic earnings (loss) per share						
Profit (loss) attributable to shareholders of the Company	389,237	259,361	388,132,346	326,723,482	1.00	0.79
Effect of dilutive potential ordinary shares						
Warrants (AYUD-W1)	-	-	-	6,942,050		
Diluted earnings (loss) per share						
Profit (loss) of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	389,237	259,361	388,132,346	333,665,532	1.00	0.78

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

Earnings (loss) per share for the three-month and six-month period ended 30 June 2020 and 2019 calculated from net profit for the period of the Company's shareholders and the number of issued share capital. The calculation was as follows: (Cont'd)

Consolidated financial information						
For the six-month period ended 30 June (Unaudited)						
Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share		
2020	2019	2020	(Restated) 2019	2020	(Restated) 2019	
Thousand Baht	Thousand Baht	Shares	Shares	Baht	Baht	
Basic earnings (loss) per share						
Profit (loss) attributable to shareholders of the Company						
320,551	431,333	386,548,653	326,723,482	0.83	1.32	
Effect of dilutive potential ordinary shares						
Warrants (AYUD-W1)						
-	-	-	6,515,815			
Diluted earnings (loss) per share						
Profit (loss) of ordinary shareholders assuming the conversion of dilutive potential ordinary shares						
320,551	431,333	386,548,653	333,239,297	0.83	1.29	
Separate financial information						
For the three-month period ended 30 June (Unaudited)						
Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share		
2020	2019	2020	(Restated) 2019	2020	(Restated) 2019	
Thousand Baht	Thousand Baht	Shares	Shares	Baht	Baht	
Basic earnings (loss) per share						
Profit (loss) attributable to shareholders of the Company						
26,128	16,954	388,132,346	326,723,482	0.07	0.05	
Effect of dilutive potential ordinary shares						
Warrants (AYUD-W1)						
-	-	-	6,942,050			
Diluted earnings (loss) per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares						
26,128	16,954	388,132,346	333,665,532	0.07	0.05	
Separate financial information						
For the six-month period ended 30 June (Unaudited)						
Profit (loss)		Weighted average number of ordinary shares		Earnings (loss) per share		
2020	2019	2020	(Restated) 2019	2020	(Restated) 2019	
Thousand Baht	Thousand Baht	Shares	Shares	Baht	Baht	
Basic earnings (loss) per share						
Profit (loss) attributable to shareholders of the Company						
(73,672)	18,468	386,548,653	326,723,423	(0.19)	0.06	
Effect of dilutive potential ordinary shares						
Warrants (AYUD-W1)						
-	-	-	6,515,815			
Diluted earnings (loss) per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares						
(73,672)	18,468	386,548,653	333,239,238	(0.19)	0.06	

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

The Group corrected the prior period error of the calculation of dilutive potential ordinary shares for the three-month and six-month period ended 30 June 2019. The correction of the effect of dilutive potential ordinary shares which was previously reported for the three-month and six-month period ended 30 June 2019 at 78,563,107 shares and 78,563,107, respectively in consolidated financial information and separate financial information to be 6,942,050 shares and 6,515,815 shares. Earnings per share in consolidated financial information for the three-month and six-month period ended 30 June 2019 was previously reported at Baht 0.64 per share and Baht 1.06 per share to be Baht 0.78 share per share and Baht 1.29 share per share respectively. Earnings per share in separate financial information for the three-month and six-month period ended 30 June 2019 was previously reported at Baht 0.04 per share and Baht 0.05 per share to be Baht 0.05 share per share and Baht 0.06 share per share respectively.

31 Operating expenses

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

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the three-month period ended			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Thousand baht	Thousand baht	Thousand baht	Thousand baht	
Employee expenses not relating to underwriting or claim administrative expense	77,950	116,342	7,391	4,539
Premise and equipment expense not relating to Underwriting expense	39,189	43,993	1,107	2,327
Stamp and tax duty	521	237	307	5
Bad debt and doubtful debt	5,743	1,946	-	-
Director's remuneration	2,814	3,878	2,126	2,636
Management fee	37,133	17,785	-	-
Advertising and sales promotion expenses	425	2,633	-	-
Professional fee	18,794	5,692	1,522	-
Other operating expenses	19,584	26,840	457	8,215
Total	202,153	219,346	12,910	17,722

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the six-month period ended			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
Thousand baht	Thousand baht	Thousand baht	Thousand baht	
Employee expenses not relating to underwriting or claim administrative expense	155,607	158,693	10,900	11,119
Premise and equipment expense not relating to Underwriting expense	71,738	73,246	2,861	4,422
Stamp and tax duty	1,152	1,086	307	25
Bad debt and doubtful debt (reversal)	(1,339)	2,488	-	-
Director's remuneration	6,213	7,315	3,541	4,760
Management fee	78,391	23,049	-	-
Advertising and sales promotion expenses	1,236	2,760	-	-
Professional fee	55,206	6,480	3,442	-
Other operating expenses	33,840	43,749	943	20,517
Total	402,044	318,866	21,994	40,843

32 Expected credit loss

	Consolidated Financial information	Separate Financial information
	(Unaudited)	
	For the three-month period ended	
	30 June 2020	30 June 2020
	Thousand Baht	Thousand Baht
Cash and cash equivalent	952	701
Investments in debt securities measured at fair value to other comprehensive income	113	113
Investments in debt securities measured at amortised cost	10	10
Investment in securities	200	-
Total expected credit loss	1,275	824

	Consolidated Financial information	Separate Financial information
	(Unaudited)	
	For the six-month period ended	
	30 June 2020	30 June 2020
	Thousand Baht	Thousand Baht
Cash and cash equivalent	895	688
Investments in debt securities measured at fair value to other comprehensive income	219	219
Investments in debt securities measured at amortised cost	2	2
Investment in securities	159	-
Total expected credit loss	1,275	909

33 Income tax expense

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

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the three-month period ended			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Thousand baht	Thousand baht	Thousand baht	Thousand baht
Current income tax	250	(52,193)	-	-
Deferred income tax	(7,848)	71,064	6,887	939
Total income tax expense	(7,598)	18,871	6,887	939

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33 Income tax expense (Cont'd)

The income tax expenses for the six-month period ended 30 June 2020 and 2019 were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the six-month period ended			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Thousand baht	Thousand baht	Thousand baht	Thousand baht
Current income tax	(41)	(13,787)	-	-
Deferred income tax	17,942	47,136	11,440	926
Total income tax expense	17,901	33,349	11,440	926

34 Related parties

The consolidated and separate financial information include certain transactions with the subsidiary and related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The consolidated and separate financial statements reflect the effects of these transactions on the basis determined by the Company, the subsidiary and the related parties which are as follows:

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

Related parties	Relationship	Type of Business
Allianz SE	Ultimate parent company	Insurance
Allianz SE Singapore Branch	Related company of ultimate parent company	Insurance
Allianz Technology SE	Related company of ultimate parent company	Information technology
Allianz Global Corporate&Speciality SE	Related company of ultimate parent company	Insurance
Allianz Global Corporate&Speciality AG	Related company of ultimate parent company	Insurance
Allianz Australia Limited	Related company of ultimate parent company	Insurance
Euler Hermes Deutschland	Related company of ultimate parent company	Insurance
Euler Hermes Singapore Branch	Related company of ultimate parent company	Insurance
Allianz Fire and Marine Insurance Japan Ltd.	Related company of ultimate parent company	Insurance
Allianz General Insurance Malaysia Berhad	Related company of ultimate parent company	Insurance
Allianz Global Risks US Insurance Company	Related company of ultimate parent company	Insurance
AWP P&C S.A.	Related company of ultimate parent company	Service
Allianz Suisse Versicherungs-Gesellschaft AG	Related company of ultimate parent company	Insurance
Allianz China General Insurance Company Ltd.	Related company of ultimate parent company	Insurance
Allianz Benelux S.A	Related company of ultimate parent company	Insurance
AWP Services (Thailand) Co., Ltd.	Related company of ultimate parent company	Service
Allianz Technology (Thailand) Co., Ltd.	Related company of ultimate parent company	Information technology
Allianz General Insurance Plc.	Related company of ultimate parent company	Insurance
Allianz Investment Management Singapore Pte. Ltd.	Related company of ultimate parent company	Service
Allianz Global Investors Singapore Ltd.	Related company of ultimate parent company	Service
Allianz Ayudhya General Insurance Plc.	Subsidiary	Insurance
Allianz Ayudhya Assurance Plc.	Associate	Life Insurance
CPRN (Thailand) Co., Ltd.	Related company of shareholders	Holding
Bangkok Broadcasting & Television Co., Ltd.	Related company of shareholders	Television
BBTV Equity Co., Ltd.	Related company of shareholders	Office Space Rental
Great Luck Equity Co., Ltd.	Related company of shareholders	Advertising
Bank of Ayudhya Plc.	Related company of shareholders	Banking
Krungsri Asset Management Co., Ltd.	Related company of shareholders	Fund management
Krungsri Securities Plc.	Related company of shareholders	Securities
Ayudhya Development Leasing Co., Ltd.	Related company of shareholders	Hire-purchase and leasing
Ayudhya Capital Auto Lease Plc.	Related company of shareholders	Hire-purchase and auto leasing
Siam City Cement Plc.	Related company of shareholders	Construction Materials
Eastern Star Real Estate Plc.	Related company of shareholders	Property
Super Asset Co., Ltd.	Related company of shareholders	Investments
CKS Holding Co., Ltd.	Related company of shareholders	Investments
Grand Canal Land Plc.	Related company of shareholders	Advertising
Krungsri Ayudhya AMC Ltd.	Related company of shareholders	Asset Management
Siam Realty and Service Co., Ltd.	Related company of shareholders	Services
Krungsri Factoring Co., Ltd.	Related company of shareholders	Factoring
Krungsri Ayudhya Card Co., Ltd.	Related company of shareholders	Services
Khao Kheow Country Club Co., Ltd.	Related company of shareholders	Golf club

34 Related parties (Cont'd)

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

	Consolidated financial information		Separate financial information	
	(Unaudited) As at 30 June 2020 Thousand Baht	(Audited) As at 31 December 2019 Thousand Baht	(Unaudited) As at 30 June 2020 Thousand Baht	(Audited) As at 31 December 2019 Thousand Baht
Assets				
Related company of ultimate parent				
Premium receivable	207	21	-	-
Amounts due from reinsurers	248,409	283,190	-	-
Other assets	23,051	24,969	-	-
Related company of shareholders				
Deposits at financial institutions	197,554	324,316	32,195	34,220
Premium receivable	19,597	2,817	-	-
Investment	-	2,390,752	-	2,390,752
Other assets	3,732	7,144	1,449	1,478
Liabilities				
Related company of ultimate parent				
Amounts withheld on reinsurance	437,265	453,860	-	-
Due to reinsurers	331,621	403,538	-	-
Other liabilities	14,500	67,371	-	-
Related company of shareholders				
Commission and brokerage payable	15,059	13,284	-	-
Accrued other - underwrite expenses	32,220	29,171	-	-
Other liabilities	8,032	5,957	-	-
Subsidiaries				
Other liabilities	-	-	2,550	1,700

34 Related parties (Cont'd)

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

	Consolidated financial information	
	(Unaudited)	
	For the three-month period ended	
	30 June	30 June
	2020	2019
	Thousand Baht	Thousand Baht
Revenues		
Related company of ultimate parent		
Claim recovered from reinsurers	110,566	60,602
Fee and commission income	52,178	30,877
Other income	3,398	8,071
Related company of shareholders		
Premium written	17,799	9,286
Other income	-	861
Investment income	(64)	3,618
Expenses		
Related company of ultimate parent		
Premiums ceded to reinsurers	225,140	251,769
Other expenses	62,937	15,028
Related company of shareholders		
Commission and brokerage expenses	44,421	46,235
Underwriting expenses	34,272	31,818
Other expenses	4,380	6,352
Associates		
Other expenses	716	-
Consolidated financial information		
(Unaudited)		
For the six-month period ended		
	30 June	30 June
	2020	2019
	Thousand Baht	Thousand Baht
Revenues		
Related company of ultimate parent		
Claim recovered from reinsurers	132,861	60,602
Fee and commission income	58,518	30,877
Premium written	193	364
Other income	11,051	7,921
Related company of shareholders		
Premium written	25,961	17,893
Other income	-	1,466
Investment income	231	3,683
Expenses		
Related company of ultimate parent		
Premiums ceded to reinsurers	261,457	251,769
Other expenses	86,815	15,028
Related company of shareholders		
Commission and brokerage expenses	91,190	97,201
Underwriting expenses	56,304	65,911
Other expenses	10,875	13,023
Associates		
Other expenses	1,475	-

34 Related parties (Cont'd)

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

	Separate financial information	
	(Unaudited)	
	For the three-month period ended	
	30 June 2020	30 June 2019
	Thousand Baht	Thousand Baht
Revenues		
Related company of shareholders		
Investment income (expense)	(64)	3,618
Subsidiaries		
Other income	-	3,305
Expenses		
Related company of ultimate parent		
Other expenses	244	-
Related company of shareholders		
Other expenses	1,158	1,517
Associates		
Other expenses	716	-
Subsidiaries		
Other expenses	1,275	150
	Separate financial information	
	(Unaudited)	
	For the six-month period ended	
	30 June 2020	30 June 2019
	Thousand Baht	Thousand Baht
Revenues		
Related company of shareholders		
Investment income	231	3,683
Subsidiaries		
Other income	-	8,568
Expenses		
Related company of ultimate parent		
Other expenses	488	-
Related company of shareholders		
Other expenses	2,820	3,352
Associates		
Other expenses	1,475	-
Subsidiaries		
Other expenses	2,550	300

34 Related parties (Cont'd)

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

The Group paid commissions and brokerages and other underwriting expenses as specified in the Bancassurance Agreement made between the Company and such related bank. The commission rates were in compliance with the Office of Insurance Commission criteria and the same basis of the commission rate that the Group has offered to other insurance broker companies.

Interest was charged at the same interest rates as the bank has offered to other insurance companies.

The Company and related companies enter into a management service agreement with the subsidiary for providing about services of personnel, internal audit and information technology. Service rates are agreed by both parties which are determined based on estimated time spent and cost incurred for the subsidiary.

Commission, management fee and custodian fee were paid at the same rates and conditions as the related parties charged other customers.

The Group has office rental, equipment rental and service agreements with related companies for a term of 3 years. Rental rates and conditions are the same as the related parties offer to other companies.

The Company enters into a management service agreement with the subsidiary for receiving managerial, investment and administrative services of accounting, payroll and information technology. Service rates are agreed by both parties which are determined based on estimated time spent and cost incurred for the Company.

Directors and key management personnel's remuneration

During the three-month and six-month period ended 30 June 2020 and 2019, the Group had salaries, bonuses, directors allowances and other benefits of its directors and key management personnel recognised as expenses as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the three-month period ended			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Directors and key management personnel's remuneration				
Short-term benefits	28,869	27,254	918	1,985
Post-employment benefits	1,022	1,229	102	132
Directors' remuneration	688	115	-	73
Total	30,579	28,598	1,020	2,190

	Consolidated financial information		Separate financial information	
	(Unaudited)			
	For the six-month period ended			
	30 June 2020	30 June 2019	30 June 2020	30 June 2019
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Directors and key management personnel's remuneration				
Short-term benefits	77,561	45,823	3,844	7,582
Post-employment benefits	2,201	1,700	232	244
Directors' remuneration	1,377	475	-	268
Total	81,139	47,998	4,076	8,094

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

35 Securities and assets pledged with the Registrar

As at 30 June 2020 and 31 December 2019, certain investments in securities of the Group were pledged and used for assets reserved with the Registrar (Note 14) in accordance with the Insurance Act and the Notification of the Office of Insurance Commission regarding "Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2557", respectively as follows:

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

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Deposits at banks	14,000	14,000	-	-
Government and state enterprise securities	14,000	14,000	-	-

35.2 The investments in debt securities which the Group pledged with the Registrar in accordance with the Insurance Act (No.2) B.E. 2551 were as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Government and state enterprise securities	588,548	553,829	1,138	1,119

36 Restricted assets

As at 30 June 2020, the Group has premium saving certificates amount of Baht 2.55 million were used as collateral in case where the insured drivers are the alleged offenders (31 December 2019: Baht 3.15 million).

As at 30 June 2020 and 31 December 2019, the Group has credit facilities which was secured by deposit at bank of the Group in the same amount of credit limit as follows:

	Consolidated financial information		Separate financial information	
	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht	(Unaudited) 30 June 2020 Thousand Baht	(Audited) 31 December 2019 Thousand Baht
Overdraft facilities	40,000	40,000	20,000	20,000
Borrowing facilities	10,000	10,000	10,000	10,000

37 Commitment

Commitments as at 30 June 2020 and 31 December 2019 consisted of the following:

Type	Consolidated financial information		
	As at 30 June 2020 (Unaudited)		
	Remaining periods		Total rental payments
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	for the remaining periods Thousand Baht
Vehicle - others	-	-	-
	-	-	-
Type	Consolidated financial information		
	As at 31 December 2019 (Audited)		
	Remaining periods		Total rental payments
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	for the remaining periods Thousand Baht
Building			
- related company	4,064	1,800	5,864
- others	3,154	4,382	7,536
Service			
- related company	2,636	208	2,844
- others	956	1,833	2,789
Equipment - related company	3,515	277	3,792
Vehicle - others	1,902	1,456	3,358
	16,227	9,956	26,183

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37 Commitment (Cont'd)

Commitments as at 30 June 2020 and 31 December 2019 consisted of the following: (Cont'd)

Type	Separate financial information		
	As at 30 June 2020 (Audited)		
	Remaining periods		Total rental payments for the remaining periods
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	
Service - related company	-	-	-
	-	-	-
	-	-	-
Type	Separate financial information		
	As at 31 December 2019 (Audited)		
	Remaining periods		Total rental payments for the remaining periods
	Within 1 year Thousand Baht	Over 1 year to 5 years Thousand Baht	
Building - related company	290	-	290
Service - related company	290	-	290
Equipment - related company	386	-	386
	966	-	966

38 Contingent liabilities

As at 30 June 2020 and 31 December 2019, lawsuits have been brought against the Group, as insurer, from which the Group estimates losses totaling Baht 51.60 million and Baht 47.96 million, respectively. The Group's management believes that such estimation is adequate to losses and does not expect the outcome of the litigation to result in losses that differ from the recorded liability by amounts that would be material to the Group's operating results.