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No. LorBor./67/008

May 14, 2024

Subject : Explanation in case the Company's revenue or profit differ from the same period of the prior year by more than 20%

To: President  
The Stock Exchange of Thailand

Allianz Ayudhya Capital Public Company Limited would like to clarify the operating result of the consolidated financial statement for the three-month period ended March 31, 2024 which shows a net profit of Baht 198.44 million (Baht 0.51 per share) compared with Baht 183.17 million (Baht 0.47 per share) from same period last year, a higher by Baht 15.27 million or 8.34%. The significant changes are summarized as follows:

Unit: Thousand baht

	Consolidated financial information For the three-month period ended		% Change
	31 March 2024	31 March 2023	Y-O-Y
<b>Revenues</b>			
Gross premiums written	3,675,796	3,508,612	4.76%
Net premiums written	2,991,904	2,828,603	5.77%
Net premiums earned	2,047,604	1,979,750	3.43%
Fees and commission income	180,201	197,873	-8.93%
Net investment income	40,936	21,229	92.83%
Gain (loss) on investments	1,171	(3,792)	130.80%
Share of profit on investment of an associate	148,478	136,725	8.60%
Service income	9,748	9,615	1.39%
Other income	1,689	1,111	52.02%
<b>Total revenues</b>	<b>2,429,827</b>	<b>2,342,511</b>	<b>3.73%</b>
<b>Expenses</b>			
Gross claim paid	1,292,452	1,234,512	4.69%
Commission and brokerage expenses	349,338	322,245	8.41%
Other underwriting expenses	324,194	312,060	3.89%
Cost of I services	1,152	25	4,508.94%
Operating expenses	250,583	277,090	-9.57%
Finance cost	1,951	1,724	13.19%
Impairment (Reversal)	-	(4,050)	-100.00%
Expected credit loss (Reversal)	(58)	(308)	-81.03%
<b>Total expenses</b>	<b>2,219,612</b>	<b>2,143,298</b>	<b>3.56%</b>
Profit before income tax	210,215	199,213	5.52%
Income tax expense	11,779	16,048	-26.60%
<b>Net profit</b>	<b>198,436</b>	<b>183,165</b>	<b>8.34%</b>
Basic earnings per share (Baht per share)	0.51	0.47	8.34%

- The gross premiums written (GPW) increased by 4.76 % from the same period last year mainly driven by growth in Motor and Health business.
- Net investment income increased by 92.83% due to higher investment assets size and the increased in bond yield. Gain on investment increased Baht 4.96 million from the valuation gain of Fair value through Profit and loss asset (FVPL).
- The share of profit on investment in an associate increased by 8.60% due to the increase in net profit of the associate company.
- From the above, the Company's total revenues increased by 3.73% from the same period last year.
- In terms of expenses, net claims paid, commission and brokerage, and other underwriting expenses increase by 4.69%, 8.41% and 3.89% respectively, aligned with the business growth. The operating expense decreased by 9.57% due to lower of integration expense as there were significant activities related to business amalgamation in same period last year.
- Cost of services was significantly increased due to the medical services of subsidiary company have fully operated since July 2023.
- Impairments (reversal) and expected credit loss (reversal) decreased as there were no significant sales of investment assets in this period.
- As a result of the aforementioned, the Company's performance for the three-month period ended March 31, 2024 was a net profit of Baht 198.44 million or 8.34% higher than the same period last year.

Please be informed accordingly.

Yours faithfully,



Thomas Wilson  
President & CEO