

CHARAN INSURANCE PUBLIC COMPANY LIMITED
AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015
(UNAUDITED/REVIEWED ONLY)

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders of

CHARAN INSURANCE PUBLIC COMPANY LIMITED

I have reviewed the accompanying statement of financial position of CHARAN INSURANCE PUBLIC COMPANY LIMITED as at June 30, 2015, the related statement of comprehensive income for the three-month and six-month period ended June 30, 2015, statement of changes in shareholders' equity, and statement of cash flows for the six-month period then ended and the condensed notes to financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of Review

I conducted my reviews in accordance with Thai Standard on Review Engagements No. 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 on this reviewed interim financial information.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting.

D I A International Audit Co., Ltd.

(Miss. Somjintana Pholhirunrat)

C.P.A. (Thailand)

Registration No. 5599

August 10, 2015

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2015

		(Unit : Baht)	
	Note	June 30, 2015	December 31, 2014
		UNAUDITED/ REVIEWED ONLY"	"AUDITED"
ASSETS			
Cash and cash equivalents	4	55,222,422.91	19,883,444.37
Accrued investment income		3,956,442.23	3,663,416.87
Premium due and uncollected	5	28,536,485.03	23,249,601.38
Reinsurance assets	6	42,997,274.01	54,787,960.90
Investment properties			
Investments in securities	7		
Available for sales		248,275,476.80	247,956,894.16
Held-to-maturity investment		360,930,000.00	380,930,000.00
General investments		341,060.00	341,060.00
Total		609,546,536.80	629,227,954.16
Loans	8	10,964,589.88	11,117,170.98
Property held for sale - net		119,000.00	119,000.00
Property, plant and equipment	9	48,865,598.94	50,093,730.65
Intangible assets	10	312,706.17	204,888.40
Deferred tax assets		8,244,042.74	9,035,383.49
Other assets		11,056,746.07	8,999,294.00
TOTAL ASSETS		819,821,844.78	810,381,845.20

Notes to the financial statements are an integral part of these financial statements.

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT JUNE 30, 2015

		(Unit : Baht)	
	<u>Note</u>	June 30, 2015	December 31, 2014
		UNAUDITED/ REVIEWED ONLY"	"AUDITED"
LIABILITIES AND SHAREHOLDERS' EQUITY			
Income tax payables		3,260,922.73	-
Due to reinsurers	<i>12</i>	15,855,646.26	16,071,149.32
Insurance contract liabilities			
Loss reserves and outstanding claims	<i>13</i>	30,100,746.95	33,038,769.42
Premium reserve	<i>14</i>	133,608,264.94	132,823,863.48
Unearned revenue		7,478,127.43	6,980,593.27
Employee benefit obligations	<i>17</i>	10,822,412.00	11,506,093.00
Deferred tax liabilities		15,515,752.36	15,452,035.83
Others liabilities		16,367,150.25	16,256,818.13
TOTAL LIABILITIES		233,009,022.92	232,129,322.45

Notes to the financial statements are an integral part of these financial statements.

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONT.)

AS AT JUNE 30, 2015

	(Unit : Baht)	
	June 30, 2015	December 31, 2014
	UNAUDITED/ REVIEWED ONLY"	"AUDITED"
LIABILITIES AND SHAREHOLDERS' EQUITY		
Shareholders' equity		
Share capital		
Registered capital		
6,000,000 ordinary shares of Baht 10.00 each		60,000,000.00
12,000,000 ordinary shares of Baht 10.00 each	15	120,000,000.00
Issued and paid-up share capital		
6,000,000 ordinary shares of Baht 10.00 each		60,000,000.00
12,000,000 ordinary shares of Baht 10.00 each	15	120,000,000.00
Premium on share capital		258,000,000.00
Retained earnings		
Appropriated		
Statutory reserve		7,200,000.00
Unappropriated		139,549,812.42
Other components of equity		62,063,009.44
TOTAL SHAREHOLDERS' EQUITY		586,812,821.86
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		819,821,844.78

Notes to the financial statements are an integral part of these financial statements.

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED JUNE 30,2015

(UNAUDITED/REVIEWED ONLY)

(Unit : Baht)

	Note	FOR THE THREE-MONTH		FOR THE SIX-MONTH	
		PERIOD ENDED JUNE 30,		PERIOD ENDED JUNE 30,	
		2015	2014	2015	2014
Underwriting income					
Net premium earned	16	52,869,100.13	46,700,643.19	105,272,931.32	93,697,853.56
Fee and commission income		3,372,076.99	3,703,233.86	7,279,841.21	7,310,383.76
Total underwriting income		56,241,177.12	50,403,877.05	112,552,772.53	101,008,237.32
Underwriting expenses					
Insurance claims and loss adjustment expenses		11,453,912.50	17,183,423.12	18,508,782.52	22,744,758.00
Commissions and brokerages		10,411,358.74	11,249,474.26	21,479,688.12	21,195,574.64
Other underwriting expenses		16,024,542.19	15,577,438.92	29,884,673.31	26,935,229.73
Operating expenses	20	14,425,818.25	10,219,513.37	25,368,853.23	21,595,744.98
Total underwriting expenses		52,315,631.68	54,229,849.67	95,241,997.18	92,471,307.35
Gain (Loss) on underwriting		3,925,545.44	(3,825,972.62)	17,310,775.35	8,536,929.97
Income on investments - net		8,523,391.37	8,031,458.54	11,703,867.50	11,588,415.96
Gain (Loss) on investment		0.00	1,698,061.50	0.00	1,698,061.50
Other income		4,893,404.15	3,160,638.82	8,363,428.29	3,679,450.52
Profit (Loss) from operation		17,342,340.96	9,064,186.24	37,378,071.14	25,502,857.95
Contribution to Office of Insurance Commission		172,349.41	198,495.99	360,804.38	376,647.41
Contribution to Non-life guarantee fund		143,624.51	164,925.49	307,808.09	313,385.00
Contribution to Road victims protection fund		3,964,534.50	4,859,426.59	8,852,642.86	8,849,381.37
Profit (Loss) before corporate income tax		13,061,832.54	3,841,338.17	27,856,815.81	15,963,444.17
Corporate income tax	11	1,583,632.16	185,126.65	4,551,382.81	2,617,536.77
Profit (Loss) for the period		11,478,200.38	3,656,211.52	23,305,433.00	13,345,907.40
Other comprehensive income (expenses)					
Fair value changes on available-for-sale investments		1,519,242.08	26,208,285.89	318,582.64	29,257,129.54
Income tax relating to component of other comprehensive income		(303,848.42)	(5,241,657.18)	(63,716.53)	(5,851,425.91)
Other comprehensive income (expenses) for the period, net of tax		1,215,393.66	20,966,628.71	254,866.11	23,405,703.63
Total comprehensive income (expenses) for the period		12,693,594.04	24,622,840.23	23,560,299.11	36,751,611.03
Basic Earnings per share					
Net profit (loss)		0.96	0.30	1.94	1.11

Notes to the financial statements are an integral part of these financial statements.

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

(UNAUDITED / REVIEWED ONLY)

	(Unit : Baht)	
	JUNE 30, 2015	JUNE 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Net direct premium written	122,100,102.12	116,313,614.47
Cash paid for reinsurance	(15,764,243.27)	(12,229,646.79)
Losses incurred of direct insurance	(9,230,264.21)	(39,464,573.14)
Loss adjustment expenses of direct insurance	(2,337,890.98)	(1,304,968.44)
Commissions and brokerages	(13,551,296.77)	(12,728,805.47)
Other underwriting expenses	(29,884,673.31)	(21,274,199.73)
Interest income	6,094,003.63	8,688,198.39
Dividend	5,316,838.51	4,410,089.31
Other income	8,363,427.29	1,233,760.52
Operating expenses	(40,005,233.91)	(34,300,050.26)
Corporate income tax	(499,119.33)	(400,506.78)
NET CASH PROVIDED BY (USE IN) OPERATING ACTIVITIES	30,601,649.77	8,942,912.08
CASH FLOWS FROM INVESTING ACTIVITIES		
<u>Cash flows provided by</u>		
Deposits at financial institutions	90,000,000.00	6,000,000.00
Investments in securities	0.00	15,232,381.50
Collateral loans	1,272,581.10	1,645,029.08
NET CASH PROVIDED BY INVESTING ACTIVITIES	91,272,581.10	22,877,410.58

Notes to the financial statements are an integral part of these financial statements.

CHARAN INSURANCE PUBLIC COMPANY LIMITED
 STATEMENTS OF CASH FLOWS (CONT.)
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014
 (UNAUDITED / REVIEWED ONLY)

	(Unit : Baht)	
	JUNE 30, 2014	JUNE 30, 2013
<u>Cash flows used in</u>		
Investments in securities	(70,000,000.00)	(1,174,500.00)
Loan to employees	(1,120,000.00)	(740,000.00)
Intangible assets	(169,500.00)	(132,500.00)
Property, plant and equipment	(245,752.33)	(180,530.93)
NET CASH USED IN INVESTING ACTIVITIES	(71,535,252.33)	(2,227,530.93)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	19,737,328.77	20,649,879.65
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		
Bank overdraft	0.00	(2,019,580.68)
Dividend	(15,000,000.00)	(9,000,000.00)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(15,000,000.00)	(11,019,580.68)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	35,338,978.54	18,573,211.05
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	19,883,444.37	12,053,901.68
CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD	55,222,422.91	30,627,112.73

Additional disclosure of cash flows information:

Non-cash transaction for the six - month periods ended June 30, 2015 and 2014

- Gain (loss) on changes in value of available-for-sale investments (net of income tax)	254,866.11	23,405,703.63
- share dividend payment by number of ordinary share of the Company 6 million shares at par value Baht 10.00	60,000,000.00	0.00

Notes to the financial statements are an integral part of these financial statements.

CHARAN INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2015
(UNAUDITED / REVIEWED ONLY)

(Unit : Baht)

	Note	Share capital Issued and fully paid	Premium on share capital	Retained earnings		Other component of equitys	Total
				Statutory reserve	Unappropriated	Fair value changes on available for sale investments	
Balance as at December 31, 2013		60,000,000.00	258,000,000.00	6,000,000.00	181,171,771.92	38,373,888.37	543,545,660.29
Dividend		-	-	-	(9,000,000.00)	-	(9,000,000.00)
Comprehensive income for the six-month period		-	-	-	13,345,907.40	23,405,703.63	36,751,611.03
Balance as at June 30, 2014		60,000,000.00	258,000,000.00	6,000,000.00	185,517,679.32	61,779,592.00	571,297,271.32
Balance as at December 31, 2014		60,000,000.00	258,000,000.00	6,000,000.00	192,444,379.42	61,808,143.33	578,252,522.75
Stock dividend/Registered capital increase	19.1	60,000,000.00	-	-	(60,000,000.00)	-	-
Cash dividend	19.2	-	-	-	(15,000,000.00)	-	(15,000,000.00)
Appropriated to statutory reserve		-	-	1,200,000.00	1,200,000.00	-	-
Comprehensive income for the six-month period		-	-	-	23,305,433.00	254,866.11	23,560,299.11
Balance as at June 30, 2015		120,000,000.00	258,000,000.00	7,200,000.00	139,549,812.42	62,063,009.44	586,812,821.86

Notes to the financial statements are an integral part of these financial statements.

CHARAN INSURANCE PUBLIC COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2015
(UNAUDITED / REVIEWED ONLY)

1. GENERAL INFORMATION

CHARAN INSURANCE PUBLIC COMPANY LIMITED (“the Company”) was incorporated as a public limited company on March 15, 1994, Registration No. Bor Mor Jor. 0107537000807. The office is located on 408/1 Ratchadapisek Road, Samsennok, Huay kwang, Bangkok. The Company’s main activity is the provision of non-life insurance.

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1. Preparation of interim financial statement basis

These interim financial statements are prepared in accordance with Thai Accounting Standards No. 34 (revised 2014) “Interim Financial Reporting” and the regulations in notification of the Office of Insurance Commission issued the Notification dated 27 May 2010, the Company has chosen to present condensed financial statements and prepared the statements of financial position, comprehensive income, changes in shareholders’ equity and cash flows for in the same format of the annual financial statements.

These interim financial statements have been prepared for the purpose to provide the additional information from the financial statements for the year December 31, 2014. Accordingly, they focus on new activities, events and circumstances, not to duplicate information previously reported. Therefore, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2014.

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS (CONTINUED)

2.2. Financial reporting standards became effective in the current accounting period

The Federation of Accounting Professions issued new accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations effective from accounting period beginning on or after January 1, 2015 detailed as follows:

<u>Accounting Standards:</u>	<u>Contents</u>
TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of Cash Flows
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2014)	Events After the Reporting Period
TAS 11 (revised 2014)	Construction Contracts
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 19 (revised 2014)	Employee Benefits
TAS 20 (revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2014)	Borrowing Costs
TAS 24 (revised 2014)	Related Party Disclosures
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2014)	Separate Financial Statements
TAS 28 (revised 2014)	Investments in Associates and Joint Venture
TAS 29 (revised 2014)	Financial Reporting in Hyperinflationary Economics
TAS 33 (revised 2014)	Earnings per Share
TAS 34 (revised 2014)	Interim Financial Reporting
TAS 36 (revised 2014)	Impairment of Assets
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS (CONTINUED)

2.2. Financial reporting standards became effective in the current accounting period (CONTINUED)

<u>Accounting Standards:</u>	<u>Contents</u>
TAS 38 (revised 2014)	Intangible Assets
TAS 40 (revised 2014)	Investment Property
<u>Financial Reporting Standards:</u>	
TFRS 2 (Revised 2014)	Share-Based Payments
TFRS 3 (Revised 2014)	Business Combinations
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10 (Revised 2014)	Consolidated Financial Statements
TFRS 11 (Revised 2014)	Joint Arrangements
TFRS 12 (Revised 2014)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2014)	Fair Value Measurement
<u>Accounting Standard Interpretations:</u>	
TSIC 10 (Revised 2014)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (Revised 2014)	Operating Leases—Incentives
TSIC 25 (Revised 2014)	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2014)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2014)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets—Web Site Costs
<u>Financial Reporting Standard Interpretations</u>	
TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS (CONTINUED)

2.2 Financial reporting standards became effective in the current accounting period (CONTINUED)

<u>Financial Reporting Standard Interpretations:</u>	<u>Contents</u>
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2014)	Service Concession Arrangements
TFRIC 13 (Revised 2014)	Customer Loyalty Programmers
TFRIC 14 (Revised 2014)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2014)	Distributions of Non – cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers
TFRIC 20 (Revised 2014)	Stripping Costs in the Production Phase of a Surface Mine

The Company's management has assessed the effect of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations and believes that they are not relevant to the business of the Company.

2.3 Accounting standards will that be effective in the future

The Group has not adopted the following new and revised TFRS that have been issued as of the reporting date but are not yet effective. The new and revised TFRS are expected to become effective for annual financial period beginning on or after 1 January in the year indicated in the following table.

<u>Financial Reporting Standards</u>	<u>Contents</u>	<u>Effective Date</u>
TFRS 4 (Revised 2014)	Insurance Contracts	January 1, 2016

The Company's management is under assessment the impact of compliance with such TFRS.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as used for the financial statements for the year ended 31 December 2014.

4. CASH AND CASH EQUIVALENTS

	(Unit : Baht)	
	June 30, 2015	December 31, 2014
Cash	1,084,375.20	1,011,488.82
Deposits at banks with no fixed maturity date	54,138,047.71	18,871,955.55
Deposits at banks with fixed maturity date and negotiation certificate	259,930,000.00	349,930,000.00
Total cash and deposits at financial institution	315,152,422.91	369,813,444.37
Less: Other deposits at banks which maturing over 3 months	(195,000,000.00)	(285,000,000.00)
Restricted cash and deposits at banks	(64,930,000.00)	(64,930,000.00)
Cash and cash equivalents	55,222,422.91	19,883,444.37

As at March 31, 2015 and December 31, 2014 ,the Company used the deposits at bank Baht 64.93 million as collateral as stated in note 29.

5. PREMIUM DUE AND UNCOLLECTED-NET

As at June 30, 2015 and December 31, 2014, the Company has balances of premium due and uncollected which classified by aging from the maturity date of the premium collection as follows :

(Unit : Baht)

	June 30, 2015			Total
	Due from insured	Due from agents and brokers	Due from reinsurers	
Within credit terms	199,200.04	24,121,078.62	841,950.81	25,162,229.47
Less than 30 days	-	871,398.16	6,639.50	878,037.66
31 - 60 days	-	1,710,884.08	111,053.10	1,821,937.18
61 - 90 days	1,085.02	673,195.70	-	674,280.72
91 days - 1 year	-	59,615.95	-	59,615.95
Over 1 year	-	573,540.21	-	573,540.21
Total premium due and uncollected	200,285.06	28,009,712.72	959,643.41	29,169,641.19
Less allowance for doubtful accounts	-	(633,156.16)	-	(633,156.16)
Premium due and uncollected- Net	200,285.06	27,376,556.56	959,643.41	28,536,485.03

(Unit : Baht)

	December 31, 2014			Total
	Due from insured	Due from agents and brokers	Due from reinsurers	
Within credit terms	473,585.60	20,721,824.54	565,395.63	21,760,805.77
Less than 30 days	16,121.72	258,805.73	59,062.40	333,989.85
31 - 60 days	11,820.30	636,590.98	60,081.55	708,492.83
61 - 90 days	-	454,603.33	-	454,603.33
91 days - 1 year	-	335,207.27	-	335,207.27
Over 1 year	-	3,461,111.48	-	3,461,111.48
Total premium due and uncollected	501,527.62	25,868,143.33	684,539.58	27,054,210.53
Less allowance for doubtful accounts	-	(3,804,609.15)	-	(3,804,609.15)
Premium due and uncollected- Net	501,527.62	22,063,534.18	684,539.58	23,249,601.38

6. REINSURANCE ASSETS

As at June 31, 2015 and December 31, 2014, the Company has assets from reinsurance as below:

	(Unit : Baht)	
	<u>June 30, 2015</u>	<u>December 31, 2014</u>
Amount due from reinsurer - Net	10,271,334.54	21,093,236.15
Insurance reserve refundable from reinsurer	<u>32,725,939.47</u>	<u>33,694,724.75</u>
Total reinsurance assets - Net	<u><u>42,997,274.01</u></u>	<u><u>54,787,960.90</u></u>

As at June 30, 2015 and December 31, 2014, insurance reserve refundable from reinsurers includes insurance reserve refundable from reinsurers from flooding loss amounting to Baht 0.63 million and Baht 0.78 million respectively.

Aging analyzed for due from reinsurer as at June 30, 2015 and December 31, 2014 were as follows:

	(Unit : Baht)	
	<u>June 30, 2015</u>	<u>December 31, 2014</u>
Not due	10,234,701.27	21,060,863.56
Within 12 months	10,427.02	1,671.68
1 - 2 years	24,079.47	25,468.88
Over 2 years	<u>2,126.78</u>	<u>5,232.03</u>
Total due from reinsurer	<u><u>10,271,334.54</u></u>	<u><u>21,093,236.15</u></u>

7. INVESTMENTS IN SECURITIES

As at June 30, 2015 and December 31, 2014, the Company has investment in securities as follows:

(หน่วย : บาท)

	June 30, 2015		December 31, 2014	
	Cost/ cost	Amortized Fair value	Cost/ cost	Amortized Fair value
Available-for-sale investments				
Government and state enterprise securities				
Equity securities	41,030,711.00	79,571,728.60	41,030,711.00	76,648,537.00
Private enterprise debt securities				
Equity securities	129,666,004.00	168,703,748.20	129,666,004.00	171,308,357.16
Add (Less) Unrealized gain (loss)	77,578,761.80		77,260,179.16	
Total available-for-sale investments	248,275,476.80	248,275,476.80	247,956,894.16	247,956,894.16
Held-to-maturity investments				
Government and state enterprise securities				
Saving lotteries	1,000,000.00		1,000,000.00	
Bond	15,000,000.00		-	
Debenture-convertible debenture	15,000,000.00			
Private enterprise debt securities				
Debenture-convertible debenture	70,000,000.00		30,000,000.00	
Deposits at commercial banks	259,930,000.00		319,930,000.00	
Certificates of deposit with financial institutions	-		30,000,000.00	
Total held-to-maturity investments	360,930,000.00		380,930,000.00	
General investment				
Non-marketable equity securities – local	341,060.00		341,060.00	
Total general investment	341,060.00		341,060.00	

7. INVESTMENTS IN SECURITIES (CONTINUED)

Investments in debt securities as at June 30, 2015 have maturity as follows:

(Unit : Baht)

	Period to maturity			
	Within 1 year	Within 1 year	Within 1 year	Within 1 year
Held-to-maturity investments				
Savings lottery	200,000.00	800,000.00	-	1,000,000.00
Debenture-convertible debenture	-	40,000,000.00	45,000,000.00	85,000,000.00
Deposits at commercial banks	180,930,000.00	79,000,000.00	-	259,930,000.00
Bond	-	10,000,000.00	5,000,000.00	15,000,000.00
Total held-to-maturity investments	181,130,000.00	129,800,000.00	50,000,000.00	360,930,000.00

Investments in debt securities as at December 31, 2014 have maturity as follows:

(Unit : Baht)

	Period to maturity			
	Within 1 year	Within 1 year	Within 1 year	Within 1 year
Held-to-maturity investments				
Savings lottery	1,000,000.00	-	-	1,000,000.00
Debenture-convertible debenture	-	15,000,000.00	15,000,000.00	30,000,000.00
Deposits at commercial banks	319,930,000.00	-	-	319,930,000.00
Certificates of deposit with financial institutions	30,000,000.00	-	-	30,000,000.00
Total held-to-maturity investments	350,930,000.00	15,000,000.00	15,000,000.00	380,930,000.00

As at June 30, 2015 and December 31, 2014, the Company used bank deposit, Baht 64.93 million and savings lottery as collaterals total amount of Baht 0.40 million and Baht 0.20 million respectively as stated in note 29.

8. LOANS

Aging analyzed for principal and interest receivable as at June 30, 2015 and December 31, 2014 were as follows:

(Unit : Baht)

	June 30, 2015						
	Mortgage Loans		Other		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
Not due	9,877,331.60	-	1,087,258.28	-	10,964,589.88	-	10,964,589.88
Total	<u>9,877,331.60</u>	<u>-</u>	<u>1,087,258.28</u>	<u>-</u>	<u>10,964,589.88</u>	<u>-</u>	<u>10,964,589.88</u>

	December 31, 2014						
	Mortgage Loans		Other		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
Not due	9,839,360.89	-	1,277,810.09	-	11,117,170.98	-	11,117,170.98
Total	<u>9,839,360.89</u>	<u>-</u>	<u>1,277,810.09</u>	<u>-</u>	<u>11,117,170.98</u>	<u>-</u>	<u>11,117,170.98</u>

8.1 The collateralized loans are loan facilities provided to employees as part of the credit welfare for housing loans project at interest rate MLR-1.5% per annum, and MOR-2.0% per annum.

8.2 The collateralized loans are loans guaranteed by persons provided to employees as part of the credit welfare for housing loans project at interest rate MLR-1.5% per annum to MOR per annum.

8.3 The collateralized loans are loan facilities provided to other person at interest rate MOR-1.5% per annum

9. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

	Land	Building	Fixture and Office equipment	Vehicle	Total
Net book value					
As at December 31, 2014	41,549,000.00	6,928,694.82	1,478,478.98	137,556.85	50,093,730.65
Cost increasing during the period	-	-	245,752.33	1.00	245,753.33
Net book value disposal during the period	-	-	-	-	-
Depreciation	-	(1,144,473.95)	(261,210.36)	(68,200.73)	(1,473,885.04)
As at June 30, 2015	<u>41,549,000.00</u>	<u>5,784,220.87</u>	<u>1,463,020.95</u>	<u>69,357.12</u>	<u>48,865,598.94</u>

10. INTANGIBLE ASSETS

	(Unit : Baht)
	<u>Computer program</u>
Net book value as at December 31, 2014	204,888.40
Cost increasing during the period	169,500.00
Amortized for the period	<u>(61,682.23)</u>
Net book value as at June 30, 2015	<u><u>312,706.17</u></u>

11. INCOME TAX

11.1 The income tax expenses for the three-month and six-month period ended June 30, 2015 and 2014, comprise as follows:-

	(Unit : Baht)			
	<u>For the three-month period ended</u>		<u>For the six-month period ended</u>	
	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Income tax for the year calculated from taxable profit	1,705,458.49	2,545,296.42	3,760,042.06	4,251,095.65
Deferred tax (increase) decrease - net	<u>(121,826.33)</u>	<u>(2,360,169.77)</u>	<u>791,340.75</u>	<u>(1,633,558.88)</u>
Income tax for the period calculated from accounting profit	<u>1,583,632.16</u>	<u>185,126.65</u>	<u>4,551,382.81</u>	<u>2,617,536.77</u>

11.2 As at June 31, 2015 and 2014, the aggregate current and deferred tax relating to items that are charged or credited to other comprehensive income were as follows:

	(Unit : Baht)	
	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Deferred tax relating to:		
(Surplus) Deficit from available-for-sale securities	(63,716.53)	(5,851,425.91)

12. DUE TO REINSURERS

	(Unit : Baht)	
	<u>June 30, 2015</u>	<u>December 31, 2014</u>
Premium ceded payables	7,864,687.69	8,812,160.22
Amount withheld on reinsurance	<u>7,990,958.57</u>	<u>7,258,989.10</u>
Total reinsurance payables	<u><u>15,855,646.26</u></u>	<u><u>16,071,149.32</u></u>

13. LOSS RESERVES AND OUTSTANDING CLAIMS

	(Unit : Baht)	
	June 30, 2015	December 31, 2014
As at January 1 st	33,038,769.42	87,497,384.91
Loss incurred and loss adjustment expenses in this period/year		
- Incurred but not reported	(5,492,341.52)	2,683,048.95
- Incurred but not yet agreed	3,122,479.68	(9,979,881.83)
- Incurred and agreed	20,878,644.36	53,792,649.11
Loss compensation paid and loss adjustment paid in this period/year	(21,446,804.99)	(100,954,431.72)
Ending balance	<u>30,100,746.95</u>	<u>33,038,769.42</u>
Amount of claims and loss adjustment expenses from reinsurance contracts	9,473,077.62	10,522,604.86

14. PREMIUM RESERVES

14.1 Unearned premium reserve

	(Unit : Baht)	
	June 30, 2015	December 31, 2014
As at January 1 st	132,823,863.48	114,920,732.81
Premium written in the period	138,633,095.32	270,208,818.30
Earned premium in the period	(137,848,693.86)	(252,305,687.63)
Ending balance	<u>133,608,264.94</u>	<u>132,823,863.48</u>

14.2 Unexpired risk reserve

	(Unit : Baht)	
	June 30, 2015	December 31, 2014
As at January 1 st	41,179,727.85	38,947,744.56
Estimated claims in the period	26,992,427.12	41,180,222.75
Expired risk in the period	(33,884,766.27)	(38,948,239.46)
Ending balance	<u>34,287,388.70</u>	<u>41,179,727.85</u>

14. PREMIUM RESERVES (CONTINUED)

As at June 30, 2015 and December 31, 2014, the Company has not provided for unexpired risk reserve for the amount of Baht 34.29 million and Baht 41.18 million respectively since unexpired risk reserve is lower than unearned premium reserve.

15. SHARE CAPITAL

Issued and paid-up registered share capital of the Company during six-month period ended June 30, 2015 were arisen from share dividend payment as stated in note 19 as follows.

<u>Registered share capital</u>	<u>Number of shares</u>	<u>Amount Baht</u>
Balance as at January 1, 2015	6,000,000	60,000,000
Increasing during the period	6,000,000	60,000,000
Balance as at June 30, 2015	<u>12,000,000</u>	<u>120,000,000</u>
<u>Issued and paid-up share capital</u>		
Balance as at January 1, 2015	6,000,000	60,000,000
Increasing by share dividend payment	6,000,000	60,000,000
Balance as at June 30, 2015	<u>12,000,000</u>	<u>120,000,000</u>

According to ordinary shareholder meeting held on April 29, 2015, the Company passed resolution to approve following significant matters.

- a. To increase the number of its registered share capital 6 million shares at par value Baht 10.00 each from previous registered share capital Baht 60 million to be Baht 120 million by making share dividend payment.
- b. To approve share dividend payment by number of ordinary share of the Company not exceeding 6 million shares at par value Baht 10.00 each to existing shareholders in the rate 1 dividend share per 1 common share, total value not exceeding Baht 60 million or equivalent to pay dividend at the rate Baht 10.00 per share.

On May 18, 2015 the Company already reported the number of ordinary share allotted as actual share dividend 6 million shares to Stock Exchange of Thailand.

16. UNDERWRITING INFORMATION REPORT BY INSURANCE CATEGORIES

(Unit: Baht)

	For the three-month period ended June 30, 2015					
	Fire	Marine and Transportation	Motor	Personal Accident	Miscellaneous	Total
<u>Underwriting income</u>						
Premiums written	16,175,138.08	2,638,246.02	38,489,539.13	664,181.52	6,792,645.75	64,759,750.50
<u>Less</u> reinsurance premiums	5,400,655.53	1,193,482.00	1,840,807.76	28,765.55	6,079,198.10	14,542,908.94
Net premiums written	10,774,482.55	1,444,764.02	36,648,731.37	635,415.97	713,447.65	50,216,841.56
<u>Add (less):</u> Unearned premium reserves	(667,735.46)	242,359.26	3,929,563.60	(409,691.13)	(442,237.70)	2,652,258.57
Earned premium	10,106,747.09	1,687,123.28	40,578,294.97	225,724.84	271,209.95	52,869,100.13
Commission and brokerage	1,514,663.60	418,933.32	310,597.63	11,210.41	1,116,672.03	3,372,076.99
Total underwriting income	<u>11,621,410.69</u>	<u>2,106,056.60</u>	<u>40,888,892.60</u>	<u>236,935.25</u>	<u>1,387,881.98</u>	<u>56,241,177.12</u>
<u>Underwriting expenses</u>						
Insurance claims and loss adjustment expenses	544,445.13	256,402.88	10,558,882.80	55,768.63	38,413.06	11,453,912.50
Commissions and brokerages expenses	3,559,295.56	404,725.19	5,023,878.56	205,029.72	1,218,429.71	10,411,358.74
Other underwriting expenses	840,221.91	581,160.00	14,343,090.28	-	260,070.00	16,024,542.19
Total underwriting expenses	<u>4,943,962.60</u>	<u>1,242,288.07</u>	<u>29,925,851.64</u>	<u>260,798.35</u>	<u>1,516,912.77</u>	<u>37,889,813.43</u>
Operating expenses						<u>14,425,818.25</u>
Gain on underwriting						<u><u>3,925,545.44</u></u>

16. UNDERWRITING INFORMATION REPORT BY INSURANCE CATEGORIES (CONTINUED)

(Unit: Baht)

	For the three-month period ended June 30, 2014					
	Fire	Marine and Transportation	Motor	Personal accident	Miscellaneous	Total
<u>Underwriting income</u>						
Premiums written	16,935,497.31	3,511,732.20	46,530,071.65	95,994.34	6,647,759.10	73,721,054.60
<u>Less reinsurance premiums</u>	<u>6,346,231.53</u>	<u>1,784,699.22</u>	<u>2,511,746.87</u>	<u>29,785.45</u>	<u>6,580,018.20</u>	<u>17,252,481.27</u>
Net premiums written	10,589,265.78	1,727,032.98	44,018,324.78	66,208.89	67,740.90	56,468,573.33
<u>Add (less): Unearned premium reserves</u>	<u>(1,618,138.48)</u>	<u>13,064.73</u>	<u>(8,409,364.05)</u>	<u>74,534.26</u>	<u>171,973.40</u>	<u>(9,767,930.14)</u>
Earned premium	8,971,127.30	1,740,097.71	35,608,960.73	140,743.15	239,714.30	46,700,643.19
Commission and brokerage	1,475,086.34	578,181.92	444,564.88	10,658.79	1,194,741.93	3,703,233.86
Total underwriting income	<u>10,466,213.64</u>	<u>2,318,279.63</u>	<u>36,053,525.61</u>	<u>151,401.94</u>	<u>1,434,456.23</u>	<u>50,403,877.05</u>
<u>Underwriting expenses</u>						
Insurance claims and loss adjustment expenses	5,275,294.44	(177,090.81)	13,749,223.97	14,248.17	(1,678,252.65)	17,183,423.12
Commissions and brokerages expenses	3,628,924.43	506,917.83	6,037,241.74	15,700.66	1,060,689.60	11,249,474.26
Other underwriting expenses	1,013,176.18	751,920.00	13,465,302.74	-	347,040.00	15,577,438.92
Total underwriting expenses	<u>9,917,395.05</u>	<u>1,081,747.02</u>	<u>33,251,768.45</u>	<u>29,948.83</u>	<u>(270,523.05)</u>	<u>44,010,336.30</u>
Operating expenses						<u>10,219,513.37</u>
Loss on underwriting						<u><u>(3,825,972.62)</u></u>

16. UNDERWRITING INFORMATION REPORT BY INSURANCE CATEGORIES (CONTINUED)

	(Unit: Baht)					
	For the six-month period ended June 30, 2015					
	Fire	Marine and Transportation	Motor	Personal Accident	Miscellaneous	Total
<u>Underwriting income</u>						
Premiums written	33,409,623.56	5,232,830.48	83,781,266.95	995,625.57	15,213,748.76	138,633,095.32
<u>Less</u> reinsurance premiums	11,668,033.75	2,386,125.00	4,046,504.96	81,681.60	14,046,247.45	32,228,592.76
Net premiums written	21,741,589.81	2,846,705.48	79,734,761.99	913,943.97	1,167,501.31	106,404,502.56
<u>Add (less):</u> Unearned premium reserves	(1,589,237.81)	243,723.38	1,426,007.45	(526,150.08)	(685,914.18)	(1,131,571.24)
Earned premium	20,152,352.00	3,090,428.86	81,160,769.44	387,793.89	481,587.13	105,272,931.32
Commission and brokerage	3,252,699.68	745,040.36	677,569.00	26,752.57	2,577,779.60	7,279,841.21
Total underwriting income	<u>23,405,051.68</u>	<u>3,835,469.22</u>	<u>81,838,338.44</u>	<u>414,546.46</u>	<u>3,059,366.73</u>	<u>112,552,772.53</u>
<u>Underwriting expenses</u>						
Insurance claims and loss adjustment expenses	1,751,115.49	15,443.24	15,967,943.94	80,174.79	694,105.06	18,508,782.52
Commissions and brokerages expenses	7,161,609.99	763,076.03	10,860,094.51	271,345.99	2,423,561.60	21,479,688.12
Other underwriting expenses	1,830,435.48	1,162,320.00	26,405,777.83	-	486,140.00	29,884,673.31
Total underwriting expenses	<u>10,743,160.96</u>	<u>1,940,839.27</u>	<u>53,233,816.28</u>	<u>351,520.78</u>	<u>3,603,806.66</u>	<u>69,873,143.95</u>
Operating expenses						<u>25,368,853.23</u>
Gain on underwriting						<u><u>17,310,775.35</u></u>

16. UNDERWRITING INFORMATION REPORT BY INSURANCE CATEGORIES (CONTINUED)

(Unit: Baht)

	For the six-month period ended June 30, 2014					Total
	Fire	Marine and Transportation	Motor	Personal accident	Miscellaneous	
<u>Underwriting income</u>						
Premiums written	32,563,615.45	7,406,105.41	85,738,320.90	393,215.74	13,419,779.83	139,521,037.33
<u>Less</u> reinsurance premiums	11,685,625.17	4,226,248.22	4,527,443.18	85,118.65	12,902,173.60	33,426,608.82
Net premiums written	20,877,990.28	3,179,857.19	81,210,877.72	308,097.09	517,606.23	106,094,428.51
<u>Add (less):</u> Unearned premium reserves	(3,060,356.69)	126,497.25	(9,373,878.71)	(25,214.53)	(63,622.27)	(12,396,574.95)
Earned premium	17,817,633.59	3,306,354.44	71,836,999.01	282,882.56	453,983.96	93,697,853.56
Commission and brokerage	2,840,905.30	1,300,385.99	797,926.38	27,393.58	2,343,772.51	7,310,383.76
Total underwriting income	<u>20,658,538.89</u>	<u>4,606,740.43</u>	<u>72,634,925.39</u>	<u>310,276.14</u>	<u>2,797,756.47</u>	<u>101,008,237.32</u>
<u>Underwriting expenses</u>						
Insurance claims and loss adjustment expenses	5,772,845.38	(4,833.18)	18,216,143.54	91,265.45	(1,330,663.19)	22,744,758.00
Commissions and brokerages expenses	6,902,011.45	1,042,039.69	11,188,992.92	73,103.14	1,989,427.44	21,195,574.64
Other underwriting expenses	2,119,771.98	1,320,360.00	22,923,252.75	-	571,845.00	26,935,229.73
Total underwriting expenses	<u>14,794,628.81</u>	<u>2,357,566.51</u>	<u>52,328,389.21</u>	<u>164,368.59</u>	<u>1,230,609.25</u>	<u>70,875,562.37</u>
Operating expenses						<u>21,595,744.98</u>
Loss on underwriting						<u>8,536,929.97</u>

17. BANK OVERDRAFTS

As at June 30, 2015 and December 31, 2014, the Company has credit facilities of bank overdrafts amounting to Baht 20 million with interest rate at FD + 2 % per annum guaranteed by fixed deposit of the Company as disclosed in note 29.

18. EMPLOYEE BENEFIT OBLIGATIONS

The Company paid post-employment benefits, retirement benefits and pensions in accordance with Labor Protection Act B.E. 2541. Employee is entitled the retirement benefits and other long-term benefits based on right and length of employment.

Change in present value of employee benefits obligation project
for the six-month period ended June 30, 2015

	(Unit: Baht)
Employee benefit obligations as at January 1, 2015	11,506,093.00
Current cost of service and interest	439,119.00
Less Benefits paid	<u>(1,122,800.00)</u>
Employee benefit obligations as at June 30, 2015	<u>10,822,412.00</u>

Expense that recognized in the statement of comprehensive income

(Unit: Baht)

	For the three-month period ended		For the six-month period ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Current cost of services	122,998.25	100,614.00	245,996.50	201,228.00
Interest cost	96,561.25	103,937.50	193,122.50	207,875.00
Total Employee benefit obligations	<u>219,559.50</u>	<u>204,551.50</u>	<u>439,119.00</u>	<u>409,103.00</u>

Actuarial assumptions to use for calculation:-

	June 30, 2015	June 30, 2014
	(%)	(%)
Discount rate	3.54	4.40
Salary rate increase	3.84	3.08
Employees turnover (Depend on employee working period)	0.00 – 20.00	0.00 – 25.00
Mortality rate (Thai mortality table 2008)	TMO2008	TMO2008

19. DIVIDEND PAYMENT

According to the ordinary shareholders meeting held on April 29, 2015, the Company passed resolution to pay dividend from the operating result of the year 1992 till 2014, totally amounting to Baht 75 million as following details:

19.1. Share dividend

The Company passed the resolution to pay the stock dividend in number of 6 million shares at par value Baht 10 each to the existing shareholders in the rate 1 dividend share per 1 common share, totally amounting to Baht 60 million or equivalent to Baht 10 per share.

19.2. Dividend payment

The Company passed resolution to pay a cash dividend in amount of Baht 2.50 per share for 6 million shares, totally amounting to Baht 15 million.

The Company already paid such stock dividend and cash dividend on May 22, 2015.

20. OPERATING EXPENSES

	(Unit : Baht)		(Unit : Baht)	
	For the three-month period ended		For the six-month period ended	
	Date June 30		Date June 30	
	2558	2557	2558	2557
Employee benefit expense, not underwriting and loss				
adjustment expenses	9,216,860.22	5,301,295.91	15,239,449.86	11,061,150.73
Premises and equipment expense, not underwriting expenses	2,821,957.08	2,966,907.68	5,914,322.71	5,705,284.26
Taxes and duties	570,122.20	694,914.10	973,558.75	1,024,018.97
Bad debt and doubtful accounts	-	(501,300.60)	-	705,162.74
Other operating expenses	1,816,878.75	1,757,696.28	3,241,521.91	3,100,128.28
Total operating expenses	<u>14,425,818.25</u>	<u>10,219,513.37</u>	<u>25,368,853.23</u>	<u>21,595,744.98</u>

21. EMPLOYEE BENEFIT EXPENSE

	(Unit : Baht)		(Unit : Baht)	
	For the three-month period ended		For the six-month period ended	
	Date June 30		Date June 30	
	2558	2557	2558	2557
Management				
Wages and salaries	5,991,725.00	2,939,390.00	8,678,450.00	5,695,680.00
Pension costs - defined contribution plans	40,275.00	55,071.00	80,550.00	109,042.00
Others	24,665.00	248,944.80	284,703.00	539,483.60
	<u>6,056,665.00</u>	<u>3,243,405.80</u>	<u>9,043,703.00</u>	<u>6,344,205.60</u>
Other employees				
Wages and salaries	5,022,720.00	3,954,955.00	10,005,390.00	8,462,235.00
Pension costs - defined contribution plans	97,240.86	69,660.41	195,970.00	151,508.41
Others	476,939.36	411,464.70	867,796.86	859,581.72
	<u>5,596,900.22</u>	<u>4,436,080.11</u>	<u>11,069,156.86</u>	<u>9,473,325.13</u>
Total	<u><u>11,653,565.22</u></u>	<u><u>7,679,485.91</u></u>	<u><u>20,112,859.86</u></u>	<u><u>15,817,530.73</u></u>

22. BENEFITS PAID TO DIRECTORS AND KEY MANAGEMENT

Directors' remuneration is benefit paid to the Company's directors in accordance with the Section 90 of the Public Company Limited Act B.E. 2535 excluded salaries and related benefits to be paid to executive directors.

The financial statements six-month period ended June 30, 2015 and 2014 included salaries, meeting allowance and gratuity which the Company paid to directors and management in the amount of Baht 9.04 million and 6.34 million respectively.

23. FINANCIAL INSTRUMENTS

23.1 Financial risk management

The Company's financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise deposits at financial institutions, investments in securities and loans, premium due and uncollected, reinsurance assets, due to reinsurers. The financial risks associated with these financial instruments and risk management policy is described below.

23. EMPLOYEE BENEFIT EXPENSE (CONTINUED)

Credit risk

Concentrations of the credit risk with respect to premiums due and uncollected are insignificant due to the large number of customers comprising the customer base and their dispersion across different industries and geographic regions in Thailand. The maximum exposure to credit risk is the book value of assets after deduction of allowance for doubtful debts as presented in the statements of financial position.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate and the Company's cash flows will affect due to changes in market interest rate.

(Unit: Baht)

	Book value as at June 30, 2015			
	Floating interest rate	Fixed interest rate	Non interest rate	Total
Deposits at financial institutions	47,296,237.98	-	6,841,809.73	54,138,047.71
Fixed deposits over 3 months	-	259,930,000.00	-	259,930,000.00
Debentures	-	85,000,000.00	-	85,000,000.00
Bonds	-	15,000,000.00	-	15,000,000.00
Savings lottery	-	1,000,000.00	-	1,000,000.00
Loans	10,964,589.88	-	-	10,964,589.88
Total	58,260,827.86	360,930,000.00	6,841,809.73	426,032,637.59

	Book value as at December 31, 2014			
	Floating interest rate	Fixed interest rate	Non interest rate	Total
Deposits at financial institutions	15,280,697.37	-	3,591,258.18	18,871,955.55
Fixed deposits over 3 months	-	349,930,000.00	-	349,930,000.00
Debentures	-	30,000,000.00	-	30,000,000.00
Savings lottery	-	1,000,000.00	-	1,000,000.00
Loans	11,117,170.98	-	-	11,117,170.98
Total	26,397,868.35	380,930,000.00	3,591,258.18	410,919,126.53

23. EMPLOYEE BENEFIT EXPENSE (CONTINUED)

The financial assets that carry fixed interest rates further classified based on the statement of financial date until the re-pricing date or the maturity date (whichever is earlier) as follows:-

(Unit: Baht)

	Book value as at June 30, 2015				Average interest rate (% per annum)
	Within 1 year	Over 1 to 5 years	Over 5 years	Total	
	Investments in securities - net				
Fixed deposits over 3 months	180,930,000.00	79,000,000.00	-	259,930,000.00	1.25 - 3.20
Debentures	-	40,000,000.00	45,000,000.00	85,000,000.00	3.07 - 4.92
Bonds	-	10,000,000.00	5,000,000.00	15,000,000.00	4.32 - 5.00
Savings lottery	200,000.00	800,000.00	-	1,000,000.00	0.00 - 2.00
Total	181,130,000.00	129,800,000.00	50,000,000.00	360,930,000.00	

(Unit: Baht)

	Book value as at December 31, 2014				Average interest rate (% per annum)
	Within 1 year	Over 1 to 5 years	Over 5 years	Total	
	Investments in securities - net				
Fixed deposits over 3 months	349,930,000.00	-	-	349,930,000.00	1.30-3.60
Debentures	-	15,000,000.00	15,000,000.00	30,000,000.00	3.85-6.50
Savings lottery	1,000,000.00	-	-	1,000,000.00	0.00-2.00
Total	350,930,000.00	15,000,000.00	15,000,000.00	380,930,000.00	

23. EMPLOYEE BENEFIT EXPENSE (CONTINUED)

Foreign currency risk

The Company considers itself no significant foreign currency risk relating to receipts of insurance premiums and reinsurance with foreign insurance companies in foreign currencies which the Company does not buy any monetary instruments contract to prevent the foreign currency risk. However, Our management believes that the Company has not affect from the this mentioned risk as significant, due to the reinsurance traditional will be use the same foreign currencies as quote with the Insured.

22.2 Fair value

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

Methodology of fair value measurement depends upon characteristics of the financial instruments. For the financial instruments which are regarded as traded in an active market, fair value has been determined by the latest quoted market price. If however the appropriate quoted market price cannot be determined, the fair value is determined using an appropriate valuation technique.

The following methods and assumptions were used by the Company in estimating the fair values of financial instruments:-

Investments in securities

- The fair value of listed securities is based on their quoted market prices.
- The fair value of other investment cannot be properly calculated, and therefore no disclosure is made.
- The fair values of deposits at financial institutions, bonds, debentures and notes with maturity periods of less than 90 days are based on their carrying value. For those with maturity periods longer than 90 days, fair values are estimated using a discounted cash flow method based on the current interest rate and the remaining period to maturity.

Loans

- For floating interest rate loans with no significant credit risk, fair value is based on carrying value. The fair value of fixed interest rate loans is estimated using a discounted cash flow method based on the current interest rate.

24. CAPITAL FUND MANAGEMENT

The primary objectives of the Company's capital fund management are to ensure that it has an appropriate financial structure, preserves the ability to continue its business as a going concern and to maintain capital reserve in accordance with Notifications of the Office of Insurance Commission (OIC).

25. ASSETS PLEDGED WITH REGISTRAR

As at June 30, 2015 and December 31, 2014, the Company pledged bank deposit in the amount of Baht 14 million as collateral with the registrar in accordance with the Section 19 of Insurance Act B.E.2535.

26. ASSETS RESERVE PLEDGED WITH REGISTRAR

As at June 30, 2015 and December 31, 2014, the Company pledged bank deposit amount of Baht 30 million as collateral against premium reserve with the registrar.

27. PROVIDENT FUND

The Company and its employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. (1987). The fund is contributed to by the Company and its employees at the equal monthly rate of 3 percent of the employees' basic salary, based on the length of employment and will be paid to the employees upon termination in accordance with the rules of the fund. The fund is managed by Kasikorn Bank Management Company Limited. For periods ended June 30, 2015 and 2014 the Company contributed to Fund approximately Baht 0.28 million and Baht 0.26 million respectively.

28. LEGAL RESERVE

Under the Section 116 of the Public Companies Act B.E. 2535 (1992), the Company is required to set aside a legal reserve at least 5% of annual net profit until the cumulative reserve reaches an amount of 10% of the authorized share capital. Such legal reserve is not available for dividend distribution.

29. RESTRICTED ASSETS AND COMMITMENT

As at June 30, 2015 and December 31, 2014, the Company used bank deposit, Baht 64.93 million, and savings lottery as collaterals total amount of Baht 0.40 and 0.20 million respectively as follows:

	(Unit : Baht)	
	<u>June 30, 2015</u>	<u>December 31, 2014</u>
Bank deposit		
Used as collateral for bank overdraft	20,000,000.00	20,000,000.00
Assets pledged with registrar	14,000,000.00	14,000,000.00
Assets reserve pledged with registrar	30,000,000.00	30,000,000.00
Credit card usage	500,000.00	500,000.00
Electricity usage	430,000.00	430,000.00
Total	<u>64,930,000.00</u>	<u>64,930,000.00</u>
Savings lottery used as collateral for:		
Court	400,000.00	200,000.00
Total	<u>400,000.00</u>	<u>200,000.00</u>

30. CONTINGENT LIABILITIES AND COMMITMENT

Litigation

As at June 30, 2015 and December 31, 2014 the Company was sued from act as insurer with the prosecution value of Baht 2.13 million and 1.52 million, respectively. However, the Company's contingent liabilities from prosecution cases in the value not more than the policy custody amount of Baht 0.92 million and 0.32 million respectively. Such lawsuits have not been judged yet and the Company expect to win most of the cases. The Company, therefore, has recorded a provision for losses that may occur in the financial statements in the amount of Baht 0.46 million.

Guarantees

As at June 30, 2015 and December 31, 2014 the Company has the unused letter of guarantee issued by bank in the name of the Company for the amount of Baht 0.93 million relating to guarantee for electricity usage and credit card usage.

31. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period. The number of ordinary shares of the prior period used for the calculation, as presented for comparative purposes, has been adjusted in proportion to the change in the number of shares as a result of the distribution of the stock dividends of 60 million shares on 22 May 2015 as stated in note 19, as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported.

	(Unit : Baht)		(Unit : Baht)	
	For the three-month period ended		For the six-month period ended	
	Date June 30		Date June 30	
	2558	2557	2558	2557
Profit for the period	11,478,200.38	3,656,211.52	23,305,433.00	13,345,907.40
Weighted average number of ordinary shares	12,000,000	12,000,000	12,000,000	12,000,000
Earnings per share	0.96	0.30	1.94	1.11

32. FINANCIAL INFORMATION BY SEGMENT

Segment information is presented in accordance with the Company internal report. The most authorized operation officer has consistently received and reviewed for making decision to allocate resources and assessed result of operation of each segment.

The Company's operations involve the single business segment of non-life insurance, and are carried on in the single geographic area of Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned business segment and geographical area. And for the purposes of administration, the Company reported operating segments by divided into categories of products include fire insurance, marine and transport insurance, motor insurance, personal accident insurance and miscellaneous insurance as presented in segment revenue and profit information of the Company for the three-month and six-month period ended June 30, 2015 and 2014 as follows:

32. FINANCIAL INFORMATION BY SEGMENT (CONTINUED)

(Unit: Baht)

For the three-month period ended June 30, 2015

	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Underwriting income						
Premium written	16,175,138.08	2,638,246.02	38,489,539.13	664,181.52	6,792,645.75	64,759,750.50
Less: Premium ceded	5,400,655.53	1,193,482.00	1,840,807.76	28,765.55	6,079,198.10	14,542,908.94
Net premium written	10,774,482.55	1,444,764.02	36,648,731.37	635,415.97	713,447.65	50,216,841.56
Add (less): Unearned premium reserves	(667,735.46)	242,359.26	3,929,563.60	(409,691.13)	(442,237.70)	2,652,258.57
Earned premium written	10,106,747.09	1,687,123.28	40,578,294.97	225,724.84	271,209.95	52,869,100.13
Fee and commissions income	1,514,663.60	418,933.32	310,597.63	11,210.41	1,116,672.03	3,372,076.99
Total underwriting income	11,621,410.69	2,106,056.60	40,888,892.60	236,935.25	1,387,881.98	56,241,177.12
Underwriting expenses						
Claims and losses adjustment	544,445.13	256,402.88	10,558,882.80	55,768.63	38,413.06	11,453,912.50
Commissions and brokerages	3,559,295.56	404,725.19	5,023,878.56	205,029.72	1,218,429.71	10,411,358.74
Other underwriting expenses	840,221.91	581,160.00	14,343,090.28	-	260,070.00	16,024,542.19
Total underwriting expenses	4,943,962.60	1,242,288.07	29,925,851.64	260,798.35	1,516,912.77	37,889,813.43
Operating expenses						14,425,818.25
Profit from underwriting						3,925,545.44
Net investment income						8,523,391.37
Other income						4,893,404.15
Profit from operation						17,342,340.96
Other expenses						(4,280,508.42)
Gain before income tax expenses						13,061,832.54
Income tax expenses						(1,583,632.16)
Gain of the period						11,478,200.38

32. FINANCIAL INFORMATION BY SEGMENT (CONTINUED)

(Unit: Baht)

For the three-month period ended June 30, 2014

	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Underwriting income						
Premium written	16,935,497.31	3,511,732.20	46,530,071.65	95,994.34	6,647,759.10	73,721,054.60
Less: Premium ceded	6,346,231.53	1,784,699.22	2,511,746.87	29,785.45	6,580,018.20	17,252,481.27
Net premium written	10,589,265.78	1,727,032.98	44,018,324.78	66,208.89	67,740.90	56,468,573.33
Add (less): Unearned premium reserves	(1,618,138.48)	13,064.73	(8,409,364.05)	74,534.26	171,973.40	(9,767,930.14)
Earned premium written	8,971,127.30	1,740,097.71	35,608,960.73	140,743.15	239,714.30	46,700,643.19
Fee and commissions income	1,475,086.34	578,181.92	444,564.88	10,658.79	1,194,741.93	3,703,233.86
Total underwriting income	10,446,213.64	2,318,279.63	36,053,525.61	151,401.94	1,434,456.23	50,403,877.05
Underwriting expenses						
Claims and losses adjustment	5,275,294.44	(177,090.81)	13,749,223.97	14,248.17	(1,678,252.65)	17,183,423.12
Commissions and brokerages	3,628,924.43	506,917.83	6,037,241.74	15,700.66	1,060,689.60	11,249,474.26
Other underwriting expenses	1,013,176.18	751,920.00	13,465,302.74	-	347,040.00	15,577,438.92
Total underwriting expenses	9,917,395.05	1,081,474.02	33,251,768.45	29,948.83	(270,523.05)	44,010,336.30
Operating expenses						10,219,513.37
Loss from underwriting						(3,825,972.62)
Net investment income						8,031,458.54
Gains on investments						1,698,061.50
Other income						3,160,638.82
Profit from operation						9,064,186.24
Other expenses						(5,222,848.07)
Gain before income tax expenses						3,841,338.17
Income tax expenses						(185,126.65)
Gain of the period						3,656,211.52

32. FINANCIAL INFORMATION BY SEGMENT (CONTINUED)

(Unit: Baht)

For the six-month period ended June 30, 2015

	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Underwriting income						
Premium written	33,409,623.56	5,232,830.48	83,781,266.95	995,625.57	15,213,748.76	138,633,095.32
Less: Premium ceded	11,668,033.75	2,386,125.00	4,046,504.96	81,681.60	14,046,247.45	32,228,592.76
Net premium written	21,741,589.81	2,846,705.48	79,734,761.99	913,943.97	1,167,501.31	106,404,502.56
Add (less): Unearned premium reserves	(1,589,237.81)	243,723.38	1,426,007.45	(526,150.08)	(685,914.18)	(1,131,571.24)
Earned premium written	20,152,352.00	3,090,428.86	81,160,769.44	387,793.89	481,587.13	105,272,931.32
Fee and commissions income	3,252,699.68	745,040.36	677,569.00	26,752.57	2,577,779.60	7,279,841.21
Total underwriting income	23,405,051.68	3,835,469.22	81,838,338.44	414,546.46	3,059,366.73	112,552,772.53
Underwriting expenses						
Claims and losses adjustment	1,751,115.49	15,443.24	15,967,943.94	80,174.79	694,105.06	18,508,782.52
Commissions and brokerages	7,161,609.99	763,076.03	10,860,094.51	271,345.99	2,423,561.60	21,479,688.12
Other underwriting expenses	1,830,435.48	1,162,320.00	26,405,777.83	-	486,140.00	29,884,673.31
Total underwriting expenses	10,743,160.96	1,940,839.27	53,233,816.28	351,520.78	3,603,806.66	69,873,143.95
Operating expenses						25,368,853.23
Loss from underwriting						17,310,775.35
Net investment income						11,703,867.50
Other income						8,363,428.29
Profit from operation						37,378,071.14
Other expenses						(9,521,255.33)
Gain before income tax expenses						27,856,815.81
Income tax expenses						(4,551,382.81)
Gain of the period						23,305,433.00

32. FINANCIAL INFORMATION BY SEGMENT (CONTINUED)

(Unit: Baht)

For the six-month period ended June 30, 2014

	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
Underwriting income						
Premium written	32,563,615.45	7,406,105.41	85,738,320.90	393,215.74	13,419,779.83	139,521,037.33
Less: Premium ceded	11,685,625.17	4,226,248.22	4,527,443.18	85,118.65	12,902,173.60	33,426,608.82
Net premium written	20,877,990.28	3,179,857.19	81,210,877.72	308,097.09	517,606.23	106,094,428.51
Add (less): Unearned premium reserves	(3,060,356.69)	126,497.25	(9,373,878.71)	(25,214.53)	(63,622.27)	(12,396,574.95)
Earned premium written	17,817,633.59	3,306,354.44	71,836,999.01	282,882.56	453,983.96	93,697,853.56
Fee and commissions income	2,840,905.30	1,300,385.99	797,926.38	27,393.58	2,343,772.51	7,310,383.76
Total underwriting income	20,658,538.89	4,606,740.43	72,634,925.39	310,276.14	2,797,756.47	101,008,237.32
Underwriting expenses						
Claims and losses adjustment	5,772,845.38	(4,833.18)	18,216,143.54	91,265.45	(1,330,663.19)	22,744,758.00
Commissions and brokerages	6,902,011.45	1,042,039.69	11,188,992.92	73,103.14	1,989,427.44	21,195,574.64
Other underwriting expenses	2,119,771.98	1,320,360.00	22,923,252.75	-	571,845.00	26,935,229.73
Total underwriting expenses	14,794,628.81	2,357,566.51	52,328,389.21	164,368.59	1,230,609.25	70,875,562.37
Operating expenses						21,595,744.98
Loss from underwriting						8,536,929.97
Net investment income						11,588,415.96
Gains on investments						1,698,061.50
Other income						3,679,450.52
Profit from operation						25,502,857.95
Other expenses						(9,539,413.78)
Gain before income tax expenses						15,963,444.17
Income tax expenses						(2,617,536.77)
Gain of the period						13,345,907.40

32. FINANCIAL INFORMATION BY SEGMENT (CONTINUED)

The following table presents segment assets and liabilities of the Company's operating segments as at 30 June 2015 and December 31, 2014 are as follows:

(Unit: Baht)

	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Unallocated	Total
Assets							
As at June 30, 2015	32,769,142.72	3,842,566.55	23,535,367.90	260,035.62	17,364,349.73	742,050,382.26	819,821,844.78
As at December 31, 2014	31,629,739.97	16,453,225.70	24,643,699.94	201,668.88	14,109,403.66	723,344,107.05	810,381,845.20
Liabilities							
As at June 30, 2015	63,712,450.46	6,653,147.92	99,815,336.59	933,497.70	18,816,831.39	43,077,758.86	233,009,022.92
As at December 31, 2014	59,812,575.55	11,744,298.38	103,973,658.28	401,881.53	15,823,824.09	40,373,084.62	232,129,322.45

33. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These financial statements have been approved to be issued by authorized directors on August 10, 2015.