

CHARAN INSURANCE PUBLIC COMPANY LIMITED

AUDITOR'S REPORT AND INTERIM FINANCIAL INFORMATION

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

(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 March 31, 2016, the related statement of comprehensive income, statement of changes in shareholders' equity, and statement of cash flows for the three-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

May 11, 2016

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2016

		<i>(Unit : Baht)</i>		
	<i>Note</i>	March 31, 2016	December 31, 2015	January 1, 2015
		<i>(Unaudited but reviewed only)</i>	<i>(Audited) (Reclassified)</i>	
<b>ASSETS</b>				
Cash and cash equivalents	5	42,837,036.78	13,421,879.10	19,883,444.37
Premium due and uncollected	6	24,660,798.60	19,956,820.22	22,565,061.80
Accrued investment income		4,637,822.19	4,870,642.42	3,663,416.87
Reinsurance assets	7	37,372,076.15	32,225,670.42	33,694,724.75
Reinsurance receivables	8	8,432,840.55	10,191,295.64	21,777,775.73
Investment properties				
Investments in securities	9	621,070,973.19	639,924,454.94	629,227,954.16
Loans	10	13,644,418.86	12,321,661.22	11,117,170.98
Property held for sale - net		119,000.00	119,000.00	119,000.00
Property, plant and equipment	11	47,882,485.66	48,529,637.46	50,093,730.65
Intangible assets	12	222,291.22	237,349.85	204,888.40
Deferred tax assets	13	7,799,991.69	7,119,105.13	9,035,383.49
Other assets	14	6,834,504.58	9,181,862.48	8,999,294.00
<b>TOTAL ASSETS</b>		<b>815,514,239.47</b>	<b>798,099,378.88</b>	<b>810,381,845.20</b>

*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 MARCH 31, 2016

		<i>(Unit : Baht)</i>		
	<i>Note</i>	March 31, 2016	December 31, 2015	January 1, 2015
		<i>(Unaudited but reviewed only)</i>	<i>(Audited) (Reclassified)</i>	
LIABILITIES AND SHAREHOLDERS' EQUITY				
Insurance contract liabilities	15	146,754,605.42	149,380,497.99	165,862,632.90
Due to reinsurers	16	17,399,752.93	16,258,761.97	16,071,149.32
Income tax payables		3,276,892.73	1,227,333.88	-
Employee benefit obligations	17	10,846,925.50	11,206,390.00	11,506,093.00
Deferred tax liabilities	13	14,633,319.64	12,404,015.99	15,452,035.83
Others liabilities				
Unearned revenue		7,749,655.92	7,323,858.01	6,980,593.27
Others	18	12,550,431.57	13,546,556.71	16,256,818.13
TOTAL LIABILITIES		213,211,583.71	211,347,414.55	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 MARCH 31, 2016

			(Unit : Baht)
	March 31, 2016	December 31, 2015	January 1, 2015
	(Unaudited but reviewed only)	(Audited) (Reclassified)	
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	120,000,000.00	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	120,000,000.00	120,000,000.00	
Premium on share capital	258,000,000.00	258,000,000.00	258,000,000.00
Retained earnings			
Appropriated			
Statutory reserve	12,000,000.00	12,000,000.00	6,000,000.00
Unappropriated	153,769,377.21	147,135,900.38	192,444,379.42
Other components of equity	58,533,278.55	49,616,063.95	61,808,143.33
TOTAL SHAREHOLDERS' EQUITY	602,302,655.76	586,751,964.33	578,252,522.75
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	815,514,239.47	798,099,378.88	810,381,845.20

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

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016

(UNAUDITED / REVIEWED ONLY)

		<i>(Unit : Baht)</i>	
	<i>Note</i>	<i>March 31, 2016</i>	<i>March 31, 2015</i>
			<i>(Reclassified)</i>
Revenues			
Premium written		57,579,226.96	73,873,344.82
Less: Premium ceded		(18,439,027.79)	(17,685,683.82)
Net Premium written		39,140,199.17	56,187,661.00
Add/Less: Unearned premium reserves from prior period		5,070,678.56	(3,783,829.81)
Net Premiums earned	30	44,210,877.73	52,403,831.19
Fee and commission income	30	4,231,404.95	3,907,764.22
Income on investments - net	30	3,215,254.91	3,180,476.13
Other income		871,593.62	3,470,024.14
Total revenues		52,529,131.21	62,962,095.68
Expenses			
Gross benefits and claims		15,397,259.01	9,190,555.46
Less: claims recovered from reinsurers		(3,313,590.09)	(2,135,685.44)
Insurance claims and loss adjustment expenses	30	12,083,668.92	7,054,870.02
Commissions and brokerages	30	9,230,267.84	11,068,329.38
Other underwriting expenses	30	12,212,397.85	19,100,878.03
Operating expenses	19,30	10,759,007.94	10,943,034.98
Total expenses		44,285,342.55	48,167,112.41
Profit (Loss) before corporate income tax		8,243,788.66	14,794,983.27
Corporate income tax	13.2	(1,610,311.83)	(2,967,750.65)
Profit (Loss) for the period		6,633,476.83	11,827,232.62

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF COMPREHENSIVE INCOME (CONT.)

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016

(UNAUDITED / REVIEWED ONLY)

		<i>(Unit : Baht)</i>	
	<i>Note</i>	<i>March 31, 2016</i>	<i>March 31, 2015</i>
			<i>(Reclassified)</i>
Other comprehensive income (expenses)			
<u>Items that will be reclassified subsequently to profit or loss</u>			
Fair value changes on available-for-sale investments		11,146,518.25	(1,200,659.44)
Income tax relating to component of other comprehensive income	13.3	(2,229,303.65)	240,131.89
Fair value changes on available-for-sale investments - net of tax		8,917,214.60	(960,527.55)
Other comprehensive income (expenses) for the period, net of tax		8,917,214.60	(960,527.55)
Total comprehensive income (expenses) for the period		15,550,691.43	10,866,705.07
Basic Earnings per share			
Net profit (loss)		0.55	0.99
Number of ordinary shares		12,000,000	12,000,000

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

CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016

(UNAUDITED / REVIEWED ONLY)

	<i>(Unit : Baht)</i>	
	<i>March 31, 2016</i>	<i>March 31, 2015</i>
		<i>(Reclassified)</i>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net direct premium written	44,144,497.00	57,022,199.13
Cash paid for reinsurance	(6,481,523.29)	(7,391,973.89)
Interest income	3,429,325.14	2,830,082.88
Dividend	18,750.00	-
Other income	871,593.62	3,470,023.14
Losses incurred of direct insurance	(14,231,373.62)	972,033.70
Commissions and brokerages	(4,624,378.65)	(6,038,170.71)
Other underwriting expenses	(12,212,397.85)	(19,100,878.03)
Operating expenses	(9,829,677.81)	(12,776,885.72)
Corporate income tax	(241,639.54)	(334,884.58)
<b>NET CASH PROVIDED BY (USE IN) OPERATING ACTIVITIES</b>	<b>843,175.00</b>	<b>18,651,545.92</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<u>Cash flows provided by</u>		
Collateralized loans	(1,322,757.64)	736,170.85
Deposits at financial institutions	30,000,000.00	-
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>28,677,242.36</b>	<b>736,170.85</b>

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

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CHARAN INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016

(UNAUDITED / REVIEWED ONLY)

	<i>(Unit : Baht)</i>	
	<i>March 31, 2016</i>	<i>March 31, 2015</i>
		<i>(Reclassified)</i>
<u>Cash flows used in</u>		
Investments in securities	-	(10,000,000.00)
Property, plant and equipment	(105,259.68)	(134,491.60)
NET CASH USED IN INVESTING ACTIVITIES	(105,259.68)	(10,134,491.60)
NET CASH USED IN INVESTING ACTIVITIES	28,571,982.68	(9,398,320.75)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	29,415,157.68	9,253,225.17
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE PERIOD	13,421,879.10	19,883,444.37
CASH AND CASH EQUIVALENTS AS AT THE END OF THE PERIOD	42,837,036.78	29,136,669.54

*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 THREE-MONTH PERIODS ENDED MARCH 31, 2016  
(UNAUDITED / REVIEWED ONLY)

*(Unit : Baht)*

	Retained earnings				Other component of	Total
	Share capital Issued and fully paid	Premium on share capital	Statutory reserve	Unappropriated	equitys	
					Fair value changes on available for sale investments	
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
Comprehensive income (loss) for the three-month period	-	-	-	11,827,232.62	(960,527.55)	10,866,705.07
Balance as at March 31, 2015	60,000,000.00	258,000,000.00	6,000,000.00	204,271,612.04	60,847,615.78	589,119,227.82
Balance as at December 31, 2015	120,000,000.00	258,000,000.00	12,000,000.00	147,135,900.38	49,616,063.95	586,751,964.33
Comprehensive income (loss) for the three-month period	-	-	-	6,633,476.83	8,917,214.60	15,550,691.43
Balance as at March 31, 2016	120,000,000.00	258,000,000.00	12,000,000.00	153,769,377.21	58,533,278.55	602,302,655.76

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

CHARAN INSURANCE PUBLIC COMPANY LIMITED  
CONDENSED NOTES TO FINANCIAL STATEMENTS  
FOR THE THREE-MONTH PERIODS ENDED MARCH 31, 2016  
(UNAUDITED / REVIEWED ONLY)

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1. GENERAL INFORMATION

CHARAN INSURANCE PUBLIC COMPANY LIMITED (“the Company”) was incorporated as a public limited company on March 15, 1994, Registration No. BorMorJor. 0107537000807. The Company has its registered head office at 408/1 Ratchadapisak Road, Samsennok, Huaykwang, Bangkok. The Company’s principal activity is the provision of non - life insurance.

2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 Basis of preparation

These interim financial information are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547. In addition, the interim financial information presentation are based on the formats of 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 B.E.2559” dated on 4 March 2016 (‘OIC Notification’). The notes to the interim financial information are prepared in a condensed format according to Thai Accounting Standard 34 “Interim Financial Reporting” and additional notes are presented as required by the aforementioned OIC notification.

The interim financial information should be read in conjunction with the annual financial statements for the year ended December 31, 2015.

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

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended December 31, 2015, except as described in note 3.

## 2. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL STATEMENTS

### 2.2 ACCOUNTING STANDARDS AND FINANCIAL REPORTING STANDARDS ADOPTION DURING THE PERIOD

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations committee and financial reporting interpretations committee, which are effective for the financial statements beginning on or after January 1, 2016 as follows:

<b><u>Accounting Standards:</u></b>	<b><u>Contents</u></b>
TAS 1 (revised 2015)	Presentation of Financial Statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of Cash Flows
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2015)	Events After the Reporting Period
TAS 11 (revised 2015)	Construction Contracts
TAS 12 (revised 2015)	Income Taxes
TAS 16 (revised 2015)	Property, Plant and Equipment
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 19 (revised 2015)	Employee Benefits
TAS 20 (revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2015)	Borrowing Costs
TAS 24 (revised 2015)	Related Party Disclosures
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2015)	Separate Financial Statements
TAS 28 (revised 2015)	Investments in Associates and Joint Venture
TAS 29 (revised 2015)	Financial Reporting in Hyperinflationary Economics
TAS 33 (revised 2015)	Earnings per Share
TAS 34 (revised 2015)	Interim Financial Reporting
TAS 36 (revised 2015)	Impairment of Assets
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2015)	Intangible assets

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

### 2.2 ACCOUNTING STANDARDS AND FINANCIAL REPORTING STANDARDS ADOPTION DURING THE PERIOD (Cont.)

#### **Accounting Standards:**

#### **Contents**

TAS 40 (revised 2015) Investment Property

TAS 41 Agriculture

#### **Financial Reporting Standards:**

TFRS 2 (Revised 2015) Share-Based Payments

TFRS 3 (Revised 2015) Business Combinations

TFRS 4 (Revised 2015) Insurance Contracts

TFRS 5 (Revised 2015) Non-current Assets Held for Sale and Discontinued Operations

TFRS 6 (Revised 2015) Exploration for and Evaluation of Mineral Resources

TFRS 8 (Revised 2015) Operating Segments

TFRS 10 (Revised 2015) Consolidated Financial Statements

TFRS 11 (Revised 2015) Joint Arrangements

TFRS 12 (Revised 2015) Disclosure of Interests in Other Entities

TFRS 13 (Revised 2015) Fair Value Measurement

#### **Accounting Standard Interpretations:**

TSIC 10 (Revised 2015) Government Assistance – No Specific Relation to Operating Activities

TSIC 15 (Revised 2015) Operating Leases—Incentives

TSIC 25 (Revised 2015) Income Taxes – Changes in the Tax Status of an Entity or its Shareholders

TSIC 27 (Revised 2015) Evaluating the Substance of Transactions Involving the Legal Form of a Lease

TSIC 29 (Revised 2015) Service Concession Arrangements: Disclosures

TSIC 31 (Revised 2015) Revenue – Barter Transactions Involving Advertising Services

TSIC 32 (Revised 2015) Intangible Assets—Web Site Costs

#### **Financial Reporting Standard Interpretations**

TFRIC 1 (Revised 2015) Changes in Existing Decommissioning, Restoration and Similar Liabilities

TFRIC 4 (Revised 2015) Determining Whether an Arrangement Contains a Lease

TFRIC 5 (Revised 2015) Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds

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

### 2.2 ACCOUNTING STANDARDS AND FINANCIAL REPORTING STANDARDS ADOPTION DURING THE PERIOD (Cont.)

<b><u>Financial Reporting Standard Interpretations</u></b>	<b><u>Contents</u></b>
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TFRIC 7 (Revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2015)	Service Concession Arrangements
TFRIC 13 (Revised 2015)	Customer Loyalty Programmers
TFRIC 14 (Revised 2015)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2015)	Distributions of Non – cash Assets to Owners
TFRIC 18 (Revised 2015)	Transfers of Assets from Customers
TFRIC 20 (Revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

The above Accounting Standards, Financial Reporting Standards, Accounting Standard Interpretations and Financial Reporting Standard Interpretations have no material impact to these financial statements, except for Financial Reporting Standard No. 4 (revised 2015) Insurance Contracts as follows.

TFRS 4 (revised 2015) applies to all insurance contracts (including reinsurance contracts) that an entity issues and to reinsurance contracts that it holds. The standard exempts an insurer temporarily from some requirements of other standards, including the requirement to consider the Framework in selecting accounting policies for insurance contracts. However, the standard (a) prohibits provision for possible claims under contracts that are not in existence at the end of the reporting year; (b) requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets; and (c) requires an insurer to keep insurance liabilities in its statement of financial position until they are discharged or cancelled, or expired, and to present insurance liabilities without offsetting them against related reinsurance assets. Change in accounting policies from this new financial reporting standard are discussed in note 3.

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

### 2.3 FINANCIAL REPORTING STANDARDS ISSUED AND REVISED WHICH WILL BE EFFECTIVE IN THE FUTURE

Thai Financial Reporting Standards are being prepared by the Accounting Standards Committee for corresponding with the requirements of International Financial Reporting Standards, bound volume 2016 without early application for the period ended December 31, 2015 which are mandatorily effective for the annual period beginning on or after January 1, 2017, The Company still has not a plan to adopt such financial reporting standards early application.

## 3. CHANGE IN ACCOUNTING POLICIES AND RECLASSIFICATIONS

The accounting policies for insurance contracts used in the interim financial information are consistent with those used in the annual financial statements for the year ended December 31, 2015, except changes by adoption of the new financial reporting standard which is TFRS 4 (revised 2015) as follows.

#### Product classification

At the inception date, the Company has determined insurance contracts by consideration of significance transfer of insurance risk. If there is any event, with commercial substance that requires the Company to pay additional benefits to the insured. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expired. Non-insurance contracts can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

The Company determine reinsurance contract by consideration of the probabilities that the significant risk transfer to reinsurer.

#### Liability adequacy testing

At the end of each reporting period, the Company assess whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If that assessment shows that the carrying amount of its insurance liabilities is inadequate in the light of the estimated future cash flows, the entire deficiency shall be recognised in profit or loss.

#### 4. FAIR VALUE MEASUREMENT

The Company use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available. The Company used an appropriate measurement such as the present value determination of cash flows etc.

##### Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company endeavour to use relevant observable inputs as much as possible. The different levels have been defined as follows:

- Level 1            quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2            inputs other than quoted prices included within Level 1 that are observable for assets or liabilities, either directly or indirectly.
- Level 3            unobservable inputs for assets or liabilities.

As at March 31, 2016, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

	(Unit : Baht)			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Investment in securities - Available-for-sale				
Government and state enterprise securities				
Equity securities	82,234,696.35	-	-	82,234,696.35
Private enterprise debt securities				
Equity securities	161,628,616.84	-	-	161,628,616.84
<b>Total assets</b>	<b>243,863,313.19</b>	<b>-</b>	<b>-</b>	<b>243,863,313.19</b>



#### 4. FAIR VALUE MEASUREMENT (Cont.)

As at December 31, 2015, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

	(Unit : Baht)			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Investment in securities - Available-for-sale				
Government and state enterprise securities				
Equity securities	74,683,554.90	-	-	74,683,554.90
Private enterprise debt securities				
Equity securities	158,033,240.04	-	-	158,033,240.04
<b>Total assets</b>	<b>232,716,794.94</b>	<b>-</b>	<b>-</b>	<b>232,716,794.94</b>

During the current period, there were no transfers within the fair value hierarchy.

#### 5. CASH AND CASH EQUIVALENTS

	(Unit : Baht)	
	March 31, 2016	December 31, 2015
Cash	805,860.23	1,234,480.79
Deposits at banks with no fixed maturity date	42,031,176.55	12,187,398.31
Cash and cash equivalents	42,837,036.78	13,421,879.10

#### 6. PREMIUM DUE AND UNCOLLECTED

As at March 31, 2016 and December 31, 2015, the Company has balances of premium due and uncollected which classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	(Unit : Baht)					
	March 31, 2016			December 31, 2015		
	Due from insured	Due from agents and brokers	Total	Due from insured	Due from agents and brokers	Total
Not yet due	795,579.12	20,244,057.68	21,039,636.80	244,397.79	17,236,991.93	17,481,389.72
Not over 30 days	91,686.53	2,189,652.92	2,281,339.45	29,190.95	287,396.07	316,587.02
Over 31 days to 60 days	-	693,740.18	693,740.18	642.21	411,260.78	411,902.99
Over 61 days to 90 days	-	646,082.17	646,082.17	463.00	1,746,477.49	1,746,940.49
Over 90 days	-	584,078.89	584,078.89	-	1,063,301.87	1,063,301.87
Total premium receivables	887,265.65	24,357,611.84	25,244,877.49	274,693.95	20,745,428.14	21,020,122.09
Less: Allowance for doubtful accounts	-	(584,078.89)	(584,078.89)	-	(1,063,301.87)	(1,063,301.87)
Total premium due and uncollected, net	887,265.65	23,773,532.95	24,660,798.60	274,693.95	19,682,126.27	19,956,820.22

## 7. REINSURANCE ASSETS

As at March 31, 2016 and December 31, 2015, the Company has reinsurance assets as below:

	(Unit : Baht)	
	March 31, 2016	December 31, 2015
<u>Insurance recovered from reinsurers</u>		
Loss reserves	5,847,138.87	3,906,646.85
Unearned premium reserves (UPR)	31,524,937.28	28,319,023.57
Total	<u>37,372,076.15</u>	<u>32,225,670.42</u>

## 8. REINSURANCE RECEIVABLES

As at March 31, 2016 and December 31, 2015, the Company has reinsurance receivables as below:

	(Unit : Baht)	
	March 31, 2016	December 31, 2015
Amounts due from reinsurers	8,432,840.55	10,191,295.64
Total	<u>8,432,840.55</u>	<u>10,191,295.64</u>

As at March 31, 2016 and December 31, 2015, balances of amounts due from reinsurers are classified by aging as follows:

	(Unit : Baht)	
	March 31, 2016	December 31, 2015
Within credit terms	7,736,796.81	10,031,978.57
Not over 12 months	661,043.74	159,317.07
Over 1 year to 2 years	35,000.00	-
Total	<u>8,432,840.55</u>	<u>10,191,295.64</u>

## 9. INVESTMENT IN SECURITIES

As at March 31, 2016 and December 31, 2015, the Company has investments in securities as below:

	(Unit : Baht)			
	March 31, 2016		December 31, 2016	
	Cost / Amortized		Cost / Amortized	
	cost	Fair value	cost	Fair value
<b>Available-for-sale investments</b>				
<i>Government and state enterprise securities</i>				
Equity securities	41,030,711.00	82,234,696.35	41,030,711.00	74,683,554.90
<i>Private enterprise debt securities</i>				
Equity securities	129,666,004.00	161,628,616.84	129,666,004.00	158,033,240.04
Add (Less) Unrealized gain (loss) on changes in fair value	73,166,598.19		62,020,079.94	
<b>Total available-for-sale investments</b>	<u>243,863,313.19</u>	<u>243,863,313.19</u>	<u>232,716,794.94</u>	<u>232,716,794.94</u>
<b>Held-to-maturity investments</b>				
<i>Government and state enterprise securities</i>				
Saving lotteries	1,600,000.00		1,600,000.00	
Bond	15,000,000.00		15,000,000.00	
Debenture-convertible debenture	20,000,000.00		20,000,000.00	
<i>Private enterprise debt securities</i>				
Debenture-convertible debenture	115,000,000.00		115,000,000.00	
Deposits at commercial banks	225,266,600.00		255,266,600.00	
<b>Total held-to-maturity investments</b>	<u>376,866,600.00</u>		<u>406,866,600.00</u>	
<b>General investment</b>				
Non-marketable equity securities – local	341,060.00		341,060.00	
<b>Total general investment</b>	<u>341,060.00</u>		<u>341,060.00</u>	
<b>Total Investments in securities, net</b>	<u>621,070,973.19</u>		<u>639,924,454.94</u>	

9. INVESTMENT IN SECURITIES (Cont.)

Investments in debt securities as at March 31, 2016 and December 31, 2015 have maturity as follows:

	(Unit : Baht)							
	March 31, 2016				December 31, 2015			
	Period to maturity				Period to maturity			
	Within 1 year	1 - 5 years	Over 5 years	Total	Within 1 year	1 - 5 years	Over 5 years	Total
<u>Available-for-sale investments</u>								
Government and state enterprise securities :-								
Saving Lottery	-	1,600,000.00	-	1,600,000.00	-	1,600,000.00	-	1,600,000.00
Bond	-	10,000,000.00	5,000,000.00	15,000,000.00	-	10,000,000.00	5,000,000.00	15,000,000.00
Debenture-convertible debenture	-	-	20,000,000.00	20,000,000.00	-	-	20,000,000.00	20,000,000.00
Private enterprise debt securities :-								
Debenture-convertible debenture	-	75,000,000.00	40,000,000.00	115,000,000.00	-	65,000,000.00	50,000,000.00	115,000,000.00
Deposits at commercial banks	166,266,600.00	59,000,000.00	-	225,266,600.00	196,266,600.00	59,000,000.00	-	255,266,600.00
Total available-for-sale investments	166,266,600.00	145,600,000.00	65,000,000.00	376,866,600.00	196,266,600.00	135,600,000.00	75,000,000.00	406,866,600.00

As at March 31, 2016 and December 31, 2015, the Company pledged bank deposit Baht 64.93 million as collateral as stated in note 28.

## 10. LOANS

As at March 31, 2016 and December 31, 2015, loans and accrued interest aged by principal and accrued interest are as follows:

(Unit : Baht)						
March 31, 2016						
Mortgage loans		Others		Total		
Principal	Interest	Principal	Interest	Principal	Interest	Total
Not yet due	12,887,064.44	-	757,354.42	-	13,644,418.86	13,644,418.86
Total	12,887,064.44	-	757,354.42	-	13,644,418.86	13,644,418.86
December 31, 2015						
Mortgage loans		Others		Total		
Principal	Interest	Principal	Interest	Principal	Interest	Total
Not yet due	11,456,265.83	-	865,395.39	-	12,321,661.22	12,321,661.22
Total	11,456,265.83	-	865,395.39	-	12,321,661.22	12,321,661.22

10.1 The collateralized loans are loan facilities provided to employees as part of the credit welfare project for house with interest rate MLR – 1.5% to MOR - 2.0% per annum.

10.2 The collateralized loans are personal loans provided to employees as part of the benefit program with interest rate at MLR - 1.5% per annum to MOR per annum.

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

## 11. PROPERTY, PLANT AND EQUIPMENT

Changing of property, plant and equipment for the three-month period ended March 31, 2016 are presented as follows:

	(Unit : Baht)				
	Land	Building	Vehicle	Fixture and office equipment	Total
Net book value					
As at December 31, 2015	41,549,000.00	4,620,777.74	867,553.02	1,492,306.70	48,529,637.46
Cost increasing during the period	-	-	-	105,261.68	105,261.68
Net book value disposal during the period	-	-	(2.00)	-	(2.00)
Depreciation	-	(573,826.38)	(44,530.22)	(134,054.88)	(752,411.48)
As at March 31, 2016	41,549,000.00	4,046,951.36	823,020.80	1,463,513.50	47,882,485.66

## 12. INTANGIBLE ASSETS

Changing of intangible assets for the three-month period ended March 31, 2016 are presented as follows:

	(Unit : Baht)
	Computer program
Net book value as at December 31, 2015	237,349.85
Amortized for the period	(15,058.63)
Net book value as at March 31, 2016	222,291.22

## 13. DEFERED TAX

13.1 As at March 31, 2016 and December 31, 2015, the component of deferred tax assets and liabilities consist of following items.

	(Unit: Baht)	
	March 31, 2016	December 31, 2015
<b>Deferred tax assets</b>		
Premium reserve	737,949.48	388,288.24
Loss reserves and outstanding claims	1,974,458.69	2,034,804.70
Loss reserves incurred but not reported (IBNR)	2,690,782.63	2,268,450.82
Allowance for doubtful accounts	116,815.78	212,660.37
Employee benefit obligation	2,279,985.11	2,214,901.00
Total	7,799,991.69	7,119,105.13
<b>Deferred tax liabilities</b>		
Unrealized gain from investment valuation – Available for sale	14,633,319.64	12,404,015.99
Total	14,633,319.64	12,404,015.99
Deferred tax assets (liabilities) - net	(6,833,327.95)	(5,284,910.86)

13. DEFERED TAX (Cont.)

13.2 The income tax expenses for the three-month period ended March 31, 2016 and 2015, comprise as follows:-

(Unit : Baht)

	For the three-month period ended	
	March 31, 2016	March 31, 2015
Income tax for the year calculated from taxable profit	2,264,821.39	2,298,236.24
Deferred tax increase (decrease) - net	(654,509.56)	669,514.41
Income tax for the period calculated from accounting profit	<u>1,610,311.83</u>	<u>2,967,750.65</u>

13.3 As at March 31, 2016 and 2015, the amount of income tax relating to the each component of comprehensive income are presented as follows:

(Unit : Baht)

	For the three-month period ended	
	March 31, 2016	March 31, 2015
Deferred tax relating to:		
(Surplus) Deficit from available-for-sale securities	(2,229,303.65)	240,131.89

14. OTHER ASSETS

(Unit: Baht)

	March 31, 2016	December 31, 2015
Prepaid long-term commission	1,734,762.31	1,677,031.93
Loss recovery from counter parties	1,446,377.67	1,386,194.27
Other Receivables	2,974,843.45	2,974,843.45
Others	678,521.15	3,143,792.83
Total	<u>6,834,504.58</u>	<u>9,181,862.48</u>

15. INSURANCE CONTRACT LIABILITIES

	March 31, 2016		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Loss reserves and outstanding claims			
- Incurred and agreed claim reserves	21,614,211.28	(4,370,460.42)	17,243,750.86
- Incurred but not reported claim reserves	14,930,591.64	(1,476,678.45)	13,453,913.19
Premium liabilities - Unearned premium reserves	110,209,802.50	(31,524,937.28)	78,684,865.22
Total	<u>146,754,605.42</u>	<u>(37,372,076.15)</u>	<u>109,382,529.27</u>

	December 31, 2015		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Loss reserves and outstanding claims			
- Incurred and agreed claim reserves	25,802,999.71	(3,745,970.00)	22,057,029.71
- Incurred but not reported claim reserves	11,502,930.93	(160,676.85)	11,342,254.08
Premium liabilities - Unearned premium reserves	112,074,567.35	(28,319,023.57)	83,755,543.78
Total	<u>149,380,497.99</u>	<u>(32,225,670.42)</u>	<u>117,154,827.57</u>

Loss reserves and outstanding claims

	(Unit: Baht)	
	For the three-month period ended March 31, 2016	For the year ended December 31, 2015
Beginning balances	37,305,930.64	33,038,769.42
Claims incurred for the periods	11,698,436.90	48,506,999.83
Changes in assumption and loss reserve and outstanding claims	3,427,660.71	1,072,445.83
Claims paid during the periods	<u>(15,887,225.33)</u>	<u>(45,312,284.44)</u>
Ending balances	<u>36,544,802.92</u>	<u>37,305,930.64</u>

As at 31 March 2016, the Company had loss reserves and outstanding claims under reinsurance contracts of Baht 5.70 million (31 December 2015: Baht 9.39 million).



15. INSURANCE CONTRACT LIABILITIES (Cont.)

Unearned premium reserve

	(Unit: Baht)	
	For the three-month period ended March 31, 2016	For the year ended December 31, 2015
Beginning balances	112,074,567.35	132,823,863.48
Premium written for the period	57,579,226.96	245,452,101.40
Premium earned for the current period	(59,443,991.81)	(266,201,397.53)
Ending balance	110,209,802.50	112,074,567.35

Unexpired risk reserve

	(Unit: Baht)	
	For the three-month period ended March 31, 2016	For the year ended December 31, 2015
Balance as at January 1	27,879,427.84	41,179,727.85
Estimated claims for the period	19,919,706.50	27,879,427.82
Expired risk during the period	(14,787,159.30)	(41,179,727.83)
Ending balance	33,011,975.04	27,879,427.84

As at March 31, 2016, the Company has not provided for unexpired risk reserve for the amount of Baht 33.01 million (December 31, 2015, Baht 27.88 million) since unexpired risk reserve is lower than unearned premium reserve.

16. DUE TO REINSURERS

	(Unit: Baht)	
	March 31, 2016	December 31, 2015
Premium ceded payables	8,291,766.13	8,181,052.14
Amount withheld on reinsurance	9,107,986.80	8,077,709.83
Total reinsurance payables	17,399,752.93	16,258,761.97

# 17. EMPLOYEE BENEFIT OBLIGATIONS

For the three-month periods ended March 31, 2016 and 2015

Employee benefits expenses project as determined

(Unit: Baht)

	March 31, 2016	March 31, 2015
Current service cost	121,185.50	122,998.25
Interest cost	72,350.00	96,561.25
Total Expenses	193,535.50	219,559.50

## As at March 31, 2016

Defined benefit obligations at January 1, 2016	11,206,390.00
Current service cost	121,185.50
Interest cost	72,350.00
Less Benefits paid	(553,000.00)
Defined benefit obligations at March 31, 2016	10,846,925.50

Actuarial assumptions to use for calculation:-

Discount rate	2.59%
Salary rate increase	3.39%
Employees turnover (Depend on employee working period)	0.00% - 13.00%
Mortality rate	Thai mortality table 2008

# 18. OTHER LIABILITIES

	March 31, 2016	December 31, 2015
Accrued expense	5,364,633.52	7,512,368.45
Accrued commission	3,534,684.01	3,102,469.39
Others	3,651,114.04	2,931,718.87
Total	12,550,431.57	13,546,556.71

19. OPERATING EXPENSES

	(Unit: Baht)	
	For the three-month period ended March 31, 2016	For the three-month period ended March 31, 2015
Personal expenses which are not expenses for underwriting and claims	6,399,334.05	6,022,589.64
Premises and equipment expenses which is not expenses for underwriting	2,594,767.25	3,092,365.63
Taxes and duties	315,879.87	403,436.55
Other operating expenses	1,449,026.77	1,424,643.16
Total operating expenses	10,759,007.94	10,943,034.98

20. EMPLOYEE BENEFIT EXPENSE

	(Unit: Baht)	
	For the three-month period ended March 31, 2016	For the three-month period ended March 31, 2015
<b>Management</b>		
Wages and salaries	2,881,115.00	2,686,725.00
Pension costs - defined contribution plans	41,118.00	40,275.00
Others	459,687.25	260,038.00
	3,381,920.25	2,987,038.00
<b>Other employees</b>		
Wages and salaries	5,082,714.00	4,982,670.00
Pension costs - defined contribution plans	93,938.00	98,729.14
Others	239,246.80	390,857.50
	5,415,898.80	5,472,256.64
Total	8,797,819.05	8,459,294.64
<b>Employee benefit expenses has been allocated to:</b>		
Other underwriting expenses	1,652,535.00	1,648,500.00
Insurance claim and loss adjustments	745,950.00	788,205.00
Operating expenses	6,399,334.05	6,022,589.64
Total	8,797,819.05	8,459,294.64

## 21. 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. 1992 excluded salaries and related benefits to be paid to executive directors.

Benefit expenses paid to chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels consist of salaries, bonus, retirement benefit and meeting allowance.

Directors' remuneration and management benefit expenses for the three-month period ended March 31, 2016 and 2015 are presented as follows.

	(Unit: Baht)	
	For the three-month period ended March 31, 2016	For the three-month period ended March 31, 2015
Short-term benefits	3,212,454.00	2,835,442.00
Long-term benefits	169,466.25	151,596.00
Total	3,381,920.25	2,987,038.00

## 22. FINANCIAL INSTRUMENTS

### 22.1 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.

#### 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.

22. FINANCIAL INSTRUMENTS (Count.)

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 March 31, 2016				
	Floating interest rate	Fixed interest rate	Non interest rate	Total
Deposits at financial institutions	37,070,082.00	-	4,961,094.55	42,031,176.55
Fixed deposits over 3 months	-	225,266,600.00	-	225,266,600.00
Debentures	-	135,000,000.00	-	135,000,000.00
Bonds	-	15,000,000.00	-	15,000,000.00
Savings lottery	-	1,600,000.00	-	1,600,000.00
Loans	13,644,418.86	-	-	13,644,418.86
Total	50,714,500.86	376,866,600.00	4,961,094.55	432,542,195.41

  

Book value as at December 31, 2015				
	Floating interest rate	Fixed interest rate	Non interest rate	Total
Deposits at financial institutions	2,880,125.42	-	9,307,272.89	12,187,398.31
Fixed deposits over 3 months	-	255,266,600.00	-	255,266,600.00
Debentures	-	135,000,000.00	-	135,000,000.00
Bonds	-	15,000,000.00	-	15,000,000.00
Savings lottery	-	1,600,000.00	-	1,600,000.00
Loans	12,321,661.22	-	-	12,321,661.22
Total	15,201,786.64	406,866,600.00	9,307,272.89	431,375,659.53

## 22. FINANCIAL INSTRUMENTS (Count.)

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

(Unit: Baht)

Book value as at March 31, 2016					
	Within 1 year	Over 1 to 5 years	Over 5 years	Total	Interest average
					( % per annum)
Investments in securities - net					
- Fixed deposits over 3 months	166,266,600.00	59,000,000.00	-	225,266,600.00	0.75 – 3.20
- Debentures	-	75,000,000.00	60,000,000.00	135,000,000.00	2.85 – 4.95
- Bond	-	10,000,000.00	5,000,000.00	15,000,000.00	4.32 – 5.00
- Saving lotteries	-	1,600,000.00	-	1,600,000.00	0.00 – 2.00
Total	166,266,600.00	145,600,000.00	65,000,000.00	376,866,600.00	

(Unit: Baht)

Book value as at December 31, 2015					
	Within 1 year	Over 1 to 5 years	Over 5 years	Total	Interest average
					( % per annum)
Investments in securities - net					
- Fixed deposits over 3 months	196,266,600.00	59,000,000.00	-	255,266,600.00	1.10-3.20
- Debentures	-	65,000,000.00	70,000,000.00	135,000,000.00	2.85-4.95
- Bond	-	10,000,000.00	5,000,000.00	15,000,000.00	4.32-5.00
- Saving lotteries	-	1,600,000.00	-	1,600,000.00	0.00-2.00
Total	196,266,600.00	135,600,000.00	75,000,000.00	406,866,600.00	

## 22. FINANCIAL INSTRUMENTS (Count.)

### 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.

#### Collateralized 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.

23. CAPITAL FUND MANAGEMENT

The primary objectives of the Company's capital fund management are to ensure that it has an appropriate financial structure, presences 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).

24. ASSETS PLEDGED WITH REGISTRAR

As at March 31, 2016 and December 31, 2015, 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.

25. ASSETS RESERVE PLEDGED WITH REGISTRAR

As at March 31, 2016 and December 31, 2015, bank deposit amount of Baht 30.00 million are used as collateral against premium reserve with the registrar

26. 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 Management Company Limited. For the three-month period ended March 31, 2016 and 2015 the Company contributed to Fund approximately Baht 0.14 million.

27. 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.



## 28. RESTRICTED ASSETS WITH COMMITMENT

As at March 31, 2016 and December 31, 2015, the Company pledged bank deposit of Baht 64.93 million as collaterals follows:

	(Unit: Baht)	
	March 31, 2016	December 31, 2105
Bank deposit 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	64,930,000.00	64,930,000.00

## 29. CONTINGENT LIABILITIES AND COMMITMENT

### Litigation

29.1. As at March 31, 2016 and December 31, 2015, the Company was sued from act as insurer with the prosecution value of Baht 1.53 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 0.33 million and 0.32 million, respectively. Those prosecution cases have been incompletely considered and the Company expects to win the mostly cases. Nevertheless, the Company recorded the provision for contingent loss amount of Baht 0.25 million in the financial statements.

### Guarantees

29.2. As at March 31, 2016 and December 31, 2015, 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.

### 30. FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker in order to make decisions about the allocation of resources to the segment and assess its performance.

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. Divided into categories of products include fire insurance, marine and transport insurance, personal accident insurance and miscellaneous insurance as segment income and profit of the Company for the three-month period ended March 31, 2016 and 2015 are as follows.

30. FINANCIAL INFORMATION BY SEGMENT (Cont.)

(Unit: Baht)

	For the three-month period ended March 31, 2016					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
<u>Underwriting income</u>						
Premium written	17,781,915.20	3,087,138.15	26,778,704.40	395,440.60	9,536,028.61	57,579,226.96
Less: Premium ceded	6,216,015.31	1,942,613.00	1,334,860.58	45,302.60	8,900,236.20	18,439,027.79
Net premium written	11,565,899.89	1,144,525.15	25,433,843.82	350,138.00	635,792.31	39,140,199.17
Add/Less: Unearned premium reserves	(797,337.71)	194,134.59	5,647,382.49	192,528.70	(166,029.51)	5,070,678.56
Earned premium written	10,768,562.18	1,338,659.74	31,091,226.31	542,666.70	469,762.80	44,210,877.73
Fee and commissions income	1,803,509.10	528,136.67	237,467.75	13,411.97	1,648,879.46	4,231,404.95
Total underwriting income	12,572,071.28	1,866,796.41	31,328,694.06	556,078.67	2,118,642.26	48,442,282.68
<u>Underwriting expenses</u>						
Claims and losses adjustment	2,454,299.92	255,023.07	8,097,665.79	157,921.63	1,118,758.51	12,083,668.92
Commissions and brokerages	3,704,436.98	425,200.07	3,556,448.70	103,867.49	1,440,314.60	9,230,267.84
Other underwriting expenses	1,148,752.41	610,680.16	10,151,798.93	1,098.64	300,067.71	12,212,397.85
Total underwriting expenses before operating expenses	7,307,489.31	1,290,903.30	21,805,913.42	262,887.76	2,859,140.82	33,526,334.61
Operating expenses						10,759,007.94
Gain on underwriting						4,156,940.13
Net investment income						3,215,254.91
Gains on investments						-
Other income						871,593.62
Profit before income tax expenses						8,243,788.66
Income tax expenses						1,610,311.83
Profit for the period						6,633,476.83

30. FINANCIAL INFORMATION BY SEGMENT (Cont.)

(Unit: Baht)

	For the three-month period ended March 31, 2015					
	Fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Total
<u>Underwriting income</u>						
Premium written	17,234,485.48	2,594,584.46	45,291,727.82	331,444.05	8,421,103.01	73,873,344.82
Less: Premium ceded	6,267,378.22	1,192,643.00	2,205,697.20	52,916.05	7,967,049.35	17,685,683.82
Net premium written	10,967,107.26	1,401,941.46	43,086,030.62	278,528.00	454,053.66	56,187,661.00
Add/Less: Unearned premium reserves	(921,502.35)	1,364.12	(2,503,556.15)	(116,458.95)	(243,676.48)	(3,783,829.81)
Earned premium written	10,045,604.91	1,403,305.58	40,582,474.47	162,069.05	210,377.18	52,403,831.19
Fee and commissions income	1,738,036.08	326,107.04	366,971.37	15,542.16	1,461,107.57	3,907,764.22
Total underwriting income	11,783,640.99	1,729,412.62	40,949,445.84	177,611.21	1,671,484.75	56,311,595.41
<u>Underwriting expenses</u>						
Claims and losses adjustment	1,206,670.36	(240,959.64)	5,409,061.14	24,406.16	655,692.00	7,054,870.02
Commissions and brokerages	3,602,314.43	358,350.84	5,836,215.95	66,316.27	1,205,131.89	11,068,329.38
Other underwriting expenses	1,033,829.28	594,766.69	17,199,900.41	1,587.78	270,793.87	19,100,878.03
Total underwriting expenses before operating expenses	5,842,814.07	712,157.89	28,445,177.50	92,310.21	2,131,617.76	37,224,077.43
Operating expenses						10,943,034.98
Gain on underwriting						8,144,483.00
Net investment income						3,180,476.13
Gains on investments						-
Other income						3,470,024.14
Profit before income tax expenses						14,794,983.27
Income tax expenses						(2,967,750.65)
Profit for the period						11,827,232.62

### 30. FINANCIAL INFORMATION BY SEGMENT (Cont.)

The following table presents segment assets and liabilities of the Company's operating segments as at March 31, 2016 and December 31, 2015 are as follows:

	(Unit: Baht)						
	fire	Marine and transportation	Motor	Personal accident	Miscellaneous	Unallocated assets	Total
<b><u>Assets</u></b>							
As at March 31, 2016	<u>27,433,724.82</u>	<u>7,862,261.04</u>	<u>20,408,569.44</u>	<u>457,874.38</u>	<u>20,288,141.79</u>	<u>739,063,668.00</u>	<u>815,514,239.47</u>
As at December 31, 2015	<u>28,615,462.77</u>	<u>7,425,289.85</u>	<u>16,598,249.27</u>	<u>424,842.02</u>	<u>15,591,646.52</u>	<u>729,443,888.45</u>	<u>798,099,378.88</u>
<b><u>Liabilities</u></b>							
As at March 31, 2016	<u>63,403,249.49</u>	<u>11,145,779.65</u>	<u>78,315,999.46</u>	<u>1,311,556.67</u>	<u>21,384,391.51</u>	<u>37,650,606.93</u>	<u>213,211,583.71</u>
As at December 31, 2015	<u>62,147,343.69</u>	<u>10,192,794.05</u>	<u>84,800,354.76</u>	<u>1,459,585.88</u>	<u>17,611,163.84</u>	<u>35,136,172.33</u>	<u>211,347,414.55</u>

### 31. EVENTS AFTER THE REPORTING PERIOD

According to the resolution of annual general shareholders' meeting for the year 2015 held on April 28, 2016, the meeting passed the resolution to pay dividend from the financial performance of year 2015 in amount of Baht 2.00 per share for 12 million shares, totaling in amount of Baht 24 million. The Company determined to pay dividend on May 27, 2016.

### 32. RECLASSIFICATION

The Company reclassified the following transactions in the financial statements to conform on current period's classification in accordance with the Notification of the Office of Insurance Commission dated 4 March 2016, which become effective since 1 January 2016. The reclassification, which does not have any impact to previously reported profit or owner's equity, is summarised below.

	(Unit: Baht)		
	December 31, 2015		
	As previous reported	Reclassification	As reclassified
<b><u>Statements of financial position</u></b>			
<i>Assets :</i>			
Premium due and uncollected	20,912,427.62	(955,607.40)	19,956,820.22
Reinsurance assets	41,461,358.66	(9,235,688.24)	32,225,670.42
Reinsurance receivables	-	10,191,295.64	10,191,295.64
Investments in securities	-	639,924,454.94	639,924,454.94
Available for sales investments	232,716,794.94	(232,716,794.94)	-
Held-to-maturity investment	406,866,600.00	(406,866,600.00)	-
General investment	341,060.00	(341,060.00)	-
<i>Liabilities :</i>			
Insurance contract liabilities	-	(149,380,497.99)	(149,380,497.99)
Insurance contract liabilities – Loss reserves and outstanding claims	(37,305,930.64)	37,305,930.64	-
Insurance contract liabilities - Premium reserve	(112,074,567.35)	112,074,567.35	-
<b>Total</b>	<b>552,917,743.23</b>	<b>-</b>	<b>552,917,743.23</b>

32. RECLASSIFICATION (Cont.)

(Unit: Baht)			
January 1, 2015			
	As previous reported	Reclassification	As reclassified
<b><i>Statements of financial position</i></b>			
<i>Assets :</i>			
Premium due and uncollected	23,249,601.38	(684,539.58)	22,565,061.80
Reinsurance assets	54,787,960.90	(21,093,236.15)	33,694,724.75
Reinsurance receivables	-	21,777,775.73	21,777,775.73
Investments in securities	-	629,227,954.16	629,227,954.16
Available for sales investments	247,956,894.16	(247,956,894.16)	-
Held-to-maturity investment	380,930,000.00	(380,930,000.00)	-
General investment	341,060.00	(341,060.00)	-
<i>Liabilities :</i>			
Insurance contract liabilities	-	(165,862,632.90)	(165,862,632.90)
Insurance contract liabilities – Loss reserves and outstanding claims	(33,038,769.42)	33,038,769.42	-
Insurance contract liabilities - Premium reserve	(132,823,863.48)	132,823,863.48	-
<b>Total</b>	<b>541,402,883.54</b>	<b>-</b>	<b>541,402,883.54</b>

32. RECLASSIFICATION (Cont.)

(หน่วย: บาท)			
For the three-month period ended			
31 March 2015			
	As previous reported	Reclassification	As reclassified
<b><i>Statement of income</i></b>			
<i>Revenues :</i>			
Premium written	-	73,873,344.82	73,873,344.82
Premium ceded	-	(17,685,683.82)	(17,685,683.82)
Net Premium written	-	56,187,661.00	56,187,661.00
Unearned premium reserves from prior period	-	(3,783,829.81)	(3,783,829.81)
Earned premium written	52,403,831.19	-	52,403,831.19
<i>Expenses :</i>			
Gross benefits and claims	-	9,190,555.46	9,190,555.46
Claims recovered from reinsurers	-	(2,135,685.44)	(2,135,685.44)
Insurance claims and loss adjustment expenses	7,054,870.02	-	7,054,870.02
Other underwriting expenses	13,860,131.12	5,240,746.91	19,100,878.03
Contribution to Office of Insurance Commission	188,454.97	(188,454.97)	-
Contribution to Non-life guarantee fund	164,183.58	(164,183.58)	-
Contribution to Road victims protection fund	4,888,108.36	(4,888,108.36)	-

33. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These financial statements have been approved to be issued by authorized directors on May 11, 2016.