

TVI.004/2016

March 4, 2016

Subject : Notice of the Annual General Shareholders' Meeting No.23/2016

Attention : Shareholders of Thaivivat Insurance Public Company Limited

Attachments

1. Minutes of the 22/2015 Annual General Meeting of Shareholders held on April 8, 2015
2. The Company's Statements of Financial Position for the year ended December 31, 2015
3. The 2015 Annual Report together with the Company's Statements of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2015 in CD-Rom
4. Summarized Profile of Directors Nominated
5. Definition of Independent Directors
6. Explanations on the Method of Granting Proxy, Effecting Registrations, Producing Documentation before Attending the Meeting, Regulations Concerning Meetings of Shareholders, and Voting
7. Profile of The Independent Directors whom are dominated to be a proxy from the shareholders
8. Procedures for Attending Annual Meeting of Shareholders
9. Company Article about General Meeting of Shareholders
10. Map of the Annual General Meeting of Shareholders Venue
11. Proxy Form A and B

The Board of Directors of Thaivivat Insurance Public Company Limited has called for the Ordinary Shareholder Meeting No.23/2016 to be held on April 8, 2016, at 3:00 p.m. at meeting room the 6 floor Thaivivat Insurance Building, 71 Din Daeng Road, Phaya Thai, Bangkok 10400, to consider the following matters:-

Agenda 1 To consider approval of the minutes of the general shareholders Meeting No.23/2016

Rationale: The Company held the annual general Shareholders meeting No.22/2015 on April 8, 2015, and the minutes of the meeting has been recorded and submitted to the Stock Exchange of Thailand and the Ministry of Commerce within the timeframe prescribed by laws. It was also disclosed in the company's website, details of which are shown in **enclosure 1**.

Opinion of the Board: The board considered that the shareholders should agreed to the recommendation the Minutes of the Annual General Shareholders' Meeting No. 22/2015 on April 8, 2015 that it was correctly recorded, and the Board also agreed to submit this report to shareholders for approval of the minutes.

Agenda 2 To consider and approve the Company's Performance for the year 2015.

Rationale: The Company's Performance for the year 2015 can be found in the Company's Annual Report and the Board of Directors' Report which was attached to this invitation letter in CD-Rom format (**enclosure 3**) and can be summarized as follows;

	<u>2015</u>	<u>2014</u>	<u>Change %</u>
Total Income	2,527.88	2,471.11	2.30
Total underwriting expense	(2,588.60)	(2,432.30)	6.43
Profit (loss) from underwriting	(60.72)	38.81	-256.45

Unit: Million Baht

Profit from Investment	85.44	181.31	-52.87
Other Income	13.72	13.86	-1.01
Profit from Operation	38.44	233.98	-83.57
Contribution Etc	(17.02)	(16.67)	2.06
Corporate Income Tax	0.90	(34.21)	-102.63
Profit for the year	22.32	183.10	-87.81

Opinion of the Board: The board considered and agreed that the acknowledgement of the Company's results on performance for the year 2015.

Agenda 3 To consider approval of the audited Balance Sheet and the Profit and Loss Statement for the year ended December 31, 2015.

Rationale: Article 37 of the Articles of Association stipulates the board of directors must cause the Balance Sheet and the Profits and Loss Statement to be made at the end of the accounting years of the company, for submission to the annual general meeting of shareholders for approval. The said financial statements are shown in the 2015 as per **enclosure 2**.

Opinion of the board: The meeting should approve the said Balance Sheet and the Profit and Loss Statement for the year ended December 31, 2015 that have been considered by the Audit Committee and audited by the auditor.

Agenda 4 To consider approval of the appropriation of the Company's annual net profit and dividend.

Rationale: The Company has the **policy to maintain and to pay the annual dividend at about 40% of the net profit after tax** According to The Article of Association No.34, the Company must appropriate an amount of not less than 5 percent of the net profits of the year, minus the cumulative losses of the Company (if any) to a statutory reserve until the reserve is not less than 10 percent of the registered capital of the Company. The Company has already reserved a statutory reserve to 30.3 million Baht so do not be allocated the statutory reserve. The appropriate of profit and comparison of dividend paid in the last years in details are as follow:

Dividend payment	AGM 23/2016	AGM 22/2015	AGM 21/2014
Net Profit (Baht)	22,323,876	178,966,871	98,864,818
Earnings per share (Baht)	0.074	1.18	0.65
Number of share (share)	303,000,000	151,500,000	151,500,000
Dividend payment per share (Baht)	0.05	1.111112	0.32
Total dividend payment (Baht)	15,150,000	168,333,468	48,480,000
Stock dividend payment (Baht)	-	151,500,000	-
Cash dividend payment (Baht)	15,150,000	16,833,468	48,480,000
Dividend payout ratio	68%	94%	49%

Opinion of the Board: The Board deems that the shareholders should approve the appropriation of the dividend for the year 2015 from operating year 2015 and retained earnings at the rate of baht 0.05 (five satang) per share, totaling of 15,150,000 baht or payout ratio at 68 higher than



dividend payout policy. The Company had fixed the record date on April 21, 2016 and the closing date of the share register book on April 22, 2016 for determining the right of shareholders to receive dividend in according with the section 225 of the Securities and Exchange Act. The payment would be made on May 4, 2016.

Agenda 5 To consider and approve Director’s remuneration.

Rationale: The Company has policy to compensate directors at his level closely applicable in the industry and sufficiently to retain directors of required qualifications. The Board considers and deemed it fit to set up the remuneration of directors according to the proposed rate and proposed to the Annual General Meeting of Shareholders to approve the remuneration as follows:

Details of Compensation	2016	2015	2014
1. Director’s Bonus (Baht /Board)	3,480,000	3,480,000	3,300,000
Number of Directors (Person)	9	10	10
2. Audit Committee (Baht /Board)	640,000	640,000	600,000
Number of Directors (Person)	3	3	3
Meeting for attendant (Baht / Meeting / Person)			
1. The Board of Director			
- Chairman Mr. Chalaw Fuangaromya	20,000	20,000	20,000
- Director	15,000	15,000	15,000
2.The Audit Committee			
- Chairman Mr. Phisit Setthawong	15,000	15,000	15,000
- Committee Mrs.Pilai Piamphongsant Mrs.Pranee Phasipol	15,000	15,000	15,000

*No other compensation

Opinion of the Board: The Board has considered the matter and agreed that the remuneration of directors as presented should be proposed in the general shareholders meeting for approval.

Agenda 6 To elect directors to replace those retiring by rotation.

Rationale: Article 14 of the Articles of Association stipulates that at every annual general meeting of shareholders, one-third of the total number of the directors shall vacate their office. In 2016, three directors are due to retire by rotation at the Annual General Meeting of the shareholders, one of them are independent directors. The Definition of Company’s Independent Director (**Enclosure 5**), which qualifications **are same as** the minimum requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The names of Three directors who will retire by rotation are as follows;

- | | |
|----------------------------------|----------------------------------------------------------|
| 1. Mr. Phisit Setthawong | Independent Director and Chairman of The audit committee |
| 2. Mrs. Sutepee Asvatanakul | Director and Senior Executive Vice President |
| 3. Mrs. Sunee Theravithayangkura | Director and Company Secretary |

The Company had invited all shareholders to nominate any qualified person to be elected as Company’s Director as well as to propose any meeting agenda through the Company’s website from

January 7, 2016 to February 15, 2016. However, there was neither proposal of director nominee nor meeting agenda submitted to the Company.

The board, therefore, propose to re-elect Mr. Phisit Setthawong, Mrs. Sutepee Asvatanakul and Mrs. Sunee Theravithayangkura as directors for another term.

The principles and procedures of recruiting directors and curriculum vitae of 3 directors, who retire by rotation are as per **enclosure 4**.

Opinion of the board: The board, excluding the director who hand conflict of the interest, considered the recommendation of the nominating committee that all 3 directors are knowledgeable and competent persons who contribute their time to the company. The board, therefore, propose to re-elect all 3 persons as directors for another term replacing the Directors who have retired by the rotation rule.

Agenda 7 To consider appointing an auditor and set auditing fee.

Rationale: The Audit Committee considers electing the auditor for 2016 and submits to the Board of Directors’ for consideration in order to submit to the shareholders’ meeting. The auditor are Mrs. Nonglak Pumnoi and/or Miss Somjai Khunnaprasut and/or Miss Ratchada Yongsawasvanich, of EY Office Limited.

The Audit Committee was of opinion that as EY Office Limited has worldwide network which is acceptable by many countries. Three Auditors together with EY Office Limited have no relationship or entry into any transactions which may create the conflict of interest to the Company. In the meantime, the Selection Committee would like to propose subsidiary companies for the shareholders’ acknowledgment. The term of appointment of the Company’s auditor has been completed. The shareholders are invited to consider and appoint an External Auditor and also to fix the auditing fee for the year 2016. The EY Office Limited has quoted the auditing fee for the year 2016 in an amount of Baht 1,730,000 or an increase of 7.45 %, as per following details:-

	Unit : Baht			
	2016	2015	Change	%
1. Fee for the annual financial statements ending 31 December	780,000	660,000	120,000	18.18
2. Fee for review of interim financial statements (3 quarters)	450,000	450,000	15,000	-
3. Fee for review the Risk-Based Capital (RBC) report for (Quarter 2)	150,000	150,000	10,000	-
4. Fee for review the Risk-Based Capital (RBC) report for (Quarter 4)	350,000	350,000	10,000	-
Total	1,730,000	1,610,000	42,000	7.45

Opinion of the Audit Committee: Based on the audit committee’s recommendation, the meeting should appoint the existing auditor as following:

Name	CPA Registration No.	No. of year in audit service to the company
Mrs. Nonglak Pumnoi	4172	5
Miss Somjai Khunnaprasut	4499	2
Miss Ratchada Yongsawaswanich	4951	Nil



from EY Office Limited as the company's auditor. The 3 proposed auditors as well as EY Office Limited have no relationship or conflict of interest in the company and determine the auditor's fee at 1,730,000-Baht.

Agenda 8 Other business (if any)

The Company approval the record date and book closing are the Shareholder register book for the right to attend the Ordinary Shareholder Meeting No.23/2016 shall be recorded on March 17, 2016. Also, March 18, 2016 shall be the book closing date on which the shareholder list as specified in section 225 of the Securities and Exchange Act shall be complied.

Enclosed were documents as per the Appendices. The Company proposed the 2015 Annual Report and Financial Report in the form of CD. However, Shareholders who wish to get the reports in print is requested to contact the Investment Relations, Telephone 02-6950800 Ext. 5938 Fax 02-6950808 or Email: nantawan_aru@thaivivat.co.th.

All shareholders are invited to attend the Meeting on the date, and at the time and place specified above. If you wish to appoint another person to attend and vote on your behalf, please complete and sign the Proxy Form and submit it to the secretary to the Board prior to the Meeting.

Yours faithfully,



(Mr. Jiraphant Asvatanakul)
President and Chief Executive Officer



**The Minutes of the 22 /2015 Annual Ordinary General Meeting of Shareholders
Held on April 8, 2015
Thaivivat Insurance Public Company Limited**

The Meeting was convened on April 8, 2015 at Thaivivat Insurance Building, 71 Din Daeng Road, Samsen Nai, Phaya Thai, Bangkok, Thailand.

There were 44 shareholders holding 7,418,831 shares and 12 proxies holding 105,938,244 shares or a total of 56 persons, holding 113,357,075 shares or 74.82 % of the total units of issued and fully paid shares (151,500,000 shares) attended the meeting in person and by proxy which constituted the quorum as stipulated in Article 29 of the Company's Articles of Association.

The Meeting commenced at 3.10 p.m.

Mr. Chalaw Fuangaromya is the Chairman of the meeting.

Secretary informed the meeting the voting procedures that: The Chairman will ask the meeting to cast the vote for each agenda whether shareholders approve, disapprove or abstain. Any shareholder wishing to disapprove or abstain, please raises his/her hand and then marks the vote as disapprove or abstain on the ballot paper distributed at the registration desk and handed to the staff for calculation. The total number of counted disapprove and abstain votes would then be deducted from the total number of votes in the meeting. The Chairman shall announce the result when the vote count has been completed. If there is no shareholder raises his/her hand, it shall be deemed that all shareholders cast their votes in each agenda as approved.

For proxy holder, where the proxy holder must cast the votes in accordance with the shareholders' instruction, the Company shall count and record the votes as specified by the shareholder.

Shareholders having acknowledged the voting procedures.

The Chairman declared the meeting opened and Mr. Jiraphant Asvatanakul, Director and President and Chief Executive Officer introduced Directors and Management Committee Members, who were present in this meeting as follows;

1. Directors, There were 6 Directors present in the meeting with the following names;

- | | |
|----------------------------------|---------------------------------------------------------|
| 1) Mr. Chalaw Fuangaromya | Independent Director and
Chairman of Audit Committee |
| 2) Mr. Phisit Setthawong | Independent Director and Audit Committee |
| 3) Mr. Jiraphant Asvatanakul | Director and CEO |
| 4) Mr. Thawan Viranont | Director and Advisor of CEO |
| 5) Mrs. Sutepee Asvatanakul | Director and Senior Executive Vice President |
| 6) Mrs. Sunee Theravithayangkura | Director and Company Secretary |

2. Management Committee Members, there were 8 Management Committee Members present in the meeting with the following names;

- | | |
|-------------------------------------|--------------------------|
| 1) Mr. Suraphong Theravithayangkura | Executive Vice President |
| 2) Mr. Praphid Dhiraprayudti | Executive Vice President |
| 3) Mr. Krailoes Hanvivadhanakul | Executive Vice President |

- 4) Mr. Lucius Antoine Julien Maria Heijstee Executive Vice President
 5) Mr. Kaewpan Teerayotin Vice President, Business Development
 6) Miss Sirintr Nuntavoraset Advisor of CEO
 7) Mrs. Duangkaew Viriyanusak Senior Manager, Accounting Department
 8) Mrs. Luspan Teumtongchai Senior Manger, Business Development

3. Representatives from the EY Office Limited, the Company's external auditors, there was 1 representative present in the meeting with the following name;

- 1) Miss Narisara Chaisuwan

After the introduction the Chairman then preceded the meeting in accordance with the Company's Article of Association and the specified agenda respectively as follows:

Agenda 1: To certify the Minutes of the 21/2014 Annual Ordinary General

Meeting of Shareholders held on April 3, 2014 The Chairman proposed to the meeting to consider and approve the minutes of the 21/2014 Annual Ordinary General Meeting of Shareholders held on April 3, 2014.

The Chairman inquired whether any shareholder would like to ask or make any amendment. There was neither proposal nor query, the Chairman asked shareholders who wished to disapprove or abstain to raise their hands. There was none; the Chairman therefore concluded the resolution as follows:

RESOLUTION: The meeting unanimously certified the minutes of the 21/2014 Annual Ordinary General Meeting of Shareholders held on April 3, 2014. with the following numbers of votes:

- Approve113,357,075 .. votes (100 %)
 Disapprove-.....votes
 Abstain-..... votes

Agenda 2: To acknowledge the Company's Annual Report and the Board of Directors' Report for the Year 2014

Mr. Jiraphant Asvatanakul reported and high-lighted results of 2014 as compared to 2013, the detail as shown in Annual Report, can be summarized as follows:

Unit: Million Baht

	2014	2013	Change %
Total Income	2,471.11	2,299.89	7.44%
Total Underwriting Expense	(2,437.47)	(2,258.11)	7.94%
Profit (loss) from Underwriting	33.65	41.79	-19.48%
Profit from Investment	181.31	83.75	116.48%
Other Income	13.86	9.23	50.13%
Profit from Operation	228.82	134.77	69.78%
Contribution Etc	(16.67)	(15.88)	5.02%
Corporate Income Tax	(33.18)	(20.03)	65.66%
Profit for the year	178.97	98.86	81.02%



Other financial statements can be found in the Annual Report 2014 submitted to all shareholders along with the invitation letter in CD-Rom Format.

The Chairman asked the meeting if there were any queries or comments.

Right of Shareholder Protection Volunteer, the Representative of Thai Investors Association :

We would like to admire the Company in showing its intent on Anti-Corruption Project. We then additionally desired to ask how the Company has planned to make the Company to be certified as the member of Thailand Private Sector's Collective Action Coalition on Anti-Corruption from Thai Institute of Directors.

Mr. Jiraphant Asvatanakul: Thai General Insurance Association has offered itself to participate in Intent Declaration Project of Thailand Private Sector's Collective Action Coalition with Thai Institute of Directors (IOD). The process to be certified after intent declaration includes the procedure of self-assessment and audit by Chairman of Audit Committee and the auditor. After that, the audit and certification is executed by the Committee of Thailand Private Sector's Collective Action Coalition on Anti-Corruption. The Company on behalf of the listed company in the Stock Exchange mainly adheres to the principles of performance transparency and employees' ethics. Thus, the Company has been regarded as being prepared for participation. Nevertheless, due to quite considerable procedure in such process and difference of casualty insurance business from other businesses, there have been different various operations. Thai General Insurance Association then has collaborated with IOD to prepare certification system to be consistent with casualty insurance business. The Company had self-assessment and audit by Chairman of Audit Committee and waiting to be certified by the Committee of Thailand Private Sector's Collective Action Coalition on Anti-Corruption.

Right of Shareholder Protection Volunteer as the Representative of Thai Investors Association

: In last year, even though the Company earned more profit but the profit was mostly generated from investment more than the Company's decreasing operating profit. Therefore, it was required to know whether the Board has had the guideline for operating profit enhancement.

Mr. Jiraphant Asvatanakul: We would like to clarify that with insurance principle, if insurance rate is proper, profit from underwriting should be approximate to zero or slightly negative since insurance business principle is that the main profit should be from investment like the Company taking advance money of the insured for investment. The Company shall have good investment management for decreasing profit from the Company's underwriting caused from 2 parts as follows.

1. In previous year, special situations rather affecting Thai economic growth and casualty insurance business has been related with the growth of national income. Moreover, in previous year, GDP reduced and resulted in the impact on non-growth of business size as anticipated.

2. The occurrence of high competition has been the business nature. The Board shall have good management in order to maintain the balance between revenue and net profit due to difference of insurance business from industrial business that when the product is saleable, it represents profit. However, in insurance business, the sale of product does not mean that it is

profitable. It may hugely lose like the year of 2011 with big flood incidence. However, due to the Company's risk management, the Company was unaffected from that time of big flood. We have desired to build the confidence with our shareholders that the Company has managed risk to be balanced with our revenue through proper analysis. It was seen that in some years, the growth of casualty insurance businesses was high and the Company's growth rate was not high that much. Nevertheless, in the meantime, in the year that the growth of casualty insurance businesses was just .01%, the Company's growth was higher. It was considered as the creation of revenue balance in order to maintain the status of net profit.

A shareholder: The investment strategy was inquired on the type of the Company's investment policy and the nature of risk exposure since most revenue has been from investment. If the Company is erroneous in investment, it may expose the risk by causing the decrease in the Company's turnover.

Mr. Jiraphant Asvatanakul: The regulator, which is OIC has announced the investment rules which shall be complied by all casualty insurance companies and life insurance companies since the investment will be the risk. The Company then has adhered to the principle according to this announcement. According to the history, it was unfounded that any insurance companies have had to cease their operations due to investments. It indicated that the investment criteria of the regulator have been effective. Therefore, we are confident that the OIC has well governed every company in this matter. According to investment in stocks or equity instruments, OIC has classified it as risky investment and then determined that the Company can invest for at least 30% of the Company's capital assets.

A shareholder : The detail of other revenues on what they have included due to the increase of 60-70% was required to be informed.

Mr. Jiraphant Asvatanakul: Other revenues are revenue from non-insurance and non-investment such as profit (loss) from the sales of the Company's assets, revenue from real estate rental fees. It has been mostly the revenue from Road Accident Victims Protection Company Limited (RVP) that has purchased the information of underwriting on Road Accident Victim Protection Act from the Company.

A Shareholder : We would like to know about the vision whether casualty insurance business has tended to be better this year when compared with current economic situation.

Mr. Jiraphant Asvatanakul: It will depend on Thai economy whether the insurance business will be improved due to the linkage of insurance business and the growth of national income. The specialists have also anticipated that Thai economy in the second half of the year will be improved.

A shareholder : Has the Company executed on health insurance and what has been the strategic plan for competition with the competitor in the market?

Mr. Jiraphant Asvatanakul : In the near future Health insurance will be a type of insurance that a higher demand from consumers. Thai people have started to be Aging Society so health insurance will be the essential to creating stability for Thailand.

A shareholder : Fair value gain (loss) on investments for fiscal Year 2013 was lost for 117 million Baht. However in Year 2014, it increased. Then, it was required to recognize on its meaning.

Mr. Jiraphant Asvatanakul : The fair value gain (loss) on investments is the calculation of net asset value to reflect fair market price (mark to market) in the shares both directly invested by the Company and invested by private fund.

A shareholder : The gain (loss) from investment for 2013 was 92 million Baht. In 2014, it reduced to be remained for 10 million Baht. We would like to know which type of profit from investment has been.

Mr. Jiraphant Asvatanakul : The gain (loss) from investment contain to invest in stocks and bond.

The Chairman then concluded the resolution as follows:

RESOLUTION: The meeting acknowledged the Company's Annual Report and the Board of Directors' Report for the year 2014.

Agenda 3: To consider approving the Company's Balance Sheet, the Profit and Loss Statement for the Year Ended December 31, 2014

The Chairman proposed that the meeting to approve the Balance Sheet and the Profit and Loss Statement as at December 31, 2014. The financial statements were disclosed in the Annual Report 2014 submitted to all shareholders along with the invitation letter in CD-Rom Format.

Mr. Jiraphant Asvatanakul informed to the meeting about The Company's financial statements at 31 December 2014 in details are as follow:

Assets

Total assets	4,329,847,770
Cash and cash equivalents	143,697,595
Investment assets	2,455,130,182
Premium receivables, net	339,564,052

Liabilities

Total liabilities	3,228,545,511
Loss reserves and outstanding claims	842,491,575
Premium reserve	1,462,720,593

Equity

Total equity	1,101,302,259
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The Company has Capital Adequacy Ratio: CAR 313.17 record as 30 June 2014.

The Chairman asked the meeting if there were any queries or comments about the Company's Balance Sheet, Profit and Loss Statement.

A shareholder : We required Financial Statements and Annual Report to be delivered in documentary form; and have also required the unit trust trading information to be clearly specified in Notes to Financial Statements on the amount of investment, sale and unrealized profit.

Mr. Jiraphant Asvatanakul: The delivery of Financial Statements and Annual Report has been in CD for to be paper reduction for environmental aid. If any shareholders require the report in documentary form, please contact the Company's Investor Relations for further delivery.

Miss Narisara Chaisuwan, the representative from EY Office Company Limited : In case that the shareholders require more disclosure of unit trust trading information, we would like to clarify that the Notes to Financial Statements was prepared by the Company and our auditor performed the duty to audit whether the information has been adequately disclosed according to Generally Accepted Accounting Principles. As Thaivivat Insurance Pcl., has been under the regulating of The OIC and OIC has also determined the format of Financial Statements and regulations on which information shall be disclosed. The information disclosed by Thaivivat Insurance Pcl., has already complied with the requirement of OIC and Generally Accepted Accounting Principles.

The Chairman then concluded the resolution as follows:

RESOLUTION: The meeting unanimously approved the company's balance sheet, profit and loss statement for the year ended December 31, 2014 with the following numbers of votes:

Approve113,357,075 .. votes (100 %)

Disapprove-.....votes

Abstain-..... votes

Agenda 4: To consider the allocation of net profit for dividend payment

Mr. Jiraphant Asvatanakul informed to the meeting, according to Clause 34 of the articles of association, the Company shall appropriate the part of annual net profit as reserve capital for not less than 5% of annual net profit deducted with total amount of brought forward accumulated loss (if any) until this reserve capital is amounted for not less than 10% of authorized capital. The Company has already appropriated the legal reserve capital for 20 million Baht. Nevertheless, as the Company will increase its capital in this year from 151,500,000 Baht to be 303,000,000 Baht, legal reserve fund has still been deficient for 10,300,000 Baht. Therefore, it was deemed as proper that annual net profit for 2014 should be appropriated for 10,300,000 Baht as the statutory reserve to support the Company's new registered capital.

In addition Mr. Jiraphant Asvatanakul informed to the meeting ,The Company has the **policy to maintain and to pay the annual dividend at about 40% of the net profit after tax.** The appropriate of profit and comparison of dividend paid in the last years in details are as follow:

Dividend payment	AGM 22/2015	AGM 21/2014	AGM 20/2013
Net Profit (Baht)	178,966,871	98,864,818	162,178,010
Earnings per share (Baht)	1.18	0.65	1.07
Number of share (share)	151,500,000	151,500,000	151,500,000
Dividend payment per share (Baht)	1.111112	0.32	0.43

Total dividend payment (Baht)	168,333,468	48,480,000	65,145,000
Dividend payout ratio	94%	49%	40%

For the fiscal year 2014 the company posted a net profit, after tax, of Baht 178,966,871.- and included the accumulative profit is amounted to Baht 671,497,298.- the total accumulative profit is amounted to Baht 850,464,169.- The Board deems that the shareholders should consider and approve below:

1. Allocated Baht 10,300,000.- of the net profit for the year 2014 as the statutory reserve.

2. The dividend payment at Baht 1.111112.- per share in the total amount of Baht 168,333,468.- or payout ratio at 94 higher than dividend payout policy. The Dividend payment has detail as follow:

2.1) Stock Dividend: by issuing 151,500,000.- ordinary shares and pay the stock dividend, after the registration of capital increase has been completed, at the ratio of 1 existing share to 1 stock dividend, at par value Baht 1 in total amount of Baht 151,500,000.-. If there is existing shares after stock dividend allocation, the company shall offer for sale to “The Registered provident fund of Thaivivat Insurance” at Baht 1.- per share.

2.2) Cash Dividend: The dividend is to be paid to shareholders in cash at Baht 0.111112.- per share or in the total amount of not exceeding Baht 16,833,468.- This arrangement is intended for payment of the withholding tax to be incurred from the above-mentioned stock dividend payment. Shareholders will not receive the amount of this cash dividend payment.

The Company had fixed the record date on April 21, 2015 and the closing date of the share register book on April 22, 2015 for determining the right of shareholders to receive dividend in according with the section 225 of the Securities and Exchange Act. The payment would be made on May 7, 2015.

The Chairman asked if there were any queries or comments regarding the allocation of net profit for dividend payment for the Year 2014.

A shareholder : The reason for the shares leftover from the Company’s dividend payout at payout ratio of 1: 1 and the appropriateness of the determination on offer for sales to “The Registered Provident Fund of Thaivivat Insurance” in the rate of 1 Baht per share were required to be informed.

Mr. Jiraphant Asvatanakul : The reason on the possibility of shares leftover from dividend payout at the ratio of 1: 1 has been due to the event of availability of unqualified shareholders, resulting in disqualification in dividend receipt and then causing the leftover of share fraction. The determination on this matter has been to lessen the registration procedure of the Company’s capital decrease. On the date of defining the list of the qualified persons who have been entitled to attend the Shareholders’ Meeting on March 20, 2015, the securities depositor who informed the name of securities holder not to be line with the practical method of Thailand Securities Depository Company Limited and had no right to attend the meeting was 1 person for 100 shares.

In determination on taking leftover shares to be sold to that Provident Fund, it has been the proposal for request on resolution from the Shareholders' Meeting for transparency. If the Shareholders' Meeting resolves to disagree, the Company is necessary to further reduce its capital.

The Chairman then concluded the resolution as follows:

RESOLUTION: The meeting unanimously approved to

1. Allocated Baht 10,300,000.- of the net profit for the year 2014 as the statutory reserve.

2. The dividend payment at Baht 1.111112.- per share in the total amount of Baht 168,333,468.- or payout ratio at 94 higher than dividend payout policy. The Dividend payment has detail as follow:

2.1) Stock Dividend : by issuing 151,500,000.- ordinary shares and pay the stock dividend, after the registration of capital increase has been completed, at the ratio of 1 existing share to 1 stock dividend, at par value Baht 1 in total amount of Baht 151,500,000.-. If there is existing shares after stock dividend allocation, the company shall offer for sale to "The Registered provident fund of Thaivivat Insurance" at Baht 1.- per share.

2.2) Cash Dividend: The dividend is to be paid to shareholders in cash at Baht 0.111112.- per share or in the total amount of not exceeding Baht 16,833,468.- This arrangement is intended for payment of the withholding tax to be incurred from the above-mentioned stock dividend payment. Shareholders will not receive the amount of this cash dividend payment.

with the following numbers of votes:

Approve113,353,075..... votes (99.9965 %)

Disapprove4,000.....votes (0.0035 %)

Abstain-.....votes

Agenda 5 :To consider and approve the increase of the registered capital of the company from Baht 151,500,000 to Baht 303,000,000.

Mr. Jiraphant Asvatanakul informed the Meeting that the Company would like to distribute stock dividends to the shareholders, as detail in Agenda 4 above. The Company is therefore required to increase its registered capital to accommodate the issuance of the stock dividends. The board considered that the shareholders should agreed to consider and approve the increase of the registered capital of the Company by Baht 151,500,000 from the existing registered capital of Baht 151,500,000 to Baht 303,000,000 by issuing 151,500,000 newly issued ordinary shares with the par value of Baht 1 per share to accommodate the stock dividend payment by the Company.

The Chairman then asked if there were any queries or comments regarding the increase of the registered capital of the company.

RESOLUTION: The meeting unanimously approved the increase of the registered capital of the Company by Baht 151,500,000 from the existing registered capital of Baht 151,500,000 to Baht

303,000,000 by issuing 151,500,000 newly issued ordinary shares with the par value of Baht 1 per share to accommodate the stock dividend payment by the Company with the following numbers of votes:

Approve113,357,075 .. votes (100 %)
 Disapprove-.....votes
 Abstain-..... votes

Agenda 6 : To consider and approve the amendment of Article 4 of the Memorandum of Association in compliance with the increase of the registered capital.

Mr. Jiraphant Asvatanakul informed the Meeting that in order to be in line with the increase of the Company's registered capital as detailed in Agenda 5 above, the Company is required to amend Article 4. of the Company's Memorandum of Association, by replacing with the following wording and to empower the person(s) authorized by the Board of Directors for the registration of the amendment of the Memorandum of Association with the Department of Business Development, the Ministry of Commerce, to amend and add words to such amended wording as directed by the registra:

"Article 4. Registered Capital	Baht 303,000,000.- (Three Hundred and Three Million Baht)
Dividend into	303,000,000 shares (Three Hundred and Three Million Share)
Par value per share	Baht 1.- (One Baht)
Dividend into	
Ordinary Share	303,000,000 shares (Three Hundred and Three Million Share)
Preferred Share	- share

The Chairman then asked if there were any queries or comments regarding the amendment of Article 4 of the Memorandum of Association in compliance with the increase of the registered capital.

RESOLUTION: The meeting unanimously approved the amendment of Article 4. of the Memorandum of Association in compliance with the increase of the registered capital and to empower the person(s) authorized by the Board of Directors for the registration of the amendment of the Memorandum of Association with the Department of Business Development, the Ministry of Commerce, to amend and add words to such amended wording as directed by the registra with the following numbers of votes:

Approve113,357,075 .. votes (100 %)
 Disapprove-.....votes
 Abstain-..... votes

Agenda 7 : To consider and approve the allocation of newly issued ordinary shares of the Company.

Mr. Jiraphant Asvatanakul informed the Shareholders' that The Company would like to payout stock dividends to the shareholders and to Increase the Company's registered capital by

issuing up to 151,500,000 newly issued ordinary shares with the par value of Baht 1.- per share to accommodate the stock dividend payment by the Company, as detailed in Agenda 4 above. The board considered that the shareholders should agreed to consider and approve the allocation of up to 151,500,000 newly issued ordinary shares with a par value of Baht 1.- per share to accommodate the stock dividend payment by the Company and to authorize the Board of Directors and/or authorized director and/or any person to whom the Board of Directors and/or authorized director assigns, to proceed with any acts in relation to and necessity to the allocation of newly issued ordinary shares of the Company.

The Chairman then asked if there were any queries or comments regarding the allocation of newly issued ordinary shares of the Company.

RESOLUTION: The meeting unanimously approved the allocation of up to 151,500,000 newly issued ordinary shares with a par value of Baht 1.- per share to accommodate the stock dividend payment by the Company and to authorize the Board of Directors and/or authorized director and/or any person to whom the Board of Directors and/or authorized director assigns, to proceed with any acts in relation to and necessity to the allocation of newly issued ordinary shares of the Company with the following numbers of votes:

Approve113,357,075 .. votes (100 %)

Disapprove-.....votes

Abstain-..... votes

Agenda 8: To fix the remuneration of the directors for the year 2015.

Mr. Jiraphant Asvatanakul present for the Shareholders' that The Company has policy to compensate directors at his level closely applicable in the industry and sufficiently to retain directors of required qualifications. The Board considers and deemed it fit to set up the remuneration of directors according to the proposed rate and proposed to the Annual General Meeting of Shareholders to approve the remuneration as follows:

Details of Compensation	2015	2014	2013
1. Director's Bonus (Baht /Board)	3,480,000	3,300,000	3,300,000
Number of Directors (Person)	10	10	10
2. Audit Committee (Baht /Board)	640,000	600,000	600,000
Number of Directors (Person)	3	3	3
Meeting for attendant (Baht / Meeting / Person)			
1. The Board of Director			
- Chairman	20,000	20,000	20,000
- Director	15,000	15,000	15,000
2.The Audit Committee			
- Chairman	15,000	15,000	15,000
- Director	15,000	15,000	15,000

The Chairman then asked if there were any queries or comments regarding the directors' remuneration for the year 2015. There was no query; the Chairman then concluded the resolution as follows:

RESOLUTION: The meeting unanimously approved the remuneration of the directors for the year 2015 an amount not exceeding Baht 4,120,000 per annum with the following numbers of votes:

Approve113,357,075 .. votes (100 %)
 Disapprove-.....votes
 Abstain-..... votes

Agenda 9: To elect directors to replace those retiring by rotation.

Mr. Jiraphant Asvatanakul reported to the meeting that according to the Article 14 of the Articles of Association stipulates that at every annual general meeting of shareholders, one-third of the total number of the directors shall vacate their office. In 2015, three directors are due to retire by rotation at the Annual General Meeting of the shareholders, two of them are independent directors. The Definition of Company's Independent Director (**Enclosure 5**), which qualifications are same as the minimum requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The names of Three directors who will retire by rotation are as follows;

- | | |
|---------------------------------|-----------------------------------------------------------------|
| 1. Admiral Chatchawarn Khongdis | Independent Director and Chairman |
| 2. Mr.Chalaw Fuangaromya | Independent Director and Chairman of the Audit Committee |
| 3. Mr. Thawan Viranont | Director and Advisor of CEO |

Admiral Chatchawarn Khongdis another director to be retired by rotation, expressed his intention not to be nominated to be re-elected for another term because of health problems.

The Company had invited all shareholders to nominate any qualified person to be elected as Company's Director as well as to propose any meeting agenda through the Company's website from January 3, 2015 to February 28, 2015. However, there was neither proposal of director nominee nor meeting agenda submitted to the Company.

The board, therefore, propose to re-elect Mr.Chalaw Fuangaromya and Mr. Thawan Viranont as directors for another term rule and to appoint Mrs. Pranee Phasipol as independent director in place of Admiral Chatchawarn Khongdis.

The principles and procedures of recruiting directors and curriculum vitae of 3 directors, who retire by rotation are as per **enclosure 4**.

Furthermore Mr. Thawan Viranont holding 9,000.- shares, will abstain to vote for themself.

The Chairman asked the Meeting to consider and elect the directors one by one in place of those retired by rotation.

RESOLUTION: The meeting unanimously approved to elect 3 with the following numbers of votes:

Approve113,348,075.. votes (99.9921 %)
 Disapprove-..... votes
 Abstain9,000 votes (0.0079%)

Agenda 10: To appoint the auditor and fix the auditing fee.

Mr. Jiraphant Aswatanakul report this matter to the meeting that The EY Office Limited has been appointed, by the resolution of the 21/2014 Annual Ordinary General Meeting of shareholders, as the Company's auditor for the year 2014, which the auditors had completed their duty. The Audit Committee considers electing the auditor for 2015 and submits to the Board of Directors' for consideration in order to submit to the shareholders' meeting. The auditor are Mrs. Nonglak Pumnoi and/or Miss Somjai Khunnaprasut and /or Miss Ratchada Yongsawasvanich, of EY Office Limited .

The Audit Committee was of opinion that as EY Office Limited has worldwide network which is acceptable by many countries. Four Auditors together with EY Office Limited have no relationship or entry into any transactions which may create the conflict of interest to the Company. In the meantime, the Selection Committee would like to propose subsidiary companies for the shareholders' acknowledgment. The term of appointment of the Company's auditor has been completed. The shareholders are invited to consider and appoint an External Auditor and also to fix the auditing fee for the year 2015. The EY Office Limited has quoted the auditing fee for the year 2015 in an amount of Baht 1,610,000 or an increase of 3.87 %, as per following details:-

	Unit : Baht			
	2015	2014	Change	%
1. Fee for the annual financial statements ending 31 December	660,000	660,000	0	-
2. Fee for review of interim financial statements (3 quarters)	450,000	390,000	60,000	15.38
3. Fee for review the Risk-Based Capital (RBC) report for (Quarter 2)	150,000	150,000	0	-
4. Fee for review the Risk-Based Capital (RBC) report for (Quarter 4)	350,000	350,000	0	-
Total	1,610,000	1,550,000	30,000	3.87

Opinion of the Audit Committee: Based on the audit committee's recommendation, the meeting should appoint the existing auditor as following:

Name	CPA Registration No.	No. of year in audit service to the company
Mrs. Nonglak Pumnoi	4172	5
Miss Somjai Khunnaprasut	4499	1
Miss Ratchada Yongsawaswanich	4951	Nil

from EY Office Company Limited as the company's auditor. The 3 proposed auditors as well as EY Office Ltd. have no relationship or conflict of interest in the company and determine the auditor's fee at 1,610,000- Baht.

The Chairman asked the meeting if there were any queries or comments about the auditor appointing and fix the auditing fee.

A shareholder : The cause of increase in fee for review of interim financial statements for approximately 60,0000 or 15.38% was required to be known.

Miss Narisara Chaisuwan : The audit fee shall be considered from total audit fee and fee for review of interim financial statements. During this year, it was increased from total amount to approximately 3.87%. This price adjustment was considered from the Company's growth, more intensified regulating the procedure of The OIC either fund maintenance, and appointment with the auditor for discussion about the Company such as the way that the Company has managed risk and which part that it must be additionally considered, etc. In the entire industry, OIC has increasingly commenced the request for collaboration from the auditor.

The Chairman then concluded the resolution as follows:

RESOLUTION: The Meeting resolved with unanimous votes that or Mrs. Nonglak Pumnoi and/or Miss Somjai Khunnapasut and /or Miss Ratchada Yongsawasvanich, of The EY Office Limited be appointed as the Company's auditor for the year 2015, with the audit fee in amount of Baht 1,610,000.-with the numbers of voting shares as follows:

Approve113,357,075 .. votes (100 %)
 Disapprove-.....votes
 Abstain-..... votes

Agenda 11 To Consider Other Matters

The Chairman queried whether there were any other matters which the shareholders would like to propose for consideration. Since there were no other matters raised the Chairman informed the meeting that the 22nd of shareholders meeting had been held correctly and all agendas had been completed. There was neither further question nor other matter raised for consideration, the Chairman then declared the meeting closed and thanked all shareholders for attending the meeting.

The meeting adjourned at 17.58 p.m.



(Mr.Chalaw Fuangaromya)
 Chairman of the meeting

Form 56-2

THAIVIVAT INSURANCE PUBLIC CO., LTD.

ANNUAL REPORT 2015

1. General Information

Thaivivat Insurance Public Co., Ltd.

Main business : Non-Life Insurance Business

Head office location : 71 Thaivivat Building Dindaeng Road, Samsen Nai, Phayathai, Bangkok 10400

Company registration : 0107536001427 (Former PCL. 216)

Telephone: 0-2248-0900, 0-2248-0910, 0-2644-6400, 0-2644-6500, 0-2695-0800

Fax: 0-2248-4575, 0-2248-4975, 0-2695-0808

Claim Hot Line: Tel. 0-2695-0700; Fax. 0-2644-6545

Customer Care: Tel. 0-2695-0777; Fax. 0-2644-6545

Health Claim: Tel. 0-2695-0707; Fax. 0-2644-6545

Company has 303,000,000 common shares that all sold out.

2. Financial Status and Operation Result

Important Financial Data

Financial Status and Operation Result

(Unit : Thousand Baht)

Statements of Financial Position

	2013	%	2014	%	2015	%
Cash and cash equivalents	237,828	5.6%	143,698	3.3%	326,834	7.1%
Accrued investment income	10,788	0.2%	19,954	0.5%	7,840	0.2%
Premium receivables	386,651	9.1%	339,564	7.8%	426,394	9.3%
Reinsurance assets	523,448	12.3%	443,233	10.2%	483,710	10.5%
Investment assets						
Investment in securities	-	0.0%	-	0.0%	-	0.0%
Trading securities	331,926	7.8%	189,449	4.4%	257,922	5.6%
Available-for-sale investments	911,092	21.4%	932,479	21.5%	1,847,234	40.2%
Held-to-maturity investments	1,157,394	27.1%	1,329,482	30.7%	397,681	8.7%
Other investments	4,386	0.1%	3,721	0.1%	3,721	0.1%
Loans	11,203	0.3%	10,971	0.3%	7,996	0.2%
	-	0.0%	-	0.0%	-	0.0%
Property, buildings, equipments	222,992	5.2%	241,402	5.6%	277,547	6.0%
Intangible assets	9,574	0.2%	9,181	0.2%	8,772	0.2%
Deferred tax assets	63,133	1.5%	47,696	1.1%	73,276	1.6%
Other assets	392,293	9.2%	619,018	14.3%	471,017	10.3%
Total assets	4,262,708	100.0%	4,329,848	100.0%	4,589,944	100.0%
Income tax payable	583	0.0%	4,051	0.1%	-	0.0%
Due to reinsurers	363,771	8.6%	353,762	8.2%	358,657	7.8%
Insurance contract liabilities						
Loss reserves and outstanding claim	989,554	23.2%	842,492	19.5%	907,610	19.8%
Premium reserve	1,416,401	33.2%	1,462,720	33.8%	1,574,100	34.3%
Employee benefit obligations	115,738	2.7%	135,801	3.1%	105,557	2.3%
Other liabilities	455,098	10.7%	429,720	9.9%	549,248	12.0%
Equity	921,563	21.6%	1,101,302	25.4%	1,094,772	23.8%
Total liabilities and equity	4,262,708	100.0%	4,329,848	100.0%	4,589,944	100.0%

Statements of Comprehensive Income

(Unit :

	2013	%	2014	%	2015	%
Income						
Net earned premium	2,102,158	91.4%	2,232,673	90.4%	2,307,473	91.3%
Fee and commission income	197,735	8.6%	238,439	9.6%	220,410	8.7%
Total income	2,299,893	100.0%	2,471,112	100.0%	2,527,883	100.0%
Expenses						
Underwriting						
Claim and loss adjustment expenses หนี้สิน	1,294,225	56.3%	1,381,628	55.9%	1,515,154	59.9%
Commission and brokerage expenses	496,727	21.6%	520,722	21.1%	545,508	21.6%
Other underwriting expenses	135,545	5.9%	185,228	7.5%	183,177	7.3%
Contribution to road accident victims Protection	11,376	0.5%	11,405	0.5%	10,938	0.4%
Operating expenses	320,233	13.9 %	333,319	13.5%	333,823	13.2%
Total underwriting expenses	2,258,106	98.2%	2,432,302	98.4%	2,588,600	102.4%
Profit (Loss) from underwriting	41,787	1.8%	38,810	1.6%	(60,717)	-2.4%
Net investment income	109,044	4.8%	100,002	4.0%	77,154	3.1%
Gain (loss) on investments	92,264	4.0%	10,778	0.4%	26,242	1.0%
Fair value gain (loss) on investments	(117,555)	-5.1%	70,534	2.9%	(17,952)	-0.7%
Other income	9,229	0.4%	13,855	0.6%	13,715	0.5%
	-	0.0%	-	0.0%	-	0.0%
Profit (Loss) from operations	134,769	5.9%	233,979	9.5%	38,442	1.5%
Contribution to the Office of Insurance Commission	(7,725)	-0.4%	(8,122)	-0.4%	(8,312)	-0.3%
Contribution to the General Insurance Fund	(7,224)	-0.3%	(7,621)	-0.3%	(7,812)	-0.3%
Contribution to the Victims Compensation Fun	(929)	0.0%	(931)	0.0%	(893)	0.0%
Profit (loss) before income tax expenses	118,891	5.2%	217,305	8.8%	21,425	0.9%
Income tax revenue (expenses)	(20,026)	-1.0%	(34,208)	-1.4%	899	0.0%
Net profit (loss)	98,865	4.2%	183,097	7.4%	22,324	0.9%
Other comprehensive incom	-		-		-	
Gain (loss) on changes in value of available-for-sale investments	(86,194)		56,401		(15,026)	
Income tax relating to components of other comprehensive income	17,239		(11,280)		3,005	
Other comprehensive income for the year (loss)	(68,955)		45,121		(12,021)	
Total comprehensive income for the year	29,910		228,218		10,303	

	2013	2014	2015
Net earnings per share (Baht)	0.33	0.60	0.07
Dividend per share (Baht)	0.16	0.56	0.05
Shares	151,500,000	151,500,000	303,000,000

Statements of Cash

	2013	2014	2015
Cash flows from operating activities			
Direct premium written	2,948,393	3,118,595	3,074,914
Cash paid for reinsurance	(30,205)	(230,198)	(184,681)
Loss incurred on direct insurance	(1,396,777)	(1,625,664)	(1,602,361)
Loss adjustment expenses on direct insurance	(39,081)	(32,847)	(27,841)
Commission and brokerage on direct insurance	(518,926)	(529,268)	(532,430)
Other underwriting expenses	(54,109)	(87,433)	(100,377)
Interest income	39,401	34,881	46,123
Dividend income	65,725	55,726	43,186
Other investment income	5,021	5,575	4,063
Other income	4,707	8,509	9,611
Operating expenses	(437,062)	(614,962)	(500,341)
Income tax	(43,217)	(26,367)	(25,785)
Net cash from operating activities	543,870	76,547	204,081
Cash flows from investing activities			
Cash flows from			
Investments in securities	1,758,925	1,534,106	1,313,928
Loans	4,320	4,672	6,157
Other investments	-	-	-
Deposits at financial institutions	674,483	780,000	1,336,434
Equipmen	128	645	863
Net cash from investing activities	2,437,856	2,319,423	2,657,382
Cash flows used in			
Investment in securities	(1,984,564)	(1,379,844)	(2,019,591)
Loans	(4,370)	(4,440)	(3,182)
	-	-	-
Deposits at financial institutions	(999,992)	(1,013,213)	578,783
Property, buildings and equipment	(32,696)	(44,124)	(59,938)
Cash used in investing activities	(3,021,622)	(2,441,621)	(2,661,494)
Net cash used in investing activities	(583,766)	(122,198)	(4,112)
Cash flows from financing activities			
	-	-	-
Dividend paid	(65,144)	(48,479)	(16,833)
Net cash used in financing activities	(65,144)	(48,479)	(16,833)
Net decrease in cash and cash equivalents	(105,040)	(94,130)	183,136
Cash and cash equivalents at beginning of year	342,868	237,828	143,698
Cash and cash equivalents at end of year	237,828	143,698	236,834

Financial Ratios

	2013	2014	2015
(1) LIQUIDITY RATIO			
1 Liquidity ratio	0.59	0.55	0.57
1 Premium receivable turnover ratio	48.88	42.86	44.11
(2) PROFITABILITY RATIO			
2 Retention ratio	76.29	75.12	77.55
2 Loss ratio	56.27	55.91	59.94
2 Gross profit margin ratio	1.82	1.57	(2.40)
2 Gross profit to total revenues ratio	1.75	1.46	(2.31)
3 Underwriting expenses ratio	41.91	42.52	42.46
3 Return on investment ratio	3.16	6.95	3.01
3 Net written premium ratio	2.35	2.26	2.21
3 Net profit margin ratio	4.13	6.87	0.85
3 Return on shareholders ' equity ratio	10.53	18.10	2.03
(3) EFFICIENCY RATIO			
3 Return on asset ratio	2.35	4.26	0.50
3 Assets turnover ratio	0.57	0.62	0.59
(4) FINANCIAL RATIO			
4 Debt-to-shareholders' equity raio	3.63	2.93	3.19
4 Policy liability to capital fund	2.04	1.69	1.83
4 Unearned premium reserve to shareholders' equity ratio	1.17	1.03	1.15
4 Unearned premium reserve to asset ratio	27.50	28.41	29.37
5 Dividend payout ratio	49.04	91.94	67.86
(5) Net earnings per share	0.33	0.60	0.07
(6) Dividend per share	0.16	0.56	0.05
(7) Book value per share	3.04	3.63	3.61

Analysis and Explanation of Management Department

Performance

Comparison in 2015 and 2014, the company 's underwriting revenue had increased 56.77 million Baht or 2.30% while the underwriting expenses increased 156.30 million Baht or 64.3% resulting the underwriting profit -60.72 million Baht which decreased 99.53 million Baht or -256.45% At the same time, the company investment earnings decreased 96.01 million Baht resulting the company 's net earnings after tax 22.32 million Baht that decreased 20% more than in 2014.

Underwriting revenue and expense

The company had underwriting revenue 2,527.88 million Baht that increased 2.30% as compared in 2014 due to Thai economy condition with low growth rate as the global economy. It made the purchase power decline that affected the overall non-life insurance industry. Therefore, the company needed to take various measurements to maintain market share resulting the capacity of marketing underwriting profit in 2015.

Investment earnings

Besides the underwriting earnings, the company had a main investment earnings with investment ratio as the Office of Insurance Commission (OIC) announcement which had the investment amount as of year end 2015 shown in the Financial Statements and recorded as market price 2,514.55 million Baht that increased 48.45 million Baht from 2014. In 2015, the company has the decrease of investment earnings and return 96.01 million Baht or -49.19% from 2014 due to the current securities situation in 2015.

Investment Type	2015		2014	
	Amount (Million Baht)	Ratio(%)	Amount (Million Baht)	Ratio(%)
Cash	336	13.4%	1,093	44.3%
Bond	62	2.5%	237	9.6%
Fixed Income	166	6.6%	99	4.0%
Equity	413	16.4%	362	14.7%
Unit Trust	1,530	60.8%	664	26.9%
Other	8	0.3%	11	0.5%
Total	2,515	100.0%	2,466	100.00%

Financial Status

The company had total assets 4,589.94 million Baht that increased 6.01% from 2014; cash and cash equivalents 326.83 million Baht or 7.12% of total assets; investment assets included bank deposits, fixed income, equity, government bond and other investments 2,514.55 million Baht or 54.78%, reinsurance assets and premium receivables 910.10 million Baht or 19.83%, property, buildings, equipment and other assets 838.45 million Baht or 18.27%

For liabilities, the company had total liabilities 3,495.17 million Baht, increasing 8.26% from 2014. The main items of insurance contract liabilities included loss reserves, outstanding claim and premium reserves 2,481.71 million Baht, increasing 7.66% from 2014. Furthermore, the company had the reinsurance liabilities and other liabilities 1,031.46 million Baht, increasing 9.76% from 2014.

The company had equity 1,094.77 million Baht, decreasing 0.59% from 2014. The company had profit from operations 22.32 million Baht and other comprehensive income in values of available-for-sale investments together with actuarial estimate of employee benefit obligation -12.02 million baht.

In 2015, the company had direct premium written 3,125 million Baht with growth rate 2.5% which was same as the growth rate of total non-life insurance business and the company had market share of comprehensive motor insurance '2015 in the 13th number.

Unit: Million Baht

	2015		2014		2013	
	Business	Thaivivat	Business	Thaivivat	Business	Thaivivat
1. Total direct premium written	209,278	3,125	205,247	3,049	203,021	2,890
% Growth	1.9%	2.5%	1.1%	5.5%	13.0%	10.7%
2. Fire	10,484	176	11,058	176	11,812	167
% Growth	-5.2%	0.0%	-6.4%	5.4%	21.0%	3.0%
3. Marine	5,342	16	5,293	14	5,299	10
% Growth	0.9%	14.3%	-0.1%	38.5%	2.0%	9.1%
4. Motor	120,423	2,367	117,903	2,278	118,471	2,306
% Growth	2.1%	3.9%	-0.4%	-1.2%	14.0%	10.2%
5. Miscellaneous	73,027	566	70,993	581	67,491	406
% Growth	2.8%	-2.6%	5.2%	42.9%	11.0%	17.1%

Thailand economy grows 2.8 percent in 2015, recovers slowly from 2014, which expands only 0.8 percent, the main drivers of the economy is the government expenditure and revenue from the tourism sector. The number of foreign tourists is 29.8 million persons, increases 20.4 per cent from 24.8 million persons in 2014 while export drops 5.8 percent that decreased three consecutive years due to the economic slowdown in major trading partners : China, Europe and Japan. For the US economy expands continuously, the export value grows 7.7 percent to the CLMV countries Cambodia, Laos, Myanmar and Vietnam. The export prices fell as a drop in crude oil prices and agricultural prices in the global market. The export sector has been affected by the cut of Trade Preferences (GSP) in Thailand's exports to the EU from January 2015 that makes Thailand products be taxable at the normal rate. It is the competitive disadvantage in 6 countries ASEAN that have still entitled to GSP (Beneficiary Countries) from EU: Cambodia, Indonesia, Laos, Myanmar, Philippines and Vietnam.

The main agricultural products decline, some products have been damaged by drought. Agricultural prices continuously decline since 2014 due to a drop in prices of key commodities such as paddy, rubber, palm oil and shrimp. The decline in production and agriculture prices have still been affected the household income decrease in agricultural sector. However, oil prices have continuously fallen in June 2014 from above 100 dollars per barrel to below 40 dollars per barrel in December 2015 that supports the purchasing power of households especially in retail business.

In September, 2015 the government announces a stimulus plan to promote the well-being of low earning people, stimulate small investors across the country, take care of both the public and private from small to large businesses as follows :

1. Assistance measures for low income people through loan of Housing and Urban Fund up to one million baht per fund with total limit 60,000 million baht for infrastructure development at the community level, proceeding contract through the Government Savings Bank and the Bank for Agriculture and Agricultural Cooperatives to be completed in December 2015.
2. Promotion measures to the well-being of district level by budget allocation to develop, repair water sources, hospital and g school five million baht per district with the total limit 36,275 million baht and to stimulate small investment of government across the country not more than 40,000 million baht with capital expenditure not more than 1 million baht and is complete in December 2015.
3. Fiscal measures to help enterprises, small and medium enterprises (SMEs) urgently with low interest term (Soft Loan) to increase liquidity. It is the working capital 100,000 million Baht with interest rate 4 percent per year which the loan was paid out quickly in late November 2015. It also provides for a reduction in the corporate tax rate from 15 and 20 percent to be 10 percent of net profit two consecutive periods for SMEs with a net profit of 300,001 baht or more.

4. Measures of transfer fees reduction for registration and real estate mortgages 0.01 percent for 6 months (29 Oct. 2015 to 28 Apr.2016) and 10,000 million baht loan through the Government Housing Bank that focuses on credits for the low and medium household income.

Car sales fell 10 percent from 0.88 million vehicles in 2014 to 0.79 million vehicles in 2015, it is the first time to recover over over 1 million vehicles in 24 months resulting from the motor sales including consumers accelerate purchases of cars before the excise tax adjustment on new cars in 2016, especially the PPV (Pickup Truck Base Passenger Vehicle) or multipurpose vehicle that the price has increased more than any other group while motorcycle sales 1.63 million units, decreases 3.67 per cent. The upcountry consumers start to have more purchasing power in fourth quarter from the government measures.

The Monetary Policy Committee (MPC.) decides to decrease the policy rate twice from 1.50 percent to 2 percent per year during March - April 2015 to support continuously the economic recovery and maintain price stability according to the monetary policy of other countries such as Australia, New Zealand, South Korea, China, India and Russia. The EU and Japan have still had money policy easing by policy rate decrease to be low level and QE (Quantitative Easing) issuance for the economic recovery that is still weak. However, the effectiveness of Thailand further monetary easing to economy is limited because banks are careful to give loan resulting deterioration of credit quality while the banks liquidity banks are abundant. For price stability, inflation is -0.9 percent from energy prices drop as crude oil prices in the world market. The OPEC crude oil supply surplus remains high volume production in order to maintain market share and revenue from oil exports. While external stability, Thailand's current account surplus continues, international reserves are higher than the foreign debts about 2.8 times and foreign exchange rate is still good for exports.

Securities Market

In 2015, the SET Index of Thailand drops 14.02 percent from the end of 2014 to close at 1288.02 points. Price to earnings ratio is 14.51 times, dividend ratio is 3.58 percent, net sales of foreign investors 155,631 million baht which is the third consecutive year by net sales in 2014 and 2013 are 35,696 million baht and 194,702 million baht respectively due to the anxiety of slowdown of the Chinese economy and region. The volatility in the Chinese financial markets makes more volatile the world financial markets from the period between June and August 2015, the stock price of China falls more than 40 percent of global stock indexes decline. The anxiety of rising interest in the Fed. puts pressure on capital outflows from emerging markets in Asia all year. Although the interest rates increases in December 2015 from 0.25% to 0.50%, a drop in oil prices by increasing production impacts heavily on the performance of listed companies which are tied to oil prices, etc. The instruments have given positive returns such as Property Fund, Infrastructure Funds and REITs Fund of Thailand, with a total return and dividend 9.4 per cent.

Trends

Bank of Thailand forecasts that the economy would grow 3.5 percent in 2016, driven mainly by Thailand's economy in tourism sector and continuity of government investment which are expected to stimulate private investment to expand. While the acceleration measures of private sector investment, financial measures to help SMEs and Investment acceleration measures in the special economic zone border by giving more investment benefits and tax incentives for 10 industries as a new engine of growth that help improvement of the overall investment.

The main risk in 2016 has still been the slowdown of Chinese economy due to the Chinese Government emphasizes to reform the economic structure more than the economic growth resulting the commodity prices are likely to decline to low levels and press on the export recovery of Thailand. The possibility of US and European Union (EU) announce the cancellation of sanctions against Iran resulting Iran's oil exports have increased and oil prices fall lower than 30 dollars per barrel. Drought and household debt are higher than 80 per cent of GDP that forces on the private consumption. For infrastructure development of public investment in transportation by land, water, air, rail, Bangkok Mass Transit Authority and late expansion of the airport Suvarnabhumi for interconnection between Thailand and neighboring countries that are the key factors to help support the next economic recovery in Thailand.

Life insurance business in 2016 expects to have the growth premium rate 2 percent as in 2015. For motor market In 2016, total sales would be 720,000 units decreasing 10 percent. The prices of agricultural products especially rice and rubber continuously decline and the most severe drought in 20 years resulting motor sales faces a sluggish market and used cars from finance with lower prices than new models with price hike by the new tax structure that are important drive. The Commercial vehicles market has the growth trend as public transportation investment, The investment in special economic zone border including trade liberalization under the AEC are the driven key that make expand to the transport sector business. The motorcycle market trends in 2016 will not grow due to the limit of more population number and car ownership proportion. For all risk property insurance rates are likely to decline from last year due to the reinsurance company decrease reinsurance rate from no serious natural disasters.

3. Nature of Business

Revenue structure

The company is a non-life insurance business to have the main revenue from insurance premium.

When the company receives insurance premium, a part of it is taken to do the reinsurance and another part is kept for our own risk. For the part of our own premium after expenses deduction, the company makes investment to earn income according to the non-life Insurance Act and Office of Insurance Commission announcement about other business investment of non-life insurance company.

Past 3 years of company's income

	2013	%	2014	%	2015	%
Insurance premium income	2,299.89	96.1	2,471.11	92.7	2,527.88	96.2
Investment income	83.75	3.5	181.31	6.8	85.44	3.3
Other income	9.23	0.4	13.86	0.5	13.72	0.5
Total income	2,392.87	100.0	2,666.28	100.0	2,627.04	100.0

Business operation of each product line

(1) Product or service characteristics

There are 4 main services of company as follows :

1. Motor insurance

1.1. Compulsory insurance

1.2. Voluntary insurance is divided into 5 types such as class 1, class 2, class 3, class 4, and class 5 with different coverage.

1. Fire insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from fire or lightning or gas explosion of household consumption and has coverage extension to water damage, explosion, riot, strike, hail, flood, earthquake, windstorm, and aircraft etc.

2. Marine and transportation insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from transportation.

3. Miscellaneous insurance includes several kinds of insurance such as personal accident insurance, travel accident insurance, health insurance, compensation indemnity insurance, critical illness insurance, contractor all risks insurance, burglary insurance, health insurance, global travel insurance etc.

(2) Marketing and competitive situation

A. Policy, important product characteristic and service

Competitive strategy to have rapid and convenient services as well as to create impression to

the insured, advertise, use modern communication technology and provide staff training all time.

Advantage

- To operate the longest motor insurance business of all insurance companies in present which makes the company have experience for giving service to the insured and related person as well as to have the database of complete underwriting
- To have a long term relationship with customer base
- To have a company culture to understand customer and related person requirements which makes impression to the customer and related person in our services
- The company has a good customer base with risk distribution and a large amount of company fund that makes the company be able to handle risk in high level

Disadvantage

- All company insurances are come from direct market, not from the captive business

Target customers

For the industrial risk, most insurance is an insurance with the insurance company to have relationship in form of investment. Therefore, from the company structure, we have a target to do business with small or medium customer groups which they have high independent to select the insurance company. It is an outstanding in our service and product development that are suitable for consumer needs and enable to have influence on customer decision making.

B. Competitive situation

The total premiums 2015 of non-life insurance are 209,278 million Baht, it grows 1.9 percent from 2014 as GDP growth. Motor insurance premium is 57.4 percent that increases 2.1 percent of total premiums and other insurance premiums (Fire, Personal Accident, Health, Marine and Crop) that increases 1.5 percent.

Non-life insurance business has been affected by the commodity price drop such as rice, rubber resulting the purchasing power of consumers that lead to severe competition in order to gain market share by decreasing insurance premium or giving high commission to stimulate agent and broker for sales increase. The new products development is provided for corporate and individual through various channels in order to reach many potential customers such as

agent, broker, bancassurance, telemarketing, convenient shops and online channel as well as technology to develop claim services through smart phone.

Direct Insurance Premium Table of The Non-Life Insurance System classified by Class of Business

				Direct Premium (Unit : Million Baht)			
No.	Class of Business	Year		2012	2013	2014	2015
		Sub Class					
1	Motor	1.1	Voluntary	90,717	103,560	102,515	104,111
		1.2	Compulsory	13,197	14,881	15,388	16,294
			Total	103,915	118,441	117,903	120,405
2	Fire	2	Fire	9,759	11,814	11,058	10,484
3	Misc.	3	Misc.	60,612	67,519	70,991	72,970
4	Marine	4	Marine	5,193	5,302	5,293	5,338
5	Grand Total			179,480	203,077	205,247	209,197

(3) Products or services

A. Sources of fund

Non-life insurance business has the major income from insurance premium. Insurance policy is the company product which is made through 3 types as follows :

1. Selling through Insurance Agent in Non-Life Insurance Act section 4 “Non-Life Insurance Agent means a person who is delegated by company to convince people to do the insurance policy ”.
2. Selling through Insurance Broker in Non-Life Insurance Act section 4 “Non-Life Insurance Broker means a person who advises or manages a person to do the insurance policy by expecting to get commission”.
3. Direct selling by the company employees.

B. The ability to maintain the ratio of each business class

The company has maintained the fund of operating non-life insurance not less than 30 million Baht

by considering the ratio of fund sufficiency. It calculates the company fund divided by the maintained fund not less than 140%. As of December 31, 2015, the company has the fund as accounting 1,094,771,983.81 Baht

C. Liquidity

Liquidity management for insurance premium of the company to the suitable loss ratio, in the year 2015 the loss ratio is 59.94% increasing from 2014 4.03%

4. Risk factors

Risk factors of non-life insurance business can be classified as follows :

1.Strategic Risk

It is the overall policy on the business portfolio level, product type, industry, geographic area including the operation plan which increase the company risk such as focusing on quantity growth or market share more than the profit value, increasing on sales volume with competitive insurance premium to take high and low risk insurance, selling high risk product with low profit to keep customers and business alliances, including risk factors that effect company not to achieve the business target.

2. Operational Risk

It is the risk that occurs in the working area and operation which caused from

- People Risk such as lack of knowledge, skill, experience and responsibility; carelessness; insufficient staffs that cause human error, fraud of staff including fraud claim from customer or partner such as garage, hospital, etc.
- Process Risk such as deficient working system, weak internal operation process, structure organization of inter-control unit, responsibility division in approved person and paid , specification of approval limit.
- Technology Risk such as inefficient computer system; incorrect, delay and pirated data.

The company invests in up to date hardware and software, sets to have security process, limits to information access for only authorized or approved person.

3.Liquidity Risk

It is the risk that occurs from unable to provide enough cash flow for the credit payment and obligation.

- To assess the Financial status before appointment to be an agent and broker.
- To collect the motor insurance premium as the Cash Before Cover Principle.
- To create the tracking system for the overdue premium collection from an agent and broker.

4.Insurance Risk

It is the financial loss risk of underwriting and liability risk that results from selection and approval of the underwriting risk, ratio between retention and risk transfer including look after the claim management process of company to be concise, systematic, accurate as the actual damage occurred.

- The company has the risk management systematically by starting underwriting, coverage, premium rate suitable to the risk.
- The company provides risk transfer to the reinsurance company that has stable status both domestic and international.
- The company has the correct and fast indemnity payment system according to the coverage, manages to have a low level of loss ratio in each type of insurance.

5.Market Risk

It is the fluctuation of investing asset returns which result from the fluctuation of interest rate, equity value, foreign fund etc.

- To build the stable investment return in the long term higher than the inflation rate.
- The investment policy of company in asset allocation is the investment mix for diversification by giving the weight of investment of criteria as the Office of Insurance Commission that focuses on safety and careful investment. The company divides investment to different asset classes by considering the investor situation to accept risk on and risk off including decision to choose the asset diversification into low risk such as government bond, debenture, equity of the high stability company to have regular income and profit, not much fluctuation, liquidity and high dividend that help create a high level returns.
- The ways of investment management, to adjust investment plan to be consistent and timely in

the worldwide equity market situation that has more connection. The upside inflation and interest trend in market fluctuation increase returns more than the market. To make more active management, adjust investment portfolio to the tactical asset allocation between asset and security selection in order to support changing of financial economy trend not more than 1 year or to have the event risk and adjust to the dynamic asset allocation 1-3 year in order to cope with the economic cycle change such as in the economic recovery period and no inflation problem that increase portfolio in equity investment.

6. Credit Risk

It is the risk of counter parties especially their deteriorate financial status, default risk such as reinsurer, broker, debtor, guarantor. If the customer is unable to fulfill an agreement, it affects the company revenue and operation. We use the Credit Rating to select reinsurers and have an investment as the Office of Insurance Commission's rules. The company has an audit system and constantly monitors to follow up the counter parties in order to minimize credit risk.

5. Shareholders and Management Structure

Major shareholders 10 lists (Data as of 22 June 2015)

Shareholders	Amount	Ratio (%)
1. Tungjaimun C o., Ltd.	69,570,840	22.96
2. M.A. International Co., Ltd.	68,384,280	22.57
3. Ms. Jiraporn Buranasombat	18,239,400	6.02
4. BARCLAY BANK PLC, SINGAPORE	15,096,000	4.98
5. Janephan Property Co.,Ltd.	15,082,648	4.98
6. Ms. Janejira Asvatanakul	12,600,000	4.16
7. Mr. Thepphan Asvatanakul	12,600,000	4.16
8. Ms. Rojana Theravithayangkura	9,450,000	3.12
9. Mr. Jiraphant Asvatanakul	8,781,128	2.90
10. Mr. Jiraphat Asvatanakul	5,954,400	1.97

(1) Dividend Payment Policy

Company has the policy to pay the dividend not less than 40% of profit after business tax.

Management Structure

Names of Board of Directors and Executive Board

1.	Mr. Chalore Fengarom	Independent Director and Chairman
2.	Mr. Mongkol Poa-in	Independent Director and Vice Chairman
3.	Dr. Pisit Sethawong	Independent Director and Audit Committee Chairman
4.	Ms. Pilai Piampongsan	Independent Director and Audit Committee
5.	Ms. Pranee Phasipol	Independent Director and Audit Committee
6.	Dr. Pises Bhuranasombat	Director
7.	Mr. Jiraphant Asvatanakul	President
8.	Mr. Thawan Viranont	Advisor of CEO
9.	Ms. Sutepee Asvatanakul	Vice President
10.	Ms. Sunee Theeravittayangkura	Director and Company Secretary

Company has defined the Independent Director equal to the minimum regulation of Securities and Exchange Commission and Securities Exchange of Thailand. Independent Director will hold the share not exceed 1% of all voting right share of company Not be an Executive Board member, employee, staff, consultant. No blood relationship or spouse of Executives. No business relationship. Having independent to work on duty. Company has defined the policy for the Directors and Chief Executive to inform the Secretary about stock trading at least 1 day before the transaction. Company don't have the Director or Executive has become an employee or partner of external audit company that we are using their services in the past 2 years.

Authority and Responsibility of Board of Directors and Executive Board

- No. 1 There are not at least 7 members from the Board of Directors and more than half of total member need to have residence in the Kingdom of Thailand.
- No. 2 Let share holder meeting elect directors as the following rules and methods.
- (1) One share holder has the vote equal to 1 share per 1 vote
 - (2) Each share holder must use all the vote having as (1) to elect 1 person or several persons to be Directors but the vote cannot be separate or distribute to each one.

- (3) The person that gain the highest vote on descending order will be the one who was elected to be Directors equal to the amount of Director that should to have or should be elected at that time. In case of the second runner up has equal vote to the highest vote person has more than the Director amount that should have or should be elected at that time, Let the Chairman votes for the final decision.
- No. 3 In every annual Ordinary Meeting, 1/3 of the Directors need to be resigned. If the Directors number cannot be divided into 3 parts, the resigning member will try to be the closet to 1/3. Director that must be resigned in first year and second year after company registration has to draw lots which one will resign. For later years onward let the longest in charge Directors be the one to resign.
- No. 4 Besides from term-wise vacate, Director will vacate when
- (1) Decease
 - (2) Resign
 - (3) Disqualify or forbidding characteristic of the law
 - (4) Share holder meeting votes to vacate
 - (5) Convicted by the court to vacate
- No. 5 Any Director will resign from the position, need to submit the resignation to the company. The resignation effective by counting from the date that resignation reached the company.
- No. 6 In case of the there is a vacant Director position by other reasons, except from leaving by term, Board of Director elect a person which qualified by regulation of the law to become Director instead of the next Board of Directors meeting except the term of that Director left less than 2 months. The person who replaces that vacant position will be in the position just equal to the rest of term of that vacant position. The resolution of Board of Directors according to the first paragraph must combine with the vote not less than 3/4 of the rest of Directors.
- No. 7 Shareholders meeting may make a resolution for any of the Director to leave from the position before end of term with the vote note less than 3/4 of the share holders number which come to the meeting and has the voting right and has the total stock count net less than a half of all share holder stock number by the share holders come to the meeting and has the voting right.
- No. 8 Director can be or cannot be the share holders.
- No. 9 Let the Board of Directors elect the one person to become Chairman. In case of by the agreement of Board of Directors, they can elect one or many Vice Chairman. The Vice Chairman will have the responsibility according to the delegation of Chairman.

- No. 10 In the Board of Director meeting, the member should be more than have of all member. In case of Chairman cannot participate in the meeting or unable to be on duty, if there is Vice Chairman let the Vice Chairman become the Chairman. If there is no Vice Chairman or exist but cannot on duty, let the Directors those come to the meeting elect one to be Chairman in the meeting. The final decision of the meeting is on majority vote. One Director will have one vote except the one who has the conflict of interest will have no right to vote in that agenda. I the vote is equal let the Chairman in the meeting vote as a final decision.
- No. 11 For the Board of Director meeting call, let the Chairman or the designated Director submit the letter of meeting appointment not at least 7 days before the meeting date except in urgent case for the sake of the company. The meeting call will be in other ways and the date can be set earlier.
- No. 12 Directors need to practice on their duty according to the law, purposes, and regulation of the company including the share holders meeting regulation.
- No. 13 It is prohibit to Directors for operate business, be a partner, or be a share holder in other juristic persons with the same state and is a competitor with business of company excepted that was informed to the share holder meeting before a promoted resolution.
- No. 14 Directors must inform company without delay if there is a conflict of interest in the contract with the company or being share holder or hold debenture in more or less manner in the company or group of company.
- No. 15 Let the Board of Directors must set up a meeting once in every 3 months
- 2 Directors sign off together and seal with company stamp to result as company obligation.
 - Board of Directors may assign Director's name as a authorized person of company obligation together with company stamp.

List of Audit Committee

- | | | |
|----|---------------------------|--------------------------|
| 1. | Dr. Pisit Sethawong | Audit Committee Chairman |
| 2. | Ms. Pilai Piampongsan | Audit Committee |
| 3. | Ms. Pranee Phasipol | Audit Committee |
| 4. | Ms. Sirintr Nantaworaseth | Secretary |

Authority, duty, and responsibility of Audit Committee

Audit committee has duty as delegated from Company Board of Director as following

- 1) Check up company to have the correct financial report and sufficient.
- 2) Check up company to have Internal Control System and Internal Audit System that proper and effective and consider independence of Internal Audit Unit
- 3) Check up the company to perform duty according to the law about Securities and Securities Exchange Market
- 4) Consider to promote a person that has independence for doing accounting audit duty of the company and propose the compensation of that person including participate in audit meeting without management party at least once a year.
- 5) Consider transactions that related or may conflict of interest, to be in law and regulation of Securities Exchange of Thailand in order to be confident that the transactions are reasonable and profit optimistic to the company.
- 6) Provide auditing report and Audit Committee activities by publish in the company annual report which that report need to be sign off by the Audit Committee Chairman and at least combined with the following information.
 - (A) Comment about correction and completion to be a reliable of company financial report.
 - (B) Comment about the efficiency of Internal Control System
 - (C) Comment about obey the law of Securities and Securities Exchange Market, SET regulations or the law related to the company business.
 - (D) Comment about the proper of Accounting Auditor.
 - (E) Comment about transaction that may have conflict of interest.
 - (F) Counting of audit committee meeting and each audit committee participation.
 - (G) Comment or overall observation that audit committee was received from perform according to the Charter.
 - (H) Other transaction considers that share holder and general investor should be acknowledge under the scope of duty and responsibility delegated from the Board of Directors.
- 7) Audit committee has responsibility to the company's Board of Directors according to the duties and responsibilities that was delegated from Board of Directors meanwhile the responsibilities in all kind of activities of company to people outside company still be the company's Board of Directors.

Board of Directors establish Internal Audit unit being a unit inside company by having Director of Audit Department (Khun Sirin Nantaworaseth) become the responsible person

Attachment 1 Details of Directors, Management and Company Secretary

Name / Position	Age	Education	Company Shareholding (%)	Family Relationship to Management	Working Experience for the Past 5 Years		
					Period	Position	Company Name Business
Mr. Chalaw Fuangaromya	78	1. B.A. Political Science, Phillips University, USA	-	-	2008-2012	Chairman of the audit committee	Standard Chartered Bank (Thai) PCL
Independent Director		2. M.A. Political Science, Southern Illinois University, USA				Chairman	Professional Waste Technology (1999) PCL
April 5 2012						Committee of monitoring and evaluation	Office of National Broadcasting and Telecommunications Commission
Chairman of The Audit Committee		3. M.A. Social Science, Birmingham University, UK					
April 5 2012 - 2015						Committee	The Thai Tapioca Development Institute
Chairman		4. Diploma, National Defence College, The National Defence Course Class 27					
April 8 2015		5. Director Certification Program (DCP) Course (Class 18) and Corporate Governance, Thai institute of Directors			2013- 2014	Chairman of the audit Committee	Thai re Life Assurance PCL
					2012-2015	Chairman of the audit Committee	Thaivivat Insurance PCL.
		Training Course in 2015					
		- None -			2015- Present	Chairman	Thaivivat Insurance PCL.
					Other Current Position in Listed Company		
					Other Current Position In Limited Company		
					Special Activity		
					-		

Name / Position	Age	Education	Company Shareholding (%)	Family Relationship to Management	Working Experience for the Past 5 Years		
					Period	Position	Company Name Business
Mr. Mongkol Pawintra	86	1. LL.B., Thammasat University	604,000 Shares	-	2001-Present	Director	Thaivivat Insurance PCL.
		2. Barrister at law, the Conservatory of Law, Bar Association of Thailand	0.21%		2001-2012	The Audit Committee	Thaivivat Insurance PCL.
Independent Director					2012-Present	Vice Chairman	Thaivivat Insurance PCL.
June 2,1999					2001-2014	Board of Director	Charoen-Kris Enterprise Co., Ltd
Audit Committee		Training Course in 2015			2004-2009	Chairman	Prinsiri PCL.
February 23,2009-2012		- None -			2010-2014	Director	Grand Canal Land PCL.
Vice Chairman					2010-Present	Director	Bell Development Co., Ltd.
April 05,2012					Other Current Position in Listed Company		
					Other Current Position In Limited Company		
					Director - Bell Development Co.,Ltd		
					Special Activity		
Mrs. Pilai Piumongsarn	79	1. B.A. Commerce and Accountancy, Chulalongkorn University	-	-	1996-2014	Advisor	Metro Machaniary Co., Ltd.
					1999-Present	The audit Committee	Thaivivat Insurance PCL.
Indepent Director		2. Certified Public Accountant (CPA) Thailand			1999-Present	The audit committee	Crown Seal PCL.
June 2,1999		3. Certified Internal Auditor (CIA) with honors			2004-2013	The audit committee	Metro Star Property PCL
The Audit Committee		from The Institute of Internal Auditor			1996-Present	Chairman	Audit and Management
February 23,2009		4. Director Certification Program (DCP), Thai institute of Directors					Consultant Co., Ltd
					Other Current Position in Listed Company		
					The audit committee - Crown Seal PCL.		
		Training Course in 2015			Other Current Position In Limited Company		
		- None -			Chairman - Audit and Management Consultant Co., Ltd Special Activity		

Name / Position	Age	Education	Company Shareholding (%)	Family Relationship to Management	Working Experience for the Past 5 Years		
					Period	Position	Company Name Business
Mr. Phisit Setthawong	71	1. B.A. Commerce and Accountancy	-	-	2005-Present	Indepent Director	Thaivivat Insurance PCL.
		(with honors), Chulalongkorn University			2012-Present	The audit committee	Thaivivat Insurance PCL.
Indepent Director		2.M.A. and Ph.D. Economics,					
October 28,2005		Michigan State University, U.S.A.					
The Audit Committee		Michigan State University, U.S.A.					
April 5,2012		Thai Institute of Directors (IOD)			Other Current Position in Listed Company		
Chairman of the					-		
Audit Committee		Training Course in 2015			Other Current Position In Limited Company		
April 8,2015		- None -			-		
					Special Activity		
					-		
Mrs. Pranee Phasipol	66	1.B.A.,Major: Accounting	-	-	Present	The audit committee	Thaivivat Insurance PCL.
		(Second Class Honors), Thammasat University			Present	The audit committee	Dusit Thani PCL.
Independent Director and		2.M.A.Accounting, Thammasat University			Present	The audit committee	SCI Electric Manufacturer Co., Ltd.
Audit Committee		3.Diploma, National Defence College,			Present	Member of Foreign Business Commission, Ministry of Commerce	
April 8,2015		The Joint State - Private Sector Course, Class 2003-2004			Present	The audit committee	The Support Arts and Crafts
		4.Diploma in Public Law, Batch 9,					International Center of Thailand
		Thammasat University and The Office of the Council of State			Present	Member of Life Insurance Fund Commission, Life Insurance Fund	
		5.Top Executive Program in Commerce and			Present	Chairman of Ethics /Committee and Member of CPA	

Name / Position	Age	Education	Company Shareholding (%)	Family Relationship to Management	Working Experience for the Past 5 Years		
					Period	Position	Company Name Business
		Trade, Batch 2, Commerce Academy , UTCC				Examination Committee, Federation of Accounting	
		6.Certificate of Civil Service Executive Development Program,				Professions Under the Royal Patronage of His Majesty the King	
		Course 1, Batch 30, Office of the Civil Service Commission			Present	Qualified Person in Finance and Account,	
		7.Certificate of Chang Management,				Office of the Civil Service Commission	
		Ripa International, UK				Other Current Position in Listed Company	
		8.Certificate of Distance Learning Course for				The Audit Committee - Dusit Thani PCL.	
		Insurance Supervisors (Module 2), World Bank				Other Current Position In Limited Company	
		9.Certified Public Accountant				The Audit Committee - SCI Electric Manufacturer Co., Ltd.	
		10.Director Certification Program 10/2001,				Special Activity	
		Thai Institute of Directors				-Member of Foreign Business Commission, Ministry of Commerce	
		11.Advance Audit Committee Programs				-The audit committee - The Support Arts and Crafts International	
						Center of Thailand	
		Training Course in 2015				-Member of Life Insurance Fund Commission, Life Insurance Fund	
		- DCPU class 3 - IOD				-Chairman of Ethics /Committee and Member of CPA Examination	
		- Anti-Corruption for Executive Program				Committee, Federation of Accounting Professions Under the Royal	
		- Role of Compensation Committee class 20				Patronage of His Majesty the King	
		- CG Forum 2/2015 - SET				-Qualified Person in Finance and Account, Office of the Civil Service	
		- Risk Management Program for Coperate				Commission	
		Leaders class 1/2015					

Name / Position	Age	Education	Company Shareholding (%)	Family Relationship to Management	Working Experience for the Past 5 Years		
					Period	Position	Company Name Business
Mr. Pises Buranasombat	68	1. B.A. Business Administration, New York University , USA	18,399,384 - 6.07%	Mrs. Jiraporn Buranasombat's spouse,	1991-2014	Top Management	Bangkok Business College
Director		2. M.A. Education Management, Srinakharinwirot University		Brother in law of	1998-2014	Chancellor	Lumnamping College
April 26, 1991		3. Ph.D Education Management, Illinois State University, USA		Mr. Jiraphant Asvatanakul (CEO)	1991-2014	Director	Thaivivat Insurance PCL
					Other Current Position in Listed Company		
		Training Course in 2015			-		
		-None-			Other Current Position In Limited Company		
					Top Management - Bangkok Business College		
					Special Activity -		
Mr. Jiraphant Asvatanakul	57	1. B.A. Economics, Thammasart University	8,781,128 shares	1. Mrs. Sutepee Asvatanakul's spouse	1993-Present	CEO	Thaivivat Insurance PCL.
Director		2. Master in Professional Accounting, University of Texas at Austin, U.S.A.	2.89%	2. Brother in Law of	1992-Present	Director	Thai Reinsurance PCL.
May 12, 1986		3. Diploma, National Defence College, The National Defence Course Class 56		Mrs.Sunee Theravithayangkura	2014-Present	Director	The Re Life Assurance PCL.
		4. Diploma, OIC Advance Insurance Course class 1 - OIC Advance Insurance Institute			2000- Present	Director	Road Accident Victims Protection Co., Ltd.
		5. Director Accreditation Program (DAP), Thai Institute of Directors (IOD)			2010-Present	Director	T.I.I. Co., Ltd. (Thailand - Insurance Institute)
					2009-2014	President	Thai General Insurance Association
					2014-Present	Director	Thai General Insurance Association
					2014- Present	Director	The Federation of Thai

Name / Position	Age	Education	Company Shareholding (%)	Family Relationship to Management	Working Experience for the Past 5 Years		
					Period	Position	Company Name Business
		Training Course in 2015					Insurance Organizations
		-Top Executive Program in Commerce and			2014-Present	Board Treasurer	Thai Chamber of Commerce
		Trade, Batch 8, Commerce Academy , UTCC					
					Other Current Position in Listed Company		
					Director - Thai Reinsurance Public Co., Ltd.		
					Director - Thai Re Life Assurance Public Co., Ltd.		
					Other Current Position In Limited Company		
					Director - Road Accident Victims Protection Co., Ltd.		
					Director - T.I.I. Co., Ltd. (Thai Insurance Institute)		
					Special Activities		
					Chairman - The Federation of Thai Insurance Organizations		
					Board Treasurer - Thai Chamber of Commerce		
Mr. Thawan Viranont	67	1. B.A. Law, Thammasart University	18,000 shares	-	1993-2014	Director	Thaivivat Insurance PCL.
		2. Director Accreditation Program (DAP),	0.01%		1999-2014	Executive Vice President	Thaivivat Insurance PCL.
Director		Thai Institute of Directors (IOD)			2015- Present	Advisor of CEO	Thaivivat Insurance PCL.
April 29,1987					Other Current Position in Listed Company		
		Training Course in 2015			-		
		- None			Other Current Position In Limited Company		
					-		
					Special Activity		
					-		

Name / Position	Age	Education	Company Shareholding (%)	Family Relationship to Management	Working Experience for the Past 5 Years		
					Period	Position	Company Name Business
Mrs. Sutepee Asvatanakul	54	1. B.A. Liberal Arts, Thammasart University	4,725,384 shares	1. Mr. Jiraphant Asvatanakul's spouse	1993-2014	Director	Thaivivat Insurance PCL.
Director		2. Master of Business Administration	1.56%	2. Sister of Mrs. Sunee	1999-2014	Executive Vice President	Thaivivat Insurance PCL.
June 18,1986		Tarleton State University (U.S.A)		Theravithayangkura	2004-2014	Vice President of Finance and Accounting Dept.	Thaivivat Insurance PCL.
		3. Diploma, OIC Advance Insurance Course					
		class 2 - OIC Advance Insurance Institute			Other Current Position in Listed Company		
		4. Director Certification Program (DCP),			-		
		Thai Institute of Directors (IOD)			Other Current Position In Limited Company		
					-		
		Training Course in 2015			Special Activity		
		- None			-		
Mrs. Sunee Theravithayangkura	63	1.B.A. Law, Thammasart University	18000 shares	1. Sister of Mrs. Sutepee	1993-2014	Director	Thaivivat Insurance PCL.
		2. Director Accreditation Program (DAP),	0.01%	Asvatanakul	2008-2014	Company Secretary	
Director		Thai Institute of Directors (IOD)			Other Current Position in Listed Company		
June 18,1986					-		
Company Secretary		Training Course in 2015			Other Current Position In Limited Company		
August 20,2008		- None			-		
					Special Activity		
					-		

Secretary responsibilities are

1. Prepare and file documents as follows
 - 1.1 Directors registration
 - 1.2 Notice of directors meeting, directors meeting report and annual report
 - 1.3 Notice of shareholders meeting and shareholders meeting report
2. Keep a report of directors or management interests

Other actions as the commission of shareholders

Company Secretary

To promote Company Secretary depends on consideration of Board of Directors in finding proper person responsible for this position. In Board of Directors meeting No. 3/2008 on 13 August 2008, we agreed to promote Ms.Sunee Theerawithayangkul to be in Company Secretary position and effected since 14 August 2008 onward until now.

Directors and Executives Compensation

Board of Directors consider and permit Directors and Executives Compensation before propose to approve from share holders meeting by compensation criteria is in the level as paid in the business. Suitable for duty and responsibility including having evaluation of performance every year and take the receiving results as a factor to consider the compensation in number.

Company Directors receive compensation in term of attendance fee and bonus in the year 2015 are as following

Name	Position	Meeting Attendance	Attendance fee	Bonus	Total
Mr. Chalore Fengarom	Independent Director and Committee Chairman	6/6	225,000	530,000	755,000
Mr. Mongkol Pop-In	Independent Director and Vice Chairman	5/6	240,000	320,000	560,000
Dr. Pisit Sethawong	Independent Director and Audit Committee Chairman	5/6	180,000	370,000	550,000
Ms. Pilai Piampongsan	Independent Director and Audit Committee	4/6	180,000	370,000	550,000
Ms. Pranee Phasipol	Independent Director and Audit Committee	5/6	135,000	-	135,000
Dr. Pises Bhuranasombat	Director	2/6	-	210,000	210,000
Mr. Jiraphant Asvatanakul	President	6/6	-	210,000	210,000
Ms. Sutepee Asvatanakul	Vice President	6/6	-	210,000	210,000
Mr. Thawan Wiranont	Vice President	6/6	-	210,000	210,000
Ms. Sunee Theerawittayakul	Director & Secretary	3/6	-	210,000	210,000

*No other compensation

Company Executive from Department Manager level onward of the company total 25 persons received compensation in term of 2015 salary and bonus 58,618,200 Baht

Human Resources

In 2015, we have all employee as 586 persons, compensation in the form of salary and bonus 257,258,967 Baht including provident fund 11,057,022 Baht.

The Share holding of Directors and Top Managements in 2015				
Name	Position	January	July	December
Mr. Chalaw Fuangaromya	Chairman	-	-	-
Mr. Mongkol Pawintra	Vice Chairman	320,000	640,000	640,000
Dr. Phisit Setthawong	Chairman Of the Audit Committee	-	-	-
Mrs. Pilai Piamphongsant	The Audit Committee	-	-	-
Mrs. Pranee Phasipol	The Audit Committee	-	-	-
Dr. Pises Buranasombat	Director	9,199,692	18,399,384	18,399,384
Mr. Jiraphant Asvatanakul	Director and CEO	4,390,564	8,781,128	8,781,128
Mr. Thawan Viranont	Director and Advisor of CEO	9,000	18,000	18,000
Mrs. Sutepee Asvatanakul	Director and Executive Vice President	2,362,692	4,725,384	4,725,384
Mrs. Sunee Theravithayangkura	Director and Company Secretary	9,000	18,000	18,000
Ms. Sirintr Nuntavoraset	Advisor of CEO	53,820	107,640	107,640
Mr. Suraphong Theravithayangkura	Executive Vice President	238,020	476,040	476,040
Mr. Praphid Dhiraprayudti	Executive Vice President	25,132	50,264	50,264
Mr. Krailoes Hanvivadhanakul	Executive Vice President	-	-	-
Mr. Lucius Antoine Julien Maria Heijstee	Executive Vice President	-	-	-
Mr. Pimol Chantaveerakul	Vice President	-	-	-
Mr. Somkrit Suracheevakit	Vice President	-	-	-
Ms. Onanong Nonejuie	Vice President	251,604	503,208	623,805

Corporate Governance

Performance report according to the good business control.

1. Shareholders right

Company Board of Directors has aware of important of business control by defined policy and operation direction which emphasize on control system and internal audit system include Executives control to operate by follow the rule and regulation effectively.

Company gives the importance and respects the right of shareholders by follows rules of law.

In 2014 company has set up the share holders ordinary session on 8 April 2015. There are 6

Directors attend the meeting by assigned to Securities Exchange Depository which is the registrar of the company become the sender of meeting invitation letter to the share holder in advance for 7 days. Chairman in the meeting was given an opportunity to the share holders an equal right to check up the company's operation, question, and show their opinion which was recorded in the minute of meeting.

2. Perform equally to the share holders.

In the shareholders ordinary session for the share holder who inconvenience to join the meeting by themselves, company propose to authorize the Chairman or the Independent Committee to participate in the meeting and do a instead vote. For the internal information protection measure, the Board prohibited the Directors and Executives to do the stock trading in 1 month period before Financial Statement Publishing. During the past year Committee and Executives as strictly perform as the policy. No appearance of trading in that period including not allow the executives or business unit to acknowledge the internal information, reveal information to external person or person no related duty according to the detail revealed in the topic of look after of using internal information.

3. Role of Stakeholder

Company sees an important to stakeholder right both internal and external such as employee, share holder, trading competitor, and society. Because of the company foresee the support from stakeholder which will make the success and advance to the business.

4. Information reveal and transparency

The Board of Directors is the one who responsible for Financial Statement of company. Financial Statement will be made up according to the Accounting Standard certified by overall in Thailand. By using Accounting Policy that suitable and practice in a regular way and carefully use discretion and good estimation in the making. Including enough information reveal in the remark combined to the Financial Statement.

The Board of Directors provide the company to have Internal Control for making sure that accounting information keeping is correct and complete together with establish the Audit Committee which includes member that not an Executives to be the person responsible for

financial report and Internal Control System by represent the report of Audit Committee in the Annual Report.

Company has defined a clear policy of committee compensation. The compensation will be at the same level in the industry and high enough to retain the member that has the qualification as required which was approved from the share holder meeting. In the part of compensation to the Executives will follow the principle and policy that defined by Board of Directors which related to the company performance outcome and performance of each Executives. Financial compensation was identified in the page 26 but not reveal the compensation of the member that is the Executives in the part of being received from become other company committee because it is not the company information.

Board of Directors are aware of company's information that affect to the decision of investor and stakeholder of company. Then, we focus and practice with the Executives about information reveal that complete and reliable.

5. Responsibility of Board of Directors

There are 10 members of Board of Directors combined with 4 members that is executive, 1 members that is non-executive and 5 independent members. In the part of Chairman is independent member. No any relationship with the management part and the same person with President. For duty separation to define the policy of control and routine management, the company just only has the Executives committee and Audit committee which has assigned member and responsibility in detail at page 20 - 23

Committee has set up the meeting every 2 months by clearly define the agenda in advance and has the routine operation result follow up session. Company Secretary Department has organized meeting invitation letter with meeting agenda and documents before the meeting for 7 days to have the committee study the information before go to the meeting. The meeting will take about 2 hours and was noted down in writing and keep the past minute of meeting that was accepted from the committee.

Company foresees the important of Internal Control System both in the management level and operation level. Then, we have defined the duty, operation authority of management and operation in the form of writing. There is the control of company asset usage to create

benefits and duty separation of operation, controller, and including evaluation to create a cross check mechanism between each other in an explicit way. Company has the Internal Audit department responsible for audit the main working operation and financial activity of company that it was perform in the way that was defined. Abide by the law and regulation that related to the company (Compliance Control). Committee was assigned the Internal Audit to report directly the audit result to the Audit Committee and receive evaluation result from the Audit Committee for having independent to the Internal Audit and enable to fully perform the audit responsibilities.

Recruiting and Promoting Committee and Executives

For this, we are not pass it to the recruiting committee in the Committee and Executives Recruiting. Look after the internal information usage.

Company defined that Accounting information must be secret in the responsible department. It will not reveal to the management that is not related before the financial statement will be published to the public.

Account Auditor compensation

Ernst & Young Office Co., Ltd. is the well known company and accepted in international level that agreed from The Securities and Exchange Commission and take part in giving advisory to the Office of Insurance Commission in starting to use Risk Based Capital (RBC) including the accounting audit experience to other disaster insurance company. Even more, there is no relationship and/or conflict of interest between auditor and the company/executives/major share holders. In fiscal year of 2015, the Accounting has the compensation of account auditor totally as 1,610,000.- Baht with the following detail:

1. Annual audit fee 660,000.- Baht
2. 3 quarter accounting review 450,000.- Baht
3. RBC transaction audit second quarter 150,000.- Baht
4. Annual RBC report review fee 350,000.- Baht

Other services : None

Social Responsibility

Thaivivat Insurance took into account the issue of social responsibility through the characteristics of its business, i.e., the loss insurance as well as the company’s vision and mission which formed a key factor in determining the operating results economically, socially, environmentally towards interested parties at various levels. Furthermore, the opinions of the shareholders were also taken into consideration for appropriateness in further formulating the corporate social responsibility as follows:

- Vision -Being the security for most of Thai people who trusted the Company by choosing to use the service.

- Mission -Development of the organization to strong financial standing and management based on good corporate governance.
 - Development of the products to be more cost-effective enabling the reduction of risks and alleviation of loss of the public appropriately.
 - Development of service to good standard, thus fairly enhancing the customer satisfaction and trading partners.

Important for interested persons	Very important	Social and community development Respect for human right	Responsible to consumers (production and service) Operate business with fairness Anti-fraud Disclosure of information and report
	Important	Use of resources (management of environment)	Care for personnel (fair treatment of labor) Corporate good governance Risk management
	Important		Very important
Important to Thai Vivat Insurance			

Fair Business Operation

The company was aware of company data that it had effect on the decision-making of investors and interested parties of the Company, it therefore emphasized the disclosure of correct, complete, reliable key information about the company to the public; both of the financial information and non-financial

information according to the requirements of the SET in timely manner in the Form of Items of Annual Data (Form 56-1) and the Annual Report via the website of the company to enable persons concerned to access the information on an equal basis. Thaivivat Insurance PLC took into account equality, fairness, avoidance of taking unfair advantage and the honesty in running the insurance business through protection of the interest in collaboration with persons involved who would be treated fairly in the course doing business by strict compliance with the law and rules jointly formulated; espousing business ethics in doing business, not demanding for, not receiving and distributing any interest in bad faith in trading with the trading partners according to the principles of good governance.

In 2014, we restructured our structure. The Compliance Department was established under control of the Benefits Department as a center of compilation and tracing data and information of relevant internal and external regulations. The regulations are translated and/ or summarized for benefits of company's departments and personnel to comply with those relevant regulations. Moreover, an internal audit unit was set up as an independent organization, to report directly to the Audit Committee and the Company's Board of Directors, to have the duty to audit, review internal activities, operations within the company; to provide counseling, propose opinions and advice on remedying, improving the operation properly and efficiently.

Anti-Corruption

The company had planned the development of policy and operation in the aspect of anti-corruption effort as well as the arrangement for the review and audit of the transparency and efficiency of work continually on a yearly basis; the creation of confidence that the operation was in accordance with the established operational steps and work performance standard. This was to show that it was the company actually fitted with the anti-corruption system. Preliminarily, the company launched the policy and principles of practice in an anti-corruption effort as a basis of corporate anti-corruption campaign.

1. Definition of Corruption

It means an unlawful practice or an omission of practice in the job position or duty; the violation of the law, regulation or the policy of the Company to seek unreasonable interest in various forms such as the offer of bribes (the offer of bribe is the offer, the promise or the delivery including the demand for or acceptance of interest related to money or other interests, whether directly or indirectly, as to secure a business or to maintain or introduce the business to the Company).

2. Anti-corruption Policy

The company does not accept the corruption and the offer of bribes of all forms and had already declared its intention to participate in the united front of operation of Thai private sector in taking collective action against corruption. Simultaneously, the company formulated the guidelines for anti-corruption internally within the company. Under the guidelines, the directors, executives and members of the staff would

not nor give support to the corruption under any circumstance and would strictly observe the anti-corruption measures as well as the availability of the work plan to communicate to all interested parties both inside and outside of the company to be informed widely of the anti-corruption measures.

3. The Code of Conduct

Company's personnel shall not act or involve in corruption and bribery directly or indirectly. In addition, they have duties to observe the Anti-corruption Policies, Good Corporate Governance and Best Practice, Business Ethics, and other relevant requirements. Meanwhile, the company has organized a process of human resources management reflecting our commitment to corruption crackdown. Any person against corruption will not be punished, demoted to lower position, or receive negative effect, even though the Company may lose business opportunity. At the same time, we have explicit communication process and training our personnel at all levels to have understanding and knowledge about anti-corruption policies and measures, complaint/ clue report channels and whistle-blower protection, and punishment for negligence to corruption or incompliance as well. In addition, we have communicated these policies and measures to all interested persons, business partners, and public through various channels.

Donation to charity

- The company gave support to the community, social and environmental development as to develop the quality of life of people in society through business operation or donation; but it must be for public charity only. It would not be used as a claim for offering bribe.
- Making donation to a charity and support fund must be transparent and lawful with clear evidence in consistent with the regulation of the company.

Business relationship

- Adhering to and treatment of customers, trading partners, suppliers with "honesty and fairness."
- Promoting publicity among those business contacts in relation to anti-corruption policy of the company.
- Not demanding for nor giving to or promising to give things of value to customers, trading partners, suppliers, government organizations, the State agencies or to any persons as to persuade them to commit a breach of professional duty except a gift of value not exceeding 3,000 Baht customarily and culturally given as the occasion would warrant without approval from a member of staff who had the power to order the payment together with the evidence related to the said work and must be able give an explanation regarding various actions both internally and externally.
- The company did not have a policy to give to or accept property or articles of value¹ from customers, trading partners, suppliers or any person as to accord convenience, to be used as

¹ The definition of a thing of value is anything which is granted to and is useful to the recipient which inclusively means various things as follows:

security or to accelerate certain action which were routinely done by the officer of the company or trading partners or must be done as the duty.

Political Support Fund

- Thaivivat Insurance PLC is a business organization of political neutrality; it espouses observance of the law and embraces the democratic form of government. The company does not have a line of practice to give support to any political party, whether directly or indirectly.
- Personnel of the company have the political right and freedom under the law; but will not do anything that results in the company losing its political neutrality or is prejudicial due to political participation.
- The company and its personnel do not donate a fund in support of any political party, a politician, a political candidate or an organization or any person who are politically affiliated as a means to offer a bribe.

4. Whistle-blowing policy and audit

The company encourages the reporting of clues or the whistle-blowing in the event of violation of the law, breach of ethics or behavior indicative of dishonesty or fraud of personnel in the organization by introducing the policy on “whistle-blowing” for practice as follows:

Channels for reporting clues or whistle-blowing

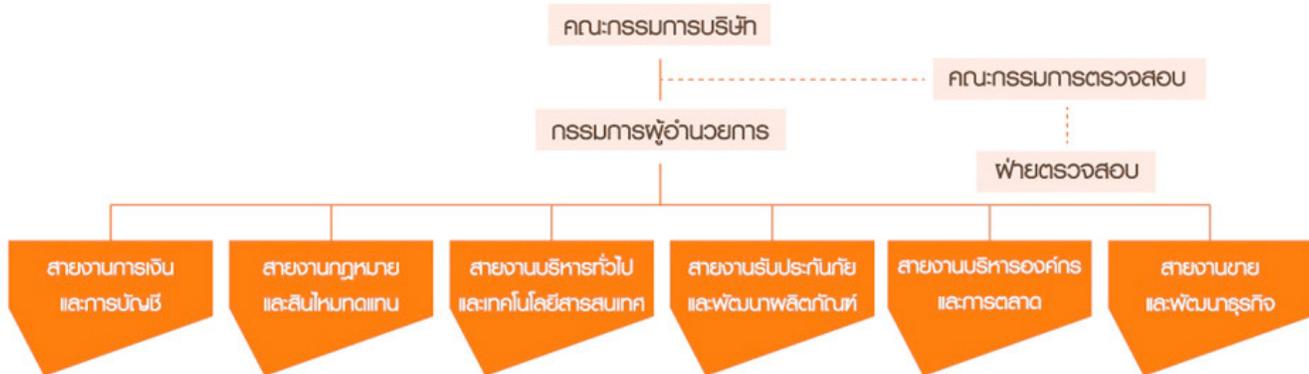
Letter	Ms. Nantawan Arunpiriyakul (Recovery & Corporate Admin Department) Thaivivat Insurance Pcl. 71 Dindaeng Road, Samsen Nai Sub-district, Phyathai District, Bangkok 10400
E-letter	Nantawan_aru@thaivivat.co.th
Telephone	0 2695 0800

Process for protection of the informant of clues

- Cash, share, bond, gift voucher other cash equivalents
- Gifts or give-away goods (except the gift of negligible value given according to custom and manner as the occasion warrants)
- Offer of employment or service
- Traveling expense, cost of meals or reception
- Subsidy, allowance, discount or loan
- Provision to a relative, friend, colleague of any person is deemed to be the gift of interest indirectly to such person

- Work unit receiving the complaint must proceed with the reporting in confidence
- The company introduces the safety protection for who are the informant of the information in relation to the whistle blowing in good faith against harm or trouble as a result of filing complaint, being a witness or providing the clues on fraud.

The structure of auditing



The Audit Committee

- To audit and review to ensure that the Company has a good, adequate corporate governance in consistent with the policy, requirements and the law concerned.
- In the course of performing duty, if it is found or there is a suspect that there are items or actions which may have impact of material importance on the financial standing and the operating results of the Company including fraud, the Audit Committee would report to the Company's Board of Directors for improvement and remedy within the time frame as the Audit Committee deemed reasonable.

Audit Department

- It is an independent unit reporting directly to the Audit Committee. It has the duty to audit the work performance of every work unit to ensure consistency with the established procedure as well as to assess the efficiency and adequacy of the internal control by adhering to the principle of good corporate governance.

Respect of Human Rights

The respect for human rights and value appreciation of being a human is the fundamental of human resource development that is the key in the business development and creating the business sustainability. The company had joined in the accelerated promotion of equality of human rights among various tribal people in

society consistently. In 2014, various activities were organized to promote equality in education comprehensively envisioning that the creation of human resources with potential in knowledge, skill, ability, virtue played a key role in building stability and sustainable development of the country. The company envisioned those group of people with sight disability with an access gap to education, therefore, various activities were organized to enhance the education quality.

Happiness to Ban Kru Noi's children

Thaivivat Insurance Public Company Limited arranged activities with the children in the care of Ban Kru Noi Foundation. The children are socially disadvantaged and they lack of opportunity in education due to the expense of the foundation is very high, so some of children are not supported. The company saw this matter, so we took part in assisting by participating creation activities to give the children joy, happiness and souvenir. The company also joined the scholarship donation for the children who are disadvantaged in education at Ban Kru Noi, Ratchaburana on February 28, 2015.

Fair Treatment of Labor

Personnel are valuable resource who must be cared for and their ability upgraded for readiness to perform the duty efficiently. The Company therefore attaches importance to the development of staff at all levels as to enhance the knowledge, ability, skill, creating good attitudes by attaching the importance to developing the body of knowledge in terms of technical knowledge, soft skills by means of both internal training within the company and with various external organizations. Moreover, the company has yet introduced a policy in determining fair remuneration with assessment of work performance at least twice a year and to follow up on salary rate movement as to formulate correct, suitable salary in terms of incentive and welfare benefits. Besides the exercise of leave-taking and annual leave.

Members of staff and personnel of the Thaivivat Insurance PLC when having satisfactorily passed the probation would be placed in employment as a regular employee and would receive remuneration and are entitled to various fringe benefits from the Company as follows:

Welfare for Better Quality of Life

● Medical treatment

Besides taking out social security insurance for every member of staff to accommodate the entitlement to medical treatment in accordance with the labor law, the Company has arranged for the availability of a nurse team to provide first-aid care and diagnosis for referral in the case of serious illness as welfare for staffs at the head office which most staffs are working. In case of accident, they also get the cost of medical treatment.

● Provident Fund

The company also introduced a policy for every member of the staff to have savings for use after they leave the employment of the Company by means of establishing the Provident Fund for employee who having worked for 3 years consecutively to be eligible for membership. A member of the Provident Fund contributes

5 percent of the staff's monthly salary to the Fund on a monthly basis and the Company contributes at the rate of 7.5 percent of the staff's monthly salary on a monthly basis. This Provident Fund is managed by the Fund Management Company as the Fund manager.

● **Loan welfare**

Personnel of the company will be entitled to obtain a loan from the company after having been placed in employment for not less than 1 year. The seeking of loan will be for the following purposes.

1. For medical treatment of the employee and his/her father's.
2. For education
3. For purchase of residence

● Accident insurance is taken out for the welfare of the employee. The company has taken out personal accident insurance coverage for members of the staff in the event of deadly accident as to alleviate the burden of the staff's family.

● Annual health check-up

The company provides free annual health check-up by medical team from leading hospital, for every personnel on a voluntary basis. The annual staff health check-up for 2014 took place on 24 June 2014.

Employees' benefits and Development

Thaivivat Insurance Public Company Limited provides training to develop the proficiency of staffs constantly to improve insurance knowledge and other required skills for insurance operation and services. Currently, the company has developed human resource development strategic plan over the long term to be based properly and continuously that will inspire staffs to have mutual goals and understanding. The staff performance goals will be set individually to relate to the company goals that would lead to the sustainable growth of the company.

In 2015, the company has appointed Brand Ambassador to be trained on the leadership skill. The main task of Brand Ambassador is to be the representative of the corporation by hosting events and publicizing news and information to all departments. This project also encourages staffs to be confident and have leadership for their further personal-development in other aspects. The Brand Ambassador will be changed every year to allow staffs to participate in other different projects. The company provides initial staff training for new staffs every year in the course of "Corporation and Products". This training is the orientation to get the staffs to know the corporate culture, adjust their attitude and understand working behavior expected by the company. It also provides trainings on various topics as follow;

- Regional human resource development project for claim by Claim Department - Thaivivat Insurance Public Company Limited
- Strategic thinking and applying skills development by En-Training
- Positive attitude creating for success in work and teamwork by Dr. Vilas Duang Kamnerd
- Harmonizing - brainstorming for international business by Institute of Human Resources Development

Besides, our staff had participated in several knowledge and skill trainings held by other organizations. In 2014, we sent our staff to join trainings or seminars regarding to their jobs at average 11 hours per person. The major trainings or seminars in 2015 are:

- Coaching for the manager by Thai General Insurance Association
- Get to know insurance business by Thaire Training Company Limited
- I4 ASP.NET 4.5, Nonship PC by Computer Institute, Rangsit
- Organization knowledge management by Thai General Insurance Association
- Tricks for negotiation with employees by Asian Business Training Company Limited
- 12th Thailand road safety seminar “Next steps : The second half of decade of action for road safety 2015-2020” by Road Safety Group Thailand
- Accident investigation batch #6 by Thai General Insurance Association
- Network & Security Engineering for AEC Course by 9IT Limited Partnership
- Insurance management development program (IMDP 21) by Thai General Insurance Association
- International cargo insurance by Thai General Insurance Association
- Investment department custodian of life insurance/ General Insurance Company (Batch#3) by Thai General Insurance Association
- 2nd debt collection act B.E.2558 and guideline for overdue claim by Thai General Insurance Association

Participation in opinion expression

In 2015, the company applied the concept of creating the corporation of happiness, which was the process of intentionally and strategically developing human resources, in line with the corporate vision to allow the corporation to be competent and ready for any changes. The concept would lead the corporation into the sustainable growth and develop the operation continuously.

The company also provided communication channels to make a good relationship between the corporation, directors and staffs at all levels through various channels, such as Intranet system, radio broadcasting, notice, monthly/ annual meeting and so on.

Safety at work

Thaivivat Insurance PLC is concerned for the well-being and safety of its personnel. It is deemed that the said matter reflects on a good quality of life and is one of the factors that promote work performance with efficiency, with confidence in engaging in various activities. The company makes an advance preventative planning correctly and appropriately. The most importance is preventive action has been taken and a campaign to impart knowledge has been launched in the matter of fire prevention and fire drill is carried out every year, including the preparedness check on fire equipment and fire alarm system have been carried out regularly. This is to ensure that the personnel are informed of practical guidelines and to face up to the real situation that may happen. In 2015, the company organized a fire prevention training which took place.

Resource persons from Suthisan Fire Station, Fire Management Division 3, Fire & Rescue Office, were invited give a talk on basic knowledge about category and cause of fire; on what to do in case of an outbreak of fire and on basic fire-extinguishment. As for the fire drill for 2015, it was organized on 4 November 2015 at Thaivivat Insurance Building under the supervision of fire officers from Suthisan Fire Station.

Responsibility To Consumers

Thaivivat Insurance PLC is determined to create satisfaction in the product and assurance in service to the insured with responsibility to the insured that the insured receives good, quality service at suitable price in accordance with the supervisory criteria of the Office of the Insurance Commission (OIC). That is, the format and the text in the insurance policy must be consistent with the rate of insurance premium and have the clear meaning as well as the definition being used must correct according to technical principle as to preclude the problem of legal interpretation in the claim complaint by using premium rate that is suitable and approved by the registrar.

In addition, there has been various developments, improvements on the format of the insurance as to suit the changing need of Thai society as well as continual development and improvement on service in tandem with the changing technology as to create convenience, speed in providing service to the insured.

Service in compensation

The company has formulated a policy in relation to the payment of compensation to ensure speedy and capable of helping the people substantially as OIC regulation. The company has introduced innovation and new technologies to be adapted to the insurance service work with application of e-claim system to the service in full management of compensation to enhance the efficiency, facilitating the speed for the customer who met with the accident. Now, the company has opened 21 branches to provide service in compensation countrywide.

Thaivivat Mobile Application

Company considers vital roles of mobile phones in modern daily life; mobile application is therefore developed to provide integrated online services for company's insured. The application named Thaivivat m-station has several major functions including accident hotline which the users can contact us without dialing telephone numbers and also indicate coordinates of accident with GPS. Hence, it reduces service time, enhance customer satisfaction. In addition, the application can locate nearest hospitals and garages, premium payment for policy renewal. This application is available for both IOS and Android.

Development of various channels to buy insurance

In the aspect of service, the company has developed the channels to access the insurance product and the development of service quality of various insurances consistently. The company has developed various channels of buying the insurance to enable the consumers to access conveniently, that is, via the counter in the department store, via the counter service in the convenience store countrywide, via the website thaivivat.com.

Communication channel

The company has many ways of contact for customers, partners, stakeholders and other people to access to our product and service information or to make a complaint equally. Our website is www.thaivivat.co.th and our telephone number is 02-695-0800.

Other services

- **The customer relations center** to provide convenient to the public in the style of One Stop Service. There will be available expert personnel to provide advice, to help create understanding, to solve basic problem and to follow up on various problems of the people to ensure proper care and remedy efficiently. Besides, various pieces of information on problems found will be used as a basis for improvement on service and development of work performance of the company. Customer Relations can be reached at telephone number 02-695-0800 in office hours (Monday - Friday at 8.00-18.00 hrs.) Fax. 02-695-0808, mail (71 Dindaeng, Samsennai, Phayathai, Bangkok 10400), website www.thaivivat.co.th and facebook www.facebook.com/thaivivat.
- **Roadside assistance service.** It is the service provided to the insured of motor vehicle in the event of the car breaking down en route. The company's staff are available to give technical advice to remedy the situation including the mechanic service outside of the premises to provide assistance at the point of accident 24 hours.

MANAGEMENT OF ENVIRONMENT

The company is determined to conserve society and the environment by means of doing its business under the code of ethics and good corporate governance in tandem with care and attention given to society and the environment that leads to sustainable development in spite of the fact that Thaivivat PLC is not in the industrial sector that necessitates the use of natural resources in the production comprehensively; but it cannot be denied that the company has used the natural resource in the aspect of energy and various resources to drive the business. The company therefore attaches importance to create the awareness of using energy and the company's personnel resource economically and cost-effectively as well as the awareness of the commitment to care for the environment and the personnel of the company.

Environmental focus is one of the company's attentions because of the invaluable benefits of an integrated biodiversity and ecological for peaceful human living and national resources that is important to the sustainable development of local communities and Thailand. In 2015, the company sponsored the activities of Nation Bike Thailand Project by Nation Broadcasting Corporation Public Company Limited to invite people to reduce global warming and pollution by cycling. The company also sponsored travel insurance with the liability limit of THB 1,000,000 to the lucky winner who joined the event.

Joint community and Social Development

The community and social development is a key composition of sustainable business development. Currently business development and investment at Asian regional level call for business to consider more social responsibility. It is imperative to realize importance to the community and social development as an advantage and sustainability composition in doing business as to prepare for entering into doing business at the level of Southeast Asia Region. In 2014, the company operates the business by considering community and social development as follows:

Micro-insurance

Thaivivat Insurance PLC has carried out the work for community and social development in accordance with the policy of the Office Insurance Commission (OIC) in the Insurance Development Plan No 2 (2010-2014). In particular, on the part of enhancing confidence, the awareness of the importance of insurance and the access to the insurance system by the people at all level. Since suitable insurance plays a role in the stability of the quality of life of the people which is the participation in important development of Thai society.

The company has provided service in insurance in various, distinct formats taking into account the needs of the people which are changing in tandem with social and economic situation. The company has a policy to promote micro-insurance with simplified coverage, economic premium rate that can be easily accessible to the public at all levels with extensive channels. These insurances are as follows :

1. **Cancer Micro-insurance** It joins with counter services under the All Insurance Project, for 2nd year, which emphasizes public access to sale of micro-insurance by selling via the counter service with over 6,000 branches in Thailand with the premium rate of 711 Baht per year and total coverage of 70,000 Baht.
2. **Rice Insurance for the 2015 harvest year** Rice Insurance for the 2015 harvest year covers 7 categories of natural disasters including flood, dry spell, windstorm, cold weather, hail and fire, also pests and epidemic. The insurance coverage area is divided into 5 areas based on the risk of each area that brings about different insurance fee rate of THB 124.12 - 483.64. The farmers who join the project will pay the insurance fee of THB 60 - 100 per rai. The government will help to pay the rest of insurance fee of THB 64.12 - 383.64 per rai. The company is 1 of 8 companies that insure the liability limit of THB 1,111 per rai throughout the planting period, the liability limit of THB 555 per rai for 6 categories of natural disasters. For pests and epidemic, the claim will be paid according to the damage assessment that the government is conducting at the moment as well as the project in 2011- 2014
3. **“200” micro-insurance** Thaivivat Insurance PLC is an insurance company participating in the “Insurance coverage 200 policy” project in collaboration with the Office Insurance Commission (OIC). The insurance coverage 200 is a personal accident micro-insurance to provide coverage to the insured in the event of death, loss of limbs, eyesight, complete disability due to accident. The coverage is 1 year

with premium of mere 200 Baht for the insured aged 20 – 60 years having the objective to provide opportunity to the people at all level to by insurance policy at affordable price.

Contribution to the Fund for the Development of Society and Community in Various Aspects

Social and community Support

The company made donation to organizations and institutes in 2015 as following:

- Cosponsored the 500 underlines golf charity by Preedee Kasemsup Foundation
- Donated to Red Cross Charity event (The Royal Thai Armed Forces Headquarters Wives' Association)
- Donated to Ban Kru Noi's disadvantaged children
- Sponsored Love Charity Rally (The Parent – Teacher Association of Mahasarakham University)
- Sponsored Thammasat Meet People Project by giving accident insurance to medical volunteers in upcountry Society and Communities

Sports, religions and art and cultural Support

The company made donation to organizations and institutes to support religions, art and cultural and sports in 2015 as following:

- Sponsored M-150 boxing charity
- Sponsored awards in sport days (Ministry of Commerce and Private Corporations)
- Donated football equipments to the youth football team of Ban Lat Nam Khao, Saphanburi
- Sponsored running charity at Chiang Mai University

11. Internal Control and Risk Management

The company has provided internal control and risk management system effectively. The Board of Directors and management have duty and responsibility to provide and maintain systems of internal control and risk management. The management proceeds to evaluate an adequacy of internal control system and assigns the Audit Committee to carry out duty and responsibility for adequacy review of the internal control system based on the adequacy evaluation of internal control system in the Securities and Exchange Commission that covers as follows :

Control Environment

1. The company has a value commitment of integrity and morality.
2. The Board of Directors are independent from management, work oversight and develop an internal control proceeding.
3. Management provides the report structure, determines power and responsibility to reach the company objective under the Board of Directors oversight.
4. The company shows commitment to motivate, develop and maintain competent personnel.
5. The company assign personnel to have duty and responsibility in the internal control in order to achieve the company objective.

Risk Assessment

6. The company has a clear objective in order to identify and evaluate the risks that relate to achieve the company objective.
7. The company identifies and analyzes all risks that might affect objective throughout the organization.
8. The company considers opportunity to have fraud in risk assessment to the company objective.
9. The company can identify and evaluate changes that affect the internal control system.

Control Activities

10. The company has control measures to reduces risk in an acceptable level.
11. The company selects and develops the control activities with technology system to help support company objective.
12. The company provides control activities through a policy which defines expectation and procedure to practice information and communication systems.
13. The company has related and quality data to support the internal control that can be carried out as specified.
14. The company communicates internal data including objective and responsibility in the internal control that can be proceeded.
15. The company communicates with external agencies about issues that may affect on internal control.

Monitoring activities

16. The company monitors and evaluates the internal control to ensure that it has still been proceeded completely.

17. The company evaluates and communicates the defect of internal control in time to the responsible persons including senior management and the Board of Directors.

The Executive Committee has evaluated the company's internal control and has an opinion that the company has the suitable and appropriate internal control system and risk management to operate effectively.

The Audit Committee Opinion

The Audit Committee has evaluated an adequacy of company internal control system based on the Securities and Exchange Commission, has the opinion that the company has the suitable and appropriate internal control system and risk manangement to operate effectively.

In the year 2015, Audit Committee has performed the duties as delegate by the company's Board of Directors and has the Internal Audit working unit operated as the scope, duty, and responsibility defined in the Internal Audit Operation Manual of company by the staff within the Internal Audit department at the Director level has experience in becoming the auditor for 30 years and start working with the company in the position of Accounting Department Manager for 10 years before taking the position of Audit Department Director in the year 1999.

6. Related Transactions

None

7. Financial Statements

As attachment

Thaivivat Insurance Public Company Limited
Report and financial statements
31 December 2015

Independent Auditor's Report

To the Shareholders of Thaivivat Insurance Public Company Limited

I have audited the accompanying financial statements of Thaivivat Insurance Public Company Limited, which comprise the statements of financial position as at 31 December 2015, and the related statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thaivivat Insurance Public Company Limited as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of matter

I draw attention to Note 4 to the financial statements regarding the change in accounting policy due to the adoption of TAS19 (revised 2014) Employee Benefits. The Company has restated the statements of comprehensive income for the year ended 31 December 2014, presented herein as comparative information, to reflect the adjustments resulting from such change. My opinion is not qualified in respect of this matter.

Somjai Khunapasut
Certified Public Accountant (Thailand) No. 4499

EY Office Limited
Bangkok: 26 February 2016

Thaivivat Insurance Public Company Limited
Statements of financial position
As at 31 December 2015

		(Unit: Baht)	
	Note	2015	2014
Assets			
Cash and cash equivalents	7	326,834,483	143,697,595
Accrued investment income		7,840,025	19,954,062
Premium receivables	8	426,393,578	339,564,052
Reinsurance assets	9	483,709,662	443,233,352
Investment assets			
Investments in securities			
Trading securities	10	257,922,105	189,449,408
Available-for-sale investments	10	1,847,233,632	932,478,457
Held-to-maturity investments	10	397,680,938	1,329,481,667
Other investments	10	3,720,650	3,720,650
Loans	11	7,996,179	10,970,820
Property, buildings and equipment	12	277,547,361	241,402,337
Intangible assets - computer software	13	8,772,340	9,181,275
Deferred tax assets	14	73,276,287	47,695,847
Receivable from sale of investments		248,651	139,972,688
Other assets	15	470,768,425	479,045,560
Total assets		4,589,944,316	4,329,847,770

The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited
Statements of financial position (Continued)
As at 31 December 2015

		(Unit: Baht)	
	Note	2015	2014
Liabilities and equity			
Liabilities			
Income tax payable		-	4,050,996
Due to reinsurers	16	358,657,203	353,761,808
Insurance contract liabilities			
Loss reserves and outstanding claim	17	907,610,011	842,491,575
Premium reserves	18	1,574,100,477	1,462,720,593
Employee benefit obligations	19	105,556,755	135,800,906
Other liabilities	20	549,247,886	429,719,633
Total liabilities		<u>3,495,172,332</u>	<u>3,228,545,511</u>
Equity			
Share capital			
Registered	21		
303,000,000 ordinary shares of Baht 1 each (2014: 151,500,000 ordinary shares of Baht 1 each)		<u>303,000,000</u>	<u>151,500,000</u>
Issued and paid-up			
303,000,000 ordinary shares of Baht 1 each (2014: 151,500,000 ordinary shares of Baht 1 each)		303,000,000	151,500,000
Premium on share capital		163,800,007	163,800,007
Retained earnings			
Appropriated - statutory reserve	22	30,300,000	20,000,000
Unappropriated		498,198,502	651,497,298
Other components of equity			
- surplus on changes in value of investments	10.3	99,473,475	114,504,954
Total equity		<u>1,094,771,984</u>	<u>1,101,302,259</u>
Total liabilities and equity		<u>4,589,944,316</u>	<u>4,329,847,770</u>
		-	-

The accompanying notes are an integral part of the financial statements.

.....
Directors
.....

Thaivivat Insurance Public Company Limited

Statements of comprehensive income

For the year ended 31 December 2015

		(Unit: Baht)	
	Note	2015	2014
			(Restated)
Profit or loss:			
Income			
Net earned premium		2,307,473,247	2,232,672,645
Fee and commission income		220,409,549	238,439,271
Total income		2,527,882,796	2,471,111,916
Expenses			
Underwriting			
Claim and loss adjustment expenses		1,515,154,083	1,381,627,989
Commission and brokerage expenses		545,507,888	520,721,614
Other underwriting expenses		183,177,286	185,228,191
Contribution to Road Accident Victims Protection			
Company Limited		10,938,244	11,405,328
Operating expenses	23	333,822,898	333,318,972
Total underwriting expenses		2,588,600,399	2,432,302,094
Profit from underwriting		(60,717,603)	38,809,822
Net investment income		77,153,756	100,001,896
Gain on investments		26,242,447	10,778,138
Fair value gain (loss) on investments		(17,951,385)	70,534,503
Other income		13,714,966	13,855,087
Profit from operations		38,442,181	233,979,446
Contribution to the Office of Insurance Commission		(8,312,357)	(8,121,570)
Contribution to the General Insurance Fund	31	(7,812,357)	(7,621,570)
Contribution to the Victims Compensation Fund		(892,918)	(931,047)
Profit before income tax expenses		21,424,549	217,305,259
Income tax revenue (expenses)	14	899,327	(34,207,779)
Profit for the year		22,323,876	183,097,480

The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited
Statements of comprehensive income (continued)
For the year ended 31 December 2015

		(Unit: Baht)	
	Note	2015	2014
			(Restated)
Other comprehensive income:			
Other comprehensive income to be reclassified			
to profit or loss in subsequent periods			
Gain (loss) on changes in values of available-for-sale			
investments		(18,789,349)	61,564,054
Income tax effect		3,757,870	(12,312,810)
Net other comprehensive income to be reclassified			
to profit or loss in subsequent periods (loss)		(15,031,479)	49,251,244
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods			
Actuarial gain (loss)		3,763,494	(5,163,260)
Income tax effect		(752,699)	1,032,652
Net other comprehensive income not to be reclassified			
to profit or loss in subsequent periods (loss)		3,010,795	(4,130,608)
Other comprehensive income for the year (loss)		(12,020,684)	45,120,636
Total comprehensive income for the year		10,303,192	228,218,116
Earnings per share			
	26		
Basic earnings per share		0.07	0.60

The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited**Statements of cash flows****For the year ended 31 December 2015**

	(Unit: Baht)	
	2015	2014
Cash flows from operating activities		
Direct premium written	3,074,914,083	3,118,595,442
Cash paid for reinsurance	(184,681,247)	(230,197,777)
Loss incurred on direct insurance	(1,602,361,124)	(1,625,663,649)
Loss adjustment expenses on direct insurance	(27,841,120)	(32,847,465)
Commission and brokerage on direct insurance	(532,429,845)	(529,268,031)
Other underwriting expenses	(100,377,016)	(87,432,952)
Interest income	46,123,060	34,881,058
Dividend income	43,186,033	55,725,420
Other investment income	4,063,180	5,575,380
Other income	9,610,355	8,509,178
Operating expenses	(500,340,422)	(614,961,887)
Income tax	(25,784,603)	(26,367,182)
Net cash from operating activities	204,081,334	76,547,535
Cash flows from investing activities		
Cash flows from		
Investments in securities	1,313,927,979	1,534,106,014
Loans	6,156,641	4,671,801
Deposits at financial institutions	1,336,434,372	780,000,000
Equipment	863,380	645,069
Net cash from investing activities	2,657,382,372	2,319,422,884
Cash flows used in		
Investments in securities	(2,019,591,312)	(1,379,844,467)
Loans	(3,182,000)	(4,440,000)
Deposits at financial institutions	(578,782,488)	(1,013,212,679)
Property, buildings and equipment	(59,937,551)	(44,123,997)
Net cash used in investing activities	(2,661,493,351)	(2,441,621,143)
Net cash used in investing activities	(4,110,979)	(122,198,259)

The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited

Statements of cash flows (continued)

For the year ended 31 December 2015

	(Unit: Baht)	
	2015	2014
Cash flows from financing activities		
Dividend paid	(16,833,467)	(48,479,360)
Net cash used in financing activities	(16,833,467)	(48,479,360)
Net increase (decrease) in cash and cash equivalents	183,136,888	(94,130,084)
Cash and cash equivalents at beginning of year	143,697,595	237,827,679
Cash and cash equivalents at end of year	<u>326,834,483</u>	<u>143,697,595</u>

The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited

Statements of changes in equity

For the year ended 31 December 2015

(Unit: Baht)

	Note	Retained earnings				Other components of equity	Total
		Issued and paid-up share capital	Premium on share capital	Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2014		151,500,000	163,800,007	20,000,000	521,009,786	65,253,710	921,563,503
Profit for the year		-	-	-	183,097,480	-	183,097,480
Other comprehensive income for the year (loss)		-	-	-	(4,130,608)	49,251,244	45,120,636
Total comprehensive income for the year		-	-	-	178,966,872	49,251,244	228,218,116
Dividend paid	28	-	-	-	(48,479,360)	-	(48,479,360)
Balance as at 31 December 2014		<u>151,500,000</u>	<u>163,800,007</u>	<u>20,000,000</u>	<u>651,497,298</u>	<u>114,504,954</u>	<u>1,101,302,259</u>
Balance as at 1 January 2015		151,500,000	163,800,007	20,000,000	651,497,298	114,504,954	1,101,302,259
Profit for the year		-	-	-	22,323,876	-	22,323,876
Other comprehensive income for the year (loss)		-	-	-	3,010,795	(15,031,479)	(12,020,684)
Total comprehensive income for the year (loss)		-	-	-	25,334,671	(15,031,479)	10,303,192
Unappropriated retained earnings transferred to statutory reserve	22	-	-	10,300,000	(10,300,000)	-	-
Dividend paid	28	151,500,000	-	-	(168,333,467)	-	(16,833,467)
Balance as at 31 December 2015		<u>303,000,000</u>	<u>163,800,007</u>	<u>30,300,000</u>	<u>498,198,502</u>	<u>99,473,475</u>	<u>1,094,771,984</u>
					-		-

The accompanying notes are an integral part of the financial statements.

Thaivivat Insurance Public Company Limited

Notes to financial statements

For the year ended 31 December 2014

1. General information

Thaivivat Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the non-life insurance. The registered office of the Company is at 71 Thaivivat Insurance Building, Dindaeng Road, Samsen Nai, Phayathai, Bangkok.

2. Basis of preparation the financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, and in accordance with Thai accounting practices related to insurance, and the guidelines prescribed by the Office of Insurance Commission (“OIC”). The presentation of the financial statements has been made in compliance with the Declaration of the Office of Insurance Commission dated 27 May 2010.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

3.1 Financial reporting standards that became effective in the current year

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal year beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements. However, some of these standards involve changes to key principles, the following are the standards that directly relevant to the Company:

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gain and loss immediately in other comprehensive income while the former standard allowed the entity to recognise such gain and loss immediately in either profit or loss, or other comprehensive income, or to recognise them gradually in profit or loss.

The Company has changed the recognition of actuarial gain and loss in current period from gradually recognises actuarial gain and loss in profit or loss to an immediate recognition in other comprehensive income and adjusted the current year's transactions, and restated the prior year's financial statements, presented as comparative information, as if the Company had always applied this accounting policy. The cumulative effect of changes in accounting policies is presented in Note 4 to the financial statements.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied, except

TFRS 4 (revised 2015) Insurance Contracts

The objective of TFRS 4 is to provide guidance on financial reporting for the insurance contracts that an entity issues (including reinsurance contracts) and the reinsurance contracts that it holds, and to require limited improvements to accounting by insurers for insurance contracts until the second phase of the project on financial reporting standards for insurance contracts is completed. This TFRS requires disclosure that identifies and explains the amounts in an insurer's financial statements arising from insurance contracts and prohibits provisions for claims that have not occurred at the end of the reporting period, and requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets. It temporarily exempts insurers from some requirements of other TFRSs, including the requirement for insurers to consider the framework in selecting accounting policies for insurance contracts.

At present, the Company's management is still evaluating the first-year impact to the financial statements and has yet to reach a conclusion.

4. Effect of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3 to the financial statements, during the current year, the Company has changed some of their accounting policies, as a result of the adoption of revised financial reporting standards No. 19 (revised 2014) Employee Benefits.

The amounts of adjustments affecting the statements of comprehensive income are summarised below.

	(Unit: Baht)
	For the year ended
	<u>31 December 2014</u>
Profit or loss:	
Decrease in claim and loss adjustment expenses	5,946,736
Increase in other underwriting expenses	1,839,983
Decrease in operating expenses	1,056,507
Increase in net profit	4,130,608
Other comprehensive income:	
Increase in actuarial loss	5,163,260
Decrease in other comprehensive income	4,130,608
Earnings per share:	
Increase in basic earnings per share	0.01

5. Significant accounting policies

5.1 Revenue recognition

(a) Premium income

Premium income consists of direct premium and reinsurance premium less premium of canceled policies and premiums refunded to policyholders and adjusted with unearned premium reserve.

Direct premium income is recognised on the date the insurance policy comes into effect. For long-term insurance policies with coverage periods of longer than 1 year, related revenues are recorded as unearned items, and recognised as income over the coverage period.

Reinsurance premium income is recognised as income when the reinsurer places the reinsurance application or the statement of accounts with the Company.

(b) Commission and brokerage fees income

Commission and brokerage fees from ceded premium are recognised when the insurance risk is transferred to another insurer.

Commission and brokerage fees from ceded premium with coverage periods longer than 1 year are recorded as unearned items and recognised as income over the coverage period.

(c) Interest and dividend income

Interest income is recognised on an accrual basis based on the effective interest rate. Dividend is recognised when the right to receive the dividend is established.

(d) Gain (loss) on investments

Gain (loss) on investments is recognised as income or expense on the transaction date.

(e) Interest income on loan

Interest income on loan is recognised as income on an accrual basis, based on the amount of principal outstanding.

5.2 Expenses recognition

(a) Ceded premium

Ceded premium is recognised as expenses when the insurance risk is transferred to another insurer.

For long-term reinsurance policies with coverage periods longer than 1 year, ceded premium is recorded as prepaid expenses and recognised as expenses over the coverage period.

(b) Commission and brokerage fee expenses

Commission and brokerage fee are expended when incurred.

Commission and brokerage fee paid for policies with coverage periods of longer than 1 year are recorded as prepaid items and recognised as expenses over the coverage period.

(c) Claim and loss adjustment expenses

Claim and loss adjustment expenses consist of claim and loss adjustment expenses of direct insurance and reinsurance, and include the amounts of the claim, related expenses, and loss adjustments of the current and prior period incurred during the year, less residual value and other recoveries (if any), and claim refundable from reinsurers.

Claim and loss adjustment expenses of direct insurance are recognised upon the receipt of the claim advice from the insured, based on the claim notified by the insured and estimates made by the Company's management. The maximum value of claim estimated is not however exceed the sum-insured under the relevant policy.

Claim and loss adjustment expenses of reinsurance are recognised as expenses when the reinsurer places the loss advice with the Company.

5.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

5.4 Premium receivables and allowance for doubtful accounts

Premium receivable from both direct and reinsurance is stated at its net realisable value. The Company set up an allowance for doubtful account based on the estimated loss that may incur in collection of the premium receivable, on the basis of collection experience, analysis of debtor aging and a review of current status of the premium receivable as at the end of reporting period.

Increase (decrease) in allowance for doubtful accounts is recorded as expenses during the year.

5.5 Reinsurance assets and due to reinsurers

- (a) Reinsurance assets are stated at the outstanding balance of amounts due from reinsurers, amounts deposit on reinsurance, and insurance reserve refundable from reinsurers.

Amounts due from reinsurers consist of accrued commission and brokerage income, claim and various other items receivable from reinsurers, excluding reinsurance premium receivable, less allowance for doubtful accounts. The Company records allowance for doubtful accounts for the estimated loss that may be incurred due to inability to make collection, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting period.

Insurance reserve refundable from reinsurers is estimated based on the related reinsurance contract of premium reserve, loss reserve and outstanding claim in accordance with the law regarding insurance reserve calculation.

- (b) Amounts due to reinsurers are stated at the outstanding balance payable from reinsurance and amounts withheld on reinsurance.

Amounts due to reinsurers consist of reinsurance premiums and other items payable to reinsurers, excluding loss reserve from reinsurance.

The Company presents net of reinsurance to the same entity (reinsurance assets or amounts due to reinsurers) when the following criteria for offsetting are met.

- (1) The entity has a legal right to offset amounts presented in the statements of financial position, and
- (2) The entity intends to receive or pay the net amount recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

5.6 Investments in securities

- (a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- (b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in comprehensive income and will be recorded in profit or loss when the securities are sold.
- (c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- (d) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instrument is determined based on yield rate quoted by the Thai Bond Market Association. The fair value of unit trust is determined from its net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investment will be readjusted to its fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of equity, depending on the type of investments that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.7 Loans and allowance for doubtful accounts

Loans are stated at net realisable value. Allowance for doubtful accounts is provided for the estimated loss that may be incurred in collection of loans based on an evaluation of the current status of the debtors, taking into consideration the recovery risk and the value of collateral.

Increase (decrease) in allowance for doubtful accounts is recorded as expenses during the year.

5.8 Property, buildings and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 years
Furniture and equipment, motor vehicles	-	3 and 5 years

Depreciation is included in determining income.

No depreciation is provided on land.

An item of property, buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

5.9 Intangible assets and amortisation

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment loss (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The useful lives of intangible assets with finite useful lives which are computer software are 10 years.

5.10 Impairment of assets

At the end of each reporting period, the Company performs impairment review in respect of the property, buildings and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment loss may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

5.11 Loss reserve and outstanding claim

Outstanding claim are recorded at the amount to be actually paid. Loss reserve is provided upon receipt of claim advices from the insured based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimate is not however exceed the sum-insured under the relevant policy.

The Company records additional provision for loss incurred but not reported claims (IBNR), using an actuarial method based on a best estimate of claims which are expected to be paid in respect of loss occurring before or as at the reporting date. The IBNR is calculated for both reported and not reported losses, and net of recorded claims.

5.12 Premium reserves

Premium reserves consist of unearned premium reserve and unexpired risk reserve.

(a) Unearned premium reserve

Unearned premium reserve is calculated based on direct premium before deducting premium ceded as follows:

Marine and transportation and travelling accident with coverage period of not over six-months	-	100% of premium as from the date policy is effective
Others	-	Daily average basis (the one- three hundred sixty fifth basis)

(b) Unexpired risk reserve

Unexpired risk reserve is the reserve for the claim that may be incurred in respect of in-force policies. Unexpired risk reserve is set aside using an actuarial method, at the best estimate of the claim that is expected be incurred during the remaining period of coverage, based on historical claim data.

At the end of each reporting period, the Company compares the amounts of unexpired risk reserve with unearned premium reserve, and if unexpired risk reserve is higher than unearned premium reserve, the difference is recognised as unexpired risk reserve is therefore presented in the financial statements.

5.13 Employee benefits

(a) Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

(b) Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by an independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gain and loss arising from post-employment benefits are recognised immediately in other comprehensive income.

5.14 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and its carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

At each reporting period, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

5.15 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

5.16 Long-term leases

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

5.17 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gain and loss on exchange are included in determining income.

5.18 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

5.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities. In case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

6. Significant accounting judgments and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

6.1 Allowance for doubtful accounts on receivables and loans

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

6.2 Impairment of investments in securities

The Company treats investments in securities as impaired when management considers that such investments has an indication of impairments. The determination of indication of investments requires judgment of the management.

6.3 Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value and disclosures of fair value hierarchy.

6.4 Property, buildings and equipment/Depreciation

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual value of the buildings and equipment, and to review estimate useful lives and residual value when there are any changes.

In addition, the management is required to review property, buildings and equipment for impairment on a periodical basis and record impairment loss when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

6.5 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6.6 Loss reserve and outstanding claim

At the end of each reporting period, the Company has to estimate loss reserve and outstanding claim taking into account two factors. These are the claim incurred and reported, and the claim incurred but not reported (IBNR). The IBNR reserve is calculating by using an international standard actuarial method.

The main assumptions underlying these techniques relate to historical experience, including the development of claim estimates, paid and incurred loss, average loss per claim and claim numbers etc. To perform the calculation, it is necessary to perform analysis based on the type of insurance and to use the services of an actuary with expertise, experience, and an understanding of the insurance business and the Company's products. Nevertheless, such estimates are forecasts of future outcomes, and actual results could differ.

6.7 Unexpired risk reserve

Unexpired risk reserve is calculated using an actuarial method, based on a best estimate of the claims expected to be paid over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at that time.

6.8 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6.9 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgment to assess the results of the litigation and believes that loss incurred will not exceed the recorded amounts as at the end of reporting period.

7. Cash and cash equivalents

	(Unit: Baht)	
	2015	2014
Cash in hand	2,414,209	4,191,526
Deposits at banks with no fixed maturity date	136,604,369	127,657,086
Deposits at banks with fixed maturity date	481,973,832	1,103,658,793
Bills of exchange	50,000,000	10,000,000
Total cash and deposits at financial institutions	670,992,410	1,245,507,405
Less: Deposits at banks which amounts maturing in over 3 months	(321,504,558)	(1,080,691,778)
Deposits at banks which subject to restrictions	(22,653,369)	(21,118,032)
Cash and cash equivalents	<u>326,834,483</u>	<u>143,697,595</u>

As at 31 December 2015, saving deposits, fixed deposits and bills of exchange carried interests between 0.75% and 3.00% per annum (2014: between 0.75% and 3.50% per annum).

8. Premium receivables

The balances as at 31 December 2015 and 2014 of premium receivables are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

	(Unit: Baht)			
	2015			
	Due from insured	Due from agents and brokers	Due from reinsurers	Total
Not yet due	1,019,807	358,615,420	229,746	359,864,973
Not over 30 days	117,936	36,312,957	66,614	36,497,507
Over 30 days to 59 days	424,084	13,091,067	-	13,515,151
Over 60 days to 89 days	43,869	5,607,818	-	5,651,687
Over 90 days to 1 year	183,154	10,638,073	-	10,821,227
Over 1 year	60,720	4,233,315	43,033	4,337,068
Total premium receivables	1,849,570	428,498,650	339,393	430,687,613
Less: Allowance for doubtful accounts	(60,720)	(4,233,315)	-	(4,294,035)
Total premium receivables, net	<u>1,788,850</u>	<u>424,265,335</u>	<u>339,393</u>	<u>426,393,578</u>

(Unit: Baht)

	2014			Total
	Due from insured	Due from agents and brokers	Due from reinsurers	
Not yet due	3,587,368	284,756,371	105,378	288,449,117
Not over 30 days	199,286	32,859,645	-	33,058,931
Over 30 days to 59 days	56,688	10,261,662	8,946	10,327,296
Over 60 days to 89 days	568	2,733,701	-	2,734,269
Over 90 days to 1 year	68,145	4,883,261	-	4,951,406
Over 1 year	60,802	2,513,201	43,033	2,617,036
Total premium receivables	3,972,857	338,007,841	157,357	342,138,055
Less: Allowance for doubtful accounts	(60,802)	(2,513,201)	-	(2,574,003)
Total premium receivables, net	3,912,055	335,494,640	157,357	339,564,052

For premium receivables due from agents and brokers, the Company has stipulated the collection guideline in accordance with the law of the premium collection. For overdue premium receivables, the Company has the legal process with such agents and brokers.

9. Reinsurance assets

	(Unit: Baht)	
	2015	2014
Amounts due from reinsurers	65,517,956	37,919,284
Insurance reserve refundable from reinsurers	418,191,706	405,314,068
Reinsurance assets	483,709,662	443,233,352

The balances as at 31 December 2015 and 2014 of the amounts due from reinsurers are classified by aging as follows:

	(Unit: Baht)	
	2015	2014
Not yet due	51,453,819	4,052,946
Not over 12 months	14,011,268	33,072,124
Over 1 year to 2 years	52,869	794,214
Total amounts due from reinsurers	65,517,956	37,919,284

10. Investments in securities

10.1 Classified by type of investments

(a) Trading securities

(Unit: Baht)

	2015				Percentage of investments to total assets
	Cost	Unrealised gain	Unrealised loss	Fair Value	
Private enterprises securities					
Equity securities	285,052,833	25,129,945	(53,473,213)	256,709,565	5.59
Warrants	-	1,212,540	-	1,212,540	0.03
Total trading securities	<u>285,052,833</u>	<u>26,342,485</u>	<u>(53,473,213)</u>	<u>257,922,105</u>	<u>5.62</u>

(Unit: Baht)

	2014				Percentage of investments to total assets
	Cost	Unrealised gain	Unrealised loss	Fair Value	
Private enterprises securities					
Equity securities	198,628,751	20,043,647	(29,398,272)	189,274,126	4.37
Warrants	-	175,282	-	175,282	-
Total trading securities	<u>198,628,751</u>	<u>20,218,929</u>	<u>(29,398,272)</u>	<u>189,449,408</u>	<u>4.37</u>

(b) Available-for-sale investments

(Unit: Baht)

	2015				Percentage of investments to total assets
	Cost	Unrealised gain	Unrealised loss	Fair Value	
Government and state enterprises securities					
State enterprise bonds	10,000,000	340,441	-	10,340,441	0.23
Private enterprises securities					
Debentures	150,093,940	5,866,061	-	155,960,001	3.40
Equity securities	51,242,927	101,462,867	(1,710,220)	150,995,574	3.29
Unit trusts	1,511,731,205	63,387,770	(45,005,076)	1,530,113,899	33.34
Total	1,723,068,072	171,057,139	(46,715,296)	1,847,409,915	40.26
Less: Allowance for impairment	(176,283)	-	-	(176,283)	-
Total available-for-sale investments	<u>1,722,891,789</u>	<u>171,057,139</u>	<u>(46,715,296)</u>	<u>1,847,233,632</u>	<u>40.26</u>

(Unit: Baht)

	2014				Percentage of investments to total assets
	Cost	Unrealised gain	Unrealised loss	Fair Value	
Government and state enterprises securities					
State enterprise bonds	10,000,000	278,149	-	10,278,149	0.24
Private enterprises securities					
Debentures	85,093,940	3,624,149	-	88,718,089	2.05
Equity securities	55,475,876	114,404,091	(403,043)	169,476,924	3.91
Unit trusts	638,953,732	51,401,850	(26,174,004)	664,181,578	15.34
Total	789,523,548	169,708,239	(26,577,047)	932,654,740	21.54
Less: Allowance for impairment	(176,283)	-	-	(176,283)	-
Total available-for-sale investments	789,347,265	169,708,239	(26,577,047)	932,478,457	21.54

(c) Held-to-maturity investments

(Unit: Baht)

	2015		2014	
	Cost/ Amortised cost	Percentage of investments to total assets	Cost/ Amortised cost	Percentage of investments to total assets
Government and state enterprise securities				
Thai government bonds	36,587,132	0.80	181,748,243	4.20
State enterprise saving lotteries	25,000,000	0.54	25,000,000	0.58
Total	61,587,132	1.34	206,748,243	4.78
Private enterprises securities				
Private enterprises bonds	-	-	30,000,000	0.69
Debentures	841,000	0.02	841,000	0.02
Total	841,000	0.02	30,841,000	0.71
Less: Allowance for impairment	(841,000)	(0.02)	(841,000)	(0.02)
Total	-	-	30,000,000	0.69
Deposit at financial institutions which amount maturing in over 3 months				
Deposit at banks	336,093,806	7.32	1,092,733,424	25.24
Total	336,093,806	7.32	1,092,733,424	25.24
Total held-to-maturity investments	397,680,938	8.66	1,329,481,667	30.71

(d) Other investments

(Unit: Baht)

	2015		2014	
	Cost	Percentage of investments to total assets	Cost	Percentage of investments to total assets
	Investments in non-listed companies in Thailand	3,720,650	0.08	4,025,455
Less: Allowance for impairment	-	-	(304,805)	(0.01)
Total other investments	3,720,650	0.08	3,720,650	0.08

10.2 Classified by remaining periods of debt securities

As at 31 December 2015 and 2014, investments in debt securities have period to maturity as follows:

(Unit: Baht)

	2015				
	Period to maturity				Total
	Overdue	Within 1 year	1 - 5 years	Over 5 years	
<u>Available-for-sale investments</u>					
Government and state enterprise securities					
State enterprise bonds	-	-	10,000,000	-	10,000,000
Private enterprises securities					
Debentures	93,940	15,000,000	105,000,000	30,000,000	150,093,940
Total	93,940	15,000,000	115,000,000	30,000,000	160,093,940
Add : Unrealised gain	-	219,536	3,237,220	2,749,746	6,206,502
Total available-for-sale investments	93,940	15,219,536	118,237,220	32,749,746	166,300,442
<u>Held-to-maturity investments</u>					
Government and state enterprise securities					
Thai government bonds	100,000	1,011,767	20,331,540	15,143,825	36,587,132
State enterprise saving lotteries	-	25,000,000	-	-	25,000,000
Total	100,000	26,011,767	20,331,540	15,143,825	61,587,132
Private enterprises securities					
Private enterprises bonds	841,000	-	-	-	841,000
Less: Allowance for impairment	(841,000)	-	-	-	(841,000)
Total	-	-	-	-	-
Deposit at financial institutions which amounts maturing in over 3 months					
Deposit at banks	-	336,009,688	84,118	-	336,093,806
Total	-	336,009,688	84,118	-	336,093,806
Total held-to-maturity investments	100,000	362,021,455	20,415,658	15,143,825	397,680,938

(Unit: Baht)

	2014				Total
	Period to maturity				
	Overdue	Within 1 year	1 - 5 years	Over 5 years	
<u>Available-for-sale investments</u>					
Government and state enterprise securities					
State enterprise bonds	-	-	10,000,000	-	10,000,000
Private enterprises securities					
Debentures	93,940	-	45,000,000	40,000,000	85,093,940
Total	93,940	-	55,000,000	40,000,000	95,093,940
Add : Unrealised gain	-	-	1,338,316	2,563,982	3,902,298
Total available-for-sale investments	93,940	-	56,338,316	42,563,982	98,996,238
<u>Held-to-maturity investments</u>					
Government and state enterprise securities					
Thai government bonds	-	155,107,169	11,475,367	15,165,707	181,748,243
State enterprise saving lotteries	-	-	25,000,000	-	25,000,000
Total	-	155,107,169	36,475,367	15,165,707	206,748,243
Private enterprises securities					
Private enterprises bonds	-	20,000,000	10,000,000	-	30,000,000
Debentures	841,000	-	-	-	841,000
Total	841,000	20,000,000	10,000,000	-	30,841,000
Less: Allowance for impairment	(841,000)	-	-	-	(841,000)
Total	-	20,000,000	10,000,000	-	30,000,000
Deposit at financial institutions which amounts maturing in over 3 months					
Deposit at banks	-	1,092,733,424	-	-	1,092,733,424
Total	-	1,092,733,424	-	-	1,092,733,424
Total held-to-maturity investments	-	1,267,840,593	46,475,367	15,165,707	1,329,481,667

10.3 Other component of equity - surplus on changes in value of investments

(Unit: Baht)

	For the years ended 31 December	
	2015	2014
Beginning balance	143,131,192	81,567,138
Gain (loss) on revaluation during the year	(12,390,190)	65,749,938
Gain on sales recognised in profit or loss during the year	(6,399,159)	(4,185,884)
Ending balance	124,341,843	143,131,192
Less: Income tax	(24,868,368)	(28,626,238)
Ending balance - net of income tax	99,473,475	114,504,954

10.4 Investments subject to restriction

As at 31 December 2015, the Company has pledged deposit at financial institutions which amount maturing in over 3 months totaling Baht 14.6 million (2014: Baht 12.0 million) as security against overdraft facilities granted by banks, as bail bond in cases where insured drivers have been charged with criminal offence, and as security against the issuance of bank guarantees on behalf of the Company.

As at 31 December 2015, the Company has pledged government and state enterprise bonds totaling Baht 1.3 million (2014: Baht 1.5 million) in relation to obligations arising in the normal course of business of the Company.

In addition, the Company pledged its certain securities with the Registrar as described in Notes 29 and 30 to the financial statements.

11. Loans

As at 31 December 2015 and 2014, the balances of loans and accrued interest are loans to employees under staff welfare and aged by principal and interest receivables as follows:

(Unit: Baht)

Outstanding period	2015						
	Mortgage loans		Other loans		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
Not yet due	5,728,141	-	2,268,038	-	7,996,179	-	7,996,179
Overdue							
Over 12 months	3,201,091	1,137,894	-	-	3,201,091	1,137,894	4,338,985
Total	8,929,232	1,137,894	2,268,038	-	11,197,270	1,137,894	12,335,164
Less: Allowance for doubtful accounts	(3,201,091)	(1,137,894)	-	-	(3,201,091)	(1,137,894)	(4,338,985)
Loans, net	5,728,141	-	2,268,038	-	7,996,179	-	7,996,179

(Unit: Baht)

Outstanding period	2014						
	Mortgage loans		Other loans		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
Not yet due	8,281,179	-	2,689,641	-	10,970,820	-	10,970,820
Overdue							
Over 12 months	3,201,091	1,137,895	-	-	3,201,091	1,137,895	4,338,986
Total	11,482,270	1,137,895	2,689,641	-	14,171,911	1,137,895	15,309,806
Less: Allowance for							
doubtful accounts	(3,201,091)	(1,137,895)	-	-	(3,201,091)	(1,137,895)	(4,338,986)
Loans, net	8,281,179	-	2,689,641	-	10,970,820	-	10,970,820

The assets used as collateral for mortgage loans are mainly land and construction thereon. The mortgage value of these assets according to mortgage agreements have been used in assessing the loan loss allowance.

The Company has set the criteria for loans granted to employees, which include term of repayment and applicable interest rate. The Company charges interest on such loan at the rate of 5.5% per annum, 8.5% per annum on the first consecutive loan and an additional 2.0% per annum on further consecutive loans. The Company has determined the credit limit of each project as follows:

Project	Collateral	Credit line
General loan	Personal guarantees	- Not exceeding 4 times monthly salary, with a limit of Baht 50,000.
Housing loan	Land and/or construction thereon	- Not exceeding 40 times monthly salary, with a limit of Baht 2 million, and not exceeding 70% of the appraisal value of the land. - Not exceeding 40 times monthly salary, with a limit of Baht 2 million, and not exceeding 85% of the appraisal value of the land and construction thereon.
Housing maintenance loan	Personal guarantees and/or securities	- Not exceeding 40 times monthly salary, with a limit of Baht 2 million, and not exceeding 85% of the appraisal value of the housing.

12. Property, buildings and equipment

	(Unit: Baht)					
	Land	Buildings	Furniture and fixtures	Office equipment	Motor vehicles	Total
Cost						
As at 1 January 2014	144,614,780	166,258,786	96,121,497	101,341,138	84,312,865	592,649,066
Additions	18,051,000	14,949,000	3,926,773	2,848,786	4,348,437	44,123,996
Disposals	-	-	-	(1,403,407)	(4,083,747)	(5,487,154)
As at 31 December 2014	162,665,780	181,207,786	100,048,270	102,786,517	84,577,555	631,285,908
Additions	22,712,000	16,318,000	1,982,543	7,917,905	11,007,103	59,937,551
Disposals	-	-	(7,134,359)	(3,955,344)	(15,913,518)	(27,003,221)
As at 31 December 2015	185,377,780	197,525,786	94,896,454	106,749,078	79,671,140	664,220,238
Accumulated depreciation						
As at 1 January 2014	-	142,440,878	87,099,793	83,717,138	56,398,836	369,656,645
Depreciation for the year	-	2,689,196	3,458,822	8,119,266	10,801,728	25,069,012
Depreciation on disposals	-	-	-	(1,400,696)	(3,441,390)	(4,842,086)
As at 31 December 2014	-	145,130,074	90,558,615	90,435,708	63,759,174	389,883,571
Depreciation for the year	-	3,126,486	3,280,812	7,568,617	8,953,231	22,929,146
Depreciation on disposals	-	-	(7,073,384)	(3,984,745)	(15,081,711)	(26,139,840)
As at 31 December 2015	-	148,256,560	86,766,043	94,019,580	57,630,694	386,672,877
Net book value						
As at 31 December 2014	162,665,780	36,077,712	9,489,655	12,350,809	20,818,381	241,402,337
As at 31 December 2015	185,377,780	49,269,226	8,130,411	12,729,498	22,040,446	277,547,361
Depreciation for the year						
2014						25,069,012
2015						22,929,146

As at 31 December 2015, certain equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 319.0 million (2014: Baht 334.6 million).

13. Intangible asset - computer software

	(Unit: Baht)
	<u>Computer software</u>
Cost	
As at 1 January 2014	41,413,225
Additions	<u>1,368,718</u>
As at 31 December 2014	42,781,943
Additions	<u>1,422,100</u>
As at 31 December 2015	<u>44,204,043</u>
Accumulated amortisation	
As at 1 January 2014	31,839,611
Amortisation for the year	<u>1,761,057</u>
As at 31 December 2014	33,600,668
Amortisation for the year	<u>1,831,035</u>
As at 31 December 2015	<u>35,431,703</u>
Net book value	
As at 31 December 2014	<u>9,181,275</u>
As at 31 December 2015	<u>8,772,340</u>
Amortisation for the year	
2014	<u>1,761,057</u>
2015	<u>1,831,035</u>

As at 31 December 2015 and 2014, certain computer software items have been fully amortisation but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 27.3 million. In addition, as at 31 December 2015, the computer software has remaining useful lives approximately 6 years.

14. Deferred tax assets/Income tax expenses

14.1 Deferred tax assets

As at 31 December 2015 and 2014, the components of deferred tax assets and liabilities are as follows:

	(Unit: Baht)	
	2015	2014
Deferred tax assets		
Allowance for doubtful accounts	10,701,640	11,499,491
Unearned premium reserve	56,891,732	44,245,172
Provision for loss incurred but not yet reported and outstanding claims	9,707,327	3,762,764
Loss on changes in value of investments classified as trading securities	5,426,146	1,835,869
Employee retirement benefit obligations	15,417,810	14,978,789
Total	<u>98,144,655</u>	<u>76,322,085</u>
Deferred tax liabilities		
Gain on changes in value of investments classified as available-for-sale securities	24,868,368	28,626,238
Total	<u>24,868,368</u>	<u>28,626,238</u>
Deferred tax assets, net	<u><u>73,276,287</u></u>	<u><u>47,695,847</u></u>

14.2 Income tax expenses

The income tax expenses for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Current income tax:		
Corporate income tax charge	21,643,922	29,907,728
Adjustment for corporate income tax expenses of prior year	32,020	143,420
Deferred tax:		
Relating to origination and reversal of temporary differences	(22,575,269)	4,156,631
Income tax expenses (revenue) reported in the statements of comprehensive income	<u><u>(899,327)</u></u>	<u><u>34,207,779</u></u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
		(Restated)
Deferred tax relating to:		
Gain (loss) on changes in value of available-for-sale investments	(3,757,870)	12,312,810
Actuarial gain (loss)	752,699	(1,032,652)

Reconciliation between income tax expenses and the product of accounting profit and the applicable tax rate for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
		(Restated)
Accounting profit before income tax expenses	21,424,549	217,305,259
Applicable corporate income tax rate	20%	20%
Income tax at the applicable tax rate	4,284,910	43,461,052
Adjustment in respect of current income tax of prior year	32,020	143,420
Effect of exempted income and non-deductible expenses	(5,216,257)	(9,396,693)
Income tax expenses (revenue) reported in the statements of comprehensive income	(899,327)	34,207,779

15. Other assets

	(Unit: Baht)	
	2015	2014
Claim receivable from litigants, net	205,149,839	239,956,170
Advance payment of ceded premium	121,269,686	95,415,859
Prepaid commission expenses	49,038,326	41,372,903
Cash equivalents which subject to restrictions	8,064,121	9,076,386
Deposits on rice field insurance scheme	46,980,202	54,479,111
Others	40,266,251	38,745,131
Total other assets	470,768,425	479,045,560

As at 31 December 2015, the Company has pledged deposit at financial institutions which amount maturing within 3 months totaling Baht 8.1 million (2014: Baht 9.1 million) as bail bond in cases where insured drivers have been charged with criminal offence.

16. Due to reinsurers

	(Unit: Baht)	
	2015	2014
Outward premium payable	68,256,556	84,396,848
Amounts withheld on reinsurance	290,400,647	269,364,960
Total due to reinsurers	<u>358,657,203</u>	<u>353,761,808</u>

17. Loss reserves and outstanding claims

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Beginning balance	842,491,575	989,553,700
Claims and loss adjustment expenses for the year	1,857,128,617	1,777,058,965
Claims and loss adjustment expenses paid during the year	<u>(1,792,010,181)</u>	<u>(1,924,121,090)</u>
Ending balance	<u>907,610,011</u>	<u>842,491,575</u>

As at 31 December 2015, the Company has loss reserve and outstanding claims under reinsurance contracts of Baht 0.8 million (2014: Baht 1.7 million).

18. Premium reserves

Premium reserves are the liability under insurance contracts, and are the higher of unearned premium reserve and unexpired risk reserve.

18.1 Unearned premium reserve

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Beginning balance	1,462,720,593	1,416,400,738
Premium written for the year	3,125,705,031	3,049,691,014
Premium earned during the current year	<u>(3,014,325,147)</u>	<u>(3,003,371,159)</u>
Ending balance	<u>1,574,100,477</u>	<u>1,462,720,593</u>

18.2 Unexpired risk reserve

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Beginning balance	995,881,124	928,663,043
Estimated claims for the year	1,647,690,656	1,706,058,464
Risk expired during the year	(1,570,158,330)	(1,638,840,383)
Ending balance	<u>1,073,413,450</u>	<u>995,881,124</u>

19. Employee benefit obligations

As at 31 December 2015 and 2014, provisions for employee benefits are as follows:

	(Unit: Baht)	
	2015	2014
Short-term benefits	28,467,702	60,906,962
Long-term benefits	77,089,053	74,893,944
Total	<u>105,556,755</u>	<u>135,800,906</u>

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Baht)	
	2015	2014
Provision for long-term employee benefits at beginning of year	74,893,944	64,480,525
Included in profit or loss		
Current service cost	5,467,315	4,543,016
Interest cost	2,621,288	2,837,143
Total item included in profit or loss	8,088,603	7,380,159
Included in other of comprehensive income		
Actuarial loss (gain) arising from		
Financial assumptions changes	(843,296)	6,554,447
Experience adjustments	(2,920,198)	(1,391,187)
Total item included in other comprehensive income	(3,763,494)	5,163,260
Benefits paid during the year	(2,130,000)	(2,130,000)
Provision for long-term employee benefits at end of year	<u>77,089,053</u>	<u>74,893,944</u>

Long-term employee benefit expenses included in the profit or loss for the years ended 31 December 2015 and 2014 were as follows:

	(Unit: Baht)	
	2015	2014
Claim and loss adjustment expenses	3,594,536	2,827,040
Other underwriting expenses	2,453,439	2,463,243
Operating expenses	2,040,628	2,089,876
Total expenses recognised in profit or loss	<u>8,088,603</u>	<u>7,380,159</u>

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 14.8 years. The Company expects to pay Baht 1.4 million of long-term employee benefits during the next year.

Principal actuarial assumptions at the valuation date were as follows:

	(Unit: % per annum)	
	2015	2014
Discount rate	3.1	3.5
Salary increase rate	5.5	6.0
Staff turnover rate (depending on age)	0.0 - 12.0	0.0 - 12.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below.

	(Unit: million Baht)	
	Rate increase 0.5%	Rate decrease 0.5%
Discount rate	Liabilities decrease 3.8	Liabilities increase 4.1
Salary increase rate	Liabilities increase 4.1	Liabilities decrease 3.9
Staff turnover rate	Liabilities decrease 0.9	Liabilities increase 0.9

20. Other liabilities

	(Unit: Baht)	
	2015	2014
Premium received in advance	258,371,694	220,033,029
Accrued commissions	91,627,452	71,085,973
Accrued operating expenses	35,911,998	45,297,747
Payables on purchases of investments	-	579,876
Commission received in advance	52,645,980	35,655,185
Others payable	61,201,298	24,042,841
Others	49,489,464	33,024,982
Total other liabilities	<u>549,247,886</u>	<u>429,719,633</u>

21. Share capital

On 8 April 2015, the Annual General Meeting of the Company's shareholders approved an increase of the Company's registered capital from Baht 151.5 million to Baht 303.0 million by newly issued the ordinary shares in amount of 151.5 million shares with the par value at Baht 1.0 per share to support the stock dividend payment. The Company registered the increase in the Company's registered capital with the Ministry of Commerce on 28 April 2015.

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

During 2015, the Annual General Meeting of the Company's shareholders approved the allocation of Baht 10.3 million of the net profit for the year 2014 to the statutory reserve.

23. Operating expenses

		(Unit: Baht)
	2015	2014
		(Restated)
Personnel expenses which are not expenses for underwriting and claims	81,394,514	83,598,300
Property and equipment expenses which are not expenses for underwriting	81,336,626	84,426,347
Taxes and duties	5,088,104	3,868,434
Bad debts and doubtful accounts (reversal)	1,286,202	(714,738)
Support services expenses	96,076,306	99,434,441
Advertising and promotion expenses	37,011,853	32,690,873
Other operating expenses	31,629,293	30,015,315
Total operating expenses	<u>333,822,898</u>	<u>333,318,972</u>

24. Employee expenses

		(Unit: Baht)
	2015	2014
		(Restated)
Salary and wages	257,258,967	280,299,238
Social security fund	5,177,866	5,162,536
Contribution to provident fund	11,057,022	10,605,670
Other benefits	18,082,772	16,251,841
Total employee expenses	<u>291,576,627</u>	<u>312,319,285</u>

25. Provident fund

The Company and its employees jointly established a provident fund under the Provident Fund Act B.E. 2530. The fund is contributed to by the employees on a monthly basis at rate of 5% of the employees' basic salaries, and by the Company on a monthly basis at rate of 7.5% of the employees' basic salaries. The fund is managed by a fund manager which has been approved by the Ministry of Finance. The contributions for the year 2015 amounting to approximately Baht 11.1 million (2014: Baht 10.6 million) were recognised as expenses.

26. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares as a result of the increase in share capital arising from the issue of stock dividend.

On 8 April 2015, the Annual General Meeting of shareholders for the year 2015 approved to pay a cash dividend of Baht 0.11 per share, and stock dividend of 151.5 million shares to the existing shareholders in one existing share to one ordinary share. For the purpose of calculating earnings per share, the Company therefore adjusted the number of ordinary shares used to calculate the earnings per share, as though it had issued the stock dividend at the beginning of the reporting periods.

	For the years ended 31 December	
	2015	2014
		(Restated)
Weighted average number ordinary shares issued during the period (Shares)	303,000,000	151,500,000
Number of stock dividend issued in 2015 (Shares)	-	151,500,000
Total (Shares)	<u>303,000,000</u>	<u>303,000,000</u>
Profit for the period (Baht)	22,323,876	183,097,480
Earnings per share (Baht per share)	0.07	0.60

27. Related party transactions

During the years, the Company had significant business transactions (related by way of common directions and shareholding) with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Baht)

	2015	2014	Pricing policies
Thai Reinsurance Pcl.			
Premium ceded	148,044,121	112,389,959	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission income	61,186,615	41,484,960	As stated in the agreement upon normal commercial terms
Claims refunded	22,362,961	31,392,145	As actually incurred, in proportions per agreement
Reinsurance premium written	63,343	119,439	Normal commercial terms for reinsurance depending on type of insurance and reinsurance contracts
Commission expenses	61,809	56,505	As stated in the agreement upon normal commercial terms
Road Accident Victims Protection Co., Ltd.			
Contribution expenses	10,938,244	11,405,328	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	6,450,342	5,951,002	As stated in the agreement upon normal commercial terms
Dividend income	3,518,150	-	As declared
Thaire Life Assurance Pcl.			
Dividend income	-	59,202	As declared
T.I.I. Co., Ltd.			
Dividend income	20,250	60,750	As declared
J&A Jewelry Company Limited			
Premium written	84,660	84,660	Normal commercial terms for underwriting

As at 31 December 2015 and 2014, the Company had the following significant balances of assets and liabilities with its related parties:

(Unit: Baht)

	2015	2014
Thai Reinsurance Pcl.		
Investments in equity securities	10,054,490	12,778,299
Due to reinsurer	51,463,751	40,715,761
Due from reinsurer	1,325,350	-
Road Accident Victims Protection Co., Ltd.		
Investments in equity securities	3,518,150	3,518,150
Accrued contribution expenses	2,824,822	2,640,178
T.I.I. Co., Ltd.		
Investment in equity securities	202,500	202,500

Directors and management's remuneration

During the years ended 31 December 2015 and 2014, the Company had employee benefit expenses to their directors and management as below.

	(Unit: Baht)	
	2015	2014
Short-term employee benefits	72,473,711	74,767,867
Post-employment benefits	5,822,419	5,933,229
Total	<u>78,296,130</u>	<u>80,701,096</u>

28. Dividend paid

Dividend declared during the years consists of the following:

	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Final dividends for 2014 (Cash and stock dividends)	Annual General Meeting of the shareholder on 8 April 2015	168.33	1.11
Final dividends for 2013 (Cash dividends)	Annual General Meeting of the shareholder on 3 April 2014	48.48	0.32

29. Assets pledged with the Registrar

As at 31 December 2015 and 2014, the following assets have been pledged with the Registrar in accordance with the Non-life Insurance Act.

	(Unit: Million Baht)			
	2015		2014	
	Amortised cost	Fair value	Amortised cost	Fair value
Government bonds	15.1	16.2	15.2	16.0
Total	<u>15.1</u>	<u>16.2</u>	<u>15.2</u>	<u>16.0</u>

30. Assets reserved with the Registrar

As at 31 December 2015 and 2014, the following assets have been pledged as non-life insurance policy reserve with the Registrar in accordance with the Non-life Insurance Act.

(Unit: Million Baht)

	2015		2014	
	Cost/		Cost/	
	Amortised cost	Fair value	Amortised cost	Fair value
Deposit at banks which amounts maturing in over				
3 months	100.0	100.0	120.0	120.0
Certificates of deposits	130.0	130.0	30.0	30.0
Debt securities	30.0	32.2	-	-
Government bonds	-	-	145.1	145.3
Total	260.0	262.2	295.1	295.3

31. Contribution to the General Insurance Fund

(Unit: Baht)

	For the years ended 31 December	
	2015	2014
Accumulated contribution at the beginning of the year	32,336,526	24,714,956
Contribution during the year	7,812,357	7,621,570
Accumulated contribution at the end of the year	40,148,883	32,336,526

32. Commitments and contingent liabilities

32.1 Operating lease commitments

The Company has entered into several lease agreements of office building space. The terms of the agreements are 3 years. As at 31 December 2015 and 2014, future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

(Unit: Million Baht)

	2015	2014
Payable		
Within 1 year	0.3	0.9
Over 1 year and not over 5 years	0.4	0.4

32.2 Bank guarantee

As at 31 December 2015, there were outstanding bank guarantees of Baht 0.8 million (2014: Baht 0.8 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business.

32.3 Litigation

As at 31 December 2015, the Company has been sued as insurer for damages totaling approximately Baht 76.2 million. The cases have yet to be finalised. However, the Company has set aside reserves for contingent loss in the financial statements amounting to approximately Baht 21.9 million, with the recoverable portion from reinsurers amounting to Baht 2.8 million. The Company's management believes that such reserve is adequate (2014: Baht 148.3 million, Baht 16.9 million and Baht 2.9 million, respectively).

33. Segment information

The Company is principally engaged in the provision of all types of non-life insurance products and for the purpose of underwriting and operation management, the Company is divided into business units that correspond to the types of insurance product offered i.e. Fire, Marine and transportation, Motor and Miscellaneous. The operating segment information presented below is consistent with the internal reports that the Company's Chief Operating Decision Maker (who is granted authority by the Board of Directors) regularly receives and reviews for use in making decisions about the allocation. The Chairman of the Executive Board has been identified as Chief Operating Decision Maker, with decisions passing through the Board of Directors.

Segment performance is measured based on operating profit or loss on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Company's operating segments for the years ended 31 December 2015 and 2014, respectively.

(Unit: Baht)

For the year end 31 December 2015

	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting income					
Premium written	176,717,954	16,026,478	2,366,506,716	566,453,883	3,125,705,031
Less: Premium ceded	(125,375,494)	(5,095,502)	(287,244,959)	(284,037,372)	(701,753,327)
Net premium written	51,342,460	10,930,976	2,079,261,757	282,416,511	2,423,951,704
Less: Unearned premium reserve	1,947,361	(793,406)	(104,904,396)	(12,728,016)	(116,478,457)
Earned premium	53,289,821	10,137,570	1,974,357,361	269,688,495	2,307,473,247
Fee and commission income	52,767,002	329,934	101,150,190	66,162,423	220,409,549
Total underwriting income	106,056,823	10,467,504	2,075,507,551	335,850,918	2,527,882,796
Underwriting expenses					
Claim and loss adjustment expenses	25,501,084	358,066	1,344,465,757	144,829,176	1,515,154,083
Commission and brokerage expenses	39,690,374	1,181,278	419,191,356	85,444,880	545,507,888
Other underwriting expenses	5,567,353	602,870	145,947,392	31,059,671	183,177,286
Contribution to Road Accident Victims Protection Co., Ltd.	-	-	10,938,244	-	10,938,244
Total underwriting expenses before operating expenses	70,758,811	2,142,214	1,920,542,749	261,333,727	2,254,777,501
Profit from underwriting before operating expenses	35,298,012	8,325,290	154,964,802	74,517,191	273,105,295
Operating expenses					(333,822,898)
Loss from underwriting					(60,717,603)
Net investment income					77,153,756
Gain on investments					26,242,447
Fair value loss on investments					(17,951,385)
Other income					13,714,966
Profit from operation					38,442,181
Contribution to the Office of Insurance Commission					(8,312,357)
Contribution to the General Insurance Fund					(7,812,357)
Contribution to the Victims Compensation Fund					(892,918)
Profit before income tax expenses					21,424,549
Income tax revenue					899,327
Profit for the year					22,323,876

(Unit: Baht)

For the year end 31 December 2014					
(Restated)					
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting income					
Premium written	176,835,809	14,109,442	2,277,890,749	580,855,014	3,049,691,014
Less: Premium ceded	(124,790,039)	(5,217,837)	(302,169,345)	(326,676,235)	(758,853,456)
Net premium written	52,045,770	8,891,605	1,975,721,404	254,178,779	2,290,837,558
Less: Unearned premium reserve	(7,682,116)	(1,021,496)	(19,119,337)	(30,341,964)	(58,164,913)
Earned premium	44,363,654	7,870,109	1,956,602,067	223,836,815	2,232,672,645
Fee and commission income	58,052,785	370,113	122,090,183	57,926,190	238,439,271
Total underwriting income	102,416,439	8,240,222	2,078,692,250	281,763,005	2,471,111,916
Underwriting expenses					
Claim and loss adjustment expenses	(2,726,364)	6,354,239	1,224,919,151	153,080,963	1,381,627,989
Commission and brokerage expenses	37,663,454	1,314,553	402,304,635	79,438,972	520,721,614
Other underwriting expenses	6,464,149	512,744	146,139,473	32,111,825	185,228,191
Contribution to Road Accident Victims Protection Co., Ltd.	-	-	11,405,328	-	11,405,328
Total underwriting expenses before operating expenses	41,401,239	8,181,536	1,784,768,587	264,631,760	2,098,983,122
Profit from underwriting before operating expenses	61,015,200	58,686	293,923,663	17,131,245	372,128,794
Operating expenses					(333,318,972)
Profit from underwriting					38,809,822
Net investment income					100,001,896
Gain on investments					10,778,138
Fair value gain on investments					70,534,503
Other income					13,855,087
Profit from operation					233,979,446
Contribution to the Office of Insurance Commission					(8,121,570)
Contribution to the General Insurance Fund					(7,621,570)
Contribution to the Victims Compensation Fund					(931,047)
Profit before income tax expenses					217,305,259
Income tax expenses					(34,207,779)
Profit for the year					183,097,480

The following table presents segment assets and liabilities of the Company's operating segments as at 31 December 2015 and 2014.

(Unit: Baht)

	Fire	Marine and transportation	Motor	Miscellaneous	Unallocated	Total
Assets						
As at 31 December 2015	204,494,182	2,929,074	680,319,849	333,714,873	3,368,486,338	4,589,944,316
As at 31 December 2014	167,134,724	2,316,481	636,849,220	316,737,470	3,206,809,875	4,329,847,770
Liabilities						
As at 31 December 2015	373,014,504	7,084,102	2,199,088,653	623,617,300	292,367,773	3,495,172,332
As at 31 December 2014	279,064,516	8,280,143	2,051,007,292	581,974,234	308,219,326	3,228,545,511

Geographic information

The Company is operated its business in Thailand only, as a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customer

For the year 2015 and 2014, the Company has premium written from three major brokers in amounting of Baht 1,580.6 million and Baht 1,473.7 million, respectively.

34. Financial instruments

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, premium receivables, amounts due from reinsurers, investments in securities, loans and amounts due to reinsurers. The financial risks associated with these financial instruments and how they are managed is described below.

34.1 Credit risk

Credit risk is the risk that the Company may suffer a financial loss as a result of a counter party's inability to comply with the terms of a financial instrument.

The Company is exposed to credit risk primarily with respect to premium receivables, amounts due from reinsurers and loans. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial loss. In addition, concentrations of the credit risk with respect to premium receivables are insignificant due to the customer are dispersed across different industries and geographic regions in Thailand.

The maximum exposure to credit risk is limited to the book value of assets after deduction of allowance for doubtful accounts as stated in the statements of financial position.

34.2 Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the Company's financial position. The Company had no financial instruments denominated in foreign currencies, market risk is therefore confined only to interest rate risk and equity position risk.

Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rate.

As at 31 December 2015 and 2014, significant financial assets classified by type of interest rate are summarised in the table below, with those financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Baht)

	2015						
	Fixed interest rates				Floating interest rate	Total	Interest rate (% per annum)
	Remaining periods to repricing dates or maturity dates						
	Overdue	Within 1 year	1 - 5 years	Over 5 years			
Financial assets							
Cash equivalents	-	187,815,905	-	-	136,604,369	324,420,274	0.75 - 3.00
Investments in securities							
Government and state enterprise securities	100,000	26,011,767	30,671,981	15,143,825	-	71,927,573	1.00 - 5.00
Private enterprise debt securities	93,940	15,219,536	107,896,779	32,749,746	-	155,960,001	3.30 - 5.35
Deposits at financial institutions	-	336,009,688	84,118	-	-	336,093,806	0.50 - 3.20
Loans	-	38,169	3,616,727	4,341,283	-	7,996,179	5.50 - 12.50

(Unit: Baht)

	2014						
	Fixed interest rates				Floating interest rate	Total	Interest rate (% per annum)
	Remaining periods to repricing dates or maturity dates						
	Overdue	Within 1 year	1 - 5 years	Over 5 years			
Financial assets							
Cash equivalents	-	11,848,983	-	-	127,657,086	139,506,069	0.75 - 3.50
Investments in securities							
Government and state enterprise securities	-	155,107,169	46,753,516	15,165,707	-	217,026,392	1.00 - 5.00
Private enterprise debt securities	93,940	20,000,000	56,060,167	42,563,982	-	118,718,089	3.30 - 5.35
Deposits at financial institutions	-	1,092,733,424	-	-	-	1,092,733,424	1.50 - 3.30
Loans	-	100,084	5,055,563	5,815,173	-	10,970,820	5.50 - 12.50

In addition to the above mentioned financial assets, the Company has cash, premium receivables, amounts due from reinsurers, loans, investments in equity securities and amounts due to reinsurers which are not exposed interest rates risk.

Equity position risk

Equity position risk is the risk that changes in the market prices of equity securities will result in fluctuations in revenues and in the value of financial assets.

As at 31 December 2015 and 2014, the Company has risk from its investments in securities of which the price will change with reference to market conditions.

34.3 Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate its financial assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the occurrence of a financial loss.

The majority of the Company's financial assets are cash and cash equivalents and investments in securities for which there are liquid markets, while most of premium receivables and amounts due from reinsurers are not yet due or overdue not more than 1 year, whereas most of the amounts due to reinsurers are due within 1 year.

34.4 Fair value of financial instruments

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

	Fair value				(Unit: Baht)
					Book
	Level 1	Level 2	Level 3	Total	value
<u>Assets measured at fair value</u>					
Trading investments					
Equity securities	256,709,565	-	-	256,709,565	256,709,565
Warrants	1,212,540	-	-	1,212,540	1,212,540
Available-for-sale investments					
Debt securities	-	166,300,442	-	166,300,442	166,300,442
Equity securities	150,819,291	-	-	150,819,291	150,819,291
Unit trusts	121,061,424	1,409,052,475	-	1,530,113,899	1,530,113,899

	Fair value				(Unit: Baht)
	Level 1	Level 2	Level 3	Total	Book value
	<u>Assets which fair value are disclosed</u>				
Cash and cash equivalents	326,834,483	-	-	326,834,483	326,834,483
Held-to-maturity investments					
Bonds	-	37,966,203	-	37,966,203	36,587,132
State enterprise saving					
lotteries	25,000,000	-	-	25,000,000	25,000,000
Deposit at banks	336,009,688	84,118	-	336,093,806	336,093,806
Other investments	-	-	144,983,556	144,983,556	3,720,650
Loans	-	8,045,104	-	8,045,104	7,996,179

The fair value hierarchy of financial assets as at 31 December 2015 presents according to Note 5.19 to financial statements.

As at 31 December 2014, fair value of financial assets was not significant difference from their book value.

The method used for fair value measurement depends upon the characteristics of the financial instrument. The Company establishes the fair value of its financial instruments by adopting the following methods.

- (a) Financial assets maturing in the short-term, which consist of cash and cash equivalents and deposit at financial institutions, their fair value is estimated based on the book value presented in the statements of financial position.
- (b) For debts securities, their fair value is generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association.
- (c) For equity securities, their fair value is generally derived from quoted market prices. For investments in non-marketable equity securities, fair value is determined using valuation technique i.e. discounted future cash flow or book value.
- (d) The fair value of fixed rate loans is determined by discounting the expected future cash flows by using the current market interest rate.

35. Capital management

The primary objectives of the Company's capital management are to maintain its ability to continue its business as a going concern, to provide a return to its shareholders and other related parties, maintain a balanced financial structure, and to maintain risk-based capital in accordance with Declaration of the OIC.

36. Events after the reporting period

On 26 February 2016, a meeting of the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of Shareholders for approval dividends in respect of the operating results for the year 2015, at Baht 0.05 per share, or a total of Baht 15.2 million. Payment is scheduled to be made on 4 May 2016.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 26 February 2016.

**Biographies of the proposed Director
(Supporting document for consideration of agenda 6)**



Mr. Phisit Setthawong

Address 31 Inthamara 24 Din Daeng, Bangkok 10400
Date of Birth March 18, 1945
Age 71 Years
Nationality Thai
Present Position Independent Director and Audit Committee

Education background / Training course

B.A. Commerce and Accountancy (with honors), Chulalongkorn University
 M.A. and Ph.D. Economics, Michigan State University, U.S.A.
 Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Work Experience

Deputy Permanent Secretary, Ministry of Commerce
 Director-General, Department of Internal Trade
 Consultant, Innovation Center Co., Ltd.
 Consultant to Director, The Agricultural Futures Exchange of Thailand

Director position of Thaivivat Insurance Public Co., Ltd.

Director Position

Independent Director (as the company's definition of independent director)
 (appointment – renewal, October 28, 2005 – present)

Audit committee

(appointment – renewal, April 5, 2012– present)

Executive position None

Number of year being as director 10 years 5 months

Share holding in the company None

Legal matters in dispute No contentious case in past 5 years

Other current position Consultant, Innovation Center Co., Ltd.
 Consultant to Director, The Agricultural Futures Exchange of Thailand



- Being the directors / executives in other businesses which may generate conflict of interest with the Company **No**

- Being the close relative to the executive or the major shareholders of the Company

No

or the Subsidiary Company

- Having the relationship in the following nature to the Company or the Subsidiary

No

Company or Juristic person which may have a conflict in current year or in the past 2 years

(1) Being the director who participates in the management of works, employees and

No

staff or being a consultant who receives monthly salary

(2) Being service provider for professional matter (such as auditors or legal advisor)

No

(3) Having business relationship (such as buying/selling raw materials/goods/service,

No

borrowing/lending)

Meeting attendance / Number of Meeting

Meeting attendance for Company Director (appointment – renewal, October 28, 2005)

	Presented	Held
2013	5	6
2014	6	6
2015	5	6

Meeting attendance for Audit committee (appointment – renewal, April 5, 2012)

	Presented	Held
2013	4	4
2014	4	4
2015	4	4



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**Biographies of the proposed Director
(Supporting document for consideration of agenda 6)**



Mrs. Sutepee Asvatanakul

Address 94 Sukhumvit 53 Road Khlong Tan Nuea, Vadhana, Bangkok 10110
Date of Birth February 27, 1960
Age 56 Years
Nationality Thai
Present Position Director and Senior Executive Vice President
Education background / Training course

B.A. Liberal Arts, Thammasart University
 Master of Business Administration, Tarleton State University, U.S.A.
 Diploma, OIC Advance Insurance Course class 2 - OIC Advance Insurance Institute
 Director Certification Program (DCP), Thai Institute of Directors (IOD)

Work Experience

Executive Vice President, Finance and Accounting, Thaivivat Insurance Public Co.,Ltd

Director position of Thaivivat Insurance Public Co., Ltd.

Director Position Director (appointment – renewal, June 18, 1986 – Present)

Executive position Executive Vice President, Finance and Accounting

Number of year being as director 30 years

Share holding in the company 4,725,384 shares representing 1.56% of the total shares

Legal matters in dispute No contentious case in past 5 years

Other current position none

- Being the directors / executives in other businesses which may generate conflict of interest with the Company **No**

- Being the close relative to the executive or the major shareholders of the Company or the Subsidiary Company

Mr. Jiraphant Asvatanakul's spouse (CEO)

Sister of Mrs. Sunee Theravithayangkura (Director and Company Secretary)

Meeting attendance / Number of Meeting

Meeting attendance for Company Director (appointment – renewal, June 18, 1986 – Present)

	Presented	Held
2013	6	6
2014	6	6
2015	6	6

Biographies of the proposed Director
(Supporting document for consideration of agenda 6)



Mrs. Sunee Theravithayangkura

Address 129 Thoet Thai Road, Bang Yi Ruea, Thonburi, Bangkok 10600

Date of Birth March 16, 1951

Age 65 Years

Nationality Thai

Present Position Director and Company Secretary

Education background / Training course

B.A. Law, Thammasart University

Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Work Experience

Vice President, Recovery and Corporate Administration Department,
Company Secretary, Thaivivat Insurance Public Co., Ltd

Director position of Thaivivat Insurance Public Co., Ltd.

Director Position Director (appointment – renewal, June 18, 1986 – Present)

Executive position Vice President, Recovery and Corporate Administration Department

Number of year being as director 30 years

Share holding in the company 18,000shares representing 0.006% of the total shares

Legal matters in dispute No contentious case in past 5 years

Other current position none

- Being the directors / executives in other businesses which may generate conflict of interest with the Company **No**

- Being the close relative to the executive or the major shareholders of the Company or the Subsidiary Company

Sister of Mrs. Sutepee Asvatanakul , Senior Executive Vice President

Sister in law of Mr. Jiraphant Asvatanakul, CEO

Meeting attendance / Number of Meeting

Meeting attendance for Company Director (appointment – renewal, June 18, 1986 – Present)

	Presented	Held
2013	6	6
2014	6	6
2015	3	6



Definition of Independent Director

Thaivivat Insurance Public Company Limited has specify the qualification of “Independent Director” **same as** the minimum requirement rules as per the Notification of Capital Market Supervisory Board Tor Jor. 4/2009 which are as under:

1. Holding share not more than 1 percent of total voting rights of the company, its parent company, subsidiary, associated company, major shareholder or controlling person of the company, which shall be inclusive of the shares held by any related persons.
2. Never or used to be an executive director, an employee, a staff member, a salary-based consultant, or a controlling person of the company, its parent company, subsidiary, associated company, subsidiary company in the same level, major shareholder or controlling person of the company, unless the foregoing status has ended for more than 2 years. This is not applied to the independent director who used to be a government officer or consultant of the government organization which hold the company’s shares as majority or a controlling person of the company.
3. Do not have any blood relation or any register by laws in term of father, mother, spouse, sibling and children, including the spouse of a child of the executive management, major shareholder, controlling person or the person who might be appointed to be management or the controlling person of the company or its subsidiary
4. Never or used to have business relationship with the company, its parent company, subsidiary, associated company, major shareholders or the controlling person of the company which may disrupt his or her independent discretion and never or used to be a substantial shareholder or a controlling person of any person who has business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person of the company, unless the foregoing relationship has ended for more than 2 years.
The aforementioned of the business relationship includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services, or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing asset as collateral, including any other similar actions, which result in the company or counterparty being liable to indebtedness payable to the other party in amount of 3 percent or more of the net tangible assets of the company or 20 million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transaction under the Notification of the Capital Market Supervisory Board concerning regulations in respect of an entering into connected transaction *mutatis*. The combination of such indebtedness shall include indebtedness taking place during the course of 1 year prior to the date on which such a business relationship with the person commences.
5. Never or used to be an auditor of the company, its parent company, subsidiary, associated company, major shareholder or controlling person and not being a substantial shareholder, controlling person or partner of an audit office which employ auditor of the company, its parent company, subsidiary, associated company, major shareholder or the controlling person of the company are belong to, unless the foregoing relationship has ended for more than 2 years.
6. Never or used to be any professional adviser, including a legal advisory and financial advisory who receives an annual service fee exceeding 2 million baht from the company, its parent company, subsidiary, associated company, major shareholder or controlling person of the company, and also not being a substantial shareholder, controlling person or partner of such professional adviser, unless the forgoing relationship has ended for more than 2 years.
7. Do not be the director who has been appointed as a representative of the company, major shareholder or the shareholder related to the company’s major shareholder.
8. Do not undertaking any business the nature of which is the same as that of the company and its subsidiaries and which, in any material respect, is competitive with business of the company and its subsidiaries or not being a substantial partner in the partnership or a director who is participate in the management, an employee, a staff member, a salary-based consultant or holding shares more than 1 percent of total voting rights of a company undertaking any business the nature of which is the same as that of the company and its subsidiaries and which, in any material respect, is competitive with business of the company and its subsidiaries.
9. Do not have any characteristics that cannot make the independent opinion regarding the company’s operation.



Documents and evidence required for registration of the shareholders meeting attendance:

Proxy and Voting Procedures in the Shareholders Meeting
and Shareholders Meeting Attendance Procedure

1. Proxy Procedure

The company has sent a proxy form as prescribed by the Department of Business Development, Ministry of Commerce, to any shareholder who is unable to attend the ordinary meeting of shareholders no. 23/2016 in person may appoint a proxy in accordance with the follows manners:

- 1) The shareholder may appoint any person according to its intention or appoint any independent directors of the company as a proxy by specifying name and details of the person to whom the shareholder wishes to grant a proxy. The shareholder can appoint only one proxy holder to attend the meeting;
- 2) A 20 Baht duty stamp shall be affixed, crossed out and dated the date of execution of such proxy for validly and legally binding effect;
- 3) submit a proxy form to the company's office within the 1st of April 2016 or at least thirty minutes before the commencement of the meeting so as to allow the company officers to verify such documents before the meeting starts. In any case, regardless of the number of the company's shares held by any shareholder, the shareholder shall not execute a proxy more than one copy or grant a proxy to several proxy holders.

2. Registration prior to the meeting

The company will start the registration of attendance no less than 1 hour prior to the commencement of the meeting or from 14.00 hours, at head office of THAIVIVAT INSURANCE PUBLIC COMPANY LIMITED, located at 71, Dindaeng Road, Samsennai Sub-district, Phayathai District, Bangkok as shown in the map of the meeting venue enclosed.

3. Presentation of documents prior to the meeting

The meeting attendees shall present the following documents (as the case may be) prior to the meeting:

3.1 In case of individual

3.1.1 If the shareholder attends the meeting in person, the shareholder shall present a valid documents issued by governmental agencies, such as identification card, civil servant identification card, driving license or passport, and if there is any change of name-surname , document relating thereto shall be presented.

3.1.2 If the proxy holder attends the meeting, the following documents shall be presented:

- (1) any of proxy forms as enclosed with the notice of meeting signed by the proxy grantor and proxy holder;
- (2) copies of official documents of the shareholders issued by governmental agencies as specified in clause 3.1.1 with "certified true copy" by such shareholders;



(3) official documents of the proxy holders issued by the governmental agencies as specified in clause 3.1.1

3.2 In case of Juristic person

3.2.1 If the shareholders representative (director) attends the meeting in person,

(1) official documents of the shareholders representative issued by governmental agencies as specified in clause 3.1.1 for individual;

(2) copies of company registration certificate of the shareholders and certified true copies by the juristic person representative (director) and specified a statement indicating that such juristic person representative attending the meeting has been authorized to act on behalf on such shareholders in the capacity of juristic person;

3.2.2 If a proxy attends the meeting,

(1) any proxy forms as enclosed with the notice of meeting signed by juristic person representative (director) acting as proxy grantor and proxy holder;

(2) copies of company registration certificate of the shareholders and certified true copies by the juristic person representative (director) and specified a statement indicating that such juristic person representative who signed the proxy has been authorized to act on behalf of such shareholders in the capacity of juristic person;

(3) certified true copies of official documents of the juristic person representative (director) acting as a proxy grantor as specified in clause 3.1.1;

(4) official documents of the proxy holder issued by governmental agencies as specified in clause 3.1.1 for individual;

3.3 In case of the shareholder is a non-Thai nationality or a juristic person registered under foreign laws

The same set of documents as specified in previous section shall be prepared and presented. Any original documents which are not made in English shall be translated into English and certified correct translation by the shareholder or the juristic person representative as additional attachment.

4. Voting

4.1 Voting Rules

(1) Each shareholder is entitled to votes equal to the number of shares held. One share is equal to one vote. A vote shall be made as “approve”, “disapprove” or “abstain”. Partial vote is prohibited.

(2) In case of casting a vote by proxy, a proxy holder shall cast a vote in accordance with the intention of the shareholder as specified in the proxy only. If the proxy grantor has not specified its intention regarding a vote in the proxy, or it is specified unclearly, the proxy holder is entitled to determine and cast a vote on behalf of the proxy grantor.

(3) A resolution of the meeting shall comprise the following votes:

a) In normal case, a majority of vote shall be a resolution of the meeting.

b) In other cases where laws or Articles of Association of the company specify otherwise, it shall proceed with such provision. The chairman or any person designated by chairman shall inform shareholders in the meeting before casting a vote for each agenda.



(4) In case of equality of vote, the chairman of the meeting shall have a casting vote.

(5) Any shareholder who has special interest in any matter shall have no right to vote on such matter and the chairman of the meeting may request such shareholder to leave the meeting temporary.

(6) A secret vote shall be made if requested by at least 5 shareholders and the meeting has granted a resolution to do so. In this regard, the chairman of the meeting shall determine a procedure for secret vote and inform the meetings thereof before casting a secret vote.

4.2 Voting procedure for each agenda

The chairman or any person designated by chairman shall propose the shareholders to cast a vote for each agenda by show of hands, by asking the meeting that whether shareholder disapproves or abstains in accordance with the following voting procedures:

(1) In case where shareholder attends the meeting in person

If any shareholder disapproves or abstains from voting, such shareholder shall show his hands and mark “disapprove” or “abstain” in voting confirmation ballots as distributed to shareholders at meeting attendance registration process and sign his name, and the company officers shall collect such voting confirmation ballots for further counting purpose.

For any shareholder who does not show his hands in the meeting, it shall be deemed that such shareholder votes “approve” as proposed by the board of director.

(2) In case where a proxy holder attends the meeting

A) A vote for each agenda marked by the shareholder in the proxy form which has been submitted by the proxy holder to the company officer at meeting attendance registration process shall be counted in considering of meeting resolution. A proxy hold is not required to cast a vote in voting ballot.

B) If the shareholder does not specify his intention to vote in the proxy form or his intention is specified unclearly, the proxy holder is entitled to determine and cast a vote on his behalf by following the manners as specified in clause 4.2 (1).

4.3 Vote count and announcement of vote result

At each agenda of the meeting, a vote shall be counted by deducting a vote for disapproval and abstain from voting from total shares of shareholders/proxy holders attending the meeting and having a right to vote, and a vote result for each agenda shall be announced to the meeting regarding the number of votes for approval, disapproval or abstain from voting.



The Independent directors whom are dominated to be a proxy from the shareholders



Mr. Chalaw Fuangaromya

Address 6/106 Moo13 Lat Phrao, Bangkok 10230

Date of Birth June 10, 1937

Age 82 Years

Nationality Thai

Present Position Independent Director and Chairman

Education background / Training course

B.A. Political Science, Phillips University, USA

M.A. Political Science, Southern Illinois University, USA

M.A. Social Science Birmingham University, UK

The National Defense College (Class 27)

Director Certification Program (DCP) Course (Class 18) and Corporate Governance, Thai institute of Directors

Work Experience

Director-General, Department of Commercial Registration

Director-General, Department of Export Promotion

Director-General, Department of Business Economics

Director, Office of Insurance Commission

Deputy Permanent Secretary, Ministry of Commerce

Committee of monitoring and evaluation, Office of National Broadcasting and Telecommunications Commission

Committee, The Thai Tapioca Development Institute

Independent director and chairman of the audit committee, Standard Chartered Bank (Thai) PCL

Chairman, Professional Waste Technology (1999) PCL.

Independent director and the audit committee, Thai Re Life PCL.

Director position of Thaivivat Insurance Public Co., Ltd.

Director Position

Independent Director (as the company's definition of independent director)
(appointment – renewal, April 5, 2012– present)

Chairman of Audit committee
(appointment – renewal, April 5, 2012– present)

Executive position none

Number of year being as director 4 years

Share holding in the company none

Legal matters in dispute No contentious case in past 5 years

Other current position none

- Being the directors / executives in other businesses which may generate conflict of interest with the Company. **No**

- Being the close relative to the executive or the major shareholders of the Company or the Subsidiary Company **No**

- Having the relationship in the following nature to the Company or the Subsidiary Company or Juristic person which may have a conflict in current year or in the past 2 years **No**

(1) Being the director who participates in the management of works, employees and staff or being a consultant who receives monthly salary. **No**

(2) Being service provider for professional matter (such as auditors or legal advisor) **No**

(3) Having business relationship (such as buying/selling raw materials/goods/service, borrowing/lending) **No**

Meeting attendance / Number of Meeting

Meeting attendance for Company Director (appointment – renewal, April 5, 2012)

	Presented	Held
2013	6	6
2014	6	6
2015	6	6

Meeting attendance for Audit committee (appointment – renewal, April 5, 2012)

	Presented	Held
2013	4	4
2014	4	4
2015	1	1

Being Stakeholders in the proposed agenda for the meeting on 23/2016

This Independent director whom are dominated to be a proxy from the shareholders have no interest in the proposed agenda of the meeting in any way except Agenda 5 To consider and determine the Pensions of director committee.



The Independent directors whom are dominated to be a proxy from the shareholders



Mrs. Pilai Piumpongsarn

Address 77 Charan Sanitwong 63 Road, Bang bamru, Bang Phlat, Bangkok 10700
Date of Birth April 2, 1936
Nationality Thai
Present Position Independent Director and Audit Committee

Education background / Training course

B.A. Commerce and Accountancy, Chulalongkorn University
 Certified Public Accountant (CPA) Thailand (CPA. No 2336)
 Certified Internal Auditor (CIA) with honors from The Institute of Internal Auditor, (CIA No.30861)

Work Experience

Assistant Governor of Finance and Accounting, Electricity Generating Authority of Thailand
 Director in charge of associated companies under The Electricity Generating PCL.
 Audit Committee, Metro Star Property Public Co., Ltd.
 Audit Committee, Crown Seal Public Co., Ltd.
 Chairman, Audit and Management Consultant Co., Ltd

Director position of Thaivivat Insurance Public Co., Ltd.

Director Position

Independent Director (as the company's definition of independent director)
 (appointment – renewal, June 2,1999– present)
 Audit committee
 (appointment – renewal, February 23,2009– present)

Executive position none

Number of year being as director 16 years



Share holding in the company none
Legal matters in dispute No contentious case in past 5 years

Other current position

Audit Committee, Crown Seal Public Co., Ltd.
 Chairman, Audit and Management Consultant Co., Ltd

Number of TVI share held None

- Being the directors / executives in other businesses which may generate conflict of interest with the Company. **No**
- Being the close relative to the executive or the major shareholders of the Company or the Subsidiary Company **No**
- Having the relationship in the following nature to the Company or the Subsidiary Company or Juristic person which may have a conflict in current year or in the past 2 years **No**
 - (1) Being the director who participates in the management of works, employees and staff or being a consultant who receives monthly salary. **No**
 - (2) Being service provider for professional matter (such as auditors or legal advisor) **No**
 - (3) Having business relationship (such as buying/selling raw materials/goods/service, borrowing/lending) **No**

Meeting attendance / Number of Meeting

Meeting attendance for Company Director (appointment – renewal, June 2,1999)

	Presented	Held
2013	5	6
2014	5	6
2015	4	6

Meeting attendance for Audit committee (appointment – renewal, February 23,2009)

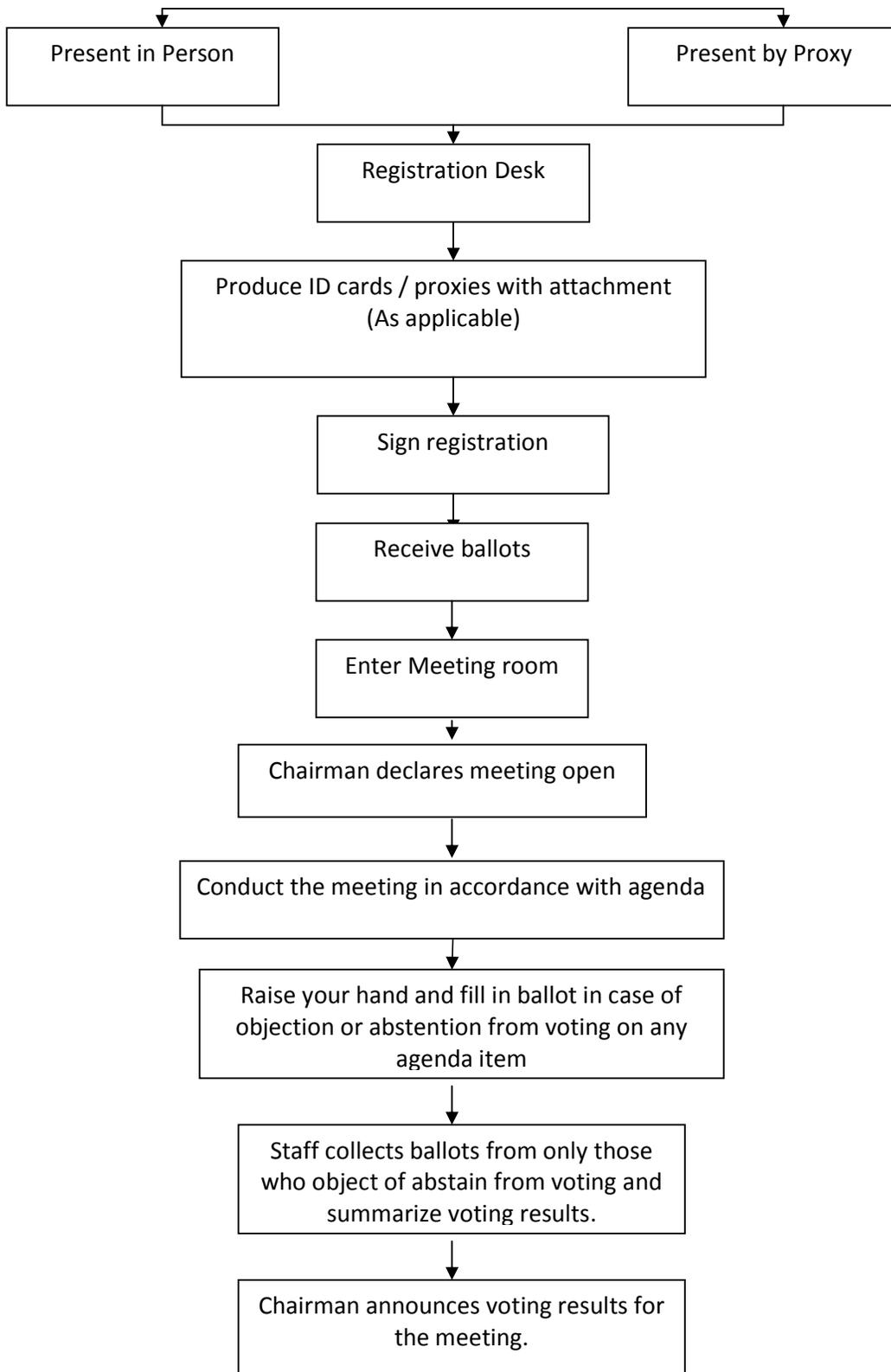
	Presented	Held
2013	4	4
2014	4	4
2015	4	4

Being Stakeholders in the proposed agenda for the meeting on 23/2016

This Independent director whom are dominated to be a proxy from the shareholders have no interest in the proposed agenda of the meeting in any way except Agenda 5 To consider and determine the Pensions of director committee.



Procedures for Attending Annual Meeting of Shareholders



Chapter 5 General Meeting of Shareholders

Article 27. The Board of Director shall arrange for an annual ordinary meeting of shareholders within 4 months from the last day of the fiscal year of the company.

Meetings other than that mentioned above shall be called extraordinary meetings. The Board of Director may call an extraordinary meeting of shareholders whenever the Board deems appropriate, or the shareholders holding not less than one-fifth of the total number of shares sold or shareholders of not less than 25 in number whose shares are in total not less than one-tenth of the total number of shares sold, may submit a written request signed by them to ask the Board of Directors to call an extraordinary meeting of shares at any time, provided that they shall clearly state their reasons in such written request.

Article 28. In calling a general meeting of shareholders, the Board of Directors shall send notices of the meeting specifying the place, date, time and agenda of the meeting, as well as the subject matters to be submitted to the meeting with reasonable details, and clearly stating which one will be for information, for approval or for consideration, as the case may be, together with the justification of the Board of Director on such matters, and shall send notices to the shareholder and the registrar for their information not less than 7 days before the date of meeting. Furthermore, publication of notices calling a meeting shall also be made in a newspaper for a period of 3 consecutive days, which shall end not less than 3 days before the date of meeting.

Article 29. At a general meeting of shareholders, there shall be shareholders and proxies (if any) present at the meeting in a number of not less than 25 persons or not less than half of the hotel number of shareholders and such shareholders shall holder shares totaling not less than one-third of the total number of shares sold, in order to constitute a quorum.

In the event that after 1 hour from the time fixed for any general meeting of shareholders, the number of shareholders present is still inadequate to form a quorum, and if such general meeting of shareholders was requested by the shareholders, such meeting shall be cancelled. If such meeting of shareholders was not called by the shareholders' request, the meeting shall be called again, and, in this case, notices calling the meeting shall be sent to shareholders not less than 7 days before the meeting. In the second meeting, a quorum is not required.



Article 30. The chairman of the Board shall be the chairman of the general meetings of shareholders. If the chairman is absent or is unable to discharge his duties, and if a vice-chairman is present, he shall act as chairman. If there is no vice-chairman or if the vice-chairman is not able to discharge his duties, the shareholders shall elect one among themselves to be chairman of that general meeting.

In casting a vote, the shareholders shall have votes equal to the number of shares held by them and one share is entitled to one vote.

Voting shall be mad openly, unless at least five shareholders request a secret vote and the meeting resolves accordingly. The method for the secret vote shall be stipulated by the chairman of the meeting.

Article 31. A resolution of the meeting of shareholders shall be made by the following votes:

- (1) in an ordinary event, the majority vote of the shareholders who attend the meeting and cast their votes. In case of an equality of votes, the chairman of the meeting shall have an additional vote as a vesting vote;
- (2) in the following cases, a vote of note less than three-fourths of the total number of votes of shareholders who attend the meeting and have the right to vote:
 - (a) the sale or transfer of the whole or essential part of the business of the company to other persons;
 - (b) the purchase or acceptance of transfer of the business of other companies or private companies by the company;
 - (c) an executing, amending or terminating of contracts with respect to the granting of a hire of the whole or essential part of the business of the company, the entrustment of the management of the business of the company to any other person or the amalgamation of the business with other persons with the purpose of profit and loss sharing;

Article 32. The annual ordinary general meeting of shareholders shall consider the following matters:

- (1) consideration of the report of the Board of Directors concerning the company's operating performance during the preceding year;
- (2) consideration and approval of the balance sheet;
- (3) consideration of the profit allocation;
- (4) election of the directors in place of those directors retiring by rotation;
- (5) appointment of an auditors and determination of remuneration;
- (6) other matters.

