

Nam Seng Insurance Public Company Limited  
Review report and interim financial statements  
31 March 2017

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Nam Seng Insurance Public Company Limited

I have reviewed the accompanying statement of financial position of Nam Seng Insurance Public Company Limited as at 31 March 2017, the related statements of comprehensive income, changes in owners' equity and cash flows for the three-month period then ended, as well as the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34: Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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

### **Conclusion**

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

Rachada Yongsawadvanich  
Certified Public Accountant (Thailand) No. 4951

EY Office Limited  
Bangkok: 8 May 2017

**Nam Seng Insurance Public Company Limited**

**Statements of financial position**

**As at 31 March 2017 and 31 December 2016**

|                                 |       | (Unit: Baht)                |                      |
|---------------------------------|-------|-----------------------------|----------------------|
|                                 | Note  | 31 March 2017               | 31 December 2016     |
|                                 |       | (Unaudited<br>but reviewed) | (Audited)            |
| <b>Assets</b>                   |       |                             |                      |
| Cash and cash equivalents       | 3     | 192,456,367                 | 94,730,839           |
| Premium receivables - net       | 4, 19 | 186,119,990                 | 209,801,725          |
| Accrued investment income       |       | 10,066,467                  | 7,622,310            |
| Reinsurance assets - net        | 5     | 265,193,864                 | 282,183,199          |
| Reinsurance receivables - net   | 6     | 75,942,170                  | 83,999,930           |
| Investment assets               |       |                             |                      |
| Investments in securities - net | 7     | 2,296,001,057               | 2,352,314,271        |
| Loans - net                     | 8     | 7,494,736                   | 7,910,779            |
| Premises and equipment - net    | 9     | 193,293,196                 | 196,132,669          |
| Intangible assets - net         | 10    | 1,820,122                   | 429,404              |
| Deferred tax assets             | 11.1  | 124,458,138                 | 117,031,989          |
| Other assets                    | 12    | 88,403,560                  | 58,170,075           |
| <b>Total assets</b>             |       | <b>3,441,249,667</b>        | <b>3,410,327,190</b> |

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

**Nam Seng Insurance Public Company Limited**  
**Statements of financial position (continued)**  
**As at 31 March 2017 and 31 December 2016**

(Unit: Baht)

|   | Note   | 31 March 2017<br>(Unaudited<br>but reviewed) | 31 December 2016<br>(Audited) |
|---|--------|--|-------------------------------|
| <b>Liabilities and equity</b>                         |        |  |                               |
| <b>Liabilities</b>                                    |        |  |                               |
| Insurance contract liabilities                        | 13     | 1,818,977,836                                | 1,804,688,115                 |
| Amounts due to reinsurers                             | 14     | 168,907,118                                  | 159,069,669                   |
| Income tax payable                                    |        | 11,813,759                                   | 3,516,007                     |
| Employee benefit obligations                          |        | 38,965,437                                   | 39,630,315                    |
| Accrued commissions                                   | 19     | 34,067,895                                   | 34,055,926                    |
| Other liabilities                                     | 15, 19 | 127,631,312                                  | 124,419,360                   |
| <b>Total liabilities</b>                              |        | <u>2,200,363,357</u>                         | <u>2,165,379,392</u>          |
| <b>Equity</b>   |        |  |                               |
| Share capital   |        |  |                               |
| Registered  |        |  |                               |
| 20,000,000 ordinary shares of Baht 10 each            |        | <u>200,000,000</u>                           | <u>200,000,000</u>            |
| Issued and paid-up                                    |        |  |                               |
| 13,900,000 ordinary shares of Baht 10 each            |        | 139,000,000                                  | 139,000,000                   |
| Premium on share capital                              |        | 594,436,835                                  | 594,436,835                   |
| Retained earnings                                     |        |  |                               |
| Appropriated  |        |  |                               |
| Statutory reserve                                     |        | 24,848,787                                   | 24,848,787                    |
| General reserve                                       |        | 6,163,850                                    | 6,163,850                     |
| Unappropriated  |        | 471,557,663                                  | 478,991,008                   |
| Other component of owners' equity                     |        |  |                               |
| Revaluation surplus on available-for-sale investments |        |  |                               |
| - net of income taxes                                 | 7.2    | 4,879,175                                    | 1,507,318                     |
| <b>Total owners' equity</b>                           |        | <u>1,240,886,310</u>                         | <u>1,244,947,798</u>          |
| <b>Total liabilities and owners' equity</b>           |        | <u>3,441,249,667</u>                         | <u>3,410,327,190</u>          |
|   |        | -  | -                             |

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

.....  
Directors  
.....

(Unaudited but reviewed)

**Nam Seng Insurance Public Company Limited**

**Statements of comprehensive income**

**For the three-month periods ended 31 March 2017 and 2016**

|   |          | (Unit: Baht)       |                    |
|---|----------|--------------------|--------------------|
|   | Note     | 2017               | 2016               |
| <b>Profit or loss:</b>                                      |          |                    |                    |
| <b>Revenues</b>   |          |                    |                    |
| Gross premium written                                       | 19.2     | 522,835,237        | 558,374,803        |
| Less: Premium ceded to reinsurers                           |          | (53,534,644)       | (61,598,438)       |
| Net premium written   |          | 469,300,593        | 496,776,365        |
| Less: Unearned premium reserves increased from prior period |          | (21,666,539)       | (70,106,788)       |
| Net earned premium  |          | 447,634,054        | 426,669,577        |
| Commission and brokerage income from reinsurers             |          | 12,885,241         | 19,995,581         |
| Net investment revenues                                     |          | 18,123,999         | 15,626,291         |
| Losses on investments                                       |          | (547,055)          | (7,408,849)        |
| Fair value gains (losses)                                   |          | (818,752)          | 7,361,300          |
| Other income  | 19.2     | 4,801,536          | 2,939,674          |
| <b>Total revenues</b>                                       |          | <b>482,079,023</b> | <b>465,183,574</b> |
| <b>Expenses</b>   |          |                    |                    |
| Gross claims  |          | 301,267,033        | 291,898,260        |
| Less: Claim recovery from reinsurers                        |          | (21,454,510)       | (45,404,052)       |
| Commission and brokerage expenses                           | 19.2     | 74,332,293         | 77,405,601         |
| Other underwriting expenses                                 |          | 40,647,160         | 40,410,477         |
| Operating expenses  | 17, 19.2 | 73,857,701         | 82,556,471         |
| <b>Total expenses</b>                                       |          | <b>468,649,677</b> | <b>446,866,757</b> |
| <b>Profits before income tax expenses</b>                   |          | <b>13,429,346</b>  | <b>18,316,817</b>  |
| Less: Income tax expenses                                   | 11.2     | (1,402,691)        | (3,235,206)        |
| <b>Profits for the periods</b>                              |          | <b>12,026,655</b>  | <b>15,081,611</b>  |

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

(Unaudited but reviewed)

**Nam Seng Insurance Public Company Limited**

**Statements of comprehensive income (continued)**

**For the three-month periods ended 31 March 2017 and 2016**

|   |      | (Unit: Baht)             |                          |
|---|------|--------------------------|--------------------------|
|   | Note | 2017                     | 2016                     |
| <b>Other comprehensive income:</b>  |      |                          |                          |
| Items to be recognised in profit or loss in subsequent periods:                       |      |                          |                          |
| Gains on revaluation of available-for-sale investments                                |      | 4,214,821                | 10,356,646               |
| Less: Income taxes  | 11.2 | <u>(842,964)</u>         | <u>(2,071,329)</u>       |
| Items to be recognised in profit or loss in subsequent periods - net of income taxes: |      | <u>3,371,857</u>         | <u>8,285,317</u>         |
| <b>Other comprehensive income for the periods</b>                                     |      | <u>3,371,857</u>         | <u>8,285,317</u>         |
| <b>Total comprehensive income for the periods</b>                                     |      | <u><u>15,398,512</u></u> | <u><u>23,366,928</u></u> |
| <br>  |      |                          |                          |
| <b>Earnings per share</b>   |      |                          |                          |
| Basic earnings per share  |      |                          |                          |
| Profits for the periods   | 18   | <u><u>0.87</u></u>       | <u><u>1.09</u></u>       |

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

(Unaudited but reviewed)

**Nam Seng Insurance Public Company Limited****Statements of changes in owners' equity****For the three-month periods ended 31 March 2017 and 2016**

(Unit: Baht)

|   | Note | Issued and paid-up<br>share capital | Premium on<br>share capital | Retained earnings |                  |                    | Other component of owners' equity                        | Total                |
|---|------|-------------------------------------|-----------------------------|-------------------|------------------|--------------------|--|----------------------|
|   |      |                                     |                             | Appropriated      |                  | Unappropriated     | Revaluation surplus on<br>available-for-sale investments |                      |
|   |      |                                     |                             | Statutory reserve | General reserve  |                    | - net of income taxes                                    |                      |
| <b>Balance as at 1 January 2016</b>       |      | 139,000,000                         | 594,436,835                 | 24,848,787        | 6,163,850        | 548,794,476        | (18,957,078)   | 1,294,286,870        |
| Profit for the period                     |      | -                                   | -                           | -                 | -                | 15,081,611         | -  | 15,081,611           |
| Other comprehensive income for the period |      | -                                   | -                           | -                 | -                | -                  | 8,285,317  | 8,285,317            |
| Total comprehensive income for the period |      | -                                   | -                           | -                 | -                | 15,081,611         | 8,285,317  | 23,366,928           |
| Dividends paid                            | 23   | -                                   | -                           | -                 | -                | (125,100,000)      | -  | (125,100,000)        |
| <b>Balance as at 31 March 2016</b>        |      | <u>139,000,000</u>                  | <u>594,436,835</u>          | <u>24,848,787</u> | <u>6,163,850</u> | <u>438,776,087</u> | <u>(10,671,761)</u>                                      | <u>1,192,553,798</u> |
| <b>Balance as at 1 January 2017</b>       |      | 139,000,000                         | 594,436,835                 | 24,848,787        | 6,163,850        | 478,991,008        | 1,507,318  | 1,244,947,798        |
| Profit for the period                     |      | -                                   | -                           | -                 | -                | 12,026,655         | -  | 12,026,655           |
| Other comprehensive income for the period |      | -                                   | -                           | -                 | -                | -                  | 3,371,857  | 3,371,857            |
| Total comprehensive income for the period |      | -                                   | -                           | -                 | -                | 12,026,655         | 3,371,857  | 15,398,512           |
| Dividends paid                            | 23   | -                                   | -                           | -                 | -                | (19,460,000)       | -  | (19,460,000)         |
| <b>Balance as at 31 March 2017</b>        |      | <u>139,000,000</u>                  | <u>594,436,835</u>          | <u>24,848,787</u> | <u>6,163,850</u> | <u>471,557,663</u> | <u>4,879,175</u>   | <u>1,240,886,310</u> |
|   |      | -                                   | -                           | -                 | -                | -                  | -  | -                    |

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

(Unaudited but reviewed)

**Nam Seng Insurance Public Company Limited**

**Statements of cash flows**

**For the three-month periods ended 31 March 2017 and 2016**

|   | (Unit: Baht)       |                    |
|---|--------------------|--------------------|
|   | 2017               | 2016               |
| <b>Cash flows from (used in) operating activities</b>   |                    |                    |
| Direct premium written                                  | 545,848,458        | 576,532,223        |
| Cash received (paid) on reinsurance                     | 6,511,898          | (28,470,271)       |
| Interest income   | 12,123,117         | 12,716,081         |
| Dividend income   | 3,556,725          | 1,567,245          |
| Other income  | 4,802,687          | 2,936,203          |
| Losses paid on direct insurance                         | (298,061,574)      | (261,261,579)      |
| Commissions and brokerages expenses on direct insurance | (74,245,835)       | (78,997,951)       |
| Other underwriting expenses                             | (40,647,159)       | (36,572,068)       |
| Operating expenses                                      | (120,406,599)      | (164,873,853)      |
| Income taxes  | (1,374,052)        | (1,525,240)        |
| Investments in securities                               | 60,716,348         | 275,637,182        |
| Loans   | 416,043            | 631,658            |
| <b>Net cash provided by operating activities</b>        | <b>99,240,057</b>  | <b>298,319,630</b> |
| <b>Cash flows from (used in) investing activities</b>   |                    |                    |
| Cash flows from   |                    |                    |
| Premises and equipment                                  | 12,143             | 9,975              |
| Cash provided by investing activities                   | 12,143             | 9,975              |
| Cash flows used in                                      |                    |                    |
| Premises and equipment                                  | (1,511,272)        | (1,329,104)        |
| Intangible assets                                       | (15,400)           | -                  |
| Cash used in investing activities                       | (1,526,672)        | (1,329,104)        |
| <b>Net cash used in investing activities</b>            | <b>(1,514,529)</b> | <b>(1,319,129)</b> |
| <b>Net increase in cash and cash equivalents</b>        | <b>97,725,528</b>  | <b>297,000,501</b> |
| Cash and cash equivalents at beginning of the periods   | 94,730,839         | 77,148,715         |
| <b>Cash and cash equivalents at end of the periods</b>  | <b>192,456,367</b> | <b>374,149,216</b> |

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



# Nam Seng Insurance Public Company Limited

## Table of contents for notes to interim financial statements

For the three-month periods ended 31 March 2017 and 2016

| <b>Note</b> | <b>Contents</b>  | <b>Page</b> |
|-------------|--|-------------|
| 1.          | Corporate information.....                             | 1           |
| 2.          | Basis for the preparation of financial statements..... | 1           |
| 3.          | Cash and cash equivalents .....                        | 2           |
| 4.          | Premium receivables .....                              | 2           |
| 5.          | Reinsurance assets.....                                | 3           |
| 6.          | Reinsurance receivables .....                          | 3           |
| 7.          | Investments in securities.....                         | 4           |
| 8.          | Loans .....  | 6           |
| 9.          | Premises and equipment.....                            | 7           |
| 10.         | Intangible assets.....                                 | 7           |
| 11.         | Deferred tax assets/Income taxes .....                 | 8           |
| 12.         | Other assets .....                                     | 9           |
| 13.         | Insurance contract liabilities .....                   | 10          |
| 14.         | Reinsurance payables .....                             | 11          |
| 15.         | Other liabilities .....                                | 11          |
| 16.         | Segment information .....                              | 12          |
| 17.         | Operating expenses .....                               | 13          |
| 18.         | Earning per shares .....                               | 13          |
| 19.         | Related party transactions.....                        | 14          |
| 20.         | Assets with the Registrar.....                         | 16          |
| 21.         | Commitments and contingent liabilities.....            | 16          |
| 22.         | Fair value of financial instruments .....              | 17          |
| 23.         | Dividends paid .....                                   | 17          |
| 24.         | Approval of the interim financial statements .....     | 17          |

**Nam Seng Insurance Public Company Limited**

**Notes to interim financial statements**

**For the three-month periods ended 31 March 2017 and 2016**

**1. Corporate information**

Nam Seng Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company’s major shareholder is N.S. Alliance Co., Ltd., which was incorporated in Thailand whereby as at 31 March 2017 and 31 December 2016, such major shareholder held 28.75% of the issued and paid-up share capital of the Company. The Company is principally engaged in the provision of non-life insurance while its head office is located in Bangkok and has 28 sub-branches located in provinces. The Company’s registered office is located at No. 767 Krungthep-Nonthaburi Road, Bangsue Sub-district, Bangsue District, Bangkok.

**2. Basis for the preparation of financial statements**

**2.1 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard 34: Interim Financial Reporting and the format of financial statements specified in the Notification of the Office of Insurance Commission (“OIC”) regarding criteria, procedures, terms and conditions for preparation and submission of financial statements and operating performance reports of non-life insurance companies B.E. 2559 dated 4 March 2016 whereby the Company has chosen to present condensed interim financial statements. However, the Company has presented each line item in the statements of financial position, comprehensive income, changes in owners’ equity and cash flows in the same full format as that used for its annual financial statements

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, the interim financial statements focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

## 2.2 New and revised financial reporting standards

During the period, the Company has adopted new and revised financial reporting standards and interpretations (revised 2016), including new accounting treatment guidance, which are effective for fiscal years beginning on or after 1 January 2017. 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 impact on these financial statements.

## 2.3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were applied in the financial statements for the year ended 31 December 2016, except for the adoption of new and revised financial reporting standards as described in Note 2.2 to the interim financial statements.

## 3. Cash and cash equivalents

|   | (Unit: Baht)       |                   |
|---|--------------------|-------------------|
|   | 31 March 2017      | 31 December 2016  |
| Cash on hand                                  | 175,133            | 174,291           |
| Deposits at banks with no fixed maturity date | 192,281,234        | 94,556,548        |
| Total cash and cash equivalents               | <u>192,456,367</u> | <u>94,730,839</u> |

## 4. Premium receivables

As at 31 March 2017 and 31 December 2016, the outstanding balances of premium receivables are classified by overdue periods, counted from the maturity date under the stipulated law of the premium collection, as follows:

|                                       | (Unit: Baht)        |                     |
|---------------------------------------|---------------------|---------------------|
|                                       | 31 March 2017       | 31 December 2016    |
| Not yet due                           | 142,337,033         | 176,259,195         |
| Overdue not longer than 30 days       | 27,865,185          | 26,256,003          |
| Overdue 31 days to 60 days            | 14,053,127          | 11,686,328          |
| Overdue 61 days to 90 days            | 11,436,600          | 2,686,466           |
| Overdue 91 days to 1 year             | 6,760,238           | 2,015,406           |
| Overdue longer than 1 year            | 8,496,821           | 9,346,869           |
| Total                                 | <u>210,949,004</u>  | <u>228,250,267</u>  |
| Less: Allowance for doubtful accounts | <u>(24,829,014)</u> | <u>(18,448,542)</u> |
| Premium receivables - net             | <u>186,119,990</u>  | <u>209,801,725</u>  |

(Unaudited but reviewed)

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.

## 5. Reinsurance assets

|   | (Unit: Baht)  |                  |
|---|---------------|------------------|
|   | 31 March 2017 | 31 December 2016 |
| Insurance reserves refundable from reinsurers |               |                  |
| - Loss reserves                               | 125,360,123   | 131,773,673      |
| - Unearned premium reserves                   | 144,812,085   | 155,387,870      |
| Total   | 270,172,208   | 287,161,543      |
| Less: Allowance for doubtful accounts         | (4,978,344)   | (4,978,344)      |
| Reinsurance assets - net                      | 265,193,864   | 282,183,199      |

## 6. Reinsurance receivables

|                                       | (Unit: Baht)  |                  |
|---------------------------------------|---------------|------------------|
|                                       | 31 March 2017 | 31 December 2016 |
| Amounts deposited on reinsurance      | 2,929         | 2,929            |
| Amounts due from reinsurers           | 76,480,627    | 84,472,038       |
| Total                                 | 76,483,556    | 84,474,967       |
| Less: Allowance for doubtful accounts | (541,386)     | (475,037)        |
| Reinsurance receivables - net         | 75,942,170    | 83,999,930       |

**7. Investments in securities****7.1 Classified by type of investment**

(Unit: Baht)

|  | 31 March 2017        |             | 31 December 2016     |             |
|--|----------------------|-------------|----------------------|-------------|
|  | Cost/                |             | Cost/                |             |
|  | Amortised cost       | Fair value  | Amortised cost       | Fair value  |
| <b>Trading investments</b>                                     |                      |             |                      |             |
| Equity securities  | 74,520,928           | 74,052,247  | 30,063,627           | 30,426,784  |
| Unit trusts  | 8,512,551            | 8,525,637   | -                    | -           |
| Total  | 83,033,479           | 82,577,884  | 30,063,627           | 30,426,784  |
| Add (less): Unrealised gains (losses)                          | (455,595)            | -           | 363,157              | -           |
| Trading investments - net                                      | 82,577,884           | 82,577,884  | 30,426,784           | 30,426,784  |
| <b>Available-for-sale investments</b>                          |                      |             |                      |             |
| Equity securities  | 32,979,072           | 39,230,490  | 34,007,539           | 38,992,551  |
| Unit trusts  | 525,396,263          | 524,249,348 | 476,155,835          | 472,119,241 |
| Debentures   | 80,017,009           | 81,011,474  | 80,019,803           | 80,955,532  |
| Total  | 638,392,344          | 644,491,312 | 590,183,177          | 592,067,324 |
| Add: Unrealised gains  | 6,098,968            | -           | 1,884,147            | -           |
| Less: Allowance for impairment                                 | (5,904,250)          | (5,904,250) | (6,050,600)          | (6,050,600) |
| Available-for-sale investments - net                           | 638,587,062          | 638,587,062 | 586,016,724          | 586,016,724 |
| <b>Held-to-maturity investments</b>                            |                      |             |                      |             |
| Government and state enterprise securities                     | 548,544,519          |             | 539,026,495          |             |
| Saving lottery   | 29,550,000           |             | 34,550,000           |             |
| Private enterprise debt securities                             | 459,693,572          |             | 465,246,248          |             |
| Deposits at financial institutions which matured over 3 months | 535,000,000          |             | 695,000,000          |             |
| Total held-to-maturity investments                             | 1,572,788,091        |             | 1,733,822,743        |             |
| <b>General investments</b>                                     |                      |             |                      |             |
| Equity securities  | 2,048,020            |             | 2,048,020            |             |
| Total general investments                                      | 2,048,020            |             | 2,048,020            |             |
| <b>Investment in securities - net</b>                          | <b>2,296,001,057</b> |             | <b>2,352,314,271</b> |             |

**7.2 Revaluation surplus on available-for-sale investments**

(Unit: Baht)

|   | For the three-month<br>period ended<br>31 March 2017 | For the year ended<br>31 December 2016 |
|---|--|--|
| Balances - beginning of the periods   | 1,507,318  | (18,957,078)                           |
| Gains on revaluation of available-for-sale investments during the periods   | 4,437,710  | 21,328,309                             |
| (Gains) losses on sales of available-for-sale investments during the periods transferred to be recognised in profit or loss | (222,889)  | 4,252,185                              |
| Total gains on revaluation of available-for-sale investments  | 4,214,821  | 25,580,494                             |
| Less: Income taxes  | (842,964)  | (5,116,098)                            |
| Gains on revaluation of available-for-sale investments - net of income taxes  | 3,371,857  | 20,464,396                             |
| Balances - end of the periods   | 4,879,175  | 1,507,318                              |

**7.3 Investments subject to restriction**

As at 31 March 2017 and 31 December 2016, certain bonds were placed with the Registrar of the Office of Insurance Commission as described in Note 20 to the interim financial statements.

As at 31 March 2017 and 31 December 2016, the Company had bonds, lottery savings and deposits at financial institutions with maturity periods of longer than 3 months totalling Baht 17.4 million and Baht 18.1 million, respectively, used to secure performance obligations as required in normal course of business of the Company.

**8. Loans**

As at 31 March 2017 and 31 December 2016, the outstanding balances of loans and interest receivable are classified according to their overdue periods as follows:

(Unit: Baht)

| Overdue periods                       | 31 March 2017  |                     |           |                     |           |                       |           |
|---------------------------------------|----------------|---------------------|-----------|---------------------|-----------|-----------------------|-----------|
|                                       | Mortgage loans |                     | Others    |                     | Total     |                       |           |
|                                       | Principal      | Interest receivable | Principal | Interest receivable | Principal | Interest receivable   | Total     |
| Not yet due                           | 5,791,844      | 17,852              | 1,702,892 | -                   | 7,494,736 | 17,852                | 7,512,588 |
| Overdue longer than 12 months         | -              | -                   | 314,526   | 203,847             | 314,526   | 203,847               | 518,373   |
| Total                                 | 5,791,844      | 17,852              | 2,017,418 | 203,847             | 7,809,262 | 221,699               | 8,030,961 |
| Less: Allowance for doubtful accounts | -              | -                   | (314,526) | (203,847)           | (314,526) | (203,847)             | (518,373) |
| Loans and interest receivable - net   | 5,791,844      | 17,852              | 1,702,892 | -                   | 7,494,736 | 17,852 <sup>(1)</sup> | 7,512,588 |

<sup>(1)</sup> Included as a part of "Accrued investment income" in statements of financial position

(Unit: Baht)

| Overdue periods                       | 31 December 2016 |                     |           |                     |           |                      |           |
|---------------------------------------|------------------|---------------------|-----------|---------------------|-----------|----------------------|-----------|
|                                       | Mortgage loans   |                     | Others    |                     | Total     |                      |           |
|                                       | Principal        | Interest receivable | Principal | Interest receivable | Principal | Interest receivable  | Total     |
| Not yet due                           | 5,962,431        | 1,319               | 1,948,348 | -                   | 7,910,779 | 1,319                | 7,912,098 |
| Overdue longer than 12 months         | -                | -                   | 314,526   | 203,847             | 314,526   | 203,847              | 518,373   |
| Total                                 | 5,962,431        | 1,319               | 2,262,874 | 203,847             | 8,225,305 | 205,166              | 8,430,471 |
| Less: Allowance for doubtful accounts | -                | -                   | (314,526) | (203,847)           | (314,526) | (203,847)            | (518,373) |
| Loans and interest receivable - net   | 5,962,431        | 1,319               | 1,948,348 | -                   | 7,910,779 | 1,319 <sup>(1)</sup> | 7,912,098 |

<sup>(1)</sup> Included as a part of "Accrued investment income" in statements of financial position

The maximum credit limit on employee loans that are secured by personal guarantee is set at 20 times of an employee's monthly salary but not exceeding Baht 500,000. The maximum credit limit on mortgage loan is set at 90% of the appraisal value of the underlying immovable properties and will be taken into accounts the purpose of borrowings and their ability to repay. Interest rate may be set higher or lower than minimum lending rates (MLR) of commercial banks.

**9. Premises and equipment**

The movement of premises and equipment for the three-month period ended 31 March 2017 is as follows:

(Unit: Baht)

|                                       | Land               | Buildings         | Furniture,<br>fixtures and<br>office<br>equipment | Vehicles         | Construction<br>in progress | Total              |
|---------------------------------------|--------------------|-------------------|---|------------------|-----------------------------|--------------------|
| Net book value as at                  |                    |                   |   |                  |                             |                    |
| 1 January 2017                        | 124,402,866        | 41,129,110        | 25,726,385  | 2,590,308        | 2,284,000                   | 196,132,669        |
| Additions - at cost                   | -                  | -                 | 597,272   | -                | 914,000                     | 1,511,272          |
| Transfer in (out)                     | -                  | -                 | 149,950   | -                | (1,620,000)                 | (1,470,050)        |
| Disposals - net book value            | -                  | -                 | (13,295)  | -                | -                           | (13,295)           |
| Depreciation charge for the<br>period | -                  | (1,001,566)       | (1,754,535)                                       | (111,299)        | -                           | (2,867,400)        |
| Net book value as at                  |                    |                   |   |                  |                             |                    |
| 31 March 2017                         | <u>124,402,866</u> | <u>40,127,544</u> | <u>24,705,777</u>                                 | <u>2,479,009</u> | <u>1,578,000</u>            | <u>193,293,196</u> |

**10. Intangible assets**

The movement of computer softwares for the three-month period ended 31 March 2017 is as follows:

(Unit: Baht)

|                                      | <u>Computer softwares</u> |
|--------------------------------------|---------------------------|
| Net book values as at 1 January 2017 | 429,404                   |
| Addition - at cost                   | 15,400                    |
| Transfer in                          | 1,470,050                 |
| Amortisation charge for the period   | (94,732)                  |
| Net book value as at 31 March 2017   | <u><u>1,820,122</u></u>   |



**11. Deferred tax assets/Income taxes****11.1 Deferred tax assets**

As at 31 March 2017 and 31 December 2016, the components of deferred tax assets arose from the following temporary differences:

|   | (Unit: Baht)       |                    |
|---|--------------------|--------------------|
|   | 31 March 2017      | 31 December 2016   |
| <b>Deferred tax assets (liabilities) arose from:</b>  |                    |                    |
| Allowance for doubtful accounts                       | 7,327,550          | 6,080,947          |
| Premium reserves                                      | 61,010,918         | 54,479,548         |
| Loss reserves on claims incurred but not yet reported | 20,320,048         | 20,296,464         |
| Loss reserves on claims incurred and reported         | 29,135,210         | 28,698,427         |
| Employee benefits obligations                         | 7,793,087          | 7,926,063          |
| Unrealised (gains) losses on revaluation of           |                    |                    |
| Trading investments                                   | 91,119             | (72,631)           |
| Available-for-sale investments                        | (1,219,794)        | (376,829)          |
| Deferred tax assets                                   | <u>124,458,138</u> | <u>117,031,989</u> |

**11.2 Income tax**

Income tax expenses for the three-month periods ended 31 March 2017 and 2016 are made up as follows:

|   | (Unit: Baht)                |                    |
|---|-----------------------------|--------------------|
|   | For the three-month periods |                    |
|   | ended 31 March              |                    |
|   | 2017                        | 2016               |
| <b>Current income taxes:</b>                                  |                             |                    |
| Interim corporate income tax charge                           | (9,671,804)                 | (27,693,452)       |
| <b>Deferred tax:</b>  |                             |                    |
| Relating to origination and reversal of temporary differences | 8,269,113                   | 24,458,246         |
| Income tax expenses reported in profit or loss                | <u>(1,402,691)</u>          | <u>(3,235,206)</u> |

(Unaudited but reviewed)

Reconciliations between income tax expenses and the product of accounting profits for the three-month periods ended 31 March 2017 and 2016 and the applicable tax rate are as follows:

|   | (Unit: Baht)                                  |             |
|---|---|-------------|
|   | For the three-month periods<br>ended 31 March |             |
|   | 2017  | 2016        |
| Accounting profits before income tax expenses   | 13,429,346                                    | 18,316,817  |
| Applicable tax rate   | 20%   | 20%         |
| Accounting profits before income tax expenses multiplied by<br>the applicable tax rate                          | (2,685,869)                                   | (3,663,363) |
| Net tax effect on revenues or expenses that are not taxable<br>or not deductible in determining taxable profits | 1,283,178                                     | 428,157     |
| Income tax expenses reported in profit or loss  | (1,402,691)                                   | (3,235,206) |

The amounts of income taxes relating to each component of other comprehensive income for the three-month periods ended 31 March 2017 and 2016 are as follows:

|  | (Unit: Baht)                                  |             |
|--|---|-------------|
|  | For the three-month periods<br>ended 31 March |             |
|  | 2017  | 2016        |
| Deferred income taxes relating to:   |   |             |
| Revaluation decreases on investments during the periods  | (887,542)                                     | (1,257,274) |
| (Gains) losses on sales of available-for-sale investments during<br>the periods transferred to be recognised in profit or loss | 44,578  | (814,055)   |
| Income taxes as reported in other comprehensive income (losses)  | (842,964)                                     | (2,071,329) |

## 12. Other assets

|   | (Unit: Baht)  |                  |
|---|---------------|------------------|
|   | 31 March 2017 | 31 December 2016 |
| Advances paid                           | 25,662,092    | 26,005,535       |
| Prepaid expenses                        | 643,585       | 757,081          |
| Undue input value added taxes           | 2,716,637     | 2,837,008        |
| Claim receivables from litigants        | 1,717,023     | 1,899,580        |
| Postdated cheques received              | 36,011,122    | 3,841,762        |
| Receivable from disposals of securities | 7,278,414     | 7,071,080        |
| Accrued income                          | 5,871,855     | 5,871,855        |
| Others                                  | 8,502,832     | 9,886,174        |
| Total other assets                      | 88,403,560    | 58,170,075       |

**13. Insurance contract liabilities**

(Unit: Baht)

|  | 31 March 2017                  |                            | Net           |
|--|--------------------------------|----------------------------|---------------|
|  | Insurance contract liabilities | Reinsurance on liabilities |               |
| Loss reserves                          |                                |                            |               |
| - Claims incurred and reported         | 510,376,405                    | (103,027,941)              | 407,348,464   |
| - Claims incurred but not yet reported | 118,954,076                    | (17,353,838)               | 101,600,238   |
| Unearned premium reserves              | 1,189,647,355                  | (144,812,085)              | 1,044,835,270 |
| Total                                  | 1,818,977,836                  | (265,193,864)              | 1,553,783,972 |

(Unit: Baht)

|  | 31 December 2016               |                            | Net           |
|--|--------------------------------|----------------------------|---------------|
|  | Insurance contract liabilities | Reinsurance on liabilities |               |
| Loss reserves and outstanding claims   |                                |                            |               |
| - Claims incurred and reported         | 497,450,418                    | (99,596,554)               | 397,853,864   |
| - Claims incurred but not yet reported | 128,681,097                    | (27,198,775)               | 101,482,322   |
| Unearned premium reserves              | 1,178,556,600                  | (155,387,870)              | 1,023,168,730 |
| Total                                  | 1,804,688,115                  | (282,183,199)              | 1,522,504,916 |

**13.1 Loss reserves**

(Unit: Baht)

|  | For the three-month           |  |
|--|-------------------------------|--|
|  | period ended<br>31 March 2017 | For the year ended<br>31 December 2016 |
| Balances - beginning of the periods                    | 626,131,515                   | 587,789,799                            |
| Claims incurred during the periods                     | 312,425,685                   | 1,204,097,037                          |
| Changes in loss reserves of prior periods' claims      | (1,431,633)                   | (37,112,423)                           |
| Changes in assumptions in calculation of loss reserves | (9,727,020)                   | 27,028,255                             |
| Claims paid during the periods                         | (298,068,066)                 | (1,155,671,153)                        |
| Balances - end of the periods                          | 629,330,481                   | 626,131,515                            |

**13.2 Unearned premium reserves**

|  | (Unit: Baht)   |  |
|--|--|--|
|  | For the three-month<br>period ended<br>31 March 2017 | For the year ended<br>31 December 2016 |
| Balances - beginning of the periods    | 1,178,556,600  | 1,085,786,676                          |
| Premium written for the periods        | 522,835,237  | 2,112,199,661                          |
| Premium earned for the current periods | (511,744,482)  | (2,019,429,737)                        |
| Balances - end of the periods          | <u>1,189,647,355</u>                                 | <u>1,178,556,600</u>                   |

**14. Reinsurance payables**

|                                 | (Unit: Baht)       |                    |
|---------------------------------|--------------------|--------------------|
|                                 | 31 March 2017      | 31 December 2016   |
| Amounts withheld on reinsurance | 101,166,770        | 99,593,519         |
| Amounts due to reinsurers       | 67,740,348         | 59,476,150         |
| Total reinsurance payables      | <u>168,907,118</u> | <u>159,069,669</u> |

**15. Other liabilities**

|                                      | (Unit: Baht)       |                    |
|--------------------------------------|--------------------|--------------------|
|                                      | 31 March 2017      | 31 December 2016   |
| Account payable - Revenue Department | 10,109,325         | 7,409,362          |
| Withholding income tax payable       | 2,756,174          | 3,083,435          |
| Undue output value added taxes       | 11,569,763         | 11,297,111         |
| Short-term employee benefit payable  | 7,831,350          | 27,234,917         |
| Accrued expenses                     | 12,137,382         | 15,123,604         |
| Deposits from brokers                | 35,468,711         | 32,408,826         |
| Dividend payable                     | 19,460,000         | -                  |
| Others                               | 28,298,607         | 27,862,105         |
| Total other liabilities              | <u>127,631,312</u> | <u>124,419,360</u> |

## 16. Segment information

The Company is organised into two non-life insurance business segments, which are motor insurance and other insurance whereby the segmental profit or loss for the three-month periods ended 31 March 2017 and 2016 can be presented as follows:

|   | (Unit: Baht)                               |                    |  |                   |  |                    |
|---|--|--------------------|--|-------------------|--|--------------------|
|   | Motor                                      |                    | Others                                     |                   | Total                                      |                    |
|   | For the three-month periods ended 31 March |                    | For the three-month periods ended 31 March |                   | For the three-month periods ended 31 March |                    |
|   | 2017                                       | 2016               | 2017                                       | 2016              | 2017                                       | 2016               |
| <b>Underwriting revenues</b>  |  |                    |  |                   |  |                    |
| Gross premium written   | 414,472,472                                | 428,534,896        | 108,362,765                                | 129,839,907       | 522,835,237                                | 558,374,803        |
| Less: Premium ceded to reinsurers   | (2,054,069)                                | (1,987,254)        | (51,480,575)                               | (59,611,184)      | (53,534,644)                               | (61,598,438)       |
| Net premium written   | 412,418,403                                | 426,547,642        | 56,882,190                                 | 70,228,723        | 469,300,593                                | 496,776,365        |
| Less: Unearned premium reserves<br>(increased) decreased from prior periods | (34,327,047)                               | (47,984,158)       | 12,660,508                                 | (22,122,630)      | (21,666,539)                               | (70,106,788)       |
| Net earned premium  | 378,091,356                                | 378,563,484        | 69,542,698                                 | 48,106,093        | 447,634,054                                | 426,669,577        |
| Commission and brokerage income from reinsurers                             | -  | -                  | 12,885,241                                 | 19,995,581        | 12,885,241                                 | 19,995,581         |
| <b>Total underwriting revenues</b>  | <b>378,091,356</b>                         | <b>378,563,484</b> | <b>82,427,939</b>                          | <b>68,101,674</b> | <b>460,519,295</b>                         | <b>446,665,158</b> |
| <b>Underwriting expenses</b>  |  |                    |  |                   |  |                    |
| Gross claims  | 247,206,942                                | 213,428,140        | 54,060,091                                 | 78,470,120        | 301,267,033                                | 291,898,260        |
| Less: Claim recovery from reinsurers  | (320,740)                                  | -                  | (21,133,770)                               | (45,404,052)      | (21,454,510)                               | (45,404,052)       |
| Commission and brokerage expenses   | 64,981,763                                 | 68,551,837         | 9,350,530                                  | 8,853,764         | 74,332,293                                 | 77,405,601         |
| Other underwriting expenses   | 22,058,171                                 | 26,278,803         | 18,588,989                                 | 14,131,674        | 40,647,160                                 | 40,410,477         |
| <b>Total underwriting expenses before operating expenses</b>                | <b>333,926,136</b>                         | <b>308,258,780</b> | <b>60,865,840</b>                          | <b>56,051,506</b> | <b>394,791,976</b>                         | <b>364,310,286</b> |
| <b>Profits from underwriting</b>  | <b>44,165,220</b>                          | <b>70,304,704</b>  | <b>21,562,099</b>                          | <b>12,050,168</b> | <b>65,727,319</b>                          | <b>82,354,872</b>  |
| Operating expenses  |  |                    |  |                   | (73,857,701)                               | (82,556,471)       |
| Losses from underwriting  |  |                    |  |                   | (8,130,382)                                | (201,599)          |
| Net investment revenues   |  |                    |  |                   | 18,123,999                                 | 15,626,291         |
| Losses on investments   |  |                    |  |                   | (547,055)                                  | (7,408,849)        |
| Fair value gains (losses)   |  |                    |  |                   | (818,752)                                  | 7,361,300          |
| Other income  |  |                    |  |                   | 4,801,536                                  | 2,939,674          |
| <b>Profits before income tax expenses</b>                                   |  |                    |  |                   | <b>13,429,346</b>                          | <b>18,316,817</b>  |
| Income tax expenses   |  |                    |  |                   | (1,402,691)                                | (3,235,206)        |
| <b>Profits for the periods</b>  |  |                    |  |                   | <b>12,026,655</b>                          | <b>15,081,611</b>  |

For the three-month periods ended 31 March 2017 and 2016, the Company has premium written from one major broker, which is its related party, amounting to Baht 187 million and Baht 249 million, respectively, from the motor segment, contributing 36% and 45%, respectively, of total premium written.

(Unaudited but reviewed)

Segment assets and liabilities as at 31 March 2017 and 31 December 2016 are as follows:

(Unit: Baht)

|                    | Motor         | Others      | Unallocated<br>assets/liabilities | Total         |
|--------------------|---------------|-------------|-----------------------------------|---------------|
| <b>Assets</b>      |               |             |                                   |               |
| 31 March 2017      | 163,948,013   | 363,308,011 | 2,913,993,643                     | 3,441,249,667 |
| 31 December 2016   | 165,153,281   | 410,831,573 | 2,834,342,336                     | 3,410,327,190 |
| <b>Liabilities</b> |               |             |                                   |               |
| 31 March 2017      | 1,260,861,159 | 765,206,156 | 174,296,042                       | 2,200,363,357 |
| 31 December 2016   | 1,217,615,225 | 783,938,594 | 163,825,573                       | 2,165,379,392 |

## 17. Operating expenses

(Unit: Baht)

|                                 | For the three-month periods<br>ended 31 March |                   |
|---------------------------------|---|-------------------|
|                                 | 2017  | 2016              |
| Personnel expenses              | 23,362,379                                    | 26,716,556        |
| Premises and equipment expenses | 15,418,028                                    | 16,273,278        |
| Taxes and duties                | 821,672                                       | 702,895           |
| Bad debts and doubtful accounts | 6,379,362                                     | 10,186,471        |
| Other operating expenses        | 27,876,260                                    | 28,677,271        |
| Total operating expenses        | <u>73,857,701</u>                             | <u>82,556,471</u> |

## 18. Earning per shares

Basic earnings per share is calculated by dividing profits for the periods (excluding other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the periods.

## 19. Related party transactions

### 19.1 Nature of relationship

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. The relationships between the Company and its related parties are summarised below.

| Name of related parties              | Relationship with the Company        |
|--------------------------------------|--------------------------------------|
| Dung Seng Insurance Broker Co., Ltd. | Related by way of common shareholder |
| Asia Hotel Plc.                      | Related by way of common directors   |
| Asia Pattaya Hotel Co., Ltd.         | Related by way of common directors   |
| Zeer Property Plc.                   | Related by way of common directors   |
| Asia Airport Hotel Co., Ltd.         | Related by way of common directors   |
| N.S.B. Co., Ltd.                     | Related by way of common directors   |

### 19.2 Related party transactions

During the periods, the Company had significant business transactions 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: Million Baht)                       |       |
|---|--|-------|
|   | For the three-month periods ended 31 March |       |
|   | 2017                                       | 2016  |
| <b>Gross premium written</b>                                |  |       |
| Dung Seng Insurance Broker Co., Ltd. <sup>(1)</sup>         | 187.0                                      | 249.0 |
| <b>Commission and brokerage expenses</b>                    |  |       |
| Dung Seng Insurance Broker Co., Ltd.                        | 31.9                                       | 42.9  |
| <b>Building service fee <sup>(2)</sup></b>                  |  |       |
| N.S.B. Co., Ltd.  | -  | 2.9   |
| <b>Expense in relation to rental services<sup>(3)</sup></b> |  |       |
| N.S.B. Co., Ltd.  | -  | 2.1   |

<sup>(1)</sup> Premium written from non-life insurance brokers

<sup>(2)</sup> Presented in "Operating expenses" in statements of comprehensive income

<sup>(3)</sup> Recognised as a deduction item in "Other income" in statements of comprehensive income

(Unaudited but reviewed)

| Transaction with related parties  | Transfer pricing policy                  |
|-----------------------------------|--|
| Premium written                   | Normal commercial terms for underwriting |
| Commission and brokerage expenses | Normal commercial terms for underwriting |
| Service fee of building space     | Contract price                           |
| Cost of the rental                | Contract price                           |

### 19.3 Outstanding balances

As at 31 March 2017 and 31 December 2016, the outstanding balances of transactions between the Company and those related parties are as follows:

|                                      | (Unit: Million Baht) |                  |
|--------------------------------------|----------------------|------------------|
|                                      | 31 March 2017        | 31 December 2016 |
| <b>Premium receivables</b>           |                      |                  |
| Dung Seng Insurance Broker Co., Ltd. | 123.8                | 177.3            |
| <b>Accrued commissions</b>           |                      |                  |
| Dung Seng Insurance Broker Co., Ltd. | 21.0                 | 30.5             |
| <b>Other liabilities</b>             |                      |                  |
| N.S.B. Co., Ltd.                     | -                    | 1.7              |

### 19.4 Directors' and key management's benefits

During the three-month periods ended 31 March 2017 and 2016, the Company had employee benefit expenses incurred on directors and key management as below.

|                              | (Unit: Million Baht)                          |      |
|------------------------------|---|------|
|                              | For the three-month periods<br>ended 31 March |      |
|                              | 2017  | 2016 |
| Short-term employee benefits | 5.6   | 5.5  |
| Long-term employee benefits  | -   | 0.1  |
| Total                        | 5.6   | 5.6  |



**20. Assets with the Registrar**

As at 31 March 2017 and 31 December 2016, the Company had the following assets placed with the Registrar as securities and insurance reserves in accordance with the Non-life Insurance Act.

(Unit: Million Baht)

|                                       | 31 March 2017 |            | 31 December 2016 |            |
|---------------------------------------|---------------|------------|------------------|------------|
|                                       | Cost          | Fair value | Cost             | Fair value |
| <b>Placed as securities</b>           |               |            |                  |            |
| Stated enterprise bonds               | 14.0          | 14.5       | 14.0             | 14.4       |
| <b>Placed as insurance reserves</b>   |               |            |                  |            |
| Government and state enterprise bonds | 225.0         | 233.2      | 210.0            | 218.1      |

**21. Commitments and contingent liabilities****21.1 Operating lease commitments**

The Company has entered into several lease agreements in respect of the lease and service fee of office building space. The terms of the agreements are 1 - 3 years.

As at 31 March 2017 and 31 December 2016, future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

(Unit: Million Baht)

| Payable within | 31 March 2017 | 31 December 2016 |
|----------------|---------------|------------------|
| 1 year         | 1.9           | 1.6              |
| 1 - 3 years    | 1.1           | 0.8              |

**21.2 Litigation**

As at 31 March 2017 and 31 December 2016, the Company had litigation claims totaling Baht 493.9 million and Baht 514.6 million, respectively, as an insurer. The outcomes of the cases have not yet been finalised. However, the Company considered the estimated losses that might be incurred and already recognised as loss reserves of Baht 40.1 and Baht 44.6 million, respectively, in the financial statements.

**22. Fair value of financial instruments**

As of 31 March 2017 and 31 December 2016, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

|                                | 31 March 2017 |         |       | 31 December 2016 |         |       |
|--------------------------------|---------------|---------|-------|------------------|---------|-------|
|                                | Level 1       | Level 2 | Total | Level 1          | Level 2 | Total |
| Trading investments            |               |         |       |                  |         |       |
| Equity securities              | 74.1          | -       | 74.1  | 30.4             | -       | 30.4  |
| Investment units               | -             | 8.5     | 8.5   | -                | -       | -     |
| Available-for-sale investments |               |         |       |                  |         |       |
| Equity securities              | 39.2          | -       | 39.2  | 39.0             | -       | 39.0  |
| Investment units               | 88.5          | 429.8   | 518.3 | 89.6             | 376.5   | 466.1 |
| Debentures                     | -             | 81.0    | 81.0  | -                | 80.9    | 80.9  |

Valuation techniques and inputs for Level 2 valuations

- (a) The fair value of investments in debt securities is determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- (b) The fair value of investments in investment units, which are not listed on the Stock Exchange of Thailand, is determined by using the net asset value per unit as announced by the fund managers.

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

**23. Dividends paid**

Dividends declared during the three-month periods ended 31 March 2017 and 2016 were as follows:

|                          | Approved by   | Total dividends | Dividend per share |
|--------------------------|---|-----------------|--------------------|
|                          |   | (Million Baht)  | (Baht)             |
| Final dividends for 2016 | Annual General Meeting of the shareholders on 31 March 2017 | 19.46           | 1.4                |
| Final dividends for 2015 | Annual General Meeting of the shareholders on 28 March 2016 | 125.10          | 9.0                |

**24. Approval of the interim financial statements**

These interim financial statements were authorised for issue by the Audit Committee on 8 May 2017.