

Ref: FN.A.014/2019

13 August 2019

Subject: Management Discussion and Analysis Quarter 2 Ending 30 June 2019

To: President of the Stock Exchange of Thailand

The Navakij Insurance Public Company Limited (the “Company”) would like to inform you the financial statements in which the equity method is applied for the three-month period ended 30 June 2019 represented a net profit of Baht 27.75 million compared to the same period last year of Baht 50.57 million, a decrease of Baht 22.82 million or 45.13 percent.

The Company would like to clarify the reasons of the above operating results as follows:

The Company’s total income was Baht 658.68 million, an increase of Baht 51.78 million or 8.53 percent comparing with the previous year of Baht 606.90 million, mainly due to:

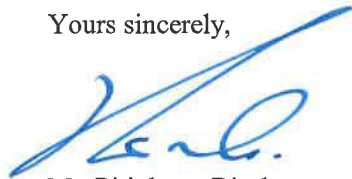
1. Underwriting income was Baht 581.59 million, an increase of Baht 22.01 million or 3.93 percent due to the earned premium increase from marine and transportation insurance and motor insurance.
2. Investments and other income was Baht 77.09 million, an increase of Baht 29.77 million or 62.91 percent due to the change in the Company’s investment policy that transferred a part of its investments from “Available-for-sale investments” to “Trading investments” and the Company recorded Baht 24.80 million as a gain from reclassification of investments in statements of income.

The Company’s total expenses was Baht 628.79 million compared with the same period last year of Baht 551.58 million, an increase of Baht 77.21 million or 14.00 percent, mainly due to:

1. Underwriting expenses before operating expenses was Baht 534.10 million, an increase of Baht 63.43 million or 13.48 percent caused by the increasing in claims and loss adjustment expenses for fire insurance, motor insurance, and miscellaneous insurance.
2. Operating expenses was Baht 94.69 million, an increase of Baht 13.78 million or 17.03 percent.

Please be informed accordingly.

Yours sincerely,



Mr. Pitiphong Bisalputra
Chief Executive Officer and President

