

Ref: FN.A.002/2019

21 February 2019

Subject: Management Discussion and Analysis Year Ending 31 December 2018

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 year ended 31 December 2018 represented a net profit of Baht 86.51 million, a decrease of Baht 24.14 million or 21.82% compared to the same period last year of Baht 110.65 million.

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

The Company’s total income was Baht 2,391.27 million, a decrease of Baht 34.40 million or 1.42% comparing with the previous year of Baht 2,425.67 million, mainly due to:

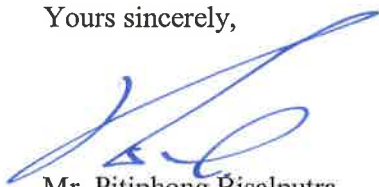
1. Underwriting income was Baht 2,292.40 million, an increase of Baht 26.26 million or 1.16% as a result of increasing in earned premium for marine and transportation insurance and miscellaneous insurance.
2. Investment and other income was Baht 98.87 million, a decrease of Baht 60.66 million or 38.02% due to the reduction in dividend income, interest income, gain on the sale of stocks, and other income.

The Company’s total expenses was Baht 2,286.59 million compared with the same period last year of Baht 2,296.14 million, a decrease of Baht 9.55 or 0.42%, mainly due to:

1. Underwriting expenses before operating expenses was Baht 1,915.25 million, a decrease of Baht 58.61 million or 2.97% resulted from reducing claims and loss adjustment expenses.
2. Operating expenses was Baht 371.34 million, an increase of Baht 49.06 million or 15.22%.

Please be informed accordingly.

Yours sincerely,



Mr. Pitiphong Bisalputra  
Chief Executive Officer and President

