

(Translation)

Ref: OP.S.005/2016

22 March 2016

Subject: Report on the shareholding proportion of The Falcon Insurance Public Company Limited

To: President
The Stock Exchange of Thailand

The Navakij Insurance Public Company Limited (the "Company") would like to inform that the Falcon Insurance Public Company Limited (the "Falcon"), an associate company, shall increase its capital through rights offering to the existing shareholders, with the offer price of 10 Baht par value. The Falcon has currently listed shares of 10 million shares with paid-up stock of 6 million shares and unissued stock of 4 million shares. The Company currently holds 1.2 million shares or 20% of the paid-up capital of the Falcon. Therefore, the Company has the rights to subscribe for the newly issued ordinary shares of 800,000 shares and the net amount of 8 million Baht will be paid for the shares whilst the book value is 77.36 Baht per share, equivalent to 61,888,000 Baht.

The transaction; therefore, proposed to the regulator; secretary-general of Insurance Commission but did not get approval due to the transaction did not comply with OIC's Notification Re: Investment in other business by non-life insurance company B.E. 2556 (the "Notification"). The Company now holds 20% of the paid-up capital of the Falcon that complied with the previous Notification and also complied with the latest Notification without additional subscribing to new stock issuances unless the investment proportion in equity securities is well below the maximum amount of 10% of the paid-up capital of the Falcon required by the Notification.

After the transaction will be resulted in shareholding proportion in the Falcon, reduced from 20% to 12% of the paid-up capital of the Falcon that was affected by the Company's subscription right does not exercise. The transaction is considered to be disposition of assets that the highest transaction size was equal to 4.37%, calculated from net profit basis of the financial statements for the year ended 31 December 2015.

The transaction is acknowledged by the Board of Directors' meeting on 22 March 2016 to comply with the rules and regulations of regulatory body as mentioned above.

Please be informed accordingly.

Yours faithfully,

(Signed) *Pitiphong Bisalputra*

Pitiphong Bisalputra
Authorized person to disclose information