

ASN**ASN Broker Public Company Limited****Opportunity Day****16 June 2016**

Agenda

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II

III

IV

Company Overview

ASN Broker Public Company Limited
("ASN")

*capital registered (fully paid-up)
65 Million Baht*

99.99%



ASN Life Broker Company Limited
("ASNL")

*capital registered (fully paid-up)
2 Million Baht*

ASN Broker Public Company Limited (ASN) operates the business as direct non-life insurance broker mainly focuses on motor insurance. The Company holds 99.99% shares of ASN Life Broker Company Limited (ASNL) which operates the business as life insurance broker.

Our Vision

To be the leader in insurance broker business focuses on developing world-class standard service to delight our customers and to protect the benefits of our customers, business partners, employees, shareholders, and society with fairness and integrity.



Mission Statement

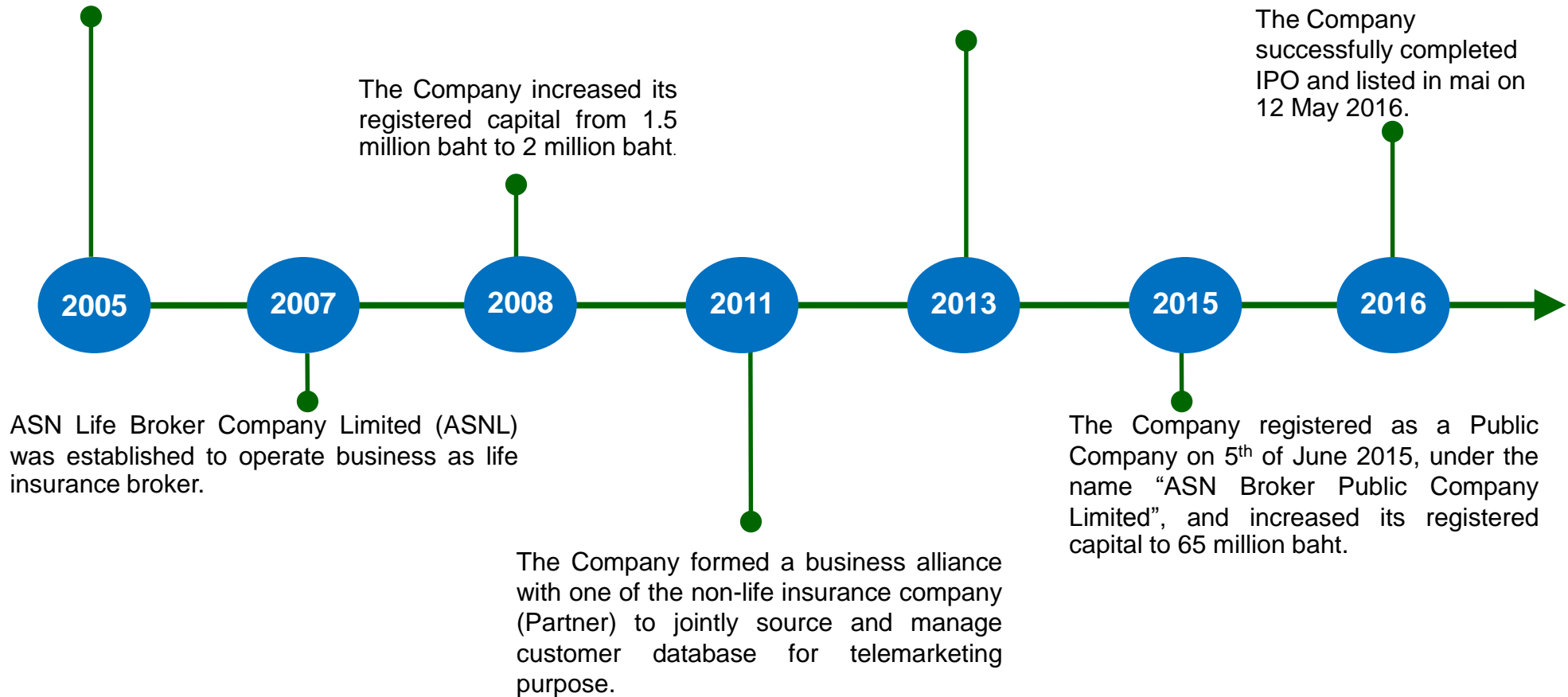
- To create high quality standard services
- To deliver highest customer satisfaction
- To develop innovation in our management systems to promote efficiency with state of the art information technology
- To develop highly professional personnel with the sense of entrepreneurship



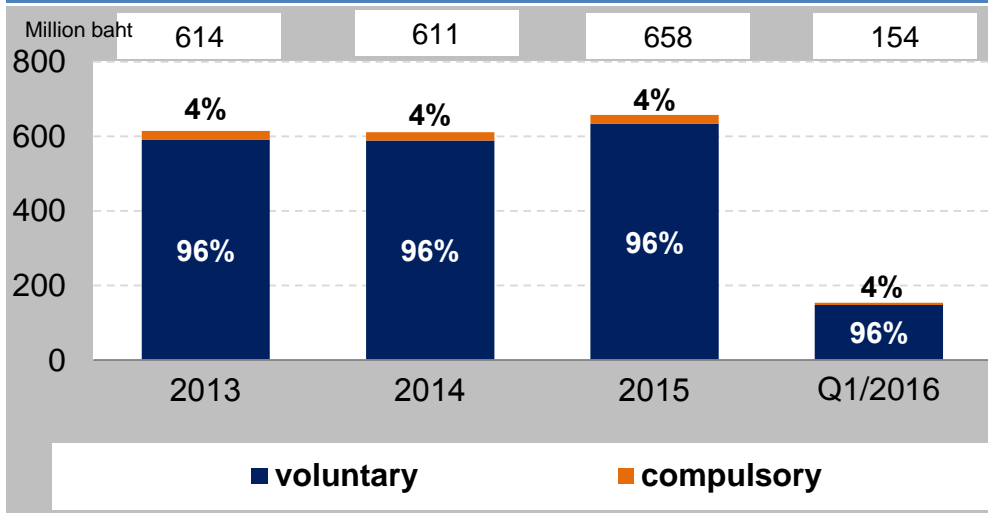
Company	ASN			ASNL	
Business	Non-Life Insurance			Life Insurance	
Product	Compulsory	Voluntary	Personal Accident	Life Insurance	Personal Accident
Insurance Business Partners 16 Non-Life 2 Life					

ASN Broker Company Limited (ASN) was established with registered capital of 1.5 million baht to operate business as non-life insurance broker (tele-marketing) focused on motor insurance.

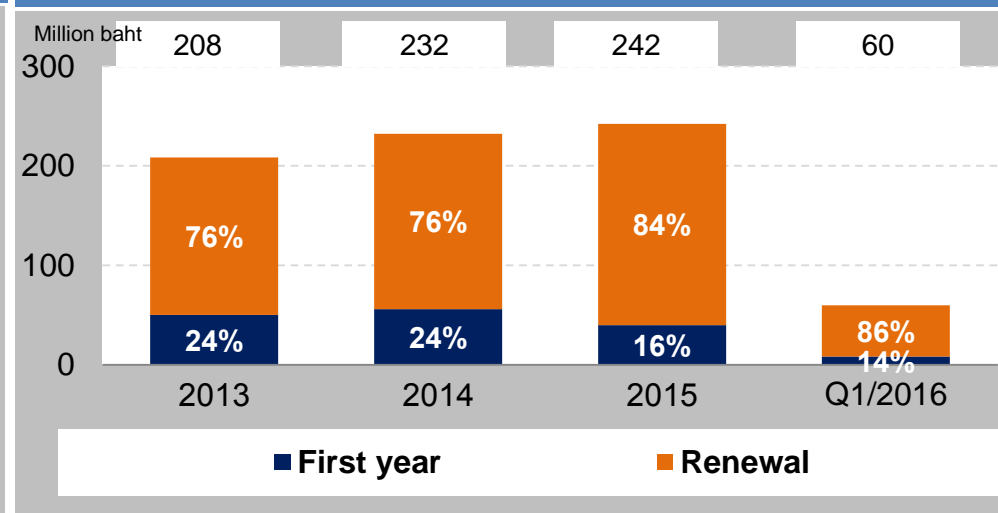
The Company acquired 99.99% of ASNL from major shareholder and ASNL then becomes the Company's Subsidiary.



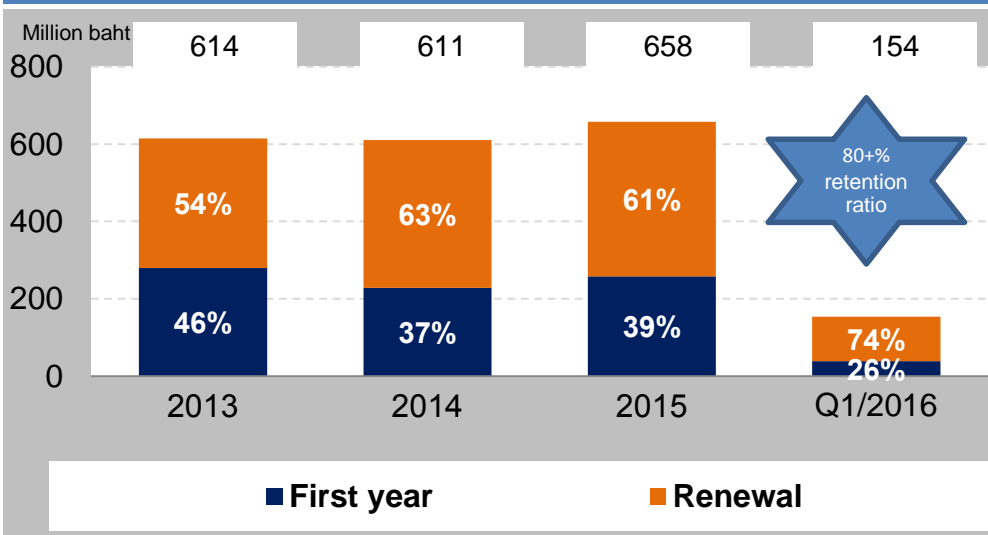
Non-Life Insurance premium (by types)



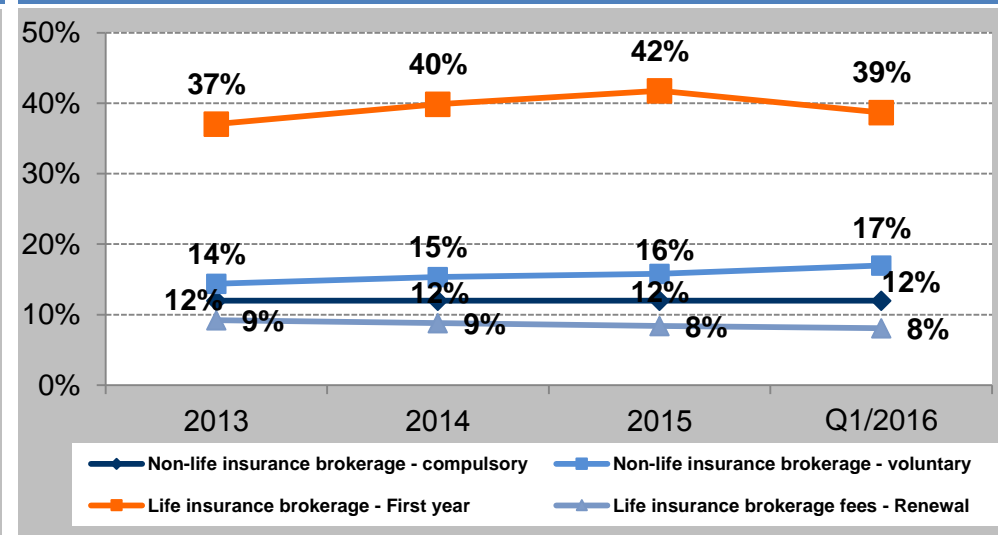
Life insurance premium (new/renewal)

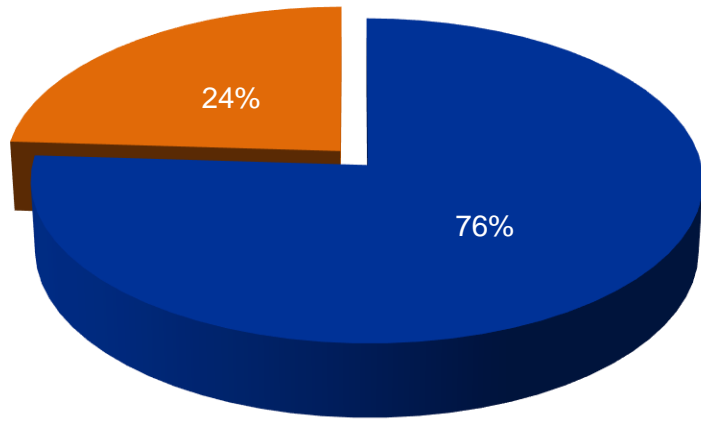


Non-Life Insurance premium (new/renewal)



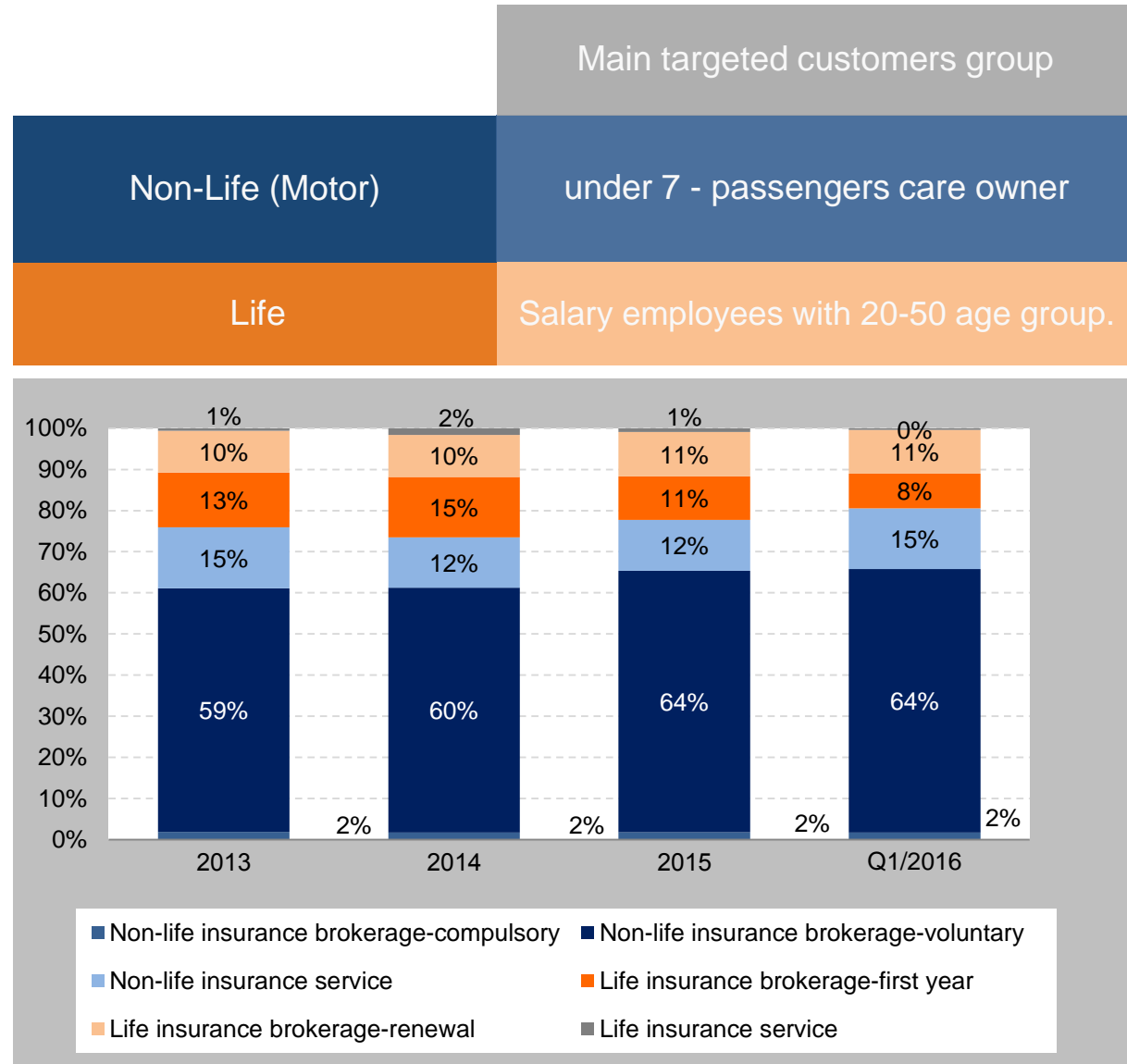
Commission and service rate to net premiums earned





- Non-Life Insurance Brokerage
- Life Insurance Brokerage

Data as of December 31, 2015





Product and Service

- Comprehensive range of insurance products with fast and reliable service and fair price
- Intelligent customer database management and analytical platform
- Convenient services and payment channels

Price

- Contract between Company and insurance partners clearly spell out the commission and services rate

Distribution Channels

- Company provides various distribution channels that can reach customers 7x24

1. Telemarketing

- *Company acquires customers database from third party provider and from customers database jointly managed with one of the partner*
- *Ongoing telesales agent skills development and training*

2. Online Marketing

- *Through various online marketing technique such as Search Engine Marketing (SEM) and Social Media*

3. E-Commerce

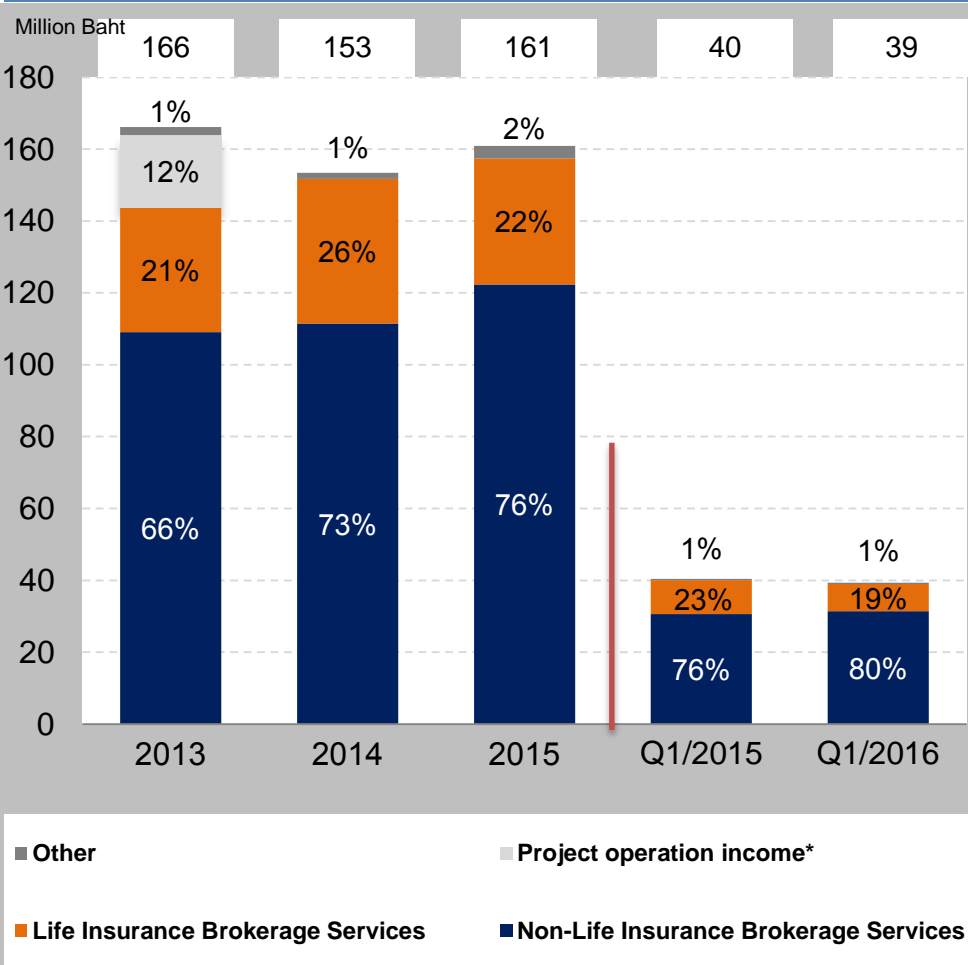
4. Independent Insurance Broker

Promotion

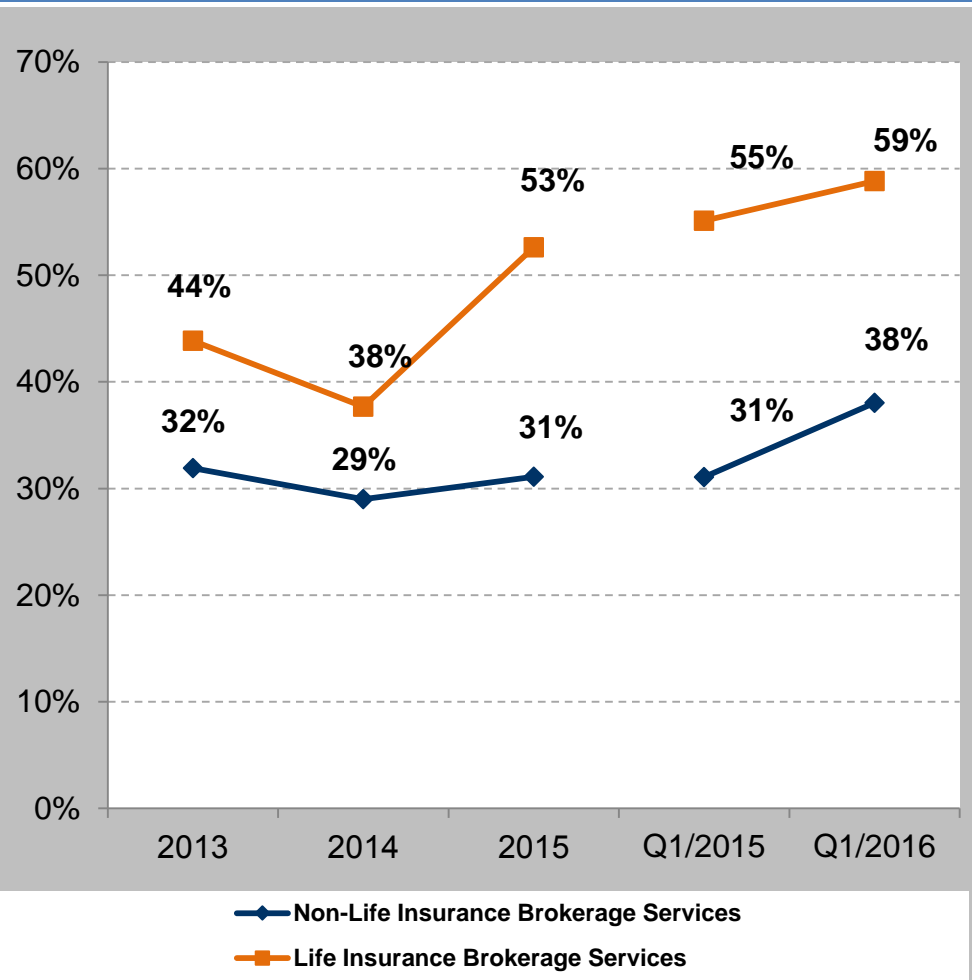
- Payment installments
- Publicity through company media
- Promotional vouchers with retail stores

Financial Performance

Total income

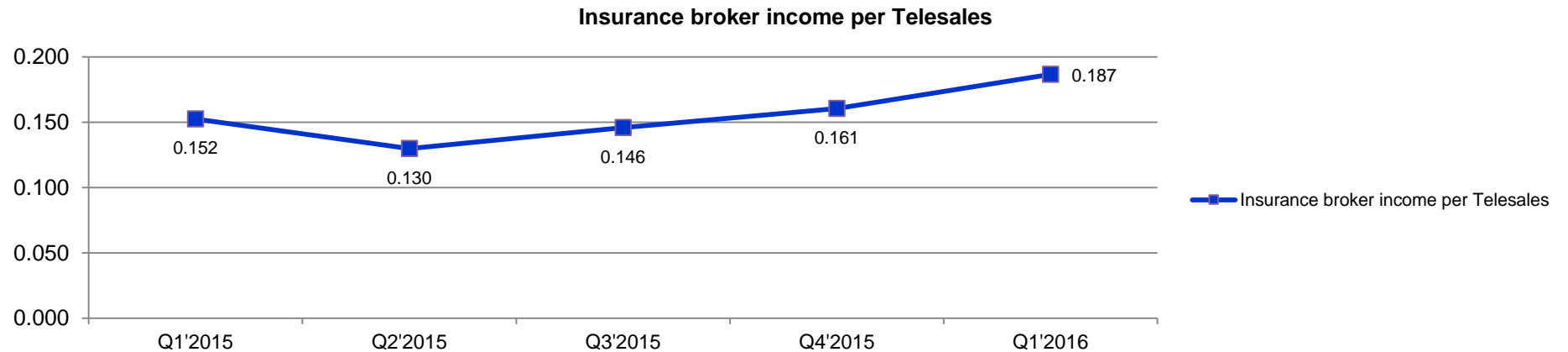


Gross margins by business

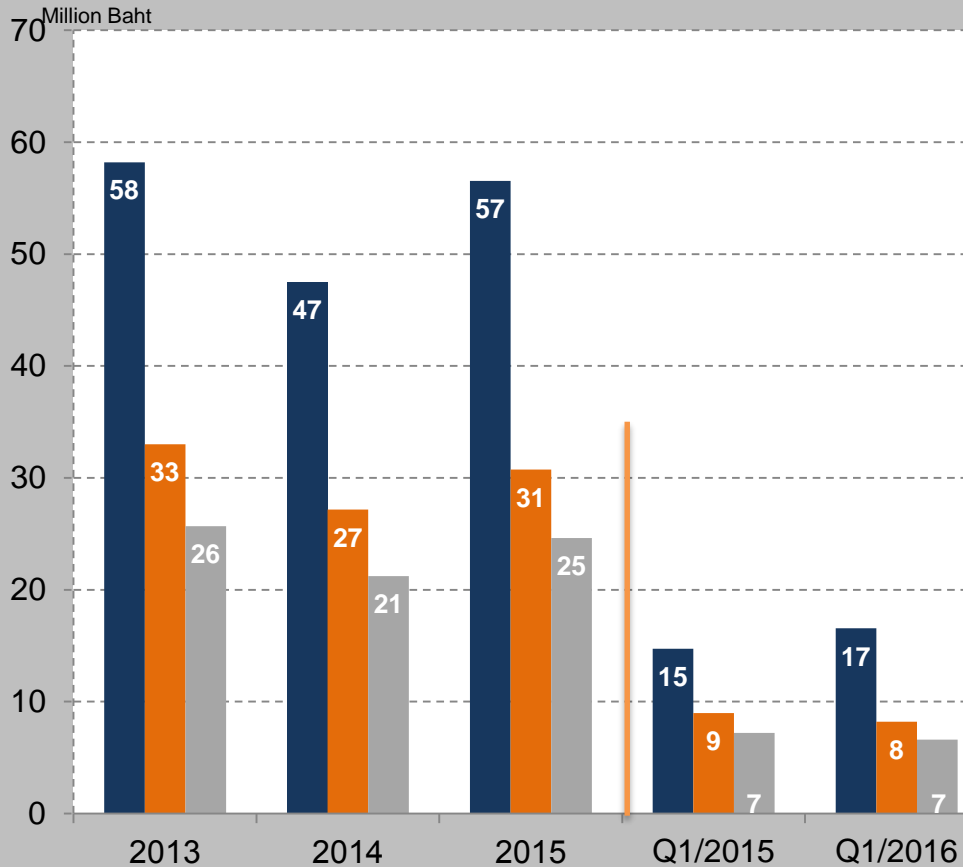


* Project operation income in 2013 in the amount of 20.26 million baht was from A- Square Network Co., Ltd. (related company) which later on has ceased its operations since 2014

	Q1'2015	Q2'2015	Q3'2015	Q4'2015	Q1'2016
Insurance broker income (MB.)	34.9	33.6	33.4	35.0	33.6
Telesales (Person)	229	259	229	218	180
Insurance broker income per Telesales (MB.)	0.152	0.130	0.146	0.161	0.187

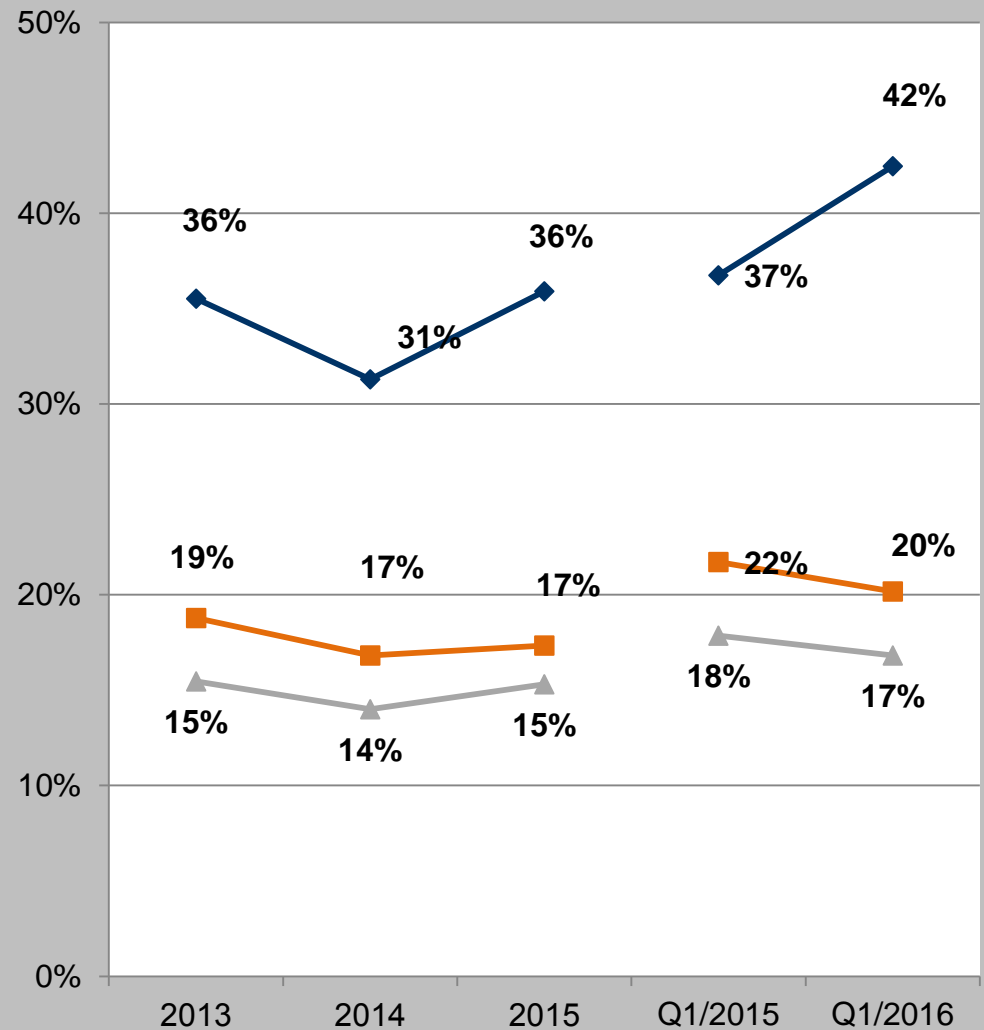


Profit



■ Gross Profit ■ Operating Profit ■ Net Profit

Profit Margin



◆ Gross Profit ■ Operating Profit ▲ Net Profit

Key Highlights;

- For Q1/2016, the Company recorded total revenues of THB 39.31 million, declining from the corresponding period of 2015 by THB 1.06 million or about 3%. This resulted primarily from a decrease in brokerage fee income from sales of life insurance and car insurance.
- Meanwhile, other service income grew by THB 0.74 million or 15% year-on-year due to the strategy applied by the Company since Q4/2015 up to the present to segment its target markets based on car brands.
- The Company posted a gross profit of THB 16.55 million and a gross profit margin of 42%, which increased from 37% recorded in Q1/2015 due to a decrease in service costs and expenses of THB 2.92 million or 12%. Such decrease mainly came from a reduced number of sales forces in Q1/2016.
- At the same time, administrative expenses in Q1/2016 went up by THB 2.66 million from the same period last year, mainly attributed to a rising number of administrative employees and professional and advisory fees arising from the preparation for listing on the mai.
- Net profit for Q1/2016 was at THB 6.61 million, decreasing by THB 0.60 million or 8%.

Investment Highlights

Business and Operations

- ASN is a well established insurance broker with proven services quality and fair price
- Experienced executive team in insurance brokerage business for more than 10 years
- Partnerships with leading Non-life and Life insurance business partners
- State of the art information technology in insurance brokerage business, Customer database management, and analytical platform
- E-Commerce Platform
- Constant revenue growth with CAGR 10.27% during 2013-2015
- Decent gross profit margin at 35.51%, 31.29%, and 35.90% during 2013-2015
- Low D/E ratio

Industry

- **Opportunity to acquire more market share in insurance industry**

- ✓ Totally insurance premium market size for motor and life insurance was 658,062 million baht in 2015

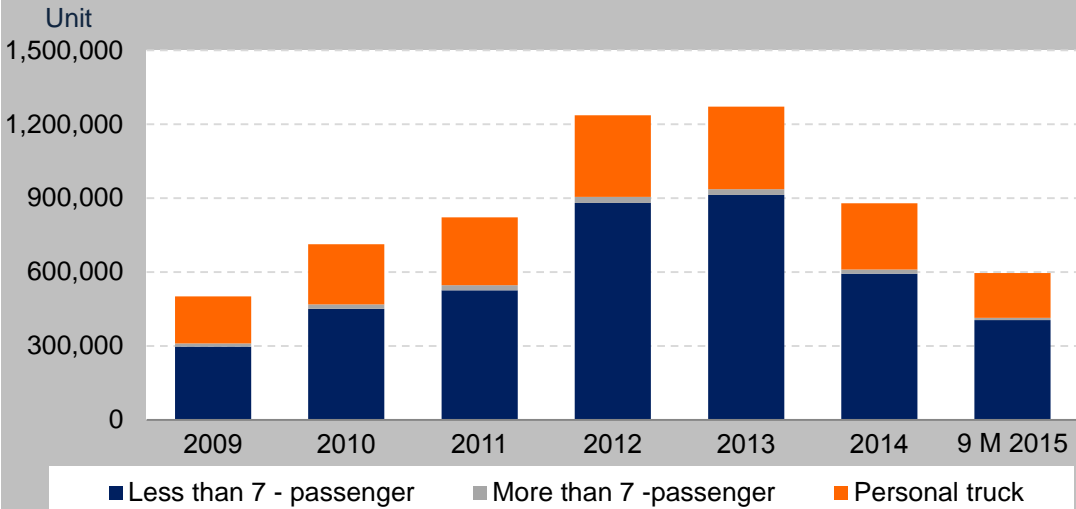
- ✓ The company has the opportunity to expand market share;

	Motor Insurance premium	Life Insurance premium	Total
The value of total premium in insurance industry (MB)	120,780	537,282	658,062
The value of total premium sold through by company (MB)	658	242	900
The Percentage of premiums sold through by company total premiums in the industry (%)	0.54	0.05	0.14

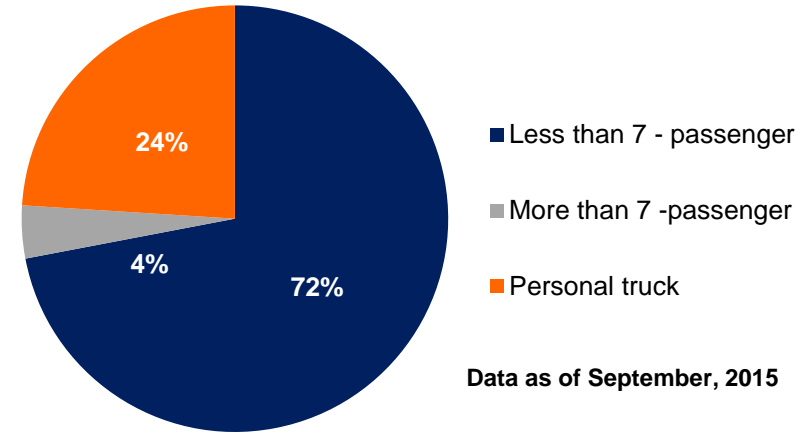
- 64% of motor insurance was sold through brokers and telemarketing



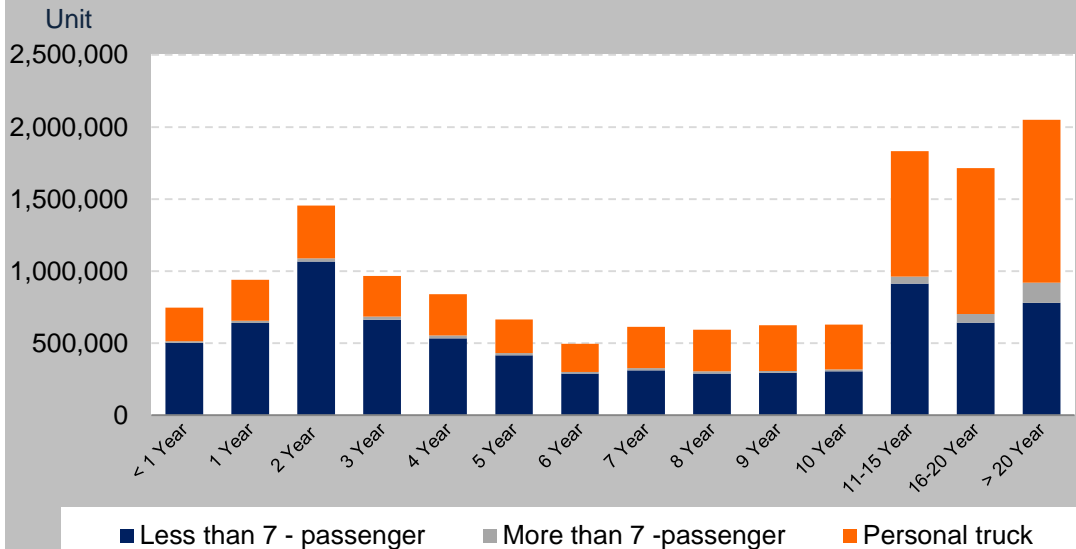
The amount of new car (average 600,000 car per year)



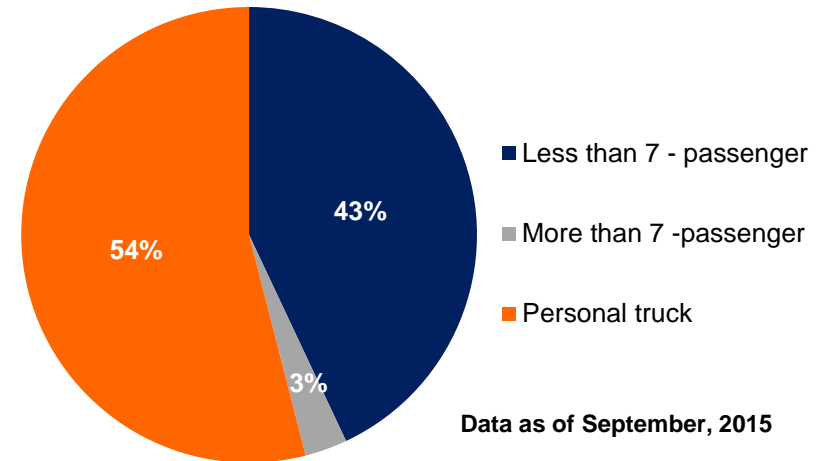
7-passenger car accounted for 72% of total cars in Bangkok



New cars contributed to high number of car accumulated

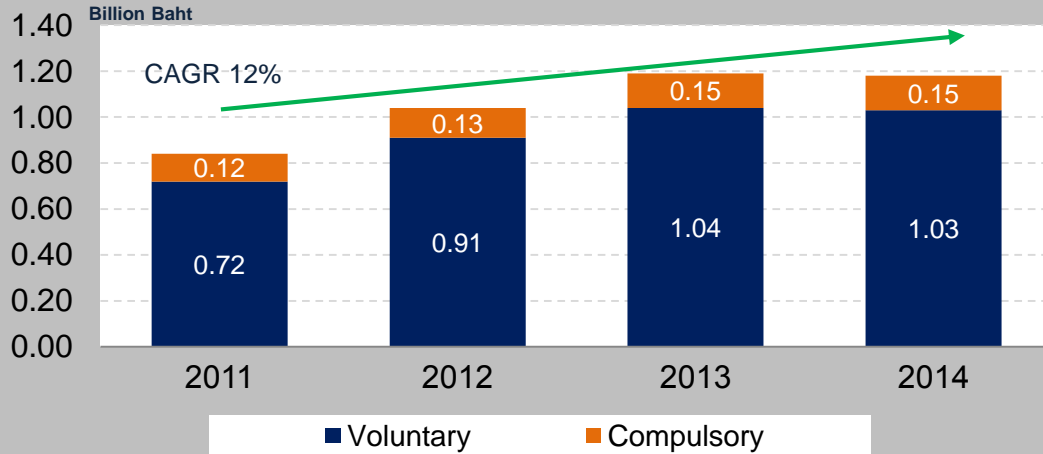


7-passenger car accounted for 43% of total cars in Upcountry

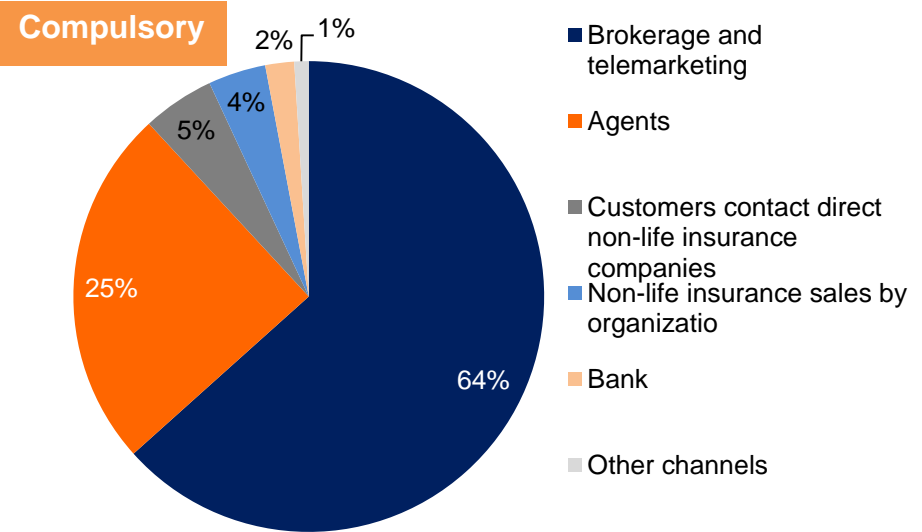


Source :<http://www.dlt.go.th/>

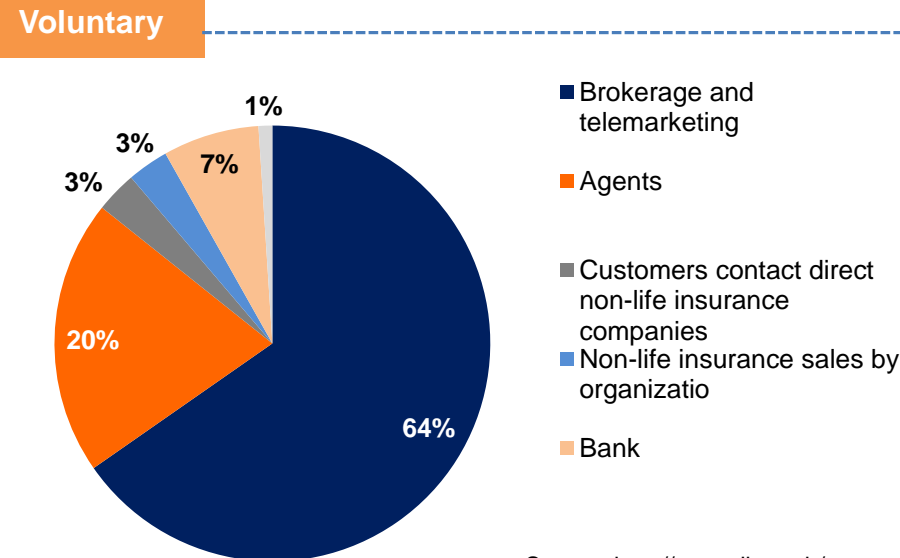
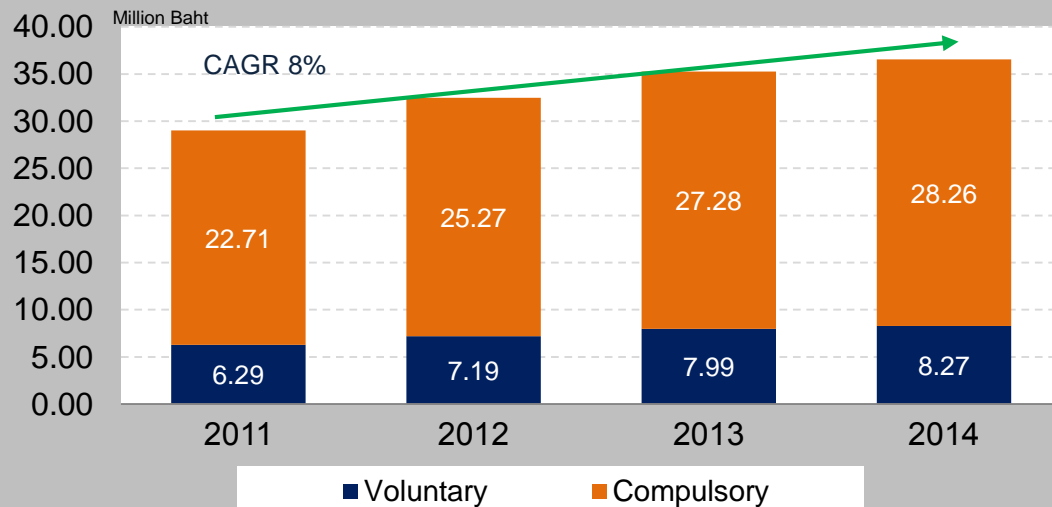
Motor insurance premium grows at 12% CAGR with total size of 117,000 million baht in 2014



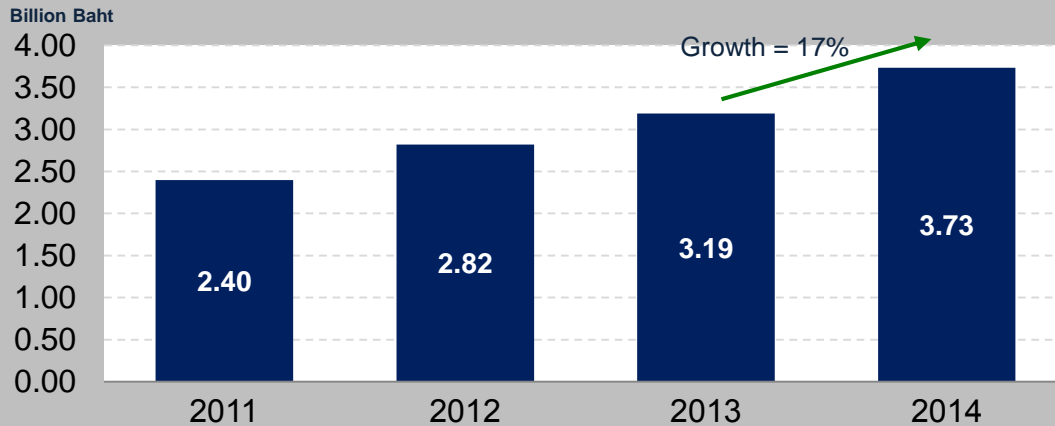
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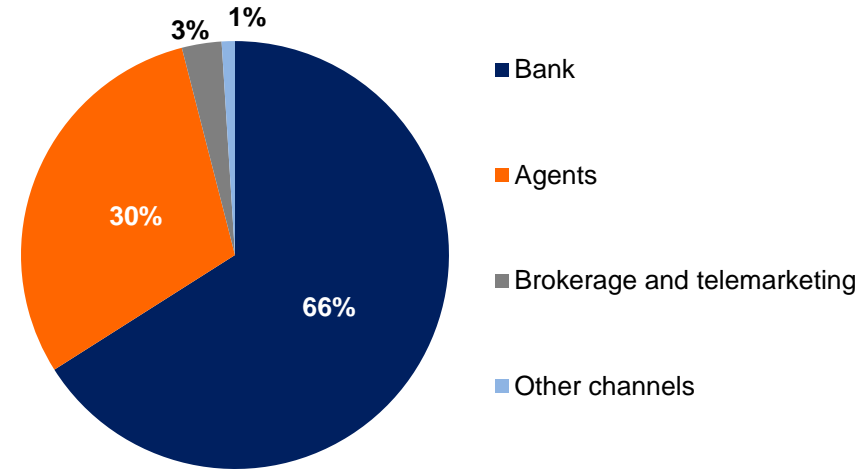
Number of motor insurance policy continue to grow at 8% CAGR with total of 36.53 million policies in 2014



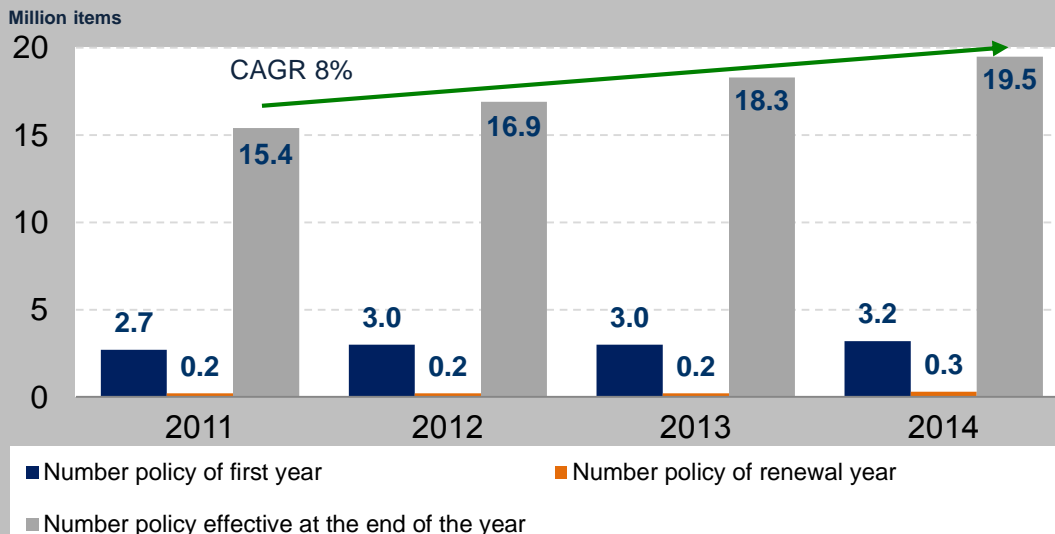
Life insurance market value growing at 17% in 2014



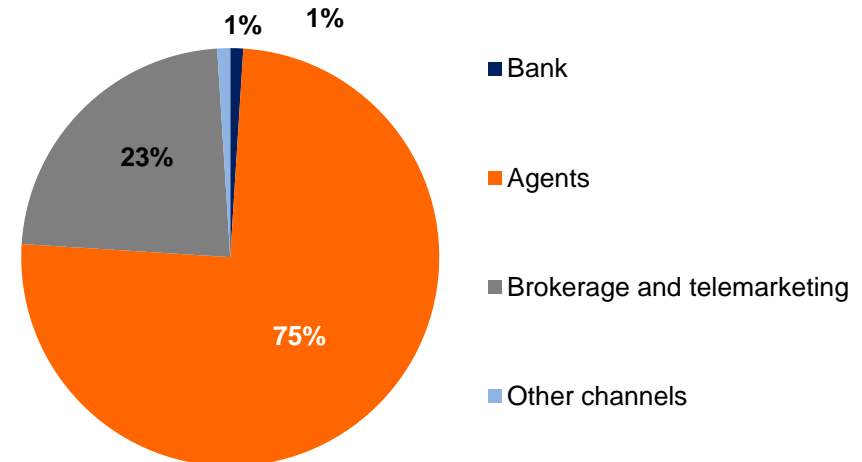
Life insurance market share classified by channel (2015)



Life insurance policy continues to grow at 8% CAGR between 2011-2014 with total of 19.5 million policy in 2014



Personal Accident (PA) insurance market share classified by channel (2015)



Source :<http://www.dlt.go.th/>

Future Projects

Projects

- Invest in the development of e-commerce (Insurance E-Commerce Platform) as a distribution channel through new online Platform solutions. Developed by internal IT resources.

Investment details

Database Management and Information Technology Systems

Approximately 25 MB.

Insurance E-Commerce Platform

Approximately 50 MB.

Total

Approximately 75 MB.

Strategies

- Build a strong E-Commerce branding
- Define a competitive pricing scheme that is appropriate for the E-Commerce market
- Leverage social medial and new marketing technique such as viral marketing
- Integrate with existing robust back-office systems to deliver an automated online platform
- Offer a wide range of insurance products start with less complicated products such as PA, Health, and Travel insurance and then expanding to cover other insurance products at a later date

Timeline

- Provides the online platform service from Q3 2016 onward

Growth target

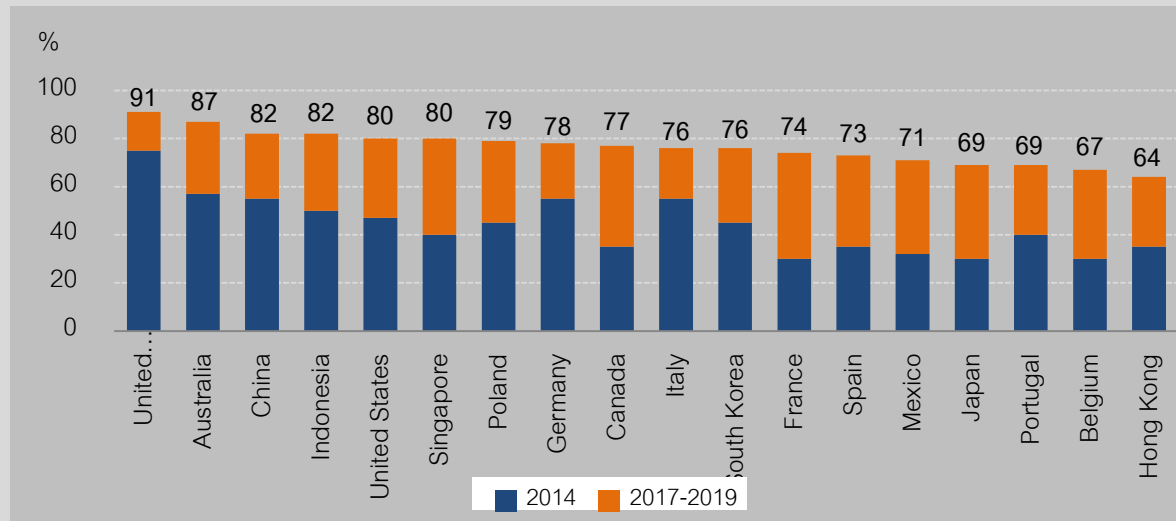
- Pursue aggressive strategy to obtain incremental market share from the insurance market size of 600,000 million baht

Highlight of investment projects

Development Project of information technology database and E-commerce

▪ Company has initiated the development of Insurance E-Commerce Platform with the intent to deliver long term revenue and income growth and to establish the business stability. The supporting factors are as follow:

- ✓ An incoming mega trend of insurance buying behavior in the digital world demonstrated by the online insurance transaction ratio has increase from 35% -70% (data from 18 countries) to an average of 79% over the next three years (2017-2019)



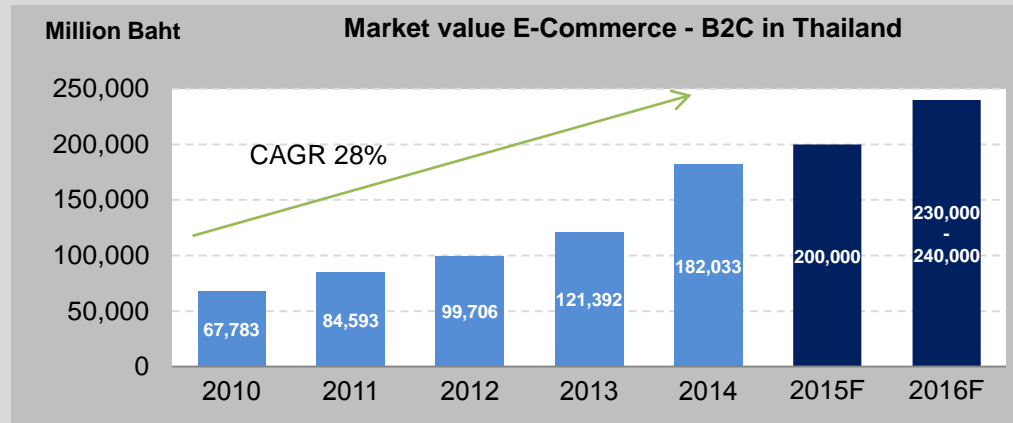
- ✓ To expand the market potential to cope with new targeted customers under Generation X (those were born during 1965-1979), Generation Y (those were born during 1980-1997), and Generation Z (those were born from 1997 onwards)



Highlight of investment projects

Development
Project of
information
technology
database
and
E-commerce

- ✓ Country E-Commerce Business-B2C grew more than 28% CAGR from 2010-2014 and is likely to continue growing steadily to reach 230,000-240,000 million baht in 2016



- ✓ Opportunity to capture incremental market share by expanding into online and E-Commerce

- The ability to offer a completed suite of insurance products to meet customers need
- The convenience at every steps of automated insurance online purchasing platform start from product search, offering and price comparison, purchasing online, secured payment, and e-Policy issuance. All in one goal
- Ability to reach larger audience group through E-Commerce platform
- There is no time constraint as customers can purchase insurance policy 24X7



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