

**SEAMICO SECURITIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
“UNAUDITED”**

1. GENERAL INFORMATION AND THE OPERATIONS OF THE COMPANY

Seamico Securities Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The Company converted the status to be a Public Limited Company in accordance with the Public Limited Companies Act. on August 8, 1994 and was listed on the Stock Exchange of Thailand (“SET”) on March 17, 1995. The address of its registered office is 18th Floor, 287 Liberty Square, Silom Road, Bangrak, Bangkok, 10500.

The Company was granted 7 licenses to operate the following securities businesses:

1. Securities Brokerage
2. Securities Trading
3. Investment Advisory Service
4. Securities Underwriting
5. On-line Securities Trading
6. Derivatives Trading
7. Securities Borrowing and Lending

Solaris Asset Management Co., Ltd., a subsidiary, operates its business in Thailand and has been granted permission to manage mutual fund, private fund and provident fund.

As at March 31, 2014 and December 31, 2013, the Company has one head office.

On May 1, 2009, the Company transferred its business and margin loan accounts to KT ZMICO Securities Co., Ltd., an associated company, in accordance with a partnership plan to develop securities business with Krung Thai Bank Plc. The Company has temporarily ceased its operation on securities and derivative business since May 1, 2009 until December 31, 2011 which was approved by the Office of the Securities and Exchange Commission as the letter No. SEC.Thor. 701/2552. Subsequently, the Company was granted by the Office of the Securities and Exchange Commission to extend the suspension period for securities and derivative business operation until April 30, 2013 as the letter No. SEC.Thor. 474/2554 dated April 4, 2011. Consequently, the Company applied the approval system work flow of Investment advisory service under the existing securities business license to the Office of the Securities and Exchange Commission. The Company was approved to re-operate its Investment Advisory Services According to the letter No. SEC. BorThor. 994/2556 dated on May 2, 2013 starting from May 2, 2013 onwards.

Moreover, the Company was granted by The Stock Exchange of Thailand to extend the recommencing its securities brokerage business operation to December 31, 2015 according to the letter No. BorSorChor.05/2557 dated June 25, 2014.

Currently, the major businesses of the Company are related to investment and securities businesses which shall not compete with KT ZMICO Securities Co., Ltd.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 The Company prepares its interim financial statements in conformity with Thai Accounting Standard No. 34 (Revised 2009) “Interim Financial Reporting”, and practices generally accepted in Thailand, and also the Notification of the Office of the Securities and Exchange Commission (“SEC”) No. SorTor/Kor/Nor. 53/2553, dated December 15, 2010, regarding “The Form of Financial Statements for Securities Companies”.
- 2.2 The consolidated and separate statement of financial position as at December 31, 2014, presented herein for comparison, has been derived from the financial statements for the year then ended which were audited.

Additionally, the consolidated and separate statements of comprehensive income for the three-month periods ended March 31, 2014, and the consolidated and separate statements of changes in owners’ equity and cash flows for the three-month period ended March 31, 2014 were reviewed by auditor.

The consolidated financial statements for the three-month periods ended March 31, 2015 and 2014 include the accounts of the Company and Solaris Asset Management Co., Ltd., which the Company has a holding of 100% in its equity. Significant transactions and balances between the Company and the subsidiary have been eliminated.

Additionally, the consolidated financial statements for the three-month periods ended March 31, 2015 and 2014 also included interest in an associated company’s equity which is determined from the financial statements of KT ZMICO Securities Co., Ltd., and Beacon Offshore Limited.

- 2.3 Certain financial information which is normally included in financial statements prepared in accordance with generally accepted accounting principles, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2014.

The results of operations for the three-month periods ended March 31, 2015 are not necessarily indicative of the operation result anticipated for the full year.

- 2.4 The preparation of financial statements in conformity with Thai Financial Reporting Standards also requires the Company’s management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on management’s reasonable consideration of current events, actual results may differ from these estimates.

3. NEW THAI FINANCIAL REPORTING STANDARDS

Thai Financial Reporting Standards affecting the presentation and/or disclosure in the current year financial statements

3.1 The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) which are effective for the financial statements for the period beginning on or after January 1, 2015 onwards, as follow:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 2 (Revised 2014)	Inventories
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 11 (Revised 2014)	Construction Contracts
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 20 (Revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosures
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2014)	Earnings per Share
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible assets
TAS 40 (Revised 2014)	Investment Property

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2014)	Share - Based Payment
TFRS 3 (Revised 2014)	Business Combinations
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2014)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSIC”)

TSIC 10 (Revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Change in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2014)	Disclosure - Service Concession Arrangements
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2014)	Service Concession Arrangements
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (Revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2014)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

Above TFRSs have no material impact on these financial statements, except for the followings:

New Standard on Fair Value Measurement

Impact of the application of TFRS 13

The Company has applied TFRS 13 for the first time in the current year. TFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements.

TFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under TFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, TFRS 13 includes extensive disclosure requirements.

TFRS 13 requires prospective application for the financial statements for the periods beginning on or after January 1, 2015 onwards. Other than the additional disclosures, the application of TFRS 13 has not had any material impact on the amounts recognised in the financial statements.

3.2 New and revised Thai Financial Reporting Standards issued but not yet effective

The Federation of Accounting Professions has issued the Notifications regarding the Thai Financial Reporting Standard (TFRS), which has been announced in the Royal Gazette and effective for the financial statements for the periods beginning on or after January 1, 2016, as follows:

The Financial Reporting Standard (TFRS)

TFRS 4 Insurance contract

The Company and its subsidiary's management will adopt the above Thai Financial Reporting Standard ("TFRS") in the preparation of the Company and its subsidiary's financial statements when it becomes effective. The Company and its subsidiary's management has assessed the effects of this TFRS and believes that it will not have any significant impact on the financial statements for the period in which it is initially applied.

Accounting policies and methods of computation applied in these interim financial information are consistent with those applied in the financial statements for the year ended December 31, 2014

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2014, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 3. Accounting policies which changed are as follows:

Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

5. CASH AND CASH EQUIVALENTS

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	March 31, 2015 Baht	December 31, 2014 Baht	March 31, 2015 Baht	December 31, 2014 Baht
Cash, short-term deposits and promissory notes with original maturity less than 3 months	253,415,182	771,426,076	205,668,401	294,609,407
<u>Less</u> Cash deposits held for customers*	<u>(42,531,015)</u>	<u>(468,823,612)</u>	<u>(12,862,975)</u>	<u>(12,885,669)</u>
Total cash and cash equivalents	<u>210,884,167</u>	<u>302,602,464</u>	<u>192,805,426</u>	<u>281,723,738</u>

(*According to the announcement of the SEC, deposit accounts for the customers are not required to present as assets and liabilities in the financial statements.)

As at March 31, 2015 and December 31, 2014, the Company had deposits at financial institutions and promissory notes held for customers in the consolidated statements of financial position in amounting to Baht 42.53 million and Baht 468.82 million, respectively, and the separate statements of financial position in amounting to Baht 12.86 million and Baht 12.89 million, respectively, which the Company must return to the customers at call.

As at March 31, 2015 and December 31, 2014, the securities business cash customers of 512 accounts and 516 accounts, respectively, which were transferred to KT ZMICO Securities Co., Ltd. (see Note 25) have not yet returned the open account agreements for securities trading to KT ZMICO Securities Co., Ltd. Such customers have deposits for securities trading of Baht 5.03 million and Baht 5.06 million, respectively, and shares with the values of Baht 162.98 million and Baht 161.21 million, respectively. However, when the customers have returned the open account agreements for securities trading to KT ZMICO Securities Co., Ltd., the assets of these customers will be returned to KT ZMICO Securities Co., Ltd.

6. DEPOSIT AT FINANCIAL INSTITUTIONS

As at March 31, 2015 and as at December 31, 2014, the Company has fixed deposit amounting Baht 50 million which has been secured as collateral for bank guarantee issued for performance bid bond to one bidding project (see Note 22.7).

7. SECURITIES BUSINESS RECEIVABLES - NET

The Company has securities business receivables as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at March 31, 2015 Baht	As at December 31, 2014 Baht
Securities business receivables	10,566,395	3,356,944
Other receivables		
Receivables under litigation	62,654,566	62,654,566
Total securities business receivables	73,220,961	66,011,510
<u>Less</u> Allowance for doubtful accounts (see Note 8)	(57,258,220)	(55,909,133)
Total	15,962,741	10,102,377

The Company has classified securities business receivables in accordance with the Notification of the Office of the Securities and Exchange Commission on the non-performing receivables No. Kor Thor. 33/2543 dated August 25, 2000, which is updated by the Notification No. Kor Thor. 5/2544 dated February 15, 2001 as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	As at March 31, 2015			As at December 31, 2014		
	Securities business receivables and accrued interest receivables Baht	Allowance for doubtful accounts set up by the Company Baht	Securities Business receivables and accrued interest receivables - net Baht	Securities business receivables and accrued interest receivables Baht	Allowance for doubtful accounts set up by the Company Baht	Securities business receivables and accrued interest receivables - net Baht
Normal debts	10,566,395	-	10,566,395	3,356,944	-	3,356,944
Substandard debts	5,396,346	-	5,396,346	6,745,433	-	6,745,433
Doubtful debts	57,258,220	(57,258,220)	-	55,909,133	(55,909,133)	-
Total	73,220,961	(55,258,220)	15,962,741	66,011,510	(55,909,133)	10,102,377

The substandard and doubtful debts (securities business receivables and accrued interest receivables) are classified by aging as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at March 31, 2015 Baht	As at December 31, 2014 Baht
Over 3 years	62,654,566	62,654,566
Total	62,654,566	62,654,566

8. ALLOWANCE FOR DOUBTFUL ACCOUNTS

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at March 31, 2015 Baht	As at December 31, 2014 Baht
Beginning balance of the period	55,909,133	259,963,812
Doubtful accounts (reversal)	1,349,087	(2,698,173)
<u>Less</u> Bad debts written-off	-	(201,356,506)
Ending balance of the period (see Note 7)	<u>57,258,220</u>	<u>55,909,133</u>

9. INVESTMENTS - NET

9.1 The Company has investments in debt and equity securities classified by investment type as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at March 31, 2015		As at December 31, 2014	
	Cost/ Book value Baht	Fair value Baht	Cost/ Book value Baht	Fair value Baht
<u>Trading securities</u>				
Equity securities - List securities	138,925,795	112,121,713	50,480,922	52,397,518
Debt securities - Corporate bond	25,473,543	25,950,405	25,487,223	25,980,817
Debt securities - Bill of exchange	507,172,963	512,585,618	326,742,238	331,895,908
Mutual fund	-	-	2,870,000	2,870,775
Total	<u>671,572,301</u>	<u>650,657,736</u>	<u>405,580,383</u>	<u>413,145,018</u>
<u>(Less) Add</u> Revaluation adjustments	<u>(20,914,565)</u>	<u>-</u>	<u>7,564,635</u>	<u>-</u>
Total trading securities - net	<u>650,657,736</u>	<u>650,657,736</u>	<u>413,145,018</u>	<u>413,145,018</u>
<u>Available-for-sale securities</u>				
Equity securities - List securities	7,351,996	7,117,856	-	-
<u>Less</u> Revaluation adjustments	<u>(234,140)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total available-for-sale securities - net	<u>7,117,856</u>	<u>7,117,856</u>	<u>-</u>	<u>-</u>
<u>General investments</u>				
Ordinary shares	156,810,614	93,798,273	156,517,201	93,086,707
Preference shares	125,000	125,000	125,000	125,000
Total	<u>156,935,614</u>	<u>93,923,273</u>	<u>156,642,201</u>	<u>93,211,707</u>
<u>Less</u> Allowance for impairment	<u>(63,012,341)</u>	<u>-</u>	<u>(63,430,494)</u>	<u>-</u>
Total general investments - net	<u>93,923,273</u>	<u>93,923,273</u>	<u>93,211,707</u>	<u>93,211,707</u>
Total investments - net	<u>751,698,865</u>	<u>751,698,865</u>	<u>506,356,725</u>	<u>506,356,725</u>

9.2 Gain (loss) on investments

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the three-month periods ended		For the three-month periods ended	
	March 31,		March 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Unrealized gain (loss) on re-measuring trading investments	(28,185,788)	(347,959)	(28,185,788)	(347,959)
Gain on sale of trading investments	5,864,267	3,947,748	5,864,267	3,947,748
Total	<u>(22,321,521)</u>	<u>3,599,789</u>	<u>(22,321,521)</u>	<u>3,599,789</u>

9.3 Interest and dividend from investments in debt and equity securities

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the three-month periods ended		For the three-month periods ended	
	March 31,		March 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Interest	325,120	269,969	325,120	269,969
Dividend	151,310	691,169	141,646,070	64,957,469
Total	<u>476,430</u>	<u>961,138</u>	<u>141,971,190</u>	<u>65,227,438</u>

9.4 Surplus (deficit) on re-measuring available-for-sale investments recognized in owners' equity

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Beginning balance of the period	-	(771,327)	-	(771,327)
Changes during the period				
- from deferred tax adjustment	(1,423,571)	(192,831)	(1,423,571)	(192,831)
- from re-measuring of investments	7,117,856	-	7,117,856	-
- from sale of investments	-	964,158	-	964,158
Ending balance of the period	<u>5,694,285</u>	<u>-</u>	<u>5,694,285</u>	<u>-</u>

9.5 The Company has general investments in companies that have financial position and performance problems as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	As at March 31, 2015			As at December 31, 2014		
	Cost/ Book value	Fair value	Allowance for loss on impairment	Cost/ Book value	Fair value	Allowance for loss on impairment
	Baht	Baht	Baht	Baht	Baht	Baht
Ordinary shares	7,808	835	6,973	7,808	866	6,942
	<u>7,808</u>	<u>835</u>	<u>6,973</u>	<u>7,808</u>	<u>866</u>	<u>6,942</u>

10. INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES - NET

The Company's investments in its subsidiary and associated companies, which are companies registered under Thai laws and operating in Thailand, are summarized below:

CONSOLIDATED FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares invested	Paid-up capital		% of voting right		Cost method		Equity method	
			As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
			Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
Associate										
KT ZMICO Securities Co., Ltd.	Securities business	Ordinary share	2,138	2,138	49.64	49.64	1,239.4	1,239.4	1,346.9	1,447.3
Beacon offshore Ltd	Sale equipment for marine & offshore industries		105	105	19.05	19.05	60.0	60.0	51.1	52.3
Total-net							1,299.4	1,299.4	1,398.0	1,499.6
SEPARATE FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares invested	Paid-up capital		% of voting right		Cost method		Equity method	
			As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
			Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
Subsidiary										
Solaris Asset Management Co., Ltd	Mutual, private and provident fund	Ordinary share	125.4	125.4	100.0	100.0	173.1	173.1	57.2	50.1
<u>Less</u> Allowance for impairment							(115.9)	(123.0)	-	-
							57.2	50.1	57.2	50.1
Associate										
KT ZMICO Securities Co., Ltd.	Securities business	Ordinary share	2,138	2,138	49.64	49.64	1,239.4	1,239.4	1,346.9	1,447.3
Beacon offshore Ltd	Sale equipment for marine & offshore industries		105	105	19.05	19.05	60.0	60.0	51.1	52.3
Total-net							1,356.6	1,349.5	1,455.2	1,549.7

Summarized financial information in respect of an associated company is set out below:

	As at March 31, 2015 Million Baht	As at December 31, 2014 Million Baht
Total assets	8,006.0	7,700.0
Total liabilities	(5,491.7)	(4,974.7)
Net assets	<u>2,514.3</u>	<u>2,725.3</u>

	For the three-month periods ended March 31, 2015 Million Baht	2014 Million Baht
Total revenue	558.2	361.3
Net income for the period	66.4	9.3
Net other comprehensive loss for the period	8.1	(7.5)
Dividend received from an associated company	141.5	64.3

On January 29, 2014, the extraordinary shareholders' meeting of the subsidiary company has passed a special resolution to increase its share capital of Baht 9,900,000, from Baht 115,500,000 to Baht 125,400,000 by issuing additional 1,800,000 ordinary shares with the par value of Baht 5.5 per share and will be sold to the existing shareholders at the par value, in order to be used as working capital and expand its business. The subsidiary company already received cash for such increased share capital on March 6, 2014 and registered the increase in authorized share capital and issued and paid-up share capital with the Registrar of Partnerships and Companies on March 11, 2014.

On February 27, 2014 the Board of Directors' meeting has passed a resolution to approve the Company entered into the agreement with Evolution Capital Public Company Limited to purchase shares in Solaris Asset Management Co., Ltd., the subsidiary, totally 4,550,000 shares at Baht 1.48317 per share, total amount Baht 6,748,423.50. With the condition that within the period of 2 years from the payment date, if the Company can sell all of its shares in Solaris Asset Management Co., Ltd. to the third party at the higher purchase price per share after the deduction of any applicable taxes and necessary and reasonable expenses (if any) than the price per share received from Evolution Capital Public Company Limited. The Company will pay the difference arising on shares of 4,550,000 shares to Evolution Capital Public Company Limited. On February 28, 2014 the Company purchased such shares from Evolution Capital Public Company Limited already with difference loss arising from the purchase of Baht 5,563,540 million. Consequently, this increases a holding of the Company in subsidiary to 100%.

As at March 31, 2015 and December 31, 2014, the paid-up share capital of the subsidiary is Baht 125.4 million, consisting of 22,800,000 ordinary shares of Baht 5.5 per share. As at March 31, 2015 and December 31, 2014, the subsidiary's shares are held by the Company 100%.

On December, 3 2014, the Board of Investment Committee's meeting passed the resolution to buy additional investment in ordinary shares in KT ZMICO Securities Co., Ltd. which is the Company's associated company amounting 99,000 shares at Baht 19.18 each from the existing shareholder. As a result, the shareholding in this associated company has increased from 49.60% to 49.64%.

On March 21, 2014 the Company entered into an investment agreement to purchase 2 million ordinary shares of Beacon Offshore Ltd., the share has par value of Baht 10 per share, totally in amount of Baht 60 million, which is 19.05% of total shares. Beacon is provides sale and service of safety and survival equipment for the marine and offshore industries.

11. DEFERRED INCOME TAX - NET

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful accounts	216,610	216,610	216,610	216,610
Allowance for impairment of investments	32,378,201	32,378,201	32,378,201	32,378,201
Employee benefit obligations	269,696	233,378	-	-
Unrealized loss on re-measuring trading investments	5,360,816	169,477	5,360,816	169,477
Other assets	10,357	10,357	10,357	10,357
Tax loss carried forward	6,832,115	8,629,668	-	-
Unrealized gain on transfer of business to an associated company	22,764,586	22,767,392	-	-
	<u>67,832,381</u>	<u>64,405,083</u>	<u>37,965,984</u>	<u>32,774,645</u>
Deferred tax liabilities				
Unrealized gain on re-measuring available investments	1,423,571	-	1,423,571	-
Unrealized gain on re-measuring trading investments	1,236,586	1,682,404	1,236,586	1,682,404
Amortization of license fees	751,350	718,850	557,055	532,055
	<u>3,411,507</u>	<u>2,401,254</u>	<u>3,217,212</u>	<u>2,214,459</u>
Deferred tax assets - net	<u>64,420,874</u>	<u>62,003,829</u>	<u>34,748,772</u>	<u>30,560,186</u>

The movements of deferred income tax are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized in	recognized	March 31,
	2015	profit or loss	in other	2015
	(see Note 20)	Comprehensive		
	Baht	Baht	Income	Baht
			Baht	
Deferred tax assets				
Allowance for doubtful accounts	216,610	-	-	216,610
Allowance for impairment of investments	32,378,201	-	-	32,378,201
Employee benefit obligations	233,378	36,318	-	269,696
Unrealized loss on re-measuring trading investments	169,477	5,191,339	-	5,360,816
Other assets	10,357	-	-	10,357
Tax loss carried forward from subsidiary	8,629,668	(1,797,553)	-	6,832,115
Unrealized gain on transfer of business to an associated company	22,767,392	(2,806)	-	22,764,586
	<u>64,405,083</u>	<u>3,427,298</u>	<u>-</u>	<u>67,832,381</u>
Deferred tax liabilities				
Unrealized gain on re-measuring available-for-sale investments	-	-	1,423,571	1,423,571
Unrealized gain on re-measuring trading investments	1,682,404	(445,818)	-	1,236,586
Amortization of derivative license	718,850	32,500	-	751,350
	<u>2,401,254</u>	<u>(413,318)</u>	<u>1,423,571</u>	<u>3,411,507</u>
Deferred tax assets - net	<u>62,003,829</u>	<u>3,840,616</u>	<u>(1,423,571)</u>	<u>64,420,874</u>

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized in	recognized	March 31,
	2014	profit or loss	in other	2014
	(see Note 20)	Comprehensive		
	Baht	Baht	Income	Baht
			Baht	
Deferred tax assets				
Allowance for doubtful accounts	1,602,758	-	-	1,602,758
Allowance for impairment of investments	32,378,201	-	-	32,378,201
Cumulative tax loss	32,378,201	-	-	32,378,201
Unrealized loss on re-measuring trading investments	155,401	122,933	-	278,334
Unrealized loss on re-measuring available-for-sale investments	192,831	-	(38,554)	154,277
Other assets	28,357	-	-	28,357
Unrealized gain on transfer of business to an associated company	23,113,579	(256,467)	-	22,857,112
	<u>57,471,127</u>	<u>(133,534)</u>	<u>(38,554)</u>	<u>57,299,039</u>
Deferred tax liabilities				
Unrealized gain on re-measuring trading investments	225,938	53,342	-	279,280
Amortization of derivative license	432,055	25,000	-	457,055
	<u>657,993</u>	<u>78,342</u>	<u>-</u>	<u>736,335</u>
Deferred tax assets - net	<u>56,813,134</u>	<u>(211,876)</u>	<u>(38,554)</u>	<u>56,562,704</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized in	recognized in other	March 31,
	2015	profit or loss	comprehensive	2015
	(see Note 20)	income		
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful accounts	216,610	-	-	216,610
Allowance for impairment of investments	32,378,201	-	-	32,378,201
Unrealized loss on re-measuring trading investments	169,477	5,191,339	-	5,360,816
Other assets	10,357	-	-	10,357
	<u>32,774,645</u>	<u>5,191,339</u>	<u>-</u>	<u>37,965,984</u>
Deferred tax liabilities				
Unrealized gain on re-measuring available-for-sale investment	-	-	1,423,571	1,423,571
Unrealized gain on re-measuring trading investments	1,682,404	(445,818)	-	1,236,586
Amortization of derivative license	532,055	25,000	-	557,055
	<u>2,214,459</u>	<u>(420,818)</u>	<u>1,423,571</u>	<u>3,217,212</u>
Deferred tax assets - net	<u>30,560,186</u>	<u>5,612,157</u>	<u>(1,423,571)</u>	<u>34,748,772</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized in	recognized in other	March 31,
	2014	profit or loss	comprehensive	2014
	(see Note 20)	income		
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful accounts	1,602,758	-	-	1,602,758
Allowance for impairment of investments	32,378,201	-	-	32,378,201
Unrealized loss on re-measuring trading investments	155,401	122,933	-	278,334
Unrealized loss on re-measuring available-for-sale investment	192,831	-	(38,554)	154,277
Other assets	28,357	-	-	28,357
	<u>34,357,548</u>	<u>122,933</u>	<u>(38,554)</u>	<u>34,441,927</u>
Deferred tax liabilities				
Unrealized gain on re-measuring trading investments	225,938	53,342	-	279,280
Amortization of derivative license	432,055	25,000	-	457,055
	<u>657,993</u>	<u>78,342</u>	<u>-</u>	<u>736,335</u>
Deferred tax assets - net	<u>33,699,555</u>	<u>44,591</u>	<u>(38,554)</u>	<u>33,705,592</u>

For the three-month period ended March 31, 2015 and 2014, the Company has unused tax losses carryforward amounting to Baht 33.31 million and Baht 25.17 million, respectively, which will be expired within 5 years.

For the three-month period ended March 31, 2015, the subsidiary reviewed the carrying amount of deferred tax and recognized deferred tax assets of Baht 6.91 million because the subsidiary expects to have sufficient future taxable profit will be available against which the temporary differences can be utilized of Baht 34.54 million and unused tax loss carryforward is Baht 44.53 million, which will be expired within 5 years.

12. OTHER ASSETS

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at March 31, 2015 Baht	As at December 31, 2014 Baht	As at March 31, 2015 Baht	As at December 31, 2014 Baht
Accrued interest income	1,338,504	255,931	1,239,918	180,853
Prepaid insurance	649,422	130,219	49,697	130,219
Prepaid repair and maintenance	868,575	159,601	7,150	12,468
Other deposits	1,133,228	1,133,228	786,878	786,878
Fund management fee and service income receivables	9,540,640	8,581,486	-	-
Corporate income tax claim receivable	2,971,307	2,246,437	345,218	322,718
Value-added-tax receivable	1,235,622	1,865,064	-	-
Accrued dividend receivable	141,809,378	-	141,809,378	-
Others	4,691,183	5,230,010	1,241,138	1,213,307
Total	<u>164,237,859</u>	<u>19,601,976</u>	<u>145,479,377</u>	<u>2,646,443</u>

13. OTHER BORROWINGS

As at March 31, 2015, the Company has other borrowings as follows:

	Interest rate per annum (%)	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS As at March 31, 2015 Residual maturities			
		Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
Other borrowings					
Bill of exchange	3.90	<u>196,530,058</u>	<u>-</u>	<u>-</u>	<u>196,530,058</u>
Total other borrowings		<u>196,530,058</u>	<u>-</u>	<u>-</u>	<u>196,530,058</u>

(As at December 31, 2014 : nil)

14. DEPOSIT RECEIVED IN ADVANCE

On December 29, 2014, the Company entered into an agreement to buy and to sell land with the contract price of Baht 183.63 million. The land was the Company's asset classified as held for sale with the book value of Baht 157.31 million. The Company received deposit amounting Baht 39.63 million. According to the agreement, the Company must transfer land to the buyer together with receiving the remaining portion of Baht 144 million within one year after the agreement date.

During the first quarter 2015, the Company received deposit in addition of Baht 1.8 million which was recorded as deposit received in advance.

15. DIVIDEND

On April 28, 2014, the ordinary shareholders' meeting of the year 2014 has passed the resolution to approve the dividend payment for the operation for the year ended December 31, 2013 to the shareholders at the rate of Baht 0.09 per share equalling to Baht 117.67 million. The dividend was paid on May 12, 2014.

16. FEE AND SERVICE INCOME

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2015 Baht	2014 Baht
Private fund management		
mutual fund management and		
provident fund management	26,054,732	5,378,652
Total	<u>26,054,732</u>	<u>5,378,652</u>

17. FEE AND SERVICE EXPENSES

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,		SEPARATE FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Fees for private fund,				
mutual fund and derivative licenses	295,839	123,288	-	-
Others	8,682,611	2,582,870	155,086	132,525
Total	<u>8,978,450</u>	<u>2,706,158</u>	<u>155,086</u>	<u>132,525</u>

18. DIRECTORS AND MANagements' REMUNERATION

Directors represent the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, exclusive of salaries and related benefits payable to directors who hold executive position. Directors' remuneration for the year 2015 is waiting for approval from the ordinary shareholders' meetings of the Company. Whereas directors' remuneration for the year 2015 of subsidiary was approved by the ordinary shareholders' meeting of subsidiary which were held on April 20, 2015. Directors' remuneration for the year 2014 was approved by the ordinary shareholders' meetings of the Company and its subsidiary which were held on April 28, 2014 and April 1, 2014, respectively.

19. IMPAIRMENT LOSS FROM SECURITIES (REVERSAL)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Impairment loss (reversal) from equity securities	(418,153)	2,623,359	(418,153)	2,623,359
Impairment loss (reversal) on investment in subsidiary	-	-	(7,092,939)	5,073,057
Total	<u>(418,153)</u>	<u>2,623,359</u>	<u>(7,511,092)</u>	<u>7,696,416</u>

20. CORPORATE INCOME TAX

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Income tax - revenue (expense)	<u>3,840,616</u>	<u>(211,876)</u>	<u>5,612,157</u>	<u>44,591</u>
Total	<u>3,840,616</u>	<u>(211,876)</u>	<u>5,612,157</u>	<u>44,591</u>

Reconciliation of income tax and the results of the accounting profit (loss) multiplied by the income tax rate are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Income (loss) before tax	11,567,275	(1,933,033)	116,411,782	54,001,967
Tax rate	20%	20%	20%	20%
The result of the account profit (loss) multiplied by the income tax rate - benefit (expenses)	(2,313,455)	386,607	(23,282,356)	(10,800,393)
Tax effect of the non-deductible income and expense	5,560,348	1,409,776	28,300,790	12,853,243
Effect of the temporary difference not recognized as deferred tax assets	1,448,195	(1,599,500)	1,448,195	(1,599,500)
Effect of loss carried forward not recognized as deferred tax assets	(854,472)	(408,759)	(854,472)	(408,759)
Income tax - expense	<u>3,840,616</u>	<u>(211,876)</u>	<u>5,612,157</u>	<u>44,591</u>

21. RELATED PARTY TRANSACTIONS

The Company and its subsidiary have significant business transactions with related persons and companies that related by way of common shareholders and/or common directors. The Company's management believes that the pricing policy the Company charged to related parties were the arm's length price applied in the normal course of business. These transactions can be summarized as follows:

Balances with related parties as at March 31, 2015 and December 31, 2014 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	March 31,	December 31,	March 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Subsidiary				
Solaris Asset Management Co., Ltd.				
Investment in subsidiary - net (see Note 10)	-	-	57,157,219	50,064,280
Investment in private fund managed by subsidiary	181,713,079	60,275,519	181,713,079	60,275,519
Accrued private fund management fee expenses	-	-	76,335	26,402
Associates				
KT ZMICO Securities Co., Ltd.				
Investment in associate (see Note 10)	1,346,948,730	1,447,297,832	1,239,403,520	1,239,403,520
Other payables	805,517	533,695	805,517	533,695
Accrued dividend receivables	141,494,760	-	141,494,760	-
Beacon Offshore Co.,Ltd.				
Investment in associate (see Note 10)	51,073,689	52,268,154	60,000,000	60,000,000
Investment in Bill of Exchange	27,372,762	19,886,695	27,372,762	19,886,695
Related company				
Under common directors				
Thanh Cong Securities Company J.S.C.				
Investment in ordinary shares - net	93,015,274	92,597,089	93,015,274	92,597,089
Other receivables	59,482	30,155	59,482	30,155

Significant transactions with related parties for the three-month periods ended March 31, 2015 and 2014 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		Pricing policy
	For the three-month periods ended		For the three-month periods ended		
	March 31,		March 31,		
	2015 Baht	2014 Baht	2015 Baht	2014 Baht	
Subsidiary					
Solaris Asset Management Co., Ltd.					
Investment in ordinary shares of subsidiary	-	-	-	9,900,000	1.80 million shares at Baht 5.50 per share
Investment in mutual fund managed by subsidiary	-	31,197,425	-	31,197,425	3.12 million unit at Baht 10 each
Withdrawal mutual fund managed by subsidiary	-	30,930,673	-	30,930,673	Investment value
Investment in private fund managed by subsidiary	200,000,000	-	200,000,000	-	Investment value
Withdrawal private fund managed by subsidiary	50,000,000	-	50,000,000	-	Investment value
Rental expense	-	-	-	124,050	At the rate determined under the contract of Baht 62,025 per month being cancelled since March 2014 (see Note 22.3)
Private fund management fee	-	-	149,121	127,429	At the rate determined under the contract at 0.2% of net asset value per year (see Note 22.2)
Associate					
KT ZMICO Securities Co., Ltd.					
Service expenses	1,462,500	1,320,000	1,462,500	1,320,000	At the rate determined under the contract (see Note 22.1)
Research paper	750,000	750,000	750,000	750,000	At the rate determined under the contract (see Note 22.4)
Other fee expenses	272,903	-	272,903	-	At the rate determined under the contract
Other expenses	10,989	-	10,989	-	Actual expense incurred
Beacon Offshore Ltd.					
Interest received from Bill of exchange	826,067	-	826,067	-	At the rate determined under the contract
Investment in Bill of exchange	6,660,000	-	6,660,000	-	Investment value
Related companies					
Under common directors					
Evolution Capital Plc.					
Purchase interest in subsidiary	-	6,748,424	-	6,748,424	4.55 million shares at Baht 1.48317
Related with subsidiary and associate					
Rental income	91,575	-	91,575	-	At the rate determined under the contract Baht 30,525 per month as from March 2014 onwards
Selling agent fee expense	406,195	215,372	406,195	215,372	At the rate determined under the contract
Service fee expenses	199,800	75,000	199,800	75,000	At the rate determined under the contract of Baht 295,000 per month and Baht 25,000 per month as from April 2013 to May 2014 and Baht 66,600 as from June 2014 onwards
Private fund management fee income	-	196,242	-	196,242	At the rate determined under the contract at 0.5% of net asset value per year

For the three-month periods ended March 31, 2015 and 2014, compensations paid to key management personnel under TAS 24 (Revised 2014) “Related Party Disclosures” are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month periods		For the three-month periods	
	ended March 31,		ended March 31,	
	2014	2013	2014	2013
	Baht	Baht	Baht	Baht
Short-term employee benefits	1,686,875	1,559,618	909,633	852,833
Post-employment benefits	118,522	158,971	103,230	144,807
Total	<u>1,805,397</u>	<u>1,718,589</u>	<u>1,012,863</u>	<u>997,640</u>

22. COMMITMENTS

Transactions with related parties

22.1 On May 28, 2009, the Company entered into the agreement with KT ZMICO Securities Co., Ltd. for management service of accounting, Operating, Information technology including information system development and technical support, Compliance, Human Resource management, General Support and General management. The term of agreement is one year and will be automatically extended one year by payment in amount of Baht 150,000 per month unless either party notifies another party for the cancellation in written at least 30 days before the expiry date of the agreement in each time. Subsequently, on June 1, 2014, the Company made the agreement to change the fee to Baht 197,500 per month from June 1, 2014 to May 31, 2015. The agreement is automatically extended on an annual basis.

On August 1, 2013, the Company entered into agreement with KT ZMICO Securities Company Limited for providing management service of operating and corporate secretary. The term of agreement is one year starting from August 1, 2013 to July 31, 2014 and being extended for another three months of which the Company pays monthly fee and the rate of Baht 290,000. Subsequently on October 31, 2014 the Company extended the agreement for another 14 months starting from November 1, 2014 to December 31, 2015.

22.2 On October 17, 2012, the Company entered into an agreement with Solaris Asset Management Co., Ltd. which is subsidiary company. The subsidiary will manage the Company’s fund for one year. Contract, which will be expired on 17 October 2013, is automatically renewed for another year. Under the agreement, the Company agreed to pay a management fee at rated of 0.2 percent per annum of the net asset value of the fund.

22.3 On April 1, 2013, the Company entered into the agreement with Solaris Asset Management Co., Ltd. which is subsidiary company for providing rental office at 8th Floor (No. 801A, 807), Liberty Square, in the amount of Baht 105,315 per month. The term of agreement is from April 1, 2013 to January 31, 2016. However, on August 1, 2013 the Company has amended the agreement to reduce the space and the rental fee, the rental fee amounting to Baht 62,025 per month that effective since August 1, 2013 to January 31, 2016. However, on March 1, 2014 the Company cancelled the agreement.

22.4 On May 1, 2013, the Company entered into agreement with KT Zmico Securities Company Limited for providing various research papers of offshore. The term of agreement is 2-year and will be expired on April 30, 2015. The agreement is automatically extended for one year each, unless by earlier mutual termination. The Company receives a monthly fee of Baht 250,000.

Transactions with other business parties

22.5 As at March 31, 2015 and December 31, 2014, the subsidiary has the following outstanding rental and service commitments under long-term lease agreements for its office building and equipment.

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
Within 1 year	3.1	3.9	2.1	2.6
Over 1 year to 5 years	-	0.2	-	0.2
Total	3.1	4.1	2.1	2.8

Unit: Million Baht

22.6 On April 29, 2014, the Company entered into an fee allocation agreement with Mac Capital Advisors Limited, under which the Company agreed to appoint that company as the agent to introduce its clients to the Company as a financial advisor. The agreement will be expired on December 31, 2016. The Company must pay advisory fees to that company as a percentage of the fee income earned from the introduction of that company.

22.7 Letter of guarantee and commitment

As a March 31, 2015 and as at December 31, 2014, the Company has fixed deposit amounting Baht 50 million which has been secured as collateral for bank guarantee issued for performance bid bond to one bidding project. (see Note No. 6).

23. BUSINESS/GEOGRAPHICAL SEGMENT INFORMATION

Business segment information of the Company and its subsidiary for the three-month periods ended March 31, 2015 and 2014 are as follows:

	Unit: Thousand Baht				
	For the three-month periods ended March 31, 2014				
	Securities segment	Assets Management Segment	Investment And others Segment	Elimination of inter-segment revenues	Consolidated Financial Statements
Revenue from external customers	36,217	26,055	(23,253)	-	39,019
Inter - segment revenues	-	-	-	-	-
Total revenues	<u>36,217</u>	<u>26,055</u>	<u>(23,253)</u>	<u>-</u>	<u>39,019</u>
Segment income (loss)	36,217	8,474	(23,253)	-	21,438
Unallocated income and expenses :					
Interest and dividend incomes					1,528
Gain on transfer of business to the associated company					14
Other income					877
Servicing and administrative expenses					(12,290)
Income tax - expense					<u>3,841</u>
Net loss					<u>15,408</u>

	Unit: Thousand Baht				
	For the three-month periods ended March 31, 2014				
	Securities segment	Assets Management Segment	Investment And others Segment	Elimination of inter-segment revenues	Consolidated Financial Statements
Revenue from external customers	5,907	5,378	943	-	12,228
Inter - segment revenues	-	-	-	-	-
Total revenues	<u>5,907</u>	<u>5,378</u>	<u>943</u>	<u>-</u>	<u>12,228</u>
Segment income (loss)	5,907	(4,194)	943	-	2,656
Unallocated income and expenses :					
Interest and dividend incomes					3,743
Gain on transfer of business to the associated company					1,282
Other income					797
Servicing and administrative expenses					(10,411)
Income tax - expense					<u>(212)</u>
Net loss					<u>(2,145)</u>

Assets classified by segment of the Company as at March 31, 2015 and December 31, 2014 were presented as follows:

	Unit: Thousand Baht				
	Securities segment	Assets Management segment	Investment and others segment	Unallocated assets	Consolidated Financial statements
Assets by segment					
As at March 31, 2015	<u>1,504,406</u>	<u>66,958</u>	<u>802,772</u>	<u>478,297</u>	<u>2,852,433</u>
As at December 31, 2014	<u>1,457,400</u>	<u>61,244</u>	<u>558,625</u>	<u>562,266</u>	<u>2,639,535</u>

24. RISK MANAGEMENT

Liquidity risk

The Company

Under the Notification of the Office of the Securities and Exchange Commission No. Kor Thor. 18/2549 regarding “Net Liquid Capital Ratio - NCR”, securities company is required to maintain its net liquid capital at the end of working day not less than Baht 15 million and not less than 7% of general liabilities.

The Company was granted securities business licenses of derivatives agent under the Derivative Act. The Company has to maintain its net liquid capital at the end of working day at least Baht 25 million and at least 7% of general liabilities and assets held as collateral except in case the Company discontinued its derivatives agent business and notified to the Office of the Securities and Exchange Commission, the Company has to maintain its net liquid capital as mentioned in the above paragraph.

Additionally, in accordance with the regulation of Thailand Clearing House Co., Ltd. (“TCH”) chapter 300 “Ordinary Members” regarding the “Qualification of Membership”, the Ordinary Membership is required to have owners’ equity at least Baht 100 million for membership operating especially in derivatives business.

However, as at March 31, 2015 and December 31, 2014, the Company is not required to maintain its net liquid capital and equity per those requirements as it was granted by the Office of the Securities and Exchange Commission to temporarily cease its operation on securities and derivative businesses (see Note 1).

Also, according to the Notification of the Securities and Exchange Commission No. KorKhor. 7/2551, Re: Determination of Paid-Up Registered Capital of Securities Company, the securities company licensed to undertake securities business in the category of securities brokerage, excluding the securities company licensed to undertake securities brokerage of debt securities or investment units, shall have paid-up registered capital of not less than Baht 500 million, effective from January 1, 2012 onwards. The Company has already proceeded accordingly.

Since May 2, 2013, the Company was approved to reactivate its investment advisory service, the Company is required to maintain its net liquid capital according to the Notification of the Office of the Securities and Exchange Commission No. Kor Thor. 4/2557 regarding “Ongoing capital adequacy of some specific intermediaries”.

However, as at March 31, 2015, the Company is able to maintain its net liquid capital more than the condition.

Subsidiary

Under the Notification of the Office of the Securities and Exchange Commission No. KorNor. 20/2552, regarding “The Capital Adequacy of Management Company”, the asset management company has to maintain owners’ equity at least Baht 20 million for mutual fund management business, at least Baht 20 million for private fund management business with provident fund and at least Baht 10 million for private fund management business without provident fund management. Under the Notification of the Office of the Securities and Exchange Commission No. ThorNor. 42/2552, regarding “The Responsibility Insurance of Management Company and the Notification for Capital Adequacy of Management Company”, the warning level at Baht 30 million for mutual fund management business, the warning level at Baht 30 million for private fund management business with provident fund and the warning level at Baht 15 million for private fund management business without provident fund management. In case the subsidiary cannot maintain the capital adequacy over the warning level, the subsidiary has to report to the Office of the Securities and Exchange Commission including the plan to recover its owners’ equity to the warning level.

As at March 31, 2015, the subsidiary’s financial statements showed owners’ equity amounting of Baht 57.16 million which is in accordance with the SEC’s regulations.

25. TRANSFER OF BUSINESS

On May 1, 2009, the Company transferred its business and margin loan accounts to KT ZMICO Securities Co., Ltd., an associated company, in accordance with a partnership plan to develop securities business with Krung Thai Bank Plc. The Company will receive returns from the transfer of business in the total amount of Baht 500 million by Baht 300 million will be received upfront and the remaining Baht 200 million will be received proportionately over 3 years depending on earnings before interest, tax, depreciation and amortization (“EBITDA”) of KT ZMICO Securities Co., Ltd. for the year 2009 to 2011, and the Company will also receive returns from transfer of margin loan accounts at the value on the transferring date.

During the year ended December 31, 2011, the Company recorded the last portion of gain on transfer of business to an associated company of Baht 70 million and recorded accrued income from an associated company on transfer of business at the same amount. Subsequently, on April 18, 2012, the Company already received such amount of cash. At the end of year 2011, the Company recognized the entire amount of consideration from the transfer of business of Baht 500 million as the associated company was able to generate 3-year cumulative EBITDA from 2009 - 2011 according to the criteria specified in the agreement.

The Company recognized such gain on transfer of business to an associated company as income in the consolidated financial statements according to the shareholding percentage of the third parties in the associated company. The remaining amount was presented as “unrealized gain on transfer of business to an associated company”. The Company will realize such “unrealized gain on transfer of business to an associated company” as income when the Company has lower percentage of shareholding in the associated company and when the associated company calculates depreciation or sells such transferred assets to the third parties. The movements of unrealized gain on transfer of business to an associated company in the consolidated financial statements for the three-month periods and the nine-month periods ended March 31, 2015 and 2014 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	Unrealized gain on transfer of business to an associated company	
	For the three-month periods ended	
	March 31,	
	2015	2014
	Million Baht	Million Baht
Beginning balance of the period	148.45	150.18
<u>Less</u> Recognize additional gain on transfer of business to an associated company because the associated company calculated depreciation and sold part of transferred assets to the third parties	(0.01)	(1.28)
Ending balance of the period	<u>148.44</u>	<u>148.90</u>

As a result of transfer of business, the Company has temporarily ceased its operation on securities and derivative business. Consequently, the Company applied the approval system work flow of investment advisory service under the existing securities business license to the Office of the Securities and Exchange Commission. The Company was approved to reactivate its investment advisory service according to the letter No. SEC. BorThor. 994/2556 dated on May 2, 2013 starting from May 2, 2013 onward (see Note 1).

26. FAIR VALUE MEASUREMENT

Certain financial assets and financial liabilities of the Company and its subsidiaries are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

(Unit : Baht)

Financial assets/ Financial liabilities	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			Valuation techniques and key inputs
	Fair value		Fair value hierarchy	
	March 31, 2015	December 31, 2014		
<u>Financial assets</u>				
Investments - Net				
Trading securities				
Equity securities	112,121,713	52,397,518	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
- Listed securities				
Debt securities	512,585,618	331,895,908	Level 2	Discount cash flow by future cash flows are estimated based on forward interest rates at the end of the reporting period.
- Bill of exchange				
Debt securities	25,950,405	25,980,817	Level 2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Associate
- Corporate bonds				
Mutual funds	-	2,870,775	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
<u>Available-for-sale securities</u>				
Equity securities	7,117,856	-	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand

27. EVENT AFTER THE REPORTING PERIOD

On April 10, 2015, the extraordinary shareholders' meeting of the associated company (Beacon Offshore Co., Ltd) has passed a special resolution to increase its registered share capital of Baht 23,060,000 from Baht 105,000,000 to Baht 128,060,000 by issuing additional 2,306,000 ordinary shares at par value of Baht 10 per share and will be sold to existing shareholders at Baht 13 per share, in order to be used as working capital for the business operation. The associated company has received cash for such increased share capital and registered the increase in authorized share capital and issued and paid-up share capital with the Registrar of Partnerships and Companies on April 28, 2015.

On March 25, 2015, the Investment Committee's meeting passed the resolution to invest in ordinary shares in Beacon Offshore Co., Ltd in addition of 768,205 shares at Baht 13 per share, totalling of Baht 9,986,665. The Company paid cash for capital contribution on April 16, 2015. Thus, the shareholding in this associated company has increased from 19.05% to 21.62%.

28. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issuing by the audit committee and authorized director of the Company on May 14, 2015.