

**SEAMICO SECURITIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

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

The Company has subsidiaries as follows :

1. Solaris Asset Management Co., Ltd. operates its business in Thailand and has been granted permission to manage mutual fund, private fund and provident fund.
2. Lumpini Asset Management Co., Ltd operates its business in Thailand. The main objective of the Company is to carry out the business of purchasing or taking transfer of non-performing assets of financial institution which is its commercial bank, business funding or credit fancier license to revoke include related collateral for the purpose of asset management, development and disposals.

As at December 31, 2015 and 2014, 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 onward.

Moreover, the Company was granted by The Stock Exchange of Thailand to extend the recommencing its securities brokerage business operation to December 31, 2016 according to the letter No. BorSorChor.0020/2558 dated October 12, 2015.

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 FINANCIAL STATEMENTS

- 2.1 The Company prepares its financial statements in conformity with Thai Financial Reporting Standards and practices generally accepted in Thailand, where the format of financial statements is based on Thai Accounting Standard No. 1 (Revised 2014) “Presentation of Financial Statements”, 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 financial statements for the years ended December 31, 2015 include the accounts of the Company, Solaris Asset Management Co., Ltd., and Lumpini Asset Management Co., Ltd., whereas, the consolidated financial statements for the years ended December 31, 2014 include the accounts of the Company and Solaris Asset Management Co., Ltd., which the Company has a holding of 100% in their equity of both subsidiaries. Significant transactions and balances between the Company and the subsidiaries have been eliminated.

Additionally, the consolidated financial statements for the year ended December 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.

In addition, during the year ended December 31, 2015, the Company has investments in Bill of Exchange issued by Phra Kanong Land Company Limited of Baht 500 million. The shareholders of such company made the agreement to pledge all of the company's ordinary shares as collateral. In addition, Phra Kanong Land Company Limited issued preferred shares to the Company, in which the preferred shares have the right to joint control with the ordinary shares to control assets of Phra Kanong Land Company Limited. As well as, the Company has representative as a director in Phra Kanong Land Company Limited and has joint control over the asset transactions.

After receiving the repayment on the Bill of Exchange, the Company has to terminate the pledge of the ordinary shares, transfer preferred shares back to Phra Kanong Land Company Limited and cancel the appointment of director in such company in order to ended of the arrangement.

3. NEW THAI FINANCIAL REPORTING STANDARDS

Summary of new Thai Financial Reporting Standards that became effective in the current accounting year and those that will become effective in the future.

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

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 follows:

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. In addition, the Company has determined additional accounting policy for fair value measurement that presented in Note 4.22.

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.

In addition, the Federation of Accounting Professions issued the Notification regarding the Conceptual Framework of Financial Reporting (Revised 2015), which was announced in the royal Gazette and effective from November 6, 2015, onwards to replace the Conceptual Framework for Financial Reporting (Revised 2014). Such Conceptual Framework of Financial Reporting has no material impact on these financial statements.

3.2 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

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, 2016 onwards, as follows;

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
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TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosure
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TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets
TAS 40 (Revised 2015)	Investment Property
TAS 41	Agriculture

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2015)	Share-based Payment
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interest in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

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TSIC 27 (Revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2015)	Disclosures - Service Concession Arrangements
TSIC 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
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TFRIC 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) Financial Reporting in Hyperinflationary Economics
TFRIC 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2015)	Service Concession Arrangements
TFRIC 13 (Revised 2015)	Customer Loyalty Programmes
TFRIC 14 (Revised 2015)	TAS 19 (Revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2015)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2015)	Transfers of Assets from Customers
TFRIC 20 (Revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2015)	Levies

Guideline on Accounting

Guideline on Accounting regarding Recognition and Measurement of Bearer Plants

The Company’s and its subsidiaries’ management will adopt the above relevant TFRS in the preparation of the financial statements when they become effective. The management is currently assessing the full impact on the Company’s and its subsidiaries’ financial statements in the period of initial application.

4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention except those disclosed in the significant accounting policies.

Significant accounting policies adopted by the Company and its subsidiary are summarized below:

4.1 Revenue and expense recognition

Brokerage fees

Brokerage fees on securities and derivatives trading are recognized as income on the transaction dates.

Fees and service income

Fees are recognized as income on an accrual basis and service income is recognized on the basis of percentage of completion, as specified in the service agreement.

Interest on margin loans

Interest is recognized on an accrual basis, but where there is uncertainty as to the collectability of loans and interest, the Company ceases accrual.

In the following cases, collectability of loans and interest is held to be uncertain.

- 1) Loans which are not fully collateralized
- 2) Installment loans with repayments scheduled less frequently than every 3 months and for which principal or interest is overdue by more than 3 months
- 3) Installment loans with repayments scheduled no less frequently than every 3 months, unless this is clear evidence and a high degree of certainty that full repayment will be received
- 4) Problem financial institution loans
- 5) Other receivables from which interest payment is overdue for 3 months or more

These conditions are based on the guidelines stipulated by the Office of Securities and Exchange Commission.

Gain (loss) on trading in securities and derivatives

Gain (loss) on trading in securities and derivatives are recognized as income or expenses on the transaction dates.

Interest and dividend on investments in securities

Interest on investments is recognized as income on an accrual basis. Dividend on investments is recognized as income when the dividend is declared.

Expenses

Expenses are recognized on an accrual basis.

4.2 Interest on borrowing

Interest on borrowing is recognized as expense on an accrual basis.

4.3 Recognition and amortization of customer deposits

Money which customers have placed with the Company in cash accounts and credit balance for securities trading is recorded as the assets and liabilities of the Company for internal control purposes. At the end of reporting period, the Company writes these amounts off from both assets and liabilities and presents only assets and liabilities which belong to the Company.

4.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, current accounts, saving accounts, time deposit with original maturity not more than 3 months and without commitments, call note receivables and term note receivables with original maturity not more than 3 months. This accords with the Notification issued by the Office of the Securities and Exchange Commission.

4.5 Investments in debt and equity securities

Investments in securities held for trading are determined at fair value. Gain or loss arising from change in value of securities is included in the statements of comprehensive income.

Investments in available-for-sale securities, both held for short-term and long-term investments, are determined at fair value. The change in value of securities is recorded in other components of equity until securities are sold, then, the change shall be included in the statements of comprehensive income.

Investments in debt securities due within one year and expected to be held to maturity are determined at amortized cost.

The premium/discount on debt securities is amortized using the effective rate method with the amortized amount presented as an adjustment to interest income.

Investments in non-marketable equity securities, which the Company holds as general investments, are valued at cost, net of allowance for impairment (if any).

Gains and losses on sale of investments are determined by the weighted average method and recognized in the statements of comprehensive income.

Loss on impairment (if any) of investments in available-for-sale securities and general investments are included in determining earnings when the carrying amount exceeds its recoverable value.

The fair value of marketable securities is based on the latest bid price of the last working day of the period as quoted on the Stock Exchange of Thailand. The fair value of unit trust is determined from its net asset value. The fair value of debentures is calculated by using the latest bid yield as quoted by the Thai Bond Market Association.

4.6 Investments in subsidiary and associated companies

Investments in subsidiary and associated companies are accounted for under the cost method in the separate financial statement net of allowances for impairment (if any).

Investments in subsidiary and associated companies are accounted for under the equity method in the consolidated financial statements.

4.7 Receivable and payable from/to Clearing House

Net balances of receivable or payable incurred from settlement of securities trading each day through Thailand Securities Depository Co., Ltd., the securities clearing house, are presented as net balance receivable or payable from/to Clearing House in accordance with 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”.

4.8 Securities and derivatives business receivables and allowance for doubtful accounts

Securities and derivatives business receivables comprise three categories which are receivables from securities and derivatives businesses of cash accounts, loan for securities purchases and other receivables. Receivables from securities and derivatives businesses of cash accounts are the receivables that were derived from cash settlements within 3 working days and 1 working day, respectively, after the securities and derivatives purchasing date. Loans for securities purchases are accounts that debtors are granted loans for securities purchasing with collaterals at the rate which is not lower than the rate required by the Stock Exchange of Thailand. Other receivables include overdue receivables from securities and derivatives businesses of cash accounts and restructured or installment receivables.

The allowance for doubtful accounts on securities and derivatives business receivables is based on management’s review and assessment of the status of individual debtor and overall debtors as well as the requirements as stated in the Office of the Securities and Exchange Commission’s Notifications No. Kor Thor. 33/2543 and Kor Thor. 5/2544 dated August 25, 2000 and February 15, 2001, respectively. Such assessment takes into consideration various factors including the risks involved and the value of collateral.

Allowance is made for the estimated losses that might be incurred where the debts are not fully secured and/or there exists a possibility that principal and interest cannot be recovered in full. The Company has provided an allowance for doubtful debts based on a review of debtor's repayment capability, taking into consideration risk in recovery and value of collateral. An allowance will be set aside for doubtful debts not fully covered by collateral and/or debtors which are expectable not to be recovered in full. Such debt classifications and provisions are in accordance with guidelines of the Office of the Securities and Exchange Commission as follows:

- a) Assets classified as loss are to satisfy the following criteria:
 - 1) Loan balances which the Company has already made every effort to collect, but which remain unpaid and which the Company has already written off in accordance with tax law
 - 2) Loan balances which the Company has forgiven
- b) Doubtful debt is defined as the uncollateralized portion of the value of a debt which meets the following criteria:
 - 1) General loans, problem financial institution loans, and other loans for which the collateral value is less than the loan balance
 - 2) Installment loans with repayments scheduled less frequently than every 3 months and for which principal or interest is overdue by more than 3 months
 - 3) Installment loans with repayments scheduled no less frequently than every 3 months, unless there is clear evidence and a high degree of certainty that full repayment will be received
- c) Substandard debt is defined as the collateralized portion of loans which meet the criteria in b).

Loans classified as loss will be written off when identified. Provision will be set aside for loans classified as doubtful at not less than 100% of the loan balances.

4.9 Building improvement and equipment

Building improvement and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated by reference to its cost on a straight-line basis over the following estimated useful lives:

Building improvement	5 years
Office equipment	3 - 5 years
Vehicles	5 years

Impairment

At the end of reporting period, the Company reviews whether there is an indicator indicating that the assets are impaired. In case there is an indicator, the Company will estimate the recoverable amount of such assets. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized as expense immediately.

Gains and losses on disposals are determined by comparing proceeds with carrying amount of building improvement and equipment. These are included in the statements of comprehensive income.

4.10 Assets classified as held for sale

Assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the assets are available for immediate sale in its present condition.

Assets held for sale consist of immovable property and golf membership which are stated at the lower of cost or fair value after deducting cost to sell. Loss on impairment will be recorded as expense in the statements of comprehensive income.

Gain or loss on disposals of assets classified as held for sale is recognized in the statements of comprehensive income at the date of disposal.

4.11 Intangible assets

Intangible assets with definite useful life are stated at cost less accumulated amortization.

Amortization is charged to the statements of comprehensive income on a straight-line basis over its estimated useful life as follow:

Computer software	5 years
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Intangible assets with indefinite useful life consist of deferred license fees which are tested for impairment annually and whenever there is an indication that the intangible assets may be impaired and allowance for impairment is recognized (if any).

4.12 Securities and derivatives business payables

Securities and derivatives business payables are the obligations of the Company in respect of its securities and derivatives businesses with outside parties, such as the net payable balances of cash accounts.

4.13 Long-term lease

4.13.1 Operating lease

Lease in which substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating lease. Rentals applicable to such operating leases are charged to the statements of comprehensive income over the lease term.

4.13.2 Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as finance lease. At inception, the fair value of the leased assets is recorded together with the obligation. The leased assets are depreciated using term of contract. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognized as expenses in the statements of comprehensive income.

4.14 Employee benefits

4.14.1 Provident fund

The Company and its subsidiary set up a provident fund which is a defined contribution plan. Assets of the provident fund have been separated from assets of the Company and its subsidiary and managed by the fund manager. The fund has been contributed by the employee and also the Company and its subsidiary. The contributions for provident fund are recorded as expense in the statements of comprehensive income for the period they incur.

4.14.2 Post-employment benefits

The Company and its subsidiary operate post-employment benefits plans under the Thai Labor Protection Act and the Company's retirement benefits plan. Such employee benefits are calculated based on actuarial assumptions at the end of reporting period using Projected Unit Credit Method, which is estimated based on the present value of expected cash flows of benefits to be paid in the future taken into account the actuarial assumptions, including salaries, turnover rate, mortality rate, years of service and other factors. Discount rate used in calculation of the post-employment benefits obligation is referred from the yield curve of government bond. Gains or losses from changes in estimate are recognized as other comprehensive income in the statements of profit or loss and other comprehensive income for the period they incur. Expenses related to employee benefits are recognized in the statements of profit or loss and other comprehensive income in order to allocate such costs throughout the service period.

4.14.3 Unused paid vacation leave

The Company and its subsidiary recognize the expected cost of short-term employee benefits in the form of accumulating unused paid vacation leave when the employees render service that increases their entitlement to future paid vacation leave. The expected cost of accumulating unused paid vacation leave is measured as the additional amount that the Company and its subsidiary expect to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

4.15 Provisions

The Company and its subsidiary recognize provisions in the financial statements when the amount of the liability can be reliably estimated and it is current commitment that is probable that loss of resources which are of economic benefit to the Company and its subsidiary will result from settlement of such commitments.

4.16 Income tax

Income tax comprises current income tax and deferred income tax.

4.16.1 Current income tax

Current income tax is the amount income tax expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

4.16.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit (tax base). The Company and its subsidiary generally recognize deferred tax liabilities for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the reporting date. Deferred tax asset shall be reduced to the extent that utilized taxable profits are decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the asset to be recovered by the Company and its subsidiary. The Company and its subsidiary do not recognize deferred tax assets and liabilities for the goodwill.

The Company and its subsidiary measure deferred tax assets and liabilities at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

Current tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiary to off set the recognized amounts and the Company and its subsidiary intend to settle on a net basis or to realize the asset and settle the liability simultaneously and when they relate to income taxes levied by the same taxation authority.

The Company and its subsidiary present income tax expenses or income related to profit or loss in the statement of comprehensive income. Current income taxes and deferred taxes related to items recognized directly in other comprehensive income in equity in the same or different period are recognized directly in other comprehensive income.

4.17 Earnings (loss) per share

Basic earnings (loss) per share are determined by dividing net income (loss) for the period by the weighted average number of ordinary shares held by outside parties outstanding during the period.

During the periods, the Company has no potential ordinary share for calculating diluted earnings (loss) per share.

4.18 Foreign currency translation

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the end of reporting period are translated to Thai Baht at the exchange rate prevailing at the end of reporting period. Gain and loss resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of comprehensive income.

4.19 Risk management and prevention

Financial instruments carried in the statements of financial position include cash and cash equivalents, securities business receivables and investments. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

4.20 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and closed members of family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

4.21 Use of management judgments

The preparation of financial statements in conformity with Thai Financial Reporting Standard (TFRS) 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.

4.22 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. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

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
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Cash, short-term deposits and promissory notes				
with original maturity less than 3 months	425,456,071	771,426,076	356,213,304	294,609,407
<u>Less</u> Cash deposits held for customers*	<u>(20,753,987)</u>	<u>(468,823,612)</u>	<u>(12,368,607)</u>	<u>(12,885,669)</u>
Total cash and cash equivalents	<u>404,702,084</u>	<u>302,602,464</u>	<u>343,844,697</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 December 31, 2015 and 2014, the Company had deposits at financial institutions held for customers in the consolidated statements of financial position in amounting to Baht 20.75 million and Baht 468.82 million, respectively, and the separate statements of financial position in amounting to Baht 12.37 million and Baht 12.89 million, respectively, which the Company must return to the customers at call.

As at December 31, 2015 and 2014, the securities business cash customers of 493 accounts and 516 accounts, respectively, which were transferred to KT ZMICO Securities Co., Ltd. (see Note 36) 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 4.54 million and Baht 5.06 million, respectively, and shares with the values of Baht 114.59 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 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 33.7).

7. SECURITIES BUSINESS RECEIVABLES - NET

The Company has securities business receivables as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2015 Baht	As at December 31, 2014 Baht
Securities business receivables	7,522,841	3,356,944
Other receivables		
Receivables under litigation	62,654,566	62,654,566
Total securities business receivables	70,177,407	66,011,510
<u>Less</u> Allowance for doubtful accounts (see Note 8)	(58,607,306)	(55,909,133)
Total	<u>11,570,101</u>	<u>10,102,377</u>

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 December 31, 2015			As at December 31, 2014		
Securities business receivables and accrued interest receivables Baht	Allowance for doubtful account 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	7,522,841	-	7,522,841	-	3,356,944
Substandard debts	4,047,260	-	4,047,260	-	6,745,433
Doubtful debts	58,607,306	(58,607,306)	-	(55,909,133)	-
Total	70,177,407	(58,607,306)	11,570,101	(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 December 31, 2015 Baht	As at December 31, 2014 Baht
Over 3 years	62,654,566
Total	62,654,566

8. ALLOWANCE FOR DOUBTFUL ACCOUNTS

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

During the year ended December 31, 2014, the Company wrote off Baht 201.36 million of securities business receivables from cash balance and credit balance (Margin loans) customers, together with the related allowance for doubtful accounts because the court judged that the debtors were bankrupt or the litigations were ended.

9. INVESTMENTS - NET

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at December 31, 2015		As at December 31, 2014	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
	Baht	Baht	Baht	Baht
<u>Trading securities</u>				
Equity securities - List securities	103,433,284	91,221,379	50,480,922	52,397,518
Debt securities - Corporate bond	108,934,028	110,951,859	25,487,223	25,980,817
Debt securities - Bill of exchange	1,024,932,944	1,035,136,881	326,742,238	331,895,908
Mutual fund	-	-	2,870,000	2,870,775
Total	1,237,300,256	1,237,310,119	405,580,383	413,145,018
<u>Add</u> Revaluation adjustments	9,863	-	7,564,635	-
Total trading securities - net	1,237,310,119	1,237,310,119	413,145,018	413,145,018
<u>Available-for-sale securities</u>				
Equity securities - List securities	76,893,631	61,607,128	-	-
<u>Less</u> Revaluation adjustments	(15,286,503)	-	-	-
Total available-for-sale securities - net	61,607,128	61,607,128	-	-
<u>General investments</u>				
Ordinary shares	330,025,014	275,955,876	156,517,201	93,086,707
Preference shares	130,000	130,000	125,000	125,000
Total	330,155,014	276,085,876	156,642,201	93,211,707
<u>Less</u> Allowance for impairment	(54,069,138)	-	(63,430,494)	-
Total general investments - net	276,085,876	276,085,876	93,211,707	93,211,707
Total investments - net	1,575,003,123	1,575,003,123	506,356,725	506,356,725

	SEPARATE FINANCIAL STATEMENTS			
	As at December 31, 2015		As at December 31, 2014	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
	Baht	Baht	Baht	Baht
<u>Trading securities</u>				
Equity securities - List securities	99,630,991	87,790,879	50,480,922	52,397,518
Debt securities - Corporate bond	108,934,028	110,951,859	25,487,223	25,980,817
Debt securities - Bill of exchange	1,024,932,944	1,035,136,881	326,742,238	331,895,908
Mutual fund	-	-	2,870,000	2,870,775
Total	1,233,497,963	1,233,879,619	405,580,383	413,145,018
<u>Add</u> Revaluation adjustments	381,656	-	7,564,635	-
Total trading securities - net	1,233,879,619	1,233,879,619	413,145,018	413,145,018
<u>Available-for-sale securities</u>				
Equity securities - List securities	76,893,631	61,607,128	-	-
<u>Less</u> Revaluation adjustments	(15,286,503)	-	-	-
Total available-for-sale securities - net	61,607,128	61,607,128	-	-
<u>General investments</u>				
Ordinary shares	330,025,014	275,955,876	156,517,201	93,086,707
Preference shares	130,000	130,000	125,000	125,000
Total	330,155,014	276,085,876	156,642,201	93,211,707
<u>Less</u> Allowance for impairment	(54,069,138)	-	(63,430,494)	-
Total general investments - net	276,085,876	276,085,876	93,211,707	93,211,707
Total investments - net	1,571,572,623	1,571,572,623	506,356,725	506,356,725

9.2 Gain (loss) on investments

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Unrealized gain (loss) on re-measuring trading investments	(7,261,360)	7,211,951	(6,889,567)	7,211,951
Gain on sale of trading investments	15,553,897	29,305,765	15,553,897	29,305,765
Gain on sale of available-for-sale investments	-	696,114	-	696,114
Total	<u>8,292,537</u>	<u>37,213,830</u>	<u>8,664,330</u>	<u>37,213,830</u>

9.3 Interest and dividend from investments in debt and equity securities

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Interest income	10,437,279	8,355,886	9,767,406	7,945,487
Dividends	1,152,892	1,483,818	217,341,580	65,750,118
Total	<u>11,590,171</u>	<u>9,839,704</u>	<u>227,108,986</u>	<u>73,695,605</u>

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

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Beginning balance of the period	-	(771,327)	-	(771,327)
Changes during the period				
- from deferred tax adjustment	1,586,901	(192,831)	1,586,901	(192,831)
- from re-measuring of investments	(7,934,507)	-	(7,934,507)	-
- from sale of investments	-	964,158	-	964,158
Ending balance of the period	<u>(6,347,606)</u>	<u>-</u>	<u>(6,347,606)</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 December 31, 2015			As at December 31, 2014		
	Cost/ Book value	Fair value	Allowance for impairment loss	Cost/ Book value	Fair value	Allowance for impairment loss
	Baht	Baht	Baht	Baht	Baht	Baht
Ordinary shares	<u>7,808</u>	<u>835</u>	<u>6,973</u>	<u>7,808</u>	<u>866</u>	<u>6,942</u>
	<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	Paid-up capital		% of voting right		Cost method		Equity method	
			As at invested December 31, 2015 Million Baht	As at December 31, 2014 Million Baht	As at December 31, 2015 %	As at December 31, 2014 %	As at December 31, 2015 Million Baht	As at December 31, 2014 Million Baht	As at December 31, 2015 Million Baht	As at December 31, 2014 Million Baht
Associate										
KT ZMICO Securities Co., Ltd.	Securities business	Ordinary share	2,138	2,138	49.71	49.64	1,244.1	1,239.4	1,328.5	1,447.3
Beacon Offshore Ltd.	Sale equipment for marine & offshore industries	Ordinary share	148	105	18.70	19.05	70.0	60.0	51.2	52.3
<u>Less</u> Allowance for impairment							(70.0)	-	(51.2)	-
							<u>1,244.1</u>	<u>1,299.4</u>	<u>1,328.5</u>	<u>1,499.6</u>
SEPARATE FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares	Paid-up capital		% of voting right		Cost method		Equity method	
			As at invested December 31, 2015 Million Baht	As at December 31, 2014 Million Baht	As at December 31, 2015 %	As at December 31, 2014 %	As at December 31, 2015 Million Baht	As at December 31, 2014 Million Baht	As at December 31, 2015 Million Baht	As at December 31, 2014 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	86.9	50.1
Lumpinee Asset Management Co., Ltd.	Purchasing or taking transfer of non-performing asset of financial institution	Ordinary share	25.0	-	100.0	-	25.0	-	25.0	-
<u>Less</u> Allowance for impairment							(86.2)	(123.0)	-	-
							<u>111.9</u>	<u>50.1</u>	<u>111.9</u>	<u>50.1</u>

SEPARATE FINANCIAL STATEMENTS											
Company name	Type of business	Type of shares	Paid-up capital		% of voting right		Cost method		Equity method		
			As at	As at	As at	As at	As at	As at	As at	As at	
			invested	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
			2015	2014	2015	2014	2015	2014	2015	2014	
	Million Baht	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	49.71	49.64	1,244.1	1,239.4	1,328.5	1,447.3	
Beacon Offshore Ltd.	Sale equipment for marine & offshore industries	Ordinary share	148	105	18.70	19.05	70.0	60.0	51.2	52.3	
<u>Less</u> Allowance for impairment							(70.0)	-	(51.2)	-	
							<u>1,244.1</u>	<u>1,299.4</u>	<u>1,328.5</u>	<u>1,499.6</u>	
							<u>1,356.0</u>	<u>1,349.5</u>	<u>1,440.4</u>	<u>1,549.7</u>	

Summarized financial information in respect of the associated companies is set out below:

	As at December 31,	
	2015 Million Baht	2014 Million Baht
Total assets	6,773.6	7,700.0
Total liabilities	(4,299.5)	(4,974.7)
Net assets	<u>2,474.1</u>	<u>2,725.3</u>
For the years ended December 31,		
	2015 Million Baht	2014 Million Baht
Total revenue	1,897.6	2,103.8
Net income for the period	144.0	264.1
Net other comprehensive income (loss) for the period	(9.1)	(3.1)
Dividend received from an associated company	216.2	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. Consequently, this increases a holding of the Company in subsidiary to 100%.

As at December 31, 2015 and 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 December 31, 2015 and 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 and on June 17, 2015, the Board of Investment Committee's meeting acknowledged an additional buyer investment in ordinary shares in KT ZMICO Securities Co., Ltd. amounting 170,000 shares at Baht 27.60 each from the existing shareholder. As a result, the shareholding in this associated company has increased from 49.64% to 49.71%.

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 provides sale and service of safety and survival equipment for the marine and offshore industries. On March 25, 2015 the Board of Investment Committee's meeting passed the resolution to buy additional investment in ordinary shares in Beacon Offshore Ltd. which is the Company's associated company amounting 768,205 shares at Baht 13 each from Beacon's capital increase. As a result, the shareholding in this associated company has increased from 19.05% to 21.62%. However, on December 24, 2015, the extraordinary shareholders' meeting of the associated company has passed a special resolution to increase its share capital of Baht 2,000,000, from 12,806,000 ordinary shares to 14,806,000 ordinary shares with the par value of Baht 10 per share. The Company did not purchase the additional such shares increase. As a result, the shareholding in this associated company has decreased from 21.62% to 18.70% of issued and paid-up share capital of the associated company.

On December 31, 2015, the Company has fully reserved for impairment loss of investment in Beacon Offshore Ltd., in separate financial statement of Baht 69.99 million and in consolidated financial statement of Baht 51.21 million due to Beacon Offshore Ltd., has operating loss and is in the process of company restructuring.

On February 27, 2015, the Board of Investment Committee's meeting passed the resolution to invest in ordinary shares of Lumpini Asset Management Co., Ltd which is the Company's subsidiary. The subsidiary has issued and paid-up share capital of Baht 25 million for 2,500,000 ordinary shares with the par value of Baht 10 per share. As at December 31, 2015, the shareholding of the Company in subsidiary is 100%.

11. BUILDING IMPROVEMENTS AND EQUIPMENT - NET

CONSOLIDATED FINANCIAL STATEMENTS				
	Balance as at December 31, 2014 Baht	Increase Baht	Decrease Baht	Balance as at December 31, 2015 Baht
Cost				
Building improvement	7,453,651	37,383	-	7,491,034
Office equipment	9,406,758	2,674,812	-	12,081,570
Vehicles	3,844,600	1,938,000	-	5,782,600
Total cost	<u>20,705,009</u>	<u>4,650,195</u>	<u>-</u>	<u>25,355,204</u>
Accumulated depreciation				
Building improvement	(3,090,163)	(1,098,853)	-	(4,189,016)
Office equipment	(7,678,760)	(1,133,980)	-	(8,812,740)
Vehicles	(415,006)	(846,440)	-	(1,261,446)
Total accumulated depreciation	<u>(11,183,929)</u>	<u>(3,079,273)</u>	<u>-</u>	<u>(14,263,202)</u>
Total building improvements and equipment - net	<u>9,521,080</u>			<u>11,092,002</u>

CONSOLIDATED FINANCIAL STATEMENTS				
	Balance as at December 31, 2013 Baht	Increase Baht	Decrease Baht	Balance as at December 31, 2014 Baht
Cost				
Building improvement	2,984,518	4,469,133	-	7,453,651
Office equipment	8,887,334	1,400,336	(880,912)	9,406,758
Vehicles	-	3,844,600	-	3,844,600
Total cost	<u>11,871,852</u>	<u>9,714,069</u>	<u>(880,912)</u>	<u>20,705,009</u>
Accumulated depreciation				
Building improvement	(2,225,825)	(864,338)	-	(3,090,163)
Office equipment	(7,779,243)	(740,696)	841,179	(7,678,760)
Vehicles	-	(415,006)	-	(415,006)
Total accumulated depreciation	<u>(10,005,068)</u>	<u>(2,020,040)</u>	<u>841,179</u>	<u>(11,183,929)</u>
Total building improvements and equipment - net	<u>1,866,784</u>			<u>9,521,080</u>
Depreciation for the years ended December 31,				
2015				<u>3,079,273</u>
2014				<u>2,020,040</u>

	SEPARATE FINANCIAL STATEMENTS			
	Balance as at	Increase	Decrease	Balance as at
	December 31, 2014			December 31, 2015
	Baht	Baht	Baht	Baht
Cost				
Building improvement	4,656,572	-	-	4,656,572
Office equipment	1,915,719	28,400	-	1,944,119
Vehicles	3,844,600	1,938,000	-	5,782,600
Total cost	<u>10,416,891</u>	<u>1,966,400</u>	<u>-</u>	<u>12,383,291</u>
Accumulated depreciation				
Building improvement	(728,129)	(937,498)	-	(1,665,627)
Office equipment	(1,032,966)	(376,603)	-	(1,409,569)
Vehicles	(415,006)	(846,440)	-	(1,261,446)
Total accumulated depreciation	<u>(2,176,101)</u>	<u>(2,160,541)</u>	<u>-</u>	<u>(4,336,642)</u>
Total building improvements and equipment - net	<u>8,240,790</u>			<u>8,046,649</u>

	SEPARATE FINANCIAL STATEMENTS			
	Balance as at	Increase	Decrease	Balance as at
	December 31, 2013			December 31, 2014
	Baht	Baht	Baht	Baht
Cost				
Building improvement	187,439	4,469,133	-	4,656,572
Office equipment	1,142,825	799,394	(26,500)	1,915,719
Vehicles	-	3,844,600	-	3,844,600
Total cost	<u>1,330,264</u>	<u>9,113,127</u>	<u>(26,500)</u>	<u>10,416,891</u>
Accumulated depreciation				
Building improvement	(20,639)	(707,490)	-	(728,129)
Office equipment	(673,466)	(377,100)	17,600	(1,032,966)
Vehicles	-	(415,006)	-	(415,006)
Total accumulated depreciation	<u>(694,105)</u>	<u>(1,499,596)</u>	<u>17,600</u>	<u>(2,176,101)</u>
Total building improvements and equipment - net	<u>636,159</u>			<u>8,240,790</u>

Depreciation for the years ended December 31,

2015	<u>2,160,541</u>
2014	<u>1,499,596</u>

As at December 31, 2015 and 2014, in the consolidated financial statements, there are certain building improvements and equipment items that have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 8.8 million and Baht 8.6 million, respectively.

For the separate financial statements as at December 31, 2015 and 2014 the Company has building improvements and equipment items which have been fully depreciated but are still in use. The original cost before deducting accumulated depreciation, of those assets amounted to Baht 0.6 million and Baht 0.5 million, respectively.

12. INTANGIBLE ASSETS - NET

CONSOLIDATED FINANCIAL STATEMENTS						
As at December 31, 2015						
	Useful lives	Beginning balance	Additions	Amortization	Write-off/ Transfer out	Ending balance
		Baht	Baht	Baht	Baht	Baht
Deferred license fees						
Mutual fund management	Indefinite*	803,836	-	-	-	803,836
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Private fund management	Indefinite*	464,109	-	-	-	464,109
Computer software	5 years	124,814	71,800	(61,622)	-	135,992
Total		<u>4,713,307</u>	<u>71,800</u>	<u>(61,622)</u>	<u>-</u>	<u>4,723,485</u>

CONSOLIDATED FINANCIAL STATEMENTS						
As at December 31, 2014						
	Useful lives	Beginning balance	Additions	Amortization	Write-off/ Transfer out	Ending balance
		Baht	Baht	Baht	Baht	Baht
Deferred license fees						
Mutual fund management	Indefinite*	803,836	-	-	-	803,836
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Private fund management	Indefinite*	464,109	-	-	-	464,109
Computer software	5 years	1,241,973	93,320	(1,210,479)	-	124,814
Total		<u>5,830,466</u>	<u>93,320</u>	<u>(1,210,479)</u>	<u>-</u>	<u>4,713,307</u>

Amortization for the years ended December 31,

2015	<u>61,622</u>
2014	<u>1,210,479</u>

SEPARATE FINANCIAL STATEMENTS						
As at December 31, 2015						
	Useful lives	Beginning balance	Additions	Amortization	Write-off/ Transfer out	Ending balance
		Baht	Baht	Baht	Baht	Baht
Deferred license fees						
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Computer software	5 years	1,602	-	(1,601)	-	1
Total		<u>3,322,150</u>	<u>-</u>	<u>(1,601)</u>	<u>-</u>	<u>3,320,549</u>

SEPARATE FINANCIAL STATEMENTS						
As at December 31, 2014						
	Useful lives	Beginning balance	Additions	Amortization	Write-off/ Transfer out	Ending balance
		Baht	Baht	Baht	Baht	Baht
Deferred license fees						
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Computer software	5 years	6,515	-	(4,913)	-	1,602
Total		<u>3,327,063</u>	<u>-</u>	<u>(4,913)</u>	<u>-</u>	<u>3,322,150</u>

Amortization for the years ended December 31,

2015	<u>1,601</u>
2014	<u>4,913</u>

* Deferred license fees have indefinite useful lives as they have no expiring date and they are expected to contribute to the Company and its subsidiary's net cash inflows indefinitely.

As at December 31, 2015 and 2014, for the consolidated financial statements, the original cost before deducting accumulated amortization of computer software items, which have been fully amortized but are still in use is Baht 7.51 million and Baht 7.21 million, respectively. As at December 31, 2015, for the separate financial statements, the Company has computer software items which have been fully amortized but are still in use is Baht 0.02 million. As at December 31, 2014, there is no computer software items which have been fully amortized but are still in use.

13. DEFERRED INCOME TAX - NET

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 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	29,512,066	32,378,201	29,512,066	32,378,201
Employee benefit obligations	312,996	233,378	-	-
Unrealized loss on re-measuring trading investments	1,678,667	169,477	1,599,536	169,477
Unrealized loss on re-measuring available-for-sale investments	1,586,901	-	1,586,901	-
Tax loss carried forward	14,567,337	8,629,668	-	-
Other assets	10,357	10,357	10,357	10,357
Unrealized gain on transfer of business to an associated company	22,756,013	22,767,392	-	-
	<u>70,640,947</u>	<u>64,405,083</u>	<u>32,925,470</u>	<u>32,774,645</u>
Deferred tax liabilities				
Unrealized gain on re-measuring trading investments	2,542,644	1,682,404	2,537,872	1,682,404
Unrealized gain on exchange rate	470,490	-	470,490	-
Amortization of license fees	848,850	718,850	632,055	532,055
Gain on remeasurement of defined benefit obligation	32,330	-	-	-
	<u>3,894,314</u>	<u>2,401,254</u>	<u>3,640,417</u>	<u>2,214,459</u>
Deferred tax assets - net	<u>66,746,633</u>	<u>62,003,829</u>	<u>29,285,053</u>	<u>30,560,186</u>

The movements of deferred tax assets and liabilities during the periods are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized in	recognized in	December 31,
	2015	profit or loss	other comprehensive	2015
	Baht	(see Note 31)	income	Baht
		Baht	Baht	
Deferred tax assets				
Allowance for doubtful accounts	216,610	-	-	216,610
Allowance for impairment of investments	32,378,201	(2,866,135)	-	29,512,066
Employee benefit obligations	233,378	79,618	-	312,996
Unrealized loss on re-measuring trading investments	169,477	1,509,190	-	1,678,667
Unrealized gain on re-measuring available investments	-	-	1,586,901	1,586,901
Other assets	10,357	-	-	10,357
Tax loss carried forward from subsidiary	8,629,668	5,937,669	-	14,567,337
Unrealized gain on transfer of business to an associated company	22,767,392	(11,379)	-	22,756,013
	<u>64,405,083</u>	<u>4,648,963</u>	<u>1,586,901</u>	<u>70,640,947</u>
Deferred tax liabilities				
Unrealized gain on re-measuring trading investments	1,682,404	860,240	-	2,542,644
Unrealized gain on exchange rate	-	470,490	-	470,490
Amortization of derivative license	718,850	130,000	-	848,850
Gain on remeasurement of defined benefit obligation	-	-	32,330	32,330
	<u>2,401,254</u>	<u>1,460,730</u>	<u>32,330</u>	<u>3,894,314</u>
Deferred tax assets - net	<u>62,003,829</u>	<u>3,188,233</u>	<u>1,554,571</u>	<u>66,746,633</u>

CONSOLIDATED FINANCIAL STATEMENTS

	As at January 1, 2014	Items as recognized in profit or loss (see Note 31)	Items as recognized in other comprehensive income	As at December 31, 2014
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful accounts	1,602,758	(1,386,148)	-	216,610
Allowance for impairment of investments	32,378,201	-	-	32,378,201
Employee benefit obligations	-	233,378	-	233,378
Unrealized loss on re-measuring trading investments	155,401	14,076	-	169,477
Unrealized gain on re-measuring available investments	192,831	-	(192,831)	-
Other assets	28,357	(18,000)	-	10,357
Tax loss carried forward from subsidiary	-	8,629,668	-	8,629,668
Unrealized gain on transfer of business to an associated company	23,113,579	(346,187)	-	22,767,392
	<u>57,471,127</u>	<u>7,126,787</u>	<u>(192,831)</u>	<u>64,405,083</u>
Deferred tax liabilities				
Unrealized gain on re-measuring trading investments	225,938	1,456,466	-	1,682,404
Amortization of derivative license	432,055	286,795	-	718,850
	<u>657,993</u>	<u>1,743,261</u>	<u>-</u>	<u>2,401,254</u>
Deferred tax assets - net	<u>56,813,134</u>	<u>5,383,526</u>	<u>(192,831)</u>	<u>62,003,829</u>

SEPARATE FINANCIAL STATEMENTS

	As at January 1, 2015	Items as recognized in profit or loss (see Note 31)	Items as recognized in other comprehensive income	As at December 31, 2015
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful accounts	216,610	-	-	216,610
Allowance for impairment of investments	32,378,201	(2,866,135)	-	29,512,066
Unrealized loss on re-measuring trading investments trading investments	169,477	1,430,059	-	1,599,536
Unrealized loss on re-measuring trading investments available investments	-	-	1,586,901	1,586,901
Other assets	10,357	-	-	10,357
	<u>32,774,645</u>	<u>(1,436,076)</u>	<u>1,586,901</u>	<u>32,925,470</u>
Deferred tax liabilities				
Unrealized gain on re-measuring trading investments trading investments	1,682,404	855,468	-	2,537,872
Unrealized gain on exchange rate	-	470,490	-	470,490
Amortization of derivative license	532,055	100,000	-	632,055
	<u>2,214,459</u>	<u>1,425,958</u>	<u>-</u>	<u>3,640,417</u>
Deferred tax assets - net	<u>30,560,186</u>	<u>(2,862,034)</u>	<u>1,586,901</u>	<u>29,285,053</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at January 1, 2014	Items as recognized in profit or loss (see Note 31)	Items as recognized in other comprehensive income	As at December 31, 2014
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful accounts	1,602,758	(1,386,148)	-	216,610
Allowance for impairment of investments	32,378,201	-	-	32,378,201
Unrealized loss on re-measuring trading investments trading investments	155,401	14,076	-	169,477
Unrealized loss on re-measuring trading investments available investments	192,831	-	(192,831)	-
Other assets	28,357	(18,000)	-	10,357
	<u>34,357,548</u>	<u>(1,390,072)</u>	<u>(192,831)</u>	<u>32,774,645</u>
Deferred tax liabilities				
Unrealized gain on re-measuring trading investments trading investments	225,938	1,456,466	-	1,682,404
Amortization of derivative license	432,055	100,000	-	532,055
	<u>657,993</u>	<u>1,556,466</u>	<u>-</u>	<u>2,214,459</u>
Deferred tax assets - net	<u>33,699,555</u>	<u>(2,946,538)</u>	<u>(192,831)</u>	<u>30,560,186</u>

For the years ended December 31, 2015 and 2014, the Company has unused tax losses carry forward amounting to Baht 49.18 million and Baht 29.03 million, respectively, which will be expired within 5 years.

For the year ended December 31, 2015 and 2014, the subsidiary reviewed the carrying amount of deferred tax and recognized deferred tax assets of Baht 14.71 million and Baht 8.68 million because the subsidiary expects to have sufficient future taxable profit will be available against which the temporary differences can be utilized of Baht 73.53 million and Baht 43.38 million, respectively, and unused tax loss carry forward is Baht 3.42 million and Baht 64.19 million, respectively, which will be expired within 5 years.

14. ASSETS CLASSIFIED AS HELD FOR SALE - NET

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2015 Baht	As at December 31, 2014 Baht
Land	739,800	158,052,466
Condominium	-	4,873,120
	<u>739,800</u>	<u>162,925,586</u>
<u>Less</u> Allowance for impairment	<u>(51,786)</u>	<u>(51,786)</u>
Total assets classified as held for sale - net	<u>688,014</u>	<u>162,873,800</u>

The Company received the land, condominium and golf membership in settlement of debtors in bill of exchange that had matured but unable to be redeemed by the issuer and margin loans accounts. In the second quarter 2014, the Company sold golf membership and partial of lands to outside parties with gain on sale of Baht 1.44 million. In the four quarter 2015, the Company sold condominium to outside parties with loss on sale of Baht 0.52 million and sold land to outside parties with gain on sale of Baht 24.58 million.

15. OTHER ASSETS

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Accrued interest income	1,214,030	255,931	1,077,356	180,853
Prepaid insurance	129,418	130,219	129,418	130,219
Prepaid repair and maintenance	106,065	159,601	12,122	12,468
Prepaid SET fee	109,693	441,584	109,693	441,584
Prepaid membership	16,345	51,436	16,345	51,436
Prepaid referral expense	-	3,430,632	-	-
Prepaid other	431,101	398,922	98,634	97,040
Other deposits	1,133,228	1,133,228	786,878	786,878
Fund management fee and service income receivables	8,214,995	8,581,486	-	-
Corporate income tax claim receivable	7,854,985	2,246,437	2,543,703	322,718
Value-added-tax receivable	-	1,865,064	-	-
Others	881,205	907,436	763,753	623,247
Total	<u>20,091,065</u>	<u>19,601,976</u>	<u>5,537,902</u>	<u>2,646,443</u>

16. OTHER BORROWINGS

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

	Interest rate per annum (%)	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			Total Baht
		As at December 31, 2015			
		Residual maturities			
		Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	
Other borrowings					
Bill of exchange	3.40 - 3.60	<u>969,504,592</u>	<u>-</u>	<u>-</u>	<u>969,504,592</u>
Total other borrowings		<u>969,504,592</u>	<u>-</u>	<u>-</u>	<u>969,504,592</u>

(As at December 31, 2014, no other borrowings)

17. EMPLOYMENT BENEFITS OBLIGATION

Employment benefits obligation consists of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Post-employment benefits obligation	5,445,935	3,844,803	4,495,476	3,091,722
Unused paid vacation leave	896,108	807,187	443,240	393,381
	<u>6,342,043</u>	<u>4,651,990</u>	<u>4,938,716</u>	<u>3,485,103</u>

Post-employment benefits obligation

The Company and its subsidiary operate post-employment benefits plans under the Thai Labor Protection Act and the Company's retirement benefits plan, which are considered as unfunded defined benefit plans.

Amounts recognized in the statements of comprehensive income in respect of the post-employment benefits plans are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years		For the years	
	ended December 31,		ended December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Current service cost	1,120,842	700,430	778,429	438,895
Interest cost	109,748	123,844	93,132	104,482
Past service cost	-	(1,029,128)	-	(1,029,128)
	<u>1,230,590</u>	<u>(204,854)</u>	<u>871,561</u>	<u>(485,751)</u>

Movements in the present value of the post-employment benefits obligation are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years		For the years	
	ended December 31,		ended December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Beginning balance of post-employment benefits obligation	3,844,803	4,049,657	3,091,722	3,577,473
Current service cost	1,120,842	700,430	778,429	438,895
Interest cost	109,748	123,844	93,132	104,482
Adjust retirement age	-	(1,029,128)	-	(1,029,128)
Actuarial (gain) loss in statement of profit of loss and other comprehensive income				
- from experience adjustment	175,774	-	292,658	-
- from changes in demographic assumption	(134,467)	-	(53,497)	-
- from changes in financial assumption	329,235	-	293,032	-
Ending balance of post-employment benefits obligation	<u>5,445,935</u>	<u>3,844,803</u>	<u>4,495,476</u>	<u>3,091,722</u>

On July 4, 2014, the Board of Directors' meeting of the Company has passed a resolution to change staff regulations subject "Employee retirement" from retirement age at 55 years to age 60 years. The Company has already informed the change to The Department of Labour Protection and Welfare, Ministry of Labour on July 10, 2014.

The principle actuarial assumptions used to calculate the obligation under the post-employment benefits plans as at December 31, 2015 and 2014 are as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS		
(% per annum)		
	December 31, 2015	December 31, 2014
Financial assumptions		
Discount rate	2.57 - 2.81	4.1
Employee turnover rate	7.0 - 31.0	8.0 - 20.0
	Subject to range of age of employee	Subject to range of age of employee
Expected rate of salary increase	5.0 - 6.0	5.0 - 7.0

Significant actuarial assumptions for the determination of the defined benefit obligation are expected salary increase rate, mortality rate and discount rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
Salary incremental rates - 1% increase	434,109	359,291	336,683	293,814
Salary incremental rates - 1% decrease	(395,602)	(327,113)	(308,101)	(268,630)
Life expectancy - 1% increase	39,347	33,001	33,932	29,324
Life expectancy - 1% decrease	(39,042)	(32,732)	(33,666)	(29,089)
Discount rate - 1% increase	(378,347)	(314,232)	(294,163)	(257,658)
Discount rate - 1% decrease	422,958	351,484	327,495	286,985

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the report period, which is the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

18. 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 if the Company received the remaining portion of Baht 144 million within one year after the agreement date.

During the year 2015, the Company received deposit in addition of Baht 7.2 million which was recorded as deposit received in advance. On December 22, 2015, the Company sold land and transferred the land title to buyer, In addition, the Company received the remaining portion of Baht 144 million with gain on sale of Baht 24.58 million.

19. OTHER LIABILITIES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Withholding tax payable	820,273	666,078	553,857	321,082
Value-added-tax payable	597,506	224,653	230,681	224,653
Others payable	8,926,123	7,391,741	6,205,285	5,860,758
Amounts of capital reduction not redeemed by shareholders	5,490,678	5,324,825	5,490,678	5,324,825
Liabilities under finance lease	63,871	107,242	63,871	107,242
Management fee	-	5,156,250	-	-
Others	2,249,980	1,909,227	2,153,768	1,825,526
Total	<u>18,148,431</u>	<u>20,780,016</u>	<u>14,698,140</u>	<u>13,664,086</u>

20. SHARE CAPITAL

As at December 31, 2015 and 2014, the Company has issued and paid-up share capital of Baht 653,868,463.

Net asset value

As at December 31, 2015 and 2014, net asset value per share, which was determined by dividing owners' equity by the number of issued and paid-up shares which net of the number of treasury stocks at the end of reporting date, is as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Net asset value (per share)	1.79	1.84	1.82	1.78

21. DIVIDEND

On August 27, 2015, the Board of Director Meeting has passed the resolution to approve the interim dividend payment for the operation for the six- month period ended June 30, 2015 to the shareholders at the rate of Baht 0.04 per share equalling to Baht 52.30 million. The dividend will be paid on September 24, 2015.

On May 20, 2015, the ordinary shareholders' meeting of the year 2015 has passed the resolution to approve the dividend payment for the operation for the year ended December 31, 2014 to the shareholders at the rate of Baht 0.05 per share equalling to Baht 65.36 million. The dividend will be paid on May 29, 2015.

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 will be paid on May 12, 2014.

22. CAPITAL MANAGEMENT

The objectives of capital management of the Company and its subsidiary are to sustain the Company and its subsidiary's ability to continue as a going concern in order to generate returns to the shareholders and benefits for other stakeholders and also to maintain an optimal capital structure.

In addition, the Company and its subsidiary have to maintain their net liquid capital and equity to meet the requirements of the Office of the Securities and Exchange Commission and Thailand Clearing House Co., Ltd. ("TCH").

However, 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 Securities and Exchange Commission No. Kor Thor. 4/2557 regarding "Ongoing capital adequacy of some specific intermediaries".

As at December 31, 2015 and 2014, the Company is able to maintain its net liquid capital more than the required condition.

23. PREMIUM ON SHARE CAPITAL

The share premium account is set up under the provisions of Section 51 of the Public Companies Act. B.E. 2535, which requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

24. STATUTORY RESERVE

Under the Public Limited Company Act. B.E. 2535, section 116, the Company is required to set aside as a statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The statutory reserve is not available for dividend distribution.

As at December 31, 2015 and 2014, the Company has statutory reserve at the rate of 11.51 percent of authorized share capital.

25. FEE AND SERVICE INCOME

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Private fund management, mutual fund management and provident fund management	108,943,373	56,293,566	-	-
Total	<u>108,943,373</u>	<u>56,293,566</u>	<u>-</u>	<u>-</u>

26. FEE AND SERVICE EXPENSES

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Fees for private fund, mutual fund and derivative licenses	672,551	500,000	-	-
Referral expense	39,000,294	19,182,142	-	-
Others	781,601	1,293,223	648,117	500,869
Total	<u>40,454,446</u>	<u>20,975,365</u>	<u>648,117</u>	<u>500,869</u>

27. DIRECTORS' 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 was approved by the ordinary shareholders' meeting of the Company and its subsidiary which were held on May 20, 2015 and on April 20, 2015, respectively. 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.

28. OTHER EXPENSES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Entertainment expenses	451,245	159,292	24,477	65,988
Publication and marketing expenses	647,605	637,317	54,465	34,884
Traveling expenses	679,208	983,839	457,994	914,603
SET fee	3,048,365	2,038,224	3,048,365	2,038,224
Stationery and office supply	585,463	836,362	132,736	426,502
Taxation	214,565	178,272	205,961	173,597
Meeting and conference	1,167,838	328,386	1,159,517	322,779
Professional fee	2,599,040	3,558,655	1,250,257	2,530,467
SEC fee	936,580	1,088,411	355,580	312,411
Membership fee	371,690	263,937	371,690	263,937
Bank fee	704,945	313,764	469,833	126,296
Donation	475,000	-	475,000	-
Others	844,259	209,743	143,846	63,566
Total	<u>12,725,803</u>	<u>10,596,202</u>	<u>8,149,721</u>	<u>7,273,254</u>

29. PROVIDENT FUND

The Company and its subsidiary set up a provident fund for those employees who elected to participate. The contributions from the employees are deducted from their monthly salaries, and the Company and its subsidiary match the individuals' contributions. The provident fund are managed by MFC Asset Management Public Company Limited, which granted the license by Government to be an authorized fund manager in accordance with the Provident Fund Act B.E. 2530.

For the years ended December 31, 2015 and 2014, the Company has contributed Baht 0.7 million and Baht 0.5 million, respectively, to the fund and the subsidiary has contributed Baht 0.6 million and Baht 0.5 million respectively, to the fund.

30. IMPAIRMENT LOSS ON SECURITIES (REVERSAL)

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years		For the years	
	ended December 31,		ended December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Impairment loss (reversal) from equity securities	(9,361,357)	1,660,421	(9,361,357)	1,660,421
Impairment loss (reversal) on investment in subsidiary	-	-	(36,824,105)	(13,271,566)
Impairment loss (reversal) on investment in associate	51,208,115	-	69,986,665	-
Total	<u>41,846,758</u>	<u>1,660,421</u>	<u>23,801,203</u>	<u>(11,611,145)</u>

31. CORPORATE INCOME TAX

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended December 31,		For the years ended December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Income tax (expenses) benefit (see Note 13)	3,188,233	5,383,526	(2,862,034)	(2,946,538)
Total	<u>3,188,233</u>	<u>5,383,526</u>	<u>(2,862,034)</u>	<u>(2,946,538)</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 years ended December 31,		For the years ended December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Income before tax	56,436,317	152,080,896	170,661,493	77,503,377
Tax rate	<u>20%</u>	<u>20%</u>	<u>20%</u>	<u>20%</u>
The result of the account profit multiplied by the income tax rate - expenses	(11,287,264)	(30,416,179)	(34,132,299)	(15,500,675)
Tax effect of the non-deductible income and expense	14,160,911	26,166,299	43,110,588	12,736,824
Effect of the temporary difference not recognized as deferred tax assets	(7,810,658)	2,385,661	(7,810,658)	2,385,661
Effect of tax loss carried forward not recognized as deferred tax assets	(4,029,665)	(1,182,200)	(4,029,665)	(1,182,200)
Written-off allowance for doubtful accounts	-	(1,386,148)	-	(1,386,148)
Deferred tax income relating to the deductible of temporary difference (see Note 13)	6,061,646	8,676,251	-	-
Use of tax loss carryforward	<u>6,093,263</u>	<u>1,139,842</u>	<u>-</u>	<u>-</u>
Income tax (expenses) benefit (see Note 13)	<u>3,188,233</u>	<u>5,383,526</u>	<u>(2,862,034)</u>	<u>(2,946,538)</u>

32. 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 December 31, 2015 and 2014 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Subsidiary				
Solaris Asset Management Co., Ltd.				
Investment in subsidiary - net (see Note 10)	-	-	86,888,385	50,064,280
Investment in private fund managed by subsidiary	58,405,520	60,275,519	58,405,520	60,275,519
Accrued private fund management fee expenses	-	-	26,917	26,402
Lumpinee Asset Management Co., Ltd.				
Investment in subsidiary - net (see Note 10)	-	-	25,000,000	-
Other receivable	-	-	139,620	-
Associate				
KT ZMICO Securities Co., Ltd.				
Investment in associate (see Note 10)	1,328,467,230	1,447,297,832	1,244,095,520	1,239,403,520
Cash balance for securities trading	10,647,617	-	10,647,617	-
Other payables	1,219,674	533,695	1,219,674	533,695
Beacon Offshore Ltd.				
Investment in associate (see Note 10)	-	52,268,154	-	60,000,000
Investment in Bill of Exchange	17,387,941	19,886,695	17,387,941	19,886,695
Related companies				
Under common directors				
Thanh Cong Securities Company J.S.C.				
Investment in ordinary shares - net	101,958,477	92,597,089	101,958,477	92,597,089
Other receivable	11,040	30,155	11,040	30,155
Under joint control				
Phra kanong Land Co., Ltd				
Investment in Bill of Exchange	479,641,096	-	479,641,096	-
Investment in Preferred stock	5,000	-	5,000	-

Significant transactions with related parties for the years ended December 31, 2015 and 2014 are as follows:

Subsidiary	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENT:		FINANCIAL STATEMENTS		
	2015	2014	2015	2014	
	Baht	Baht	Baht	Baht	
Subsidiary					
Solaris Asset Management Co., Ltd.					
Investment in ordinary shares	-	-	-	9,900,000	2014 : 1.8 million shares at 5.50 Baht
Investment in private fund manage by subsidiary	200,000,000	-	200,000,000	-	Investment value
Withdrawal mutual fund managed by subsidiary	-	122,213,178	-	122,213,178	Investment value
Withdrawal private fund manage by subsidiary	150,000,000	55,000,000	150,000,000	55,000,000	Investment value
Investment in mutual fund managed by subsidiary	-	31,197,425	-	31,197,425	Investment value
Rental expense	-	-	-	124,050	At the rate determined under the contract of Baht 62,025 Baht per month being cancelled since March 2014 (see Note 33.3)
Management fee of private fund	-	-	582,420	450,035	At the rate determined under the contract 0.2% of net asset value per year
Associate					
KT ZMICO Securities Co., Ltd.					
Research paper	2,500,000	3,000,000	2,500,000	3,000,000	At the rate determined under the contract of Baht 250,000 per month (see Note 33.4)
Service expenses	5,850,000	5,612,500	5,850,000	5,612,500	At the rate determined under the contract (see Note 33.1)
Other fee expenses	2,297,090	-	2,297,090	-	At the rate determined under the contract
Other expenses	22,470	-	22,470	-	Actual expense incurred
Commission expense for securities	545,698	-	545,698	-	At the rate determined under the contract
Beacon Offshore Ltd.					
Interest received from Bill of exchange	2,885,722	4,811,041	2,885,722	4,811,041	At the rate determined under the contract
Withdrawal from Bill of exchange	25,990,000	64,000,000	25,990,000	64,000,000	Investment value
Investment in Bill of exchange	23,850,137	83,330,000	23,850,137	83,330,000	Investment value
Related companies					
Under common directors					
Evolution Capital Plc.					
Purchase interest in subsidiary	-	6,748,424	-	6,748,424	4.55 million share at Baht 1.48317 per share
Under joint control					
Phra kanong Land Co., Ltd					
Interest income from Bill of Exchange	18,902,287	-	18,902,287	-	At the rate determined under the contract(see Note 2.2)
Investment in Bill of Exchange	960,738,809	-	960,738,809	-	Investment value
Withdrawal in Bill of Exchange	500,000,000	-	500,000,000	-	Investment value

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	2015	2014	2015	2014	
	Baht	Baht	Baht	Baht	
Related with subsidiary and associate					
Rental income	366,300	305,250	366,300	305,250	At the rate determined under the contract Baht 30,525 per month as from March 2014 onwards
Selling agent fee expense	1,473,959	966,476	1,473,959	966,476	At the rate determined under the contract
Service fee expenses	799,200	591,200	799,200	591,200	At the rate determined under the contract From January 2013 to May 2014, Baht 25,000 per month and Baht 66,000 as from June 2014 onwards
Private fund management fee income	135,436	1,002,519	135,436	1,002,519	At the rate determined under the contract at 0.5% of net asset value per year
Commission expense for securities trading	5,694	-	5,694	-	At the rate determined under the contract

For the years ended December 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 years ended		For the years ended	
	December 31,		December 31,	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Short-term employee benefits	6,797,196	6,325,474	3,661,033	3,498,333
Post-employment benefits	638,936	635,883	545,287	579,227
Total	<u>7,436,132</u>	<u>6,961,357</u>	<u>4,206,320</u>	<u>4,077,560</u>

33. COMMITMENTS

Transactions with related parties

- 33.1 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. The term of agreement is 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.

- 33.2 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 October 17, 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.
- 33.3 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.
- 33.4 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

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

	CONSOLIDATED		(Unit: Million Baht)	
	FINANCIAL STATEMENTS		SEPARATE	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2015	2014	2015	2014
Within 1 year	3.3	3.9	3	2.6
Over 1 year to 5 years	7.0	0.2	4	0.2
Total	<u>0</u>	<u>4.1</u>	<u>0</u>	<u>2.8</u>

33.6 On April 29, 2014, the Company entered into a 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.

33.7 Letter of guarantee and commitment

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 6). For the year 2015, the Company cancelled bank guarantee from bank already.

33.8 As at December 31, 2015, the Company has commitment to invest in ordinary shares of a foreign company amounting to USD 1,000,000 which such foreign company call for partial capital of USD 400,000. The remaining of the capital commitment is USD 600,000.

34. BUSINESS/GEOGRAPHICAL SEGMENT INFORMATION

Business segment information of the Company and its subsidiary for the years ended December 31, 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	For the years ended December 31, 2015				Consolidated Financial Statement
	Securities segment	Assets Management Segment	Investment And others Segment	Elimination of inter-segment revenues	
Revenue from external customers	103,461	108,943	(47,443)	-	164,961
Inter - segment revenues	-	-	-	-	-
Total revenues	103,461	108,943	(47,443)	-	164,961
Segment income (loss)	103,461	29,375	(47,443)	-	85,393
Unallocated income and expenses :					
Interest and dividend incomes					11,590
Gain on transfer of business to the associated company					57
Other income					30,386
Servicing and administrative expenses					(70,989)
Income tax - benefit					3,188
Net profit					59,625

Unit: Thousand Baht)

For the years ended December 31, 2014

	Securities segment	Assets Management Segment	Investment And others Segment	Elimination of inter-segment revenues	Consolidated Financial Statement
Revenue from external customers	152,345	56,294	27,822	-	236,461
Inter - segment revenues	-	-	-	-	-
Total revenues	152,345	56,294	27,822	-	236,461
Segment income (loss)	152,345	4,420	27,822	-	184,587
Unallocated income and expenses :					
Interest and dividend incomes					9,840
Gain on transfer of business to the associated company					1,731
Other income					4,998
Servicing and administrative expenses					(49,075)
Income tax - benefit					5,383
Net profit					157,464

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

(Unit: Thousand Baht)

Assets by segment	Securities segment	Assets Management segment	Investment and others segment	Non-Performing Assets Management segment	Unallocated assets	Consolidated Financial statement
As at December 31, 2015	1,340,037	98,706	1,575,003	25,011	461,957	3,500,714
As at December 31, 2014	1,457,400	61,244	558,625	-	562,266	2,639,535

35. RISK MANAGEMENT

35.1 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 December 31, 2015 and 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 No.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 Securities and Exchange Commission No. Kor Thor. 4/2557 regarding “Ongoing capital adequacy of some specific intermediaries”.

However, as at December 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 Company cannot maintain the capital adequacy over the warning level, the Company 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 December 31, 2015, the subsidiary’s financial statements showed owners’ equity amounting of Baht 86.89 million, which is in accordance with the SEC’s regulations.

The periods of time from the end of reporting period to the maturity dates of financial instruments as of December 31, 2015 and 2014 are as follows:

(Unit: Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2015

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non- performing receivables	Total
Financial assets							
Cash and cash equivalents	405	-	-	-	-	-	405
Deposit at financial institution	-	26	52	-	-	-	78
Securities business receivables	-	8	-	-	-	63	71
Investments - net	-	1,035	84	27	429	-	1,575
Total	405	1,069	136	27	429	63	2,129
Financial liabilities							
Securities business payable	-	8	-	-	-	-	8
Other borrowing	-	970	-	-	-	-	970
Total	-	978	-	-	-	-	978

(Unit: Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS
As at December 31, 2014

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non- performing receivables	Total
Financial assets							
Cash and cash equivalents	295	8	-	-	-	-	303
Deposit at financial institution	-	62	-	-	-	-	62
Securities business receivables	-	3	-	-	-	63	66
Investments - net	-	335	-	26	145	-	506
Total	295	408	-	26	145	63	937
Financial liabilities							
Securities business payable	-	4	-	-	-	-	4
Total	-	4	-	-	-	-	4

(Unit: Million Baht)

SEPARATE FINANCIAL STATEMENTS
As at December, 2015

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non- performing receivables	Total
Financial assets							
Cash and cash equivalents	344	-	-	-	-	-	344
Deposit at financial institution	-	-	52	-	-	-	52
Securities business receivables	-	8	-	-	-	63	71
Investments - net	-	1,035	84	27	426	-	1,572
Total	344	1,043	136	27	426	63	2,039
Financial liabilities							
Securities business payable	-	8	-	-	-	-	8
Other borrowing	-	970	-	-	-	-	970
Total	-	978	-	-	-	-	978

(Unit: Million Baht)

SEPARATE FINANCIAL STATEMENTS

As at December, 2014

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non-	Total
						performing receivables	
Financial assets							
Cash and cash equivalents	282	-	-	-	-	-	282
Deposit at financial institution	-	50	-	-	-	-	50
Securities business receivables	-	3	-	-	-	63	66
Investments - net	-	335	-	26	145	-	506
Total	282	388	-	26	145	63	904
Financial Liabilities							
Securities business payable	-	4	-	-	-	-	4
Total	-	4	-	-	-	-	4

35.2 Significant financial instruments risk

As at December 31, 2015 and 2014, the Company and its subsidiary have not speculated in or engaged in trading of any off-financial position financial derivatives instruments.

35.2.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates and it will affect the operation results of the Company and its subsidiary and their cash flows:

(Unit : Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2015

Outstanding balances of net financial instruments

Repricing or maturity dates

	Floating interest rate	At call	Within 1 year	Over 1-5 years	Over 5 years	Non-	No interest	Total	Interest rate (Percent)	
						performing receivables			Floating rate	Fixed rate
Financial assets										
Cash and cash equivalents	368	-	-	-	-	-	37	405	0.38 - 1.10	-
Deposit at financial institution	-	-	26	52	-	-	-	78	-	0.90 - 13.00
Securities business receivables	-	-	8	-	-	63	-	71	-	-
Investments - net	-	-	1,035	84	27	-	429	1,575	-	-
Total	368	-	1,069	136	27	63	466	2,129		
Financial liabilities										
Securities business payable	-	-	8	-	-	-	-	8	-	-
Other borrowing	-	-	970	-	-	-	-	970	-	3.40 - 3.60
Total	-	-	978	-	-	-	-	978		

(Unit : Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2014

Outstanding balances of net financial instruments

Repricing or maturity dates

	Floating interest rate	At call	Within			Non- performing receivables	No interest	Total	Interest rate (Percent)	
			1 year	1-5 years	Over 5 years				Floating rate	Fixed rate
Financial assets										
Cash and cash equivalents	280	-	8	-	-	-	15	303	0.60 - 2.25	2.50
Deposit at financial institution	-	-	62	-	-	-	-	62	-	1.25 - 2.75
Securities business receivables	-	-	3	-	-	63	-	66	-	-
Investments - net	-	-	335	-	26	-	145	506	-	-
Total	280	-	408	-	26	63	160	937		
Financial liabilities										
Securities business payable	-	-	4	-	-	-	-	4	-	-
Total	-	-	4	-	-	-	-	4		

(Unit : Million Baht)

SEPARATE FINANCIAL STATEMENTS

As at December 31, 2015

Outstanding balances of net financial instruments

Repricing or maturity dates

	Floating interest rate	At call	Within			Non- performing receivables	No interest	Total	Interest rate (Percent)	
			1 year	1-5 years	Over 5 years				Floating rate	Fixed rate
Financial assets										
Cash and cash equivalents	315	-	-	-	-	-	29	344	0.38 - 1.10	-
Deposit at financial institution	-	-	-	52	-	-	-	52	-	0.90 - 13.0
Securities business receivables	-	-	8	-	-	63	-	71	-	-
Investments - net	-	-	1,035	84	27	-	426	1,572	-	-
Total	315	-	1,043	136	27	63	455	2,039		
Financial liabilities										
Securities business payable	-	-	8	-	-	-	-	8	-	-
Other borrowing	-	-	970	-	-	-	-	970	-	3.40 - 3.60
Total	-	-	978	-	-	-	-	978		

(Unit : Million Baht)

SEPARATE FINANCIAL STATEMENTS

As at December 31, 2014

Outstanding balances of net financial instruments

Repricing or maturity dates

	Floating interest rate	At call	Within			Non- performing receivables	No interest	Total	Interest rate (Percent)	
			1 year	1-5 years	Over 5 years				Floating rate	Fixed rate
Financial assets										
Cash and cash equivalents	268	-	-	-	-	-	14	282	0.60 - 2.25	-
Deposit at financial institution	-	-	50	-	-	-	-	50	-	1.25
Securities business receivables	-	-	3	-	-	63	-	66	-	-
Investments - net	-	-	335	-	26	-	145	506	-	-
Total	268	-	388	-	26	63	159	904		
Financial liabilities										
Securities business payable	-	-	4	-	-	-	-	4	-	-
Total	-	-	4	-	-	-	-	4		

The average yield on average financial asset balances for interests bearing financial instruments are presented in the following table:

(Unit : Baht)			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2015			
Financial Instruments	Average balance	Interest income	Average yield (Percent)
Financial assets			
Cash and cash equivalents	225,656,562	1,859,297	0.82
Deposit at financial institution	85,654,955	4,659,397	5.44
Investment in debt	804,460,190	51,395,648	6.39
Securities business receivables	15,044,156	-	-
Financial liabilities			
Securities business payable	7,573,284	-	-
Other borrowing	496,250,000	16,825,845	3.39
(Unit : Baht)			
CONSOLIDATED FINANCIAL STATEMENTS			
As at December 31, 2014			
Financial Instruments	Average balance	Interest income	Average yield (Percent)
Financial assets			
Cash and cash equivalents	325,633,983	6,904,679	2.12
Deposit at financial institution	19,182,768	249,900	1.30
Investment in debt	276,018,865	12,162,192	4.41
Securities business receivables	17,901,638	-	-
Financial liabilities			
Securities business payable	14,446,288	-	-
(Unit : Baht)			
SEPARATE FINANCIAL STATEMENTS			
As at December 31, 2015			
Financial Instruments	Average balance	Interest income	Average yield (Percent)
Financial assets			
Cash and cash equivalents	172,788,782	1,738,317	1.01
Deposit at financial institution	63,816,069	4,110,505	6.44
Investment in debt	804,460,190	51,395,648	6.39
Securities business receivables	15,044,156	-	-
Financial liabilities			
Securities business payable	7,573,284	-	-
Other borrowing	496,250,000	16,825,845	3.39
(Unit : Baht)			
SEPARATE FINANCIAL STATEMENTS			
As at December 31, 2014			
Financial Instruments	Average balance	Interest income	Average yield (Percent)
Financial assets			
Cash and cash equivalents	305,508,926	6,494,279	2.13
Deposit at financial institution	16,679,652	186,740	1.12
Investment in debt	276,018,865	12,162,192	4.41
Securities business receivables	17,901,638	-	-
Financial liabilities			
Securities business payable	14,446,288	-	-

35.2.2 Credit risk

Credit risk is the risk that the party to a financial instrument will fail to fulfill an obligation causing the Company and its subsidiary to incur a financial loss. The financial assets of the Company and its subsidiary are not subject to significant concentration of credit risk. The maximum credit risk exposure is the carrying amount of the financial assets, less provision for losses, as stated in the statements of financial position.

35.2.3 Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company expects that there may be an effect from changes in exchange rates resulting from a portion of assets in foreign currencies which are not hedged.

As at December 31, 2015, the Company had un hedged foreign currency - denominated assets as follows:

Asset	Foreign currency	Amount (‘000)	Exchange rate (Baht per foreign exchange rate) as at December 31, 2015
Certificate of deposit	Vietnamese VND	32,000,000	0.0016
Ordinary shares			
EDL-GEN	Lao People’s Democratic Republic LAK	8,325,774	0.0044
AMC III	United States USD	400	35.9233

35.2.4 Market situation risk

The Company’s exposure to market situation risk is the risk that volatility on the Stock Exchange of Thailand and The Thailand Futures Exchange will substantially reduce the value of the Company’s investments. However, the Company manages such risk at acceptable levels through risk management policies as well as a risk monitoring function.

35.2.5 Fair value

The fair value disclosures, considerable judgement is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented here in is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair values of financial instruments.

35.2.5.1 Certain financial assets and financial liabilities of the Company 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 and determined.

Unit : Baht

CONSOLIDATED				
Financial assets/ Financial liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs
	December 31, 2015	December 31, 2014		
<u>Financial Assets</u>				
Investments - Net				
Trading securities				
Listed securities	91,221,379	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
Debt securities - Bill of exchange	1,035,136,881	331,895,908	Level 2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
Debt securities - Corporate bond	110,951,859	25,980,817	Level 2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
Unit trust	-	2,870,775	Level 2	Net asset value of the last working day of the reporting period as announced by the Asset Management Company
Available-for-sale securities				
Equity securities	61,607,128	-	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand and foreign stock exchange

Unit : Baht

SEPARATE FINANCIAL STATEMENTS

Financial assets/ Financial liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs
	December 31, 2015	December 31, 2014		
<u>Financial Assets</u>				
Investments - Net				
Trading securities				
Listed securities	87,790,879	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
Debt securities - Bill of exchange	1,035,136,881	331,895,908	Level 2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
Debt securities - Corporate bond	110,951,859	25,980,817	Level 2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
Unit trust	-	2,870,775	Level 2	Net asset value of the last working day of the reporting period as announced by the Asset Management Company
Available-for-sale securities				
Equity securities	61,607,128	-	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand and foreign stock exchange

35.2.5.2 Financial instruments not measured at fair value

Fair value of financial instruments which are not measured at fair value and their fair value hierarchy level classification is summarized as follows:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		Fair value hierarchy	Valuation techniques and key inputs
	As at December 31, 2015			
	Carrying Amount Baht	Fair Value Baht		
<u>Financial assets</u>				
Cash and cash equivalents	404,702,084	404,702,084	3	Net present value of expected cash inflow
Deposit at financial institution	77,631,063	77,490,406	3	Net present value of expected cash inflow
Securities and derivatives business receivables - net	11,570,101	11,570,101	3	Net present value of expected cash inflow
General Investment Equity securities	276,085,876	276,085,876	3	Net asset value of invested company
<u>Financial liabilities</u>				
Loan from financial institutions	969,504,592	969,504,592	3	Net present value of expected cash outflow
Securities and derivatives business payables - net	8,493,954	8,493,954	3	Net present value of expected cash outflow

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		Fair value Hierarchy	Valuation techniques and key inputs
	As at December 31, 2014			
	Carrying Amount Baht	Fair Value Baht		
<u>Financial assets</u>				
Cash and cash equivalents	302,602,464	302,602,464	3	Net present value of expected cash inflow
Deposit at financial institution	62,193,218	62,193,218	3	Net present value of expected cash inflow
Securities and derivatives business receivables - net	10,102,377	10,102,377	3	Net present value of expected cash inflow
General Investment Equity securities	93,211,707	93,211,707	3	Net asset value of invested company
<u>Financial liabilities</u>				
Securities and derivatives business payables - net	4,425,775	4,425,775	3	Net present value of expected cash outflow

Unit : Baht

	SEPARATE FINANCIAL STATEMENTS		Fair value hierarchy	Valuation techniques and key inputs
	As at December 31, 2015			
	Carrying Amount	Fair Value		
	Baht	Baht		
<u>Financial assets</u>				
Cash and cash equivalents	343,844,697	343,844,697	3	Net present value of expected cash inflow
Deposit at financial institution	52,074,041	51,933,384	3	Net present value of expected cash inflow
Securities and derivatives business receivables - net	11,570,101	11,570,101	3	Net present value of expected cash inflow
General Investment Equity securities	276,085,876	276,085,876	3	Net asset value of invested company
<u>Financial liabilities</u>				
Loan from financial institutions	969,504,592	969,504,592	3	Net present value of expected cash outflow
Securities and derivatives business payables - net	8,493,954	8,493,954	3	Net present value of expected cash outflow

Unit : Baht

	SEPARATE FINANCIAL STATEMENTS		Fair value Hierarchy	Valuation techniques and key inputs
	As at December 31, 2014			
	Carrying Amount	Fair Value		
	Baht	Baht		
<u>Financial assets</u>				
Cash and cash equivalents	281,723,738	281,723,738	3	Net present value of expected cash inflow
Deposit at financial institution	50,155,821	50,155,821	3	Net present value of expected cash inflow
Securities and derivatives business receivables - net	10,102,377	10,102,377	3	Net present value of expected cash inflow
General Investment Equity securities	93,211,707	93,211,707	3	Net asset value of invested company
<u>Financial liabilities</u>				
Securities and derivatives business payables - net	4,425,775	4,425,775	3	Net present value of expected cash outflow

36. 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 received returns from the transfer of business in the total amount of Baht 500 million. 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.

For the year ended December 31, 2015 and 2014, the Company recognized additional gain on transfer of business to the associated company of Baht 0.06 million and Baht 1.73 million, respectively.

As at December 31, 2015 and 2014 the remaining amount unrealized gain on transfer of business to an associated company were Baht 148.40 million and Baht 148.45 million, respectively.

37. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuing by the audit committee and authorized director of the Company on February 26, 2016.