

SEAMICO SECURITIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
“UNAUDITED”

1. GENERAL INFORMATION AND THE OPERATIONS OF THE COMPANY

Seamico Securities Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The Company converted the status to be a Public Limited Company in accordance with the Public Limited Companies Act. on August 8, 1994 and was listed on the Stock Exchange of Thailand (“SET”) on March 17, 1995. The address of its registered office is 16th Floor (Room 1601), 287 Liberty Square, Silom Road, Bangrak, Bangkok, 10500.

As at September 30, 2009, the Company has one head office and as at December 31, 2008, the Company has 11 branches. Total number of personnel of the Company and subsidiary are 24 and 490 persons, respectively, and the Company only total number of personnel are 5 and 474 persons, respectively.

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

As described in Note 7, the Company has a partnership plan to develop securities business with Krung Thai Bank Plc., using KT ZMICO Securities Co., Ltd. (previously “KTB Securities Co., Ltd.”) as a joint venture vehicle. On March 20, 2009, the extraordinary shareholders’ meeting No.2/2009 has passed a resolution to approve the transfer of business and margin loan accounts to KT ZMICO Securities Co., Ltd. Subsequently, on March 31, 2009, the Company entered into the Shareholders Agreement with Krung Thai Bank Plc. and also entered into the Asset Transfer Agreement with KT ZMICO Securities Co., Ltd. Such transfer has been completed on May 1, 2009. The status of the Company after the transfer of business and margin loan accounts is to continue as a listed securities company which most business will be related to investment and have activity in securities business which is not competitive with KT ZMICO Securities Co., Ltd.

The Company has temporarily ceased its operation on securities and derivative contracts business since May 1, 2009 which was approved by the Office of the Securities and Exchange Commission No. SEC.Thor. 701/2552.

On April 1, 2009, KTB Securities Co., Ltd. registered the change of its name to KT ZMICO Securities Co., Ltd. with the Registrar of Partnerships and Companies.

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

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

- 2.1 The interim financial statements have been prepared in accordance with the Regulation of the Stock Exchange of Thailand dated January 22, 2001, regarding the basis, conditions and procedures for the preparation and submission of financial statements and reports for the financial position and results of operations of listed companies B.E. 2544 and the format prescribed in the Notification of the Office of the Securities and Exchange Commission (“SEC”) No. Sor Tor/Nor. 26/2549, dated June 29, 2006, regarding “The Form of Financial Statements for Securities Companies”.

The Company prepares its interim financial statements in conformity with Thai Accounting Standards No. 34 (Revised 2007) “Interim Financial Reporting” (previously No. 41) and practices generally accepted in Thailand.

The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies for the year ended December 31, 2008.

In 2007, Thai Accounting Standards No. 1 (Revised 2007) “Presentation of Financial Statements” (previously No. 35) and No. 7 (Revised 2007) “Cash Flow Statements” (previously No. 25) were announced by The Federation of Accounting Professions and applied for the financial statements of periods beginning on or after January 1, 2008. The revised standards have no material impact on the financial statements of the Company. However, the consolidated and separate financial statements for the quarters and for the nine-month periods ended September 30, 2009 and 2008 and for the year ended December 31, 2008 are still presented in accordance with the Notification of the Office of the Securities and Exchange Commission No. Sor Tor/Nor. 26/2549, dated June 29, 2006, regarding “The Form of Financial Statements for Securities Companies”.

- 2.2 The Federation of Accounting Professions has issued the Notification of Federation of Accounting Professions No. 12/2552 dated May 15, 2009 regarding the renumbering of Thai accounting standards and Thai financial reporting standards to be equivalent to the International Accounting Standards and the International Financial Reporting Standards. Therefore, the disclosure of new number of Thai accounting standards and Thai financial reporting standards in the financial statements for the quarters and nine-month periods ended September 30, 2009 and 2008 have been used in accordance with such the Notification.

The Federation of Accounting Professions has issued the Notification of Federation of Accounting Professions No. 16/2552 dated May 21, 2009 regarding the following new and revised accounting standards that have been announced in the Royal Gazette, but not yet in effective in 2009.

Two revised accounting standards that will supersede previously issued accounting standards when they become effective on January 1, 2011 are “Accounting Framework” (Revised 2007) and Thai Accounting Standard No. 24 (Revised 2007) “Related Party Disclosures” (previously No. 47).

The new accounting standard that will be effective on January 1, 2011 is Thai Accounting Standard No. 40 “Investment Property”.

The new accounting standard that will be effective on January 1, 2012 is Thai Accounting Standard No. 20 “Accounting for Government Grants and Disclosure of Government Assistance”.

The Company’s management anticipates that all of the above accounting standards will be adopted in the Company’s financial statements when they become effective and that the adoption of those accounting standards will have no material impact on the financial statements of the Company in the period of initial application.

- 2.3 The consolidated and separate balance sheets as at December 31, 2008, presented herein for comparison, have been derived from the consolidated and separate financial statements for the year then ended which have been audited. In addition, the consolidated statements of income, changes in shareholders’ equity and cash flows and separate statements of income, changes in shareholders’ equity and cash flows for the quarter and nine-month period ended September 30, 2009, presented herein for comparison, have also been reviewed.

The interim consolidated financial statements for the quarter and nine-month period ended September 30, 2009 include the accounts of the Company and Seamico Asset Management Co., Ltd. (Unaudited), which the Company has a holding of 100% in its equity. Significant transactions and balances between the Company and the subsidiary has been eliminated.

The interim consolidated financial statements for the quarter and nine-month period ended September 30, 2009 included interest in associated company’s equity which is determined from the financial statements of KT ZMICO Securities Co., Ltd. (Reviewed). During the year ended December 31, 2008 and April 27, 2009, the Company has invested in KT ZMICO Securities Co., Ltd.’s ordinary shares equivalent 48.81% and 49.45% of issued and paid-up share capital, respectively, resulting to that KT ZMICO Securities Co., Ltd. has become the Company’s associate (see Note 7).

- 2.4 Certain financial information which is normally included in financial statements prepared in accordance with generally accepted accounting principles, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2008.

The results of operations for the quarters and nine-month periods ended September 30, 2009 and 2008 are not necessarily indicative of the operation results anticipated for the full years.

The preparation of financial statements in conformity with generally accepted accounting principles 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.

2.5 Reclassifications

The consolidated and separate balance sheets as at December 31, 2008, presented for comparison, to conform to the classifications used in the balance sheet as at September 30, 2009 as follows:

- Deferred tax liabilities amounting to Baht 0.55 million as which was previously presented separately, to be offset with deferred tax assets.
- Assets classified as held for sale - net of Baht 2.85 million which was previously included as a part of other assets, has been presented separately.

3. CHANGE IN ACCOUNTING POLICY OF ASSOCIATE COMPANY

3.1 During the quarter ended June 30, 2009, KT ZMICO Securities Co., Ltd. (“the associate”) has changed the accounting policy for income tax, which was previously accounted for using an accrual basis calculated from net income for annual tax payment, to deferred tax method. The associate company believes that such change in accounting policy is appropriate as it represents the associate’s operating performance consistent with the business circumstance. Also, it is able to recognize future payable or refundable tax arising from the past operation in its financial statements. The associate company retrospectively adjusted its comparative financial statements as if the new accounting policy regarding deferred tax had always been applied. The effects of such change in accounting policy to the consolidated financial statements are as follows:

	Unit : Baht
Consolidated balance sheet as at December 31, 2008	
Increase in investment in associate	11,327,532
Increase in retained earnings at the end of year	11,133,500
Decrease in revaluation deficit in investment	194,032
Consolidated statement of income for the quarter ended September 30, 2008	
Decrease in share of loss of associated company accounted for under equity method	1,335,542
Increase in net income	1,335,542
Basic earnings per share increase	0.0016
Consolidated statement of income for nine-month period ended September 30, 2008	
Decrease in share of loss of associated company accounted for under equity method	1,335,542
Increase in net income	1,335,542
Basic earnings per share increase	0.0016

- 3.2 Since January 1, 2009, the associate company has changed the accounting policy for underwriting license fee that has previously been amortized on a straight-line basis over 5 years in accordance with the Notification of the Office of the Securities and Exchange Commission dated May 18, 1992 regarding “Accounting regulations for securities companies” as the associate company has assessed that such intangible asset has indefinite useful life. Therefore, to comply with Thai Accounting Standard No. 51 “Intangible Assets” which requires the indefinite useful life intangible assets to be tested for impairment annually and amortization is not permitted, the associate company has ceased the amortization of such intangible asset. However, as such Thai Accounting Standard has been effective and applied for the financial statements of periods beginning on or after January 1, 2008, the associate company retrospectively adjusted the comparative financial statements as if the associate company has ceased the amortization of the underwriting license fee since January 1, 2008. Therefore, the consolidated balance sheet as at December 31, 2008 and the consolidated statements of income for the quarter and nine-month period ended September 30, 2008 have been prepared based on the new accounting policy.

Comparative information for the consolidated balance sheet as at December 31, 2008 and the consolidated statements of income for the quarter and nine-month period ended September 30, 2008 have been restated to reflect the effect of the change in the accounting policy as follows:

	Unit : Baht
Consolidated balance sheet as at December 31, 2008	
Increase in investment in associate	2,847,250
Increase in retained earnings at the end of year	2,847,250
Consolidated statement of income for the quarter ended September 30, 2008	
Decrease in share of loss of associated company accounted for under equity method	406,750
Net loss decrease	406,750
Basic loss per share decrease	0.0005
Consolidated statement of income for nine-month period ended September 30, 2008	
Decrease in share of loss of associated company accounted for under equity method	406,750
Net loss decrease	406,750
Basic loss per share decrease	0.0005

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the annual financial statements for the year ended December 31, 2008.

5. CASH AND CASH EQUIVALENTS

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Cash on hand	145,577	412,465	140,577	407,465
Current, savings and fixed deposits	342,325,108	445,427,541	292,545,750	442,907,030
Promissory notes with maturity				
less than 3 months	-	370,500,000	-	330,000,000
<u>Less</u> Cash deposits held for customers*	<u>(32,106,572)</u>	<u>(281,702,767)</u>	<u>(7,856,572)</u>	<u>(281,702,767)</u>
Total cash and cash equivalents	<u>310,364,113</u>	<u>534,637,239</u>	<u>284,829,755</u>	<u>491,611,728</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, 2008, the Company had long-term deposits in terms of promissory notes at financial institutions of Baht 270 million, belonging to customers and the Company must return to the customer at call.

As at September 30, 2009, the securities cash customers and credit balance of 3,863 accounts and derivatives business receivables of 357 accounts, which were transferred to KT ZMICO Securities Co., Ltd., have deposits for securities trading of Baht 42.15 million and Baht 2.13 million, respectively. However, such customers have not yet returned the open account agreements for securities trading to KT ZMICO Securities Co., Ltd. (see Note 7)

As at October 1, 2009, the Company has received such deposit for securities trading from KT ZMICO Securities Co., Ltd. which have to returned to customers on demand and when customers have open account agreements for securities trading at KT ZMICO Securities Co., Ltd., cash deposits of these customers account will be return to KT ZMICO Securities Co., Ltd.

6. INVESTMENTS IN DEBT AND EQUITY SECURITIES - NET

6.1 Cost / Book value and fair value

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at September 30, 2009		As at December 31, 2008	
	Cost/ Book value Baht	Fair value Baht	Cost/ Book value Baht	Fair value Baht
Short-term investments				
<u>Trading securities</u>				
Equity securities - Listed securities	14,955,132	13,095,621	11,968,217	7,026,650
Debt securities - Foreign bonds	-	-	50,735,139	50,732,940
Debt securities - Government bonds	-	-	230,384,799	231,986,691
Debt securities - Bill of exchange	295,936,986	296,443,181	220,953,063	221,343,895
Debt securities - Promissory notes	15,094,866	15,097,567	76,639,596	76,655,623
Debt securities - Corporate bonds	95,734,628	97,072,167	16,999,644	17,206,410
Total	421,721,612	421,708,536	607,680,458	604,952,209
<u>Less</u> Revaluation adjustments	(13,076)	-	(2,728,249)	-
Total trading securities - net	421,708,536	421,708,536	604,952,209	604,952,209
<u>Available-for-sale securities</u>				
Equity securities - Listed securities	17,940,000	7,865,000	17,940,000	6,565,000
Equity securities - Unit trust	40,650,105	43,864,870	40,000,000	35,143,680
Total	58,590,105	51,729,870	57,940,000	41,708,680
<u>Less</u> Revaluation adjustments	3,214,765	-	(4,856,320)	-
<u>Less</u> Allowance for loss on impairment	(10,075,000)	-	(11,375,000)	-
Total available-for-sale securities - net	51,729,870	51,729,870	41,708,680	41,708,680
Total short-term investments - net	473,438,406	473,438,406	646,660,889	646,660,889
Long-term investments				
<u>Available-for-sale securities</u>				
Debt securities - Corporate bonds	6,429,386	6,424,901	16,182,071	16,144,229
<u>Less</u> Revaluation adjustments	(4,485)	-	(37,842)	-
Total available-for-sale securities - net	6,424,901	6,424,901	16,144,229	16,144,229
<u>General investments</u>				
Ordinary shares	178,298,668	156,567,539	29,609,274	963
Preference shares	125,000	8,469,350	1,974,500	7,045,100
Total	178,423,668	165,036,889	31,583,774	7,046,063
<u>Less</u> Allowance for loss on impairment	(21,788,313)	-	(31,457,811)	-
Total general investments - net	156,635,355	165,036,889	125,963	7,046,063
Total long-term investments - net	163,060,256	171,461,790	16,270,192	23,190,292
Total investments in debt and equity securities - net	636,498,662	644,900,196	662,931,081	669,851,181

As at December 31, 2008, the Company has investments in debt securities - Government bonds of Baht 496 million, belonging to cash customers and margin customers, which the Company has to refund to such customers on demand. The balances are netted and presented at a value of zero in the balance sheet.

During the year 2008, the Company has entered into a memorandum with Thanh Cong Securities Company J.S.C. ("TCSC"), the securities company in Vietnam, to invest in 25% of existing TCSC's shares with the option for additional investment in aggregate for up to 49% of total authorized share capital. Subsequently, on March 3, 2009, the Company entered into the Shareholders' Agreement with other shareholders of TCSC and also entered into the Share Purchase Agreement with TCSC. The Company purchased TCSC's shares by 18.88% of the total issued shares of TCSC on April 24, 2009 amounting to Baht 156 million which is classified as general investment.

6.2 Gain on trading in securities and derivatives

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Unrealized gain on trading securities	3,983,301	3,457,897	3,983,301	3,457,897
Realized gain on trading securities	752,070	12,830,466	752,070	12,830,466
Realized gain on available-for-sale securities	24,381	-	24,381	-
Reversal of unrealized loss on impairment of general investments	488,750	-	488,750	-
Unrealized loss from available-for-sale securities	(65,000)	-	(65,000)	-
Realized loss from derivatives contracts	-	(46,600)	-	(46,600)
Total	5,183,502	16,241,763	5,183,502	16,241,763

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2009	2008	2009	2008
Unrealized gain on trading securities	2,715,173	877,116	2,715,173	877,116
Realized gain on trading securities	13,640,126	31,952,126	13,640,126	31,952,126
Realized gain on available-for-sale securities	650,105	6,532,377	650,105	5,520,136
Reversal of unrealized loss on impairment of general investments	9,669,500	(2,668,208)	9,669,500	(2,668,208)
Realized loss on general investments	(9,180,750)	-	(9,180,750)	-
Reversal of unrealized loss from available-for-sale securities	1,300,000	-	1,300,000	-
Realized loss from derivatives contracts	(4,500)	(45,940)	(4,500)	(45,940)
Realized gain on sale of investment in subsidiary	11,046	1,608,513	475,652	-
Total	18,800,700	38,255,984	19,265,306	35,635,230

6.3 Interest and dividend from investments in debt and equity securities

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the quarters ended September 30,		For the quarters ended September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Interest income	707,467	3,920,583	707,467	3,678,686
Dividend	186,393	528,880	186,393	528,880
Total	893,860	4,449,463	893,860	4,207,566

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the nine-month periods ended September 30,		For the nine-month periods ended September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Interest income	3,833,624	14,851,630	3,833,624	13,935,974
Dividend	260,017	2,923,740	260,017	2,923,740
Total	4,093,641	17,775,370	4,093,641	16,859,714

6.4 Cost/amortized cost of debt securities presented according to their maturities

Unit : Baht

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS							
	As at September 30, 2009				As at December 31, 2008			
	Mature within				Mature within			
	1 year	2 - 5 years	Over 5 years	Total	1 year	2 - 5 years	Over 5 years	Total
Short-term investments								
Trading securities								
Foreign bonds	-	-	-	-	-	50,735,139	-	50,735,139
Government bonds	-	-	-	-	22,393,856	-	207,990,943	230,384,799
Bill of exchange	295,936,986	-	-	295,936,986	-	-	-	-
Promissory notes	15,094,866	-	-	15,094,866	-	-	-	-
Corporate debt securities	50,670,294	45,064,334	-	95,734,628	302,613,361	11,978,942	-	314,592,303
Add (Less) Revaluation adjustments	617,761	1,228,674	-	1,846,435	421,910	209,945	1,581,463	2,213,318
Total - net	362,319,907	46,293,008	-	408,612,915	325,429,127	62,924,026	209,572,406	597,925,559
Long-term investments								
Available-for-sale securities								
Corporate debt securities	6,429,386	-	-	6,429,386	-	16,182,071	-	16,182,071
Less Revaluation adjustments	(4,485)	-	-	(4,485)	-	(37,842)	-	(37,842)
Total - net	6,424,901	-	-	6,424,901	-	16,144,229	-	16,144,229
Total debt securities - net	368,744,808	46,293,008	-	415,037,816	325,429,127	79,068,255	209,572,406	614,069,788

Company name	Type of business	Type of shares	SEPARATE FINANCIAL STATEMENTS							
			Paid-up capital		% of holding		Cost method		Equity method	
			As at	As at	As at	As at	As at	As at	As at	As at
			September30, 2009 Million Baht	December 31, 2008 Million Baht	September30, 2009 %	December 31, 2008 %	September30, 2009 Million Baht	December 31, 2008 Million Baht	September30, 2009 Million Baht	December 31, 2008 Million Baht
Subsidiary										
Seamico Asset Management Co., Ltd.	Mutual and private fund management	Ordinary share	100	100	100	100	100	100	37.8	52.4
Associate										
KT ZMICO Securities Co., Ltd.	Securities business	Ordinary share	1,864	864	49.5	48.8				
Balance before adjusted							937.5	437.5	952.0	395.5
Adjustment to financial statements (see Note 3)							-	-	-	14.2
Balance after adjusted							937.5	437.5	952.0	409.7
Total							1,037.5	537.5	989.8	462.1
<u>Less</u> Allowance for impairment							(62.2)	(47.6)	-	-
Total - net							975.3	489.9	989.8	462.1

On May 26, 2008, the Company sold investment in Seamico Knight Fund Management Securities Company Limited, a subsidiary, to a public limited company and two limited companies. The Company disposed its own portion with a disposal value at cost of Baht 10.2 million. As at December 31, 2008, the Company received the entire amount from the buyer.

During the year 2008, the Company has a partnership plan to develop securities business with Krung Thai Bank Plc., using KT ZMICO Securities Co., Ltd. as a joint venture vehicle. According to such plan, the Company will acquire up to 50% of issued and paid-up share capital of KT ZMICO Securities Co., Ltd.

During the year 2008, the Company has invested in KT ZMICO Securities Co., Ltd.'s ordinary shares, equivalent to 48.81% of issued and paid-up share capital according to such partnership plan, resulting to that KT ZMICO Securities Co., Ltd. has become the Company's associate.

On December 16, 2008, KT ZMICO Securities Co., Ltd. has offered to acquire the Company's business, according to the partnership plan, which includes the purchase of operating assets, which are information technology system, equipment and deposits, including the transfer of the customer accounts and the Company's employees (the "Business"). In return, the Company will receive up to Baht 500 million from KT ZMICO Securities Co., Ltd. over 3 years. In addition, the Company will also receive additional amount from the refinancing of selected margin loan accounts to KT ZMICO Securities Co., Ltd. approximately Baht 700 million. The amount of the transferred loans maybe changed depending on the outstanding balance of such loans at the transferring date. The transfer of business and margin loan accounts has been approved by the extraordinary shareholders' meeting of the Company No.2/2009 on March 20, 2009.

On March 20, 2009, the Board of Directors' meeting No.4/2009 has approved the additional investment in KT ZMICO Securities Co., Ltd.'s ordinary shares of 50 million shares at the par value of Baht 10 each, totalling Baht 500 million. The total shares held by the Company will be 92,169,000 shares or the total investment value of Baht 937.51 million, equivalent to 49.45% of issued and paid-up share capital. The Company paid such share capital in full on April 27, 2009.

Subsequently, on March 31, 2009, the Company entered into the Shareholders Agreement with Krung Thai Bank Plc. and also entered into the Asset Transfer Agreement with KT ZMICO Securities Co., Ltd. Such transfer has been completed on May 1, 2009. The status of the Company after the transfer of business and margin loan accounts is to continue as a listed securities company which most business will be related to investment and have activity in securities business which is not competitive with KT ZMICO Securities Co., Ltd.

On May 1, 2009, the Company has transferred its business to KT ZMICO Securities Co., Ltd. and received returns from such business in the amount of Baht 500 million. On May 4, 2009, the Company received cash of Baht 300 million. The remaining Baht 200 million will be received within 3 years based on the results of operations (earnings before interest, tax, depreciation and amortization (“EBITDA”)) of KT ZMICO Securities Co., Ltd. The Company will receive cash proportionately with the actual cumulative EBITDA for 3 years of KT ZMICO Securities Co., Ltd. comparing to the base cumulative 3 years EBITDA set forth of Baht 1,000 million. However, the total settlement would not exceed Baht 200 million depends on the future operating results of KT ZMICO Securities Co., Ltd. for the year 2009 to 2011 and will be receive within 3 years (commencing from 2009) subject to the conditions as agreed between the Company and KT ZMICO Securities Co., Ltd. as follows:

- 1) The Company will receive Baht 60 million within 15 days from the date on which the KT Zmico Securities Co., Ltd.’ shareholders meeting approve the audited financial statements of the year 2009 providing that EBITDA of the year 2009 is not less than Baht 250 million (excluding (i) the extraordinary item related to employee benefit and severance payment resulting from the integration of the businesses and (ii) any additional bad debt account resulting from the depreciation of the value of securities which were acquired before September 15, 2008). In case where EBITDA of the year 2009 is less than Baht 250 million, such receipt shall be deferred to the year 2010 and be made together with the 2010 receipt. If the business transfer does not occur at the beginning of the year, the 2009 receipt and EBITDA prescribed for the year 2009 shall be pro-rated based on the remaining period from the date on which the business is transferred.
- 2) The Company will receive Baht 70 million within 15 days from the date on which the KT Zmico Securities Co., Ltd.’ shareholders meeting approve the audited financial statements of the year 2010 providing that EBITDA of the year 2010 is not less than Baht 350 million. In the case that EBITDA of the year 2010 is less than Baht 350 million, the 2010 receipt shall be deferred to year 2011 and be made together with the 2011 receipt. In the case that the 2009 payment has not been made, the 2009 receipt and 2010 receipt will be made within 15 days from the date on which the Company’s shareholders meeting approve the audited financial statement of year 2010 providing that the aggregate amount of the EBITDA of years 2009 and 2010 is not less than Baht 600 million. Otherwise, both receipt shall be deferred to the year 2011 and be made together with the 2011 receipt.
- 3) The Company will be receive Baht 70 million within 15 days from the date on which the KT Zmico Securities Co., Ltd.’ shareholders meeting approve the audited financial statements of year 2011 providing that EBITDA of year 2011 is not less than Baht 400 million. In case where EBITDA of year 2011 is less than Baht 400 million, the 2011 receipt shall be made subject to the following paragraph.

In the case where there is an outstanding payment at the end of year 2011, the outstanding amount shall be paid within 15 days from the date on which the Company's shareholder meeting approve the audited financial statement of year 2011 and the amount of payment will be adjusted on a pro-rata basis based on the comparison of (a) the actual EBITDA from 2009 to 2011 with (b) the estimated 3-year-period EBITDA in the amount of Baht 1,000 million providing that such adjusted outstanding payment shall be deducted by the amount that has already been made and the payment shall not be more than Baht 200 million.

For the cash received amount of Baht 300 million resulting gain on transfer of assets of Baht 185.51 million in the separate financial statements for the half year ended June 30, 2009. The Company recognized such gain on transfer of assets as income in the consolidated statement of income by Baht 93.78 million according to the shareholding percentage of the third parties in the associated company of 50.55%. The remaining amount was presented as "unrealized gain on transfer of assets to the associated company" in the consolidated balance sheet of Baht 91.73 million. The Company will realize such "unrealized gain on transfer of assets to the associated company" as income when the Company has lower percentage of shareholding in the associated company or when the associated company sells such transferred assets to the third parties.

For the quarter ended September 30, 2009, the Company recorded additional gain on transfer of assets to associated company of Baht 40 million (presented as a part of in "Other Assets") as part of the remaining Baht 200 million returns which the Company will receive from the associated company. The Company considers that the associated company is able to generate EBITDA for the year ended December 31, 2009 according to the conditions as agreed between the Company and the associated company. The Company recognized such gain on transfer of assets as income in the consolidated statement of income by Baht 20.22 million according to the shareholding percentage of the third parties in the associated company of 50.55%. The remaining amount was presented as "unrealized gain on transfer of assets to the associated company" in the consolidated balance sheet of Baht 19.78 million. In addition, the associated company has sold part of transferred assets to the third parties, therefore, the Company recorded "unrealized gain on transfer of assets to the associated company" as an income in the consolidated statement of income by Baht 5.08 million. As at September 30, 2009, the Company had unrealized gain on transferred assets to the associated company of Baht 106.43 million.

On May 4, 2009, the Company transferred margin loan accounts with the value on the transferring date of Baht 834 million to KT ZMICO Securities Co., Ltd. The Company received returns on the transferring date of Baht 687 million. The remaining returns of Baht 147 million was received in June 2009 by Baht 125 million and in July 2009 by Baht 22 million. Such receivables had already signed the open account agreements with KT ZMICO Securities Co., Ltd. (see Note 9).

On August 17, 2009, the Board of Director of KT ZMICO Securities Co., Ltd. meeting had a resolution to approve the decrease of retained deficit of Baht 353,524,000 by decreasing the associated company's authorized and paid-up capital from Baht 1,864,000,000 to Baht 1,537,800,000 and the par value of share from Baht 10 per share to Baht 8.25 per share, and transferring the premium on share capital of Baht 27,324,000 to compensate the retained deficit. Additionally, the meeting had a resolution to approve the amendment of the associated company's Memorandum of Association to reflect the decrease of the associated company's authorized and paid up capital. Consequently, such resolutions have been approved by the extraordinary shareholders' meeting of associated company No. 3/2009 on September 7, 2009. The associated company had registered with the Ministry of Commerce on November 2, 2009.

8. RECEIVABLE FROM CLEARING HOUSE

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at September 30, 2009 Baht	As at December 31, 2008 Baht
Receivable from Thailand Securities Depository (TSD)	-	160,243,315
Receivable from Thailand Clearing House (TCH)	-	20,128,163
<u>Less</u> Receivable from Clearing House for the customers	-	(9,269,892)
Total Receivable from Clearing House	<u>-</u>	<u>171,101,586</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 September 30, 2009, receivable from clearing house had totally decreased due to the Company has temporarily ceased its operation on securities and derivative contracts business. (see Note 1)

9. SECURITIES AND DERIVATIVES BUSINESS RECEIVABLES AND ACCRUED INTEREST RECEIVABLES - NET

As at September 30, 2009 and December 31, 2008, the Company has securities and derivatives business receivables and accrued interest receivables are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at September 30, 2009 Baht	As at December 31, 2008 Baht
Customers' cash accounts	-	164,247,548
Credit balance transactions	-	686,463,463
Other receivables		
Receivables under litigation	131,611,293	128,869,365
Instalment receivables	197,734	2,434,273
Other receivables	<u>180,485,898</u>	<u>207,608,183</u>
Total securities business receivables	312,294,925	1,189,622,832
<u>Add</u> Accrued interest receivables	-	7,005,642
<u>Less</u> Allowance for doubtful accounts (see Note 10)	<u>(287,073,685)</u>	<u>(250,726,115)</u>
Total	<u>25,221,240</u>	<u>945,902,359</u>

As at September 30, 2009, Credit balance transactions had totally decreased results from transferring to associated company. (see Note 7)

The Company has classified securities and derivatives 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 September 30, 2009			As at December 31, 2008		
Securities and derivatives business receivables and accrued interest receivables	Allowance for doubtful accounts set up by the Company	Securities and derivatives business receivables and accrued interest receivables - net	Securities and derivatives business accrued interest receivables	Allowance for doubtful accounts set up by the Company	Securities and Derivatives business receivables and accrued interest receivables - net
Baht	Baht	Baht	Baht	Baht	Baht
Normal debts	-	-	857,716,653	-	857,716,653
Substandard debts	25,221,240	25,221,240	88,185,706	-	88,185,706
Doubtful debts	287,073,685	-	250,726,115	(250,726,115)	-
Total	312,294,925	25,221,240	1,196,628,474	(250,726,115)	945,902,359

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

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
As at September 30, 2009	As at December 31, 2008
Baht	Baht
Up to 3 months	330,629,027
Over 3 months to 6 months	-
Over 6 months to 9 months	20,198
Over 9 months to 12 months	-
Over 1 year to 3 years	53,106
Over 3 years	8,209,490
Total	338,911,821

10. ALLOWANCE FOR DOUBTFUL ACCOUNTS

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
As at September 30, 2009	As at December 31, 2008
Baht	Baht
Beginning balances of the period/year	8,502,208
Add Doubtful accounts	242,223,907
Ending balances of the period/year	250,726,115

11. DEFERRED INCOME TAX

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	September 30, 2009 Baht	December 31, 2008 Baht	September 30, 2009 Baht	December 31, 2008 Baht
Deferred tax assets				
Allowance for doubtful accounts	2,264,432	2,417,187	2,264,432	2,417,187
Allowance for loss on impairment of investments	26,703,089	23,962,814	26,703,089	23,962,814
Amortization of intangible assets	1,357,877	3,317,808	1,357,877	3,317,808
Reserve for retention bonus	7,746,586	-	7,746,586	-
Unrealized loss on revaluation of investments				
- Trading securities	464,878	1,235,391	464,878	1,235,391
- Available-for-sale securities	1,121	1,223,541	1,121	1,223,541
Tax loss	8,928,671	33,400,593	8,928,671	33,400,593
Other assets	35,446	74,034	35,446	74,034
Gain on transfer of asset to associate	26,607,245	-	-	-
	<u>74,109,345</u>	<u>65,631,368</u>	<u>47,502,100</u>	<u>65,631,368</u>
Deferred tax liabilities				
Unrealized gain on revaluation of investments				
- Trading securities	461,609	553,329	461,609	553,329
- Available-for-sale securities	803,691	-	803,691	-
Amortization of intangible assets	8,818	-	8,818	-
	<u>1,274,118</u>	<u>553,329</u>	<u>1,274,118</u>	<u>553,329</u>
Deferred tax assets - net	<u>72,835,227</u>	<u>65,078,039</u>	<u>46,227,982</u>	<u>65,078,039</u>

The movements of deferred income tax are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	September 30, 2009 Baht	December 31, 2008 Baht	September 30, 2009 Baht	December 31, 2008 Baht
Beginning balances for the period/year	65,078,039	16,364,427	65,078,039	16,364,427
Charges to the statements of income (see Note 28)	9,783,299	45,955,994	(16,823,946)	45,955,994
Item in shareholders' equity	(2,026,111)	2,757,618	(2,026,111)	2,757,618
Ending balances for the period/year	<u>72,835,227</u>	<u>65,078,039</u>	<u>46,227,982</u>	<u>65,078,039</u>

12. ASSETS CLASSIFIED AS HELD FOR SALE - NET

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 is stated at the lower price of cost amount or fair value after deducting cost of sale. Loss from impairment will be recorded as expense in the statement of income.

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at September 30, 2009 Baht	As at December 31, 2008 Baht
Land	160,257,466	2,944,799
Golf membership	200,000	200,000
	<hr/>	<hr/>
	160,457,466	3,144,799
<u>Less</u> Allowance for impairment	(141,786)	(296,136)
	<hr/>	<hr/>
Total assets classified as held for sale - net	<u>160,315,680</u>	<u>2,848,663</u>

The Company received the land and golf membership in settlement of debtors in bill of exchange that had matured but unable to be redeemed it by the issuer. At present, the Company is in process to find the potential buyers.

13. DEBENTURES

On January 8, 2008, the extraordinary shareholders' meeting No. 1/2008 had approved the issuance and offer of debentures with a limit not exceeding Baht 2,000 million, which maturity is within 7 years. The purposes of debentures are for managing fund and seeking for new business opportunity. The Board of Directors have authorization to consider types, timing and condition of debentures in accordance with the market condition and liquidity. The Board of Directors are also responsible for the process of getting the approval from the Securities and Exchange Commission.

On April 21, 2008, the ordinary shareholders' meeting No.1/2008 has the resolution to approve the reduction of the credit limit of debentures, which was previously approved by the extraordinary shareholders' meeting No.1/2008 dated January 8, 2008, to be not exceeding Baht 1,000 million. Any other conditions were unchanged.

As at September 30, 2009 and December 31, 2008, the Company has not issued such debentures.

14. DERIVATIVES DEBENTURES

On April 21, 2008, the ordinary shareholders' meeting No.1/2008 has passed a resolution to approve the issuance and offer of derivatives debentures with a limit not exceeding Baht 1,000 million, of which the maturity is within 5 years. The Board of Directors have authorization to determine details and conditions of the issuance and offering of the derivatives debentures, including obtaining approval from the relevant authorities and performing any other necessary actions relating to the issuance and offering of the derivatives debentures.

The issuance and offering of the derivatives debentures has been approved by the Office of Securities and Exchange Commission on October 15, 2008. However, as at September 30, 2009 and as at December 31, 2008, the Company has not issued such derivatives debentures.

15. SHARE CAPITAL

Registered and paid-up capital

On September 27, 2007, the extraordinary shareholders' meeting passed the following resolutions:

- (1) Approved the issuance of 27,000,000 units of warrants offering to the Company's employees.
- (2) Approved an increase of the registered capital amounting to Baht 27,000,000 equivalent to 27,000,000 shares at a par value of Baht 1 each. The purpose of issuing 27,000,000 new ordinary shares is to accommodate the exercise of warrants to the Company's employees.
- (3) Approved an increase of the registered capital amounting to Baht 19,675,971 equivalent to 19,675,971 shares at a par value of Baht 1 each. The purpose of issuing 19,675,971 new ordinary shares is to accommodate the exercise of ZMICO-W3, because the exercise ratio of such warrants were adjusted.
- (4) Approved an amendment of Clause 4 of the Memorandum of Association in order to comply with an increase of capital according to items (2) and (3) above. The registered capital of Baht 1,037,157,550 will be increased to Baht 1,083,833,521 equivalent to 1,083,833,521 shares at a par value of Baht 1 each.

The Company has registered the additional registered capital with the Ministry of Commerce on October 5, 2007. The excess of the registered share capital over the paid-up share capital represents the shares reserved for future exercise of warrants.

As at September 30, 2009 and December 31, 2008, the Company has paid-up share capital totaling Baht 833,895,131 and Baht 833,758,869, respectively.

Net asset value

As at September 30, 2009 and December 31, 2008, net asset value per share, which was determined by dividing shareholders' equity by the number of issued and paid up shares which net of the number of treasury stocks as at the balance sheet date, was Baht 2.52 per share and Baht 3.11 per share, respectively. Such net asset value per share does not reflect the dilutive effect of the shares which are to be issued for the conversion of warrants.

16. TREASURY STOCK

On February 28, 2006, the Board of Directors' meeting has passed a resolution on a project to repurchase 82,962,440 ordinary shares (representing 10% of the issued and paid-up share capital) at a price equivalent to the bid prices on the Stock Exchange of Thailand or the same prices offered to general shareholders, at the amount not more than Baht 200 million and with the repurchase period from March 15, 2006 to September 14, 2006.

As at December 31, 2006, the Company had 53,872,000 treasury shares, representing 6.49% of the issued and paid-up share capital on the date when the Board of Directors resolved the share repurchase. The total treasury stocks were Baht 199.99 million.

The Executive Committee Meeting No. 5/2007, held on June 5, 2007, passed a resolution to approve the resale of treasury shares amounting to 53,872,000 shares by selling in the Stock Exchange of Thailand with the resale period from June 20, 2007 to September 13, 2009. The resale price should not be less than 85% of the average closing price of shares for the preceding 5 business days.

As at December 31, 2007, the Company had resold all treasury stocks, which were 53,872,000 shares, at Baht 215.51 million. The premium from disposing treasury stocks is Baht 15.52 million.

Subsequently, on August 26, 2008, the Board of Directors' meeting No. 5/2008 has passed a resolution on a project to repurchase 83,375,886 ordinary shares (representing 10% of the issued and paid-up share capital) for buying those shares trading in the Stock Exchange of Thailand at a price not exceeding the average closing price, of those shares for the preceding 5 business days, plus 15 percent of such average closing price at the amount not more than Baht 200 million with the repurchase period from September 15, 2008 to March 14, 2009. The process and timing for resale of those shares will be decided by the Company's Board of Directors at 6 months but not more than 3 years after the completion of the repurchase date and the resale will have to be at a price not less than 85 percent of the average closing prices of the preceding 5 business days prior to the resale date.

As at September 30, 2009, the Company has 9,087,100 treasury shares, representing 1.09% of the issued and paid-up share capital on the date when the Board of Directors resolved the share repurchase. The total treasury stocks are Baht 20.06 million. (As at December 31, 2008: 8,695,900 treasury shares, representing 1.04% and the total treasury stocks were Baht 19.40 million)

17. WARRANTS

17.1 Warrants offered to existing shareholders

In December 2003, the extraordinary shareholders' meeting had approved the issuance of 20,372,351 five-year warrants to existing shareholders and shareholders who subscribed to the new issue of ordinary shares, in a ratio of 4 existing ordinary shares to 1 warrant, free of charge. The exercise price of the warrants is Baht 60 per share (the par value is Baht 10 each) and they are exercisable in a ratio of 1 warrant to 1 ordinary share, commencing one year after the issue date (exercisable since September 30, 2005).

Due to the reduction in the par value of the shares from Baht 10 per share to Baht 1 per share, the warrant issue was amended to 203,723,510 warrants with an exercise ratio of 1 warrant to 1 ordinary share and an exercise price of Baht 6 per share.

Subsequently, the ordinary shareholders' meeting held on April 18, 2007 had approved dividend payment exceeding 70% of net income, and, therefore, the Company must adjust the exercise price and an exercise ratio to protect the interest of the warrant holders. The right of the outstanding warrants, which have been allotted but not exercised after the shareholders meeting, were amended to a ratio of 1 warrant to 1.09832 ordinary shares, with the exercise price of Baht 5.463 per share.

During the nine-month periods ended September 30, 2009 and 2008, no warrants were exercised. As at September 30, 2009, the outstanding warrants, which have been allotted but not exercised, are 201,214,034 units. (As at December 31, 2008 : 201,214,034 units) Such warrants were matured on May 6, 2009.

17.2 Directors and employees' warrants III (ESOP warrant III)

In December 2003, the extraordinary shareholders' meeting had approved the issuance of 1,430,000 five-year warrants with a par value of Baht 10 each to the Company's directors and employees other than directors or employees who received a prior allotment of warrants, free of charge. The warrants are exercisable at a price equal to the par value of the shares, in a ratio of 1 warrant to 1 ordinary share, throughout 5 years in accordance with certain stipulated conditions. Such warrant matured on August 8, 2009.

Due to the reduction of the par value of the shares from Baht 10 per share to Baht 1 per share, the number of warrants III issued to the directors and employees is adjusted to 14,300,000 units, with the exercise ratio adjusted to 1 warrant to 1 ordinary share while the exercise price remains at par value, or Baht 1 per share. At the ordinary shareholders' meeting held on April 18, 2007, the shareholders approved dividend payment exceeding 70% of net income and therefore, the Company must adjust the exercise ratio of the Directors and employees' warrants III to protect the interest of the warrant holders. The right of the outstanding warrants, which have been allotted but not exercised after such shareholders meeting, were amended to a ratio of warrant to 1.09832 ordinary shares with the exercise price at Baht 1 per share. During August 2004, 13,790,400 warrants were allotted to the directors and employees, and currently 509,600 warrants had not been allotted. The issue of such free warrants was not recorded as an accounting expense.

During the nine-month period ended September 30, 2009, the employees have exercised their warrants amounting to 124,067 units, equivalent to 136,262 shares or the increase in share capital of Baht 136,262. (During the nine-month period ended September 30, 2008, the employees exercised their warrants amounting to 49,900 units, equivalent to 54,805 shares or the increase in share capital of Baht 54,805). As at September 30, 2009, the outstanding warrants, which have been allotted but not exercised, are 1,451,991 units. (As at December 31, 2008: 1,576,058 units) Such warrants matured on August 8, 2009.

17.3 ESOP Warrants offering to the Company's employees

On September 27, 2007, the extraordinary shareholders' meeting had approved the issuance of five-year 27,000,000 units of warrants with a par value of Baht 1 each to the Company's employees, free of charge. The warrants are exercisable at the exercise price of Baht 3.21 per share, which is equivalent to the audited book value per share as at June 30, 2007, at a ratio of 1 warrant to 1 ordinary share, throughout the five-year period, subject to certain stipulated conditions, which are 50% exercisable since March 31, 2009 and fully exercisable since March 31, 2010. Such warrants have been approved by the Securities and Exchange Commission on February 5, 2008. Subsequently, in March 2008, 16,432,100 warrants were allotted to employees and currently 10,567,900 warrants had not been allotted. The issue of such warrants was not recorded as an accounting expense. Such warrants will be matured on February 28, 2013.

During the nine-month periods ended September 30, 2009 and 2008, the employees have not exercised their warrants. As at September 30, 2009, the outstanding warrants, which have been allotted but not exercised, are 16,432,100 units. (As at December 31, 2008: 16,432,100 units)

On February 24, 2009, the Board of Director's meeting No. 3/2009 has the resolution to cancelled the ESOP Warrant due to at present the Company's business and employees were transferred to KT ZMICO Securities Company Limited and the Company has plan to restructure its businesses, therefore, the issuance of ESOP Warrants offering to employees is not support for the motivation anymore. Such ESOP Warrant was cancelled on September 30, 2009.

18. DIVIDEND

On April 21, 2008, the ordinary shareholder's meeting No. 1/2008 has the resolution to approve not to pay dividend in respect of the operating result for the year ended December 31, 2007.

On August 26, 2008, the Board of Directors' meeting No. 5/2008 has passed a resolution to pay an interim dividend to the Company's shareholders in respect of the operating result for the six-month period ended June 30, 2008 of Baht 0.05 per share amounting to Baht 41.67 million. Such interim dividends were paid on September 23, 2008.

On April 29, 2009, the Board of Directors' meeting No.1/2009 has passed a resolution to approve the dividend payment from retained earnings of the Company at Baht 0.50 per share amounting to Baht 412.18 million (net from treasury stock of 9.09 million units). The dividends were paid on May 15, 2009.

On August 27, 2009, the Board of Directors' meeting No.6/2009 has passed a resolution to approve the dividend payment from the operating result for the six-month period ended June 30,2009 and from the unappropriated retained earnings of the Company at Baht 0.15 per share amounting to Baht 123.67 million (net from treasury stock of 9.09 million units). The dividends were paid on September 24, 2009.

19. CAPITAL MANAGEMENT

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 share capital at least Baht 100 million for membership operating especially in derivatives business.

As at December 31, 2008, the Company has net liquid capital ratio higher than the requirement of the Office of the Securities and Exchange Commission and has shareholders’ equity higher than the requirement of TCH.

As at April 27, 2009, the Company has approval to temporary discontinue its Securities trading business and Derivatives trading business from the Office of the Securities and Exchange Commission, effective on May 1, 2009 therefore, as at September 30, 2009, the Company is not required to maintain its net liquid capital as mentioned in the above paragraph.

In addition, the objectives of capital management of the Company is to sustain the Company’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.

Subsidiary

Under the Notification of the Office of the Securities and Exchange Commission No. KorNor. 13/2548, regarding “Principle for Maintaining Capital Adequacy and Responsibility Insurance of Management Company”, the subsidiary has to maintain shareholders’ equity at least Baht 20 million with the warning level at Baht 30 million for mutual fund management business and at least Baht 10 million with the warning level at Baht 15 million for private fund management business without provident fund management. In case the subsidiary cannot maintain the capital adequacy over the warning level, the subsidiary has to report to the Office of the Securities and Exchange Commission including the plan to recover its shareholders’ equity to the warning level. As at September 30, 2009 and December 31, 2008, financial statements of the subsidiary show shareholders’ equity higher than the requirement of the Office of the Securities and Exchange Commission.

In addition, the objectives of the capital management of the subsidiary is to sustain the 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.

20. 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.

21. 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 September 30, 2009 and December 31, 2008, the statutory reserve has already reached 10% of registered capital.

22. RESERVE FOR TREASURY STOCK

Under Section 66/1(2) of the Public Limited Companies Act. B.E. 2535, public limited companies may repurchase their shares for the purpose of financial management when they have retained earnings and excess liquidity. Also, such share repurchase must not cause them to face a financial difficulty. The announcement of the Judicial Council No.756/2547 has set a rule for treasury stocks that companies have to appropriate retained earnings as reserve for treasury stocks equal to the amount paid for treasury stocks until either the entire treasury stocks have been sold or the companies reduce their paid-up share capital by writing-off the unsold treasury stocks. In addition, according to the Federation of Accounting Professions’ announcement No. Sor.SorVorBorChor. 016/2548 dated February 4, 2005, it requires companies that have treasury stocks to have retained earnings not less than the amount of the treasury stocks remaining in the account. In the event the retained earnings were appropriated for dividend, the retained earnings after the dividend payment should not be less than the treasury stocks remaining in the account.

As at September 30, 2009 and December 31, 2008, the Company has appropriated the retained earnings as the treasury stock reserve for the whole amount.

23. FEES AND SERVICE INCOME

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Financial advisory fees	3,550,654	56,306	3,550,654	56,306
Private fund management and mutual fund management	728,908	126,675	-	-
Others	71,090	85,585	71,090	85,585
Total	<u>4,350,652</u>	<u>268,566</u>	<u>3,621,744</u>	<u>141,891</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Underwriting fees	44,800	7,118,930	44,800	7,118,930
Financial advisory fees	8,758,703	3,021,569	8,758,703	3,021,569
Private fund management and mutual fund management	1,236,793	299,049	-	-
Others	1,562,555	255,631	1,562,555	255,631
Total	<u>11,602,851</u>	<u>10,695,179</u>	<u>10,366,058</u>	<u>10,396,130</u>

24. FEES AND SERVICE EXPENSES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Brokerage fees paid to the Stock Exchange of Thailand	-	6,978,511	-	6,978,511
Amortization of private fund, mutual fund and derivative licenses	126,027	125,681	-	-
Others	520,300	363,521	28,000	190,261
Total	<u>646,327</u>	<u>7,467,713</u>	<u>28,000</u>	<u>7,168,772</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Brokerage fees paid to the Stock Exchange of Thailand	7,928,361	22,321,780	7,928,361	22,321,780
Amortization of private fund, mutual fund and derivative licenses	373,971	374,311	-	-
Others	1,524,421	1,424,751	555,191	1,304,031
Total	<u>9,826,753</u>	<u>24,120,842</u>	<u>8,483,552</u>	<u>23,625,811</u>

25. DIRECTORS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, exclusive of salaries, bonus and related benefits payable to directors who hold executive position. Directors' remuneration for the year 2009 was approved by the ordinary shareholders' meetings of the Company and the subsidiary held on April 29, 2009 and April 20, 2009, respectively. Directors' remuneration for the year 2008 was approved by the ordinary shareholders' meetings of the Company and the subsidiary held on April 21, 2008 and April 18, 2008, respectively.

26. OTHER EXPENSES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Entertainment expenses	5,710	2,160,360	3,600	2,157,820
Publication and marketing expenses	267,400	1,284,110	105,800	1,019,320
Travelling expenses	674,710	3,046,290	654,940	3,023,960
SET fee	631,600	1,053,250	631,600	1,053,250
Stationery and office supply	54,520	1,363,340	-	1,327,380
Others	2,155,850	4,500,390	2,021,170	4,384,790
Total	<u>3,789,810</u>	<u>13,407,770</u>	<u>3,417,130</u>	<u>12,966,550</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Entertainment expenses	2,413,400	6,984,730	2,402,020	6,982,180
Publication and marketing expenses	3,254,150	7,429,820	2,733,800	6,810,730
Travelling expenses	4,229,480	9,566,150	4,203,540	9,474,200
SET fee	3,474,960	2,593,830	3,474,960	2,593,830
Stationery and office supply	2,967,050	4,417,120	2,822,880	4,311,160
Others	11,200,760	13,752,420	10,581,640	13,293,370
Total	<u>27,539,810</u>	<u>44,744,090</u>	<u>26,218,860</u>	<u>43,465,500</u>

27. PROVIDENT FUND

The Company and the 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 quarter ended September 30, 2009, the Company has contributed Baht 0.03 million to the fund and has refund cash from employee resigned amount of Baht 0.12 million and the subsidiary has contributed Baht 0.08 million to the fund. For the quarter ended September 30, 2008, the Company and the subsidiary have contributed Baht 2.55 million and Baht 0.10 million, respectively, to the fund.

For the nine-month periods ended September 30, 2009 and 2008, the Company has contributed Baht 2.42 million and Baht 7.19 million, respectively, to the fund and the subsidiary has contributed Baht 0.21 million and Baht 0.21 million, respectively, to the fund.

28. CORPORATE INCOME TAX

According to the Royal Decree No. 475 B.E. 2551 issued under the Revenue Code regarding the corporate income tax rate deduction effective on August 7, 2008, the corporate income tax for listed companies in the Stock Exchange of Thailand has been reduced from 30% to 25% of net profit which does not exceed Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008. Therefore, the Company has used a tax rate of 25% for the corporate income tax calculations for the quarters and nine-month periods ended September 30, 2009 and 2008 to conform to such tax rate change.

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Corporate income tax paid	-	539,553	-	539,553
Deferred income tax	5,069,432	(2,283,244)	1,395,491	(2,283,244)
Total	<u>5,069,432</u>	<u>(1,743,692)</u>	<u>1,395,491</u>	<u>(1,743,692)</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Corporate income tax paid	-	(26,994,553)	-	(26,994,553)
Deferred income tax	9,783,299	(4,409,015)	(16,823,946)	(4,409,015)
Total	<u>9,783,299</u>	<u>(31,403,568)</u>	<u>(16,823,946)</u>	<u>(31,403,568)</u>

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

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2009	2008	2009	2008
	Baht	Baht	Baht	Baht
Net income (loss) before tax	3,906,155	(788,851)	(5,760,509)	8,341,753
Tax rate	25%, 30%	25%, 30%	25%	25%
The result of the account profit (loss) multiplied by the income tax rate	(1,092,692)	955,532	1,440,127	(832,294)
Effect of the non-deductible income and expense	6,162,124	(2,699,224)	(44,629)	(911,398)
Total	5,069,432	(1,743,692)	1,395,498	(1,743,692)

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month periods ended September 30,		For the nine-month periods ended September 30,	
	2009		2008	
	Baht	Baht	Baht	Baht
Net income (loss) before tax	(6,892,339)	89,196,488	59,834,271	107,014,556
Tax rate	25%, 30%	25%, 30%	25%	25%
The result of the account profit multiplied by the income tax rate	1,606,932	(21,877,020)	(14,958,568)	(26,753,639)
Effect of the non-deductible income and expense	8,176,367	(9,526,548)	(1,865,378)	(4,649,929)
Total	9,783,299	(31,403,568)	(16,823,946)	(31,403,568)

29. RECONCILIATION OF DILUTED EARNINGS (LOSS) PER SHARE

	CONSOLIDATED FINANCIAL STATEMENTS					
	For the quarters ended September 30,					
	Net income (loss)		Weighted average		Earnings (loss) per share	
	2009	2008	number of ordinary shares	number of ordinary shares	2009	2008
Baht	Baht	shares	Shares	Baht	Baht	
Basic earnings (loss) per share						
Net income (loss)	8,975,587	(2,532,543)	824,767,945	832,491,812	0.011	(0.003)
Effect of dilutive potential ordinary shares						
Warrants (see Note 17)	-	-	-	947,751	-	-
Diluted earnings (loss) per share						
Income (loss) of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	8,975,587	(2,532,543)	824,767,945	833,439,563	0.011	(0.003)

SEPARATE FINANCIAL STATEMENTS

For the quarters ended September 30,

	Net income (loss)		Weighted average number of ordinary shares		Earnings (loss) per share	
	2009	2008	2009	2008	2009	2008
	Baht	Baht	shares	Shares	Baht	Baht
Basic earnings (loss) per share						
Net income (loss)	(4,365,011)	6,598,061	824,767,945	832,491,812	(0.005)	0.008
Effect of dilutive potential ordinary shares						
Warrants (see Note 17)	-	-	-	947,751	-	-
Diluted earnings (loss) per share						
Income (loss) of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>(4,365,011)</u>	<u>6,598,061</u>	<u>824,767,945</u>	<u>833,439,563</u>	<u>(0.005)</u>	<u>0.008</u>

CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month periods ended September 30,

	Net income		Weighted average number of ordinary shares		Earnings per share	
	2009	2008	2009	2008	2009	2008
	Baht	Baht	shares	Shares	Baht	Baht
Basic earnings per share						
Net income	2,890,960	57,792,920	824,780,078	833,313,620	0.004	0.069
Effect of dilutive potential ordinary shares						
Warrants (see Note 17)	-	-	-	1,136,165	-	-
Diluted earnings per share						
Income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>2,890,960</u>	<u>57,792,920</u>	<u>824,780,078</u>	<u>834,449,785</u>	<u>0.004</u>	<u>0.069</u>

SEPARATE FINANCIAL STATEMENTS

For the nine-month periods ended September 30,

	Net income		Weighted average number of ordinary shares		Earnings per share	
	2009	2008	2009	2008	2009	2008
	Baht	Baht	shares	Shares	Baht	Baht
Basic earnings per share						
Net income	43,010,325	75,610,988	824,780,078	833,313,620	0.052	0.091
Effect of dilutive potential ordinary shares						
Warrants (see Note 17)	-	-	-	1,136,165	-	-
Diluted earnings per share						
Income of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>43,010,325</u>	<u>75,610,988</u>	<u>824,780,078</u>	<u>834,449,785</u>	<u>0.052</u>	<u>0.091</u>

30. RELATED PARTY TRANSACTIONS

The Company had 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 September 30, 2009 and December 31, 2008 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2009	2008	2009	2008
Baht	Baht	Baht	Baht	
		"Restated"		
Subsidiary				
Seamico Asset Management Co., Ltd.				
Investment in subsidiary (see Note 7)	-	-	100,000,000	100,000,000
Investment in mutual fund managed by subsidiary	43,864,870	35,143,680	43,864,870	35,143,680
Investment in private fund managed by subsidiary	24,281,363	156,947,204	24,281,363	156,947,204
Accrued private fund management fee expenses	-	-	7,666	55,497
Other receivables	-	-	15,000,000	50,103
Seamico Derivatives Co., Ltd.				
Investment pending for liquidation	-	1,000,000	-	1,000,000
Associate				
KT ZMICO Securities Co., Ltd.				
Investment in associate – before adjusted	952,045,877	395,514,266	937,505,000	437,505,000
Adjustment to financial statements (see Note 3)	-	14,174,782	-	-
Investment in associate – after adjusted	952,045,877	409,689,048	937,505,000	437,505,000
Other receivables	674,827	145,484	674,827	145,484
Related companies				
Under common directors				
Burda (Thailand) Co., Ltd.				
Advisory fee receivables	-	93,844	-	93,844
Quam Securities Nominee (Singapore) Pte Ltd.				
Securities and derivatives business receivables	-	1,656,916	-	1,656,916
Deposit for securities business	-	4,950	-	4,950
Quam Securities Company Limited				
Securities and derivatives business receivables	-	4,440,948	-	4,440,948
Deposit for securities business	-	8,763,089	-	8,763,089
Thanh Cong Securities Company J.S.C.				
Investment in ordinary shares (see Note 6.1)	156,020,644	-	156,020,644	-
Accrued advisory receivable	1,174,854	-	1,174,854	-
Related persons				
Securities and derivatives business receivables	-	101,270	-	101,270
Securities and derivatives business payables	-	672,415	-	672,415
Deposit for securities business	-	3,936,602	-	3,936,602
Deposit for derivatives business	-	241,472	-	241,472

Significant transactions with related parties for the quarters ended September 30, 2009 and 2008 are as follows:

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the quarters ended		For the quarters ended		
	September 30,		September 30,		
	2009	2008	2009	2008	
	Baht	Baht	Baht	Baht	
Subsidiary					
Seamico Asset Management Co., Ltd.					
Investment in mutual fund managed by subsidiary	5,000,000	-	5,000,000	-	At net asset value of fund
Withdrawal mutual fund managed by subsidiary	5,000,000	-	5,000,000	-	At net asset value of fund total 5 million units at price Baht 10.1279 per unit
Private fund management fee expenses	-	-	23,170	148,072	At rate determined under the contract at 0.4 percent per annum of net asset value of fund managed
Income from selling agent	-	-	24,362	-	Commission charged 0.15 percent of NAV unit trust selling
Other income	-	-	-	75,000	At the rate determined under the contract of Baht 25,000 per month
Associate					
KT ZMICO Securities Co., Ltd. (see Note 7)					
Service Expense	-	-	450,000	-	At the rate determined under the contract of Baht 150,000 per month (See Note 31.4)
Related companies					
Under common directors					
Burda (Thailand) Co., Ltd.					
Financial advisory income	-	56,306	-	56,306	At the rate determined under the contract of Baht 225,000 per year
Mac Sharaf Securities (U.A.E) LLC					
Other expenses	-	140,600	-	140,600	At actual amount of expenses
Quam Securities Nominess (Singapore) Pte.					
Commission received	-	96,282	-	96,282	Commission charged at 0.25 percent of the value of trades by cash accounts and 0.15 - 0.20 percent of the value of trades via internet, which is normal rate charged to other customers
Quam Asset Management Limited					
Commission received	-	1,222	-	1,222	Commission charged at 0.25 percent of the value of trades by cash accounts and 0.15 - 0.20 percent of the value of trades via internet, which is normal rate charged to other customers

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the quarters ended		For the quarters ended		
	September 30,		September 30,		
	2009	2008	2009	2008	
	Baht	Baht	Baht	Baht	
Thanh Cong Securities Company J.S.C.					
Advisory fee income	3,550,654	-	3,550,654	-	At the rate determined under the contract of USD 35,018 per month (see Note 31.7)
Related persons					
Commission received	-	45,709	-	45,709	Commission charged at 0.25 percent of the value of trades by cash accounts, which is normal rate charged to other customers
Commission received from derivatives trading	-	5,029	-	5,029	Commission charged at Baht 450 per contract

Significant transactions with related parties for the nine-month periods ended September 30, 2009 and 2008 are as follows:

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the nine-month periods		For the nine-month periods		
	ended September 30,		ended September 30,		
	2009	2008	2009	2008	
	Baht	Baht	Baht	Baht	
Subsidiary					
Seamico Asset Management Co., Ltd.					
Commission received from mutual fund under management	-	5,199	-	5,199	Commission charged at 0.25 percent of the value of trades by cash accounts, which is normal rate charged to other customers
Private fund management fee expenses	-	-	155,008	410,552	At rate determined under the contract at 0.4 percent per annum of net asset value of fund managed
Purchase of equipment	-	48,271	-	48,271	At book value of assets on selling date
Purchase of Government bond	-	22,381,651	-	22,381,651	At market price

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the nine-month periods		For the nine-month periods		
	ended September 30,		ended September 30,		
	2009	2008	2009	2008	
	Baht	Baht	Baht	Baht	
Investment in mutual fund managed by subsidiary	25,625,724	40,000,000	25,625,724	40,000,000	At net asset value 0.8 million units at the price Baht 10 per units 1.63 million units at the price Baht 7.2934 per units, 0.04 million units at the price 10.3359 per unit and 0.5 million units at the price Baht 10 per unit (2008: 4 million units at the price Baht 10 per unit)
Withdrawal mutual fund managed by subsidiary	25,625,724	50,639,741	25,625,724	50,639,741	At net asset value 2.71 million units at the price Baht 7.6191 per unit and 0.50 million units at the price Baht 10.049 per unit(2008: 5 million at the price Baht 10.1279 per unit)
Investment in private fund managed by subsidiary	-	140,000,000	-	140,000,000	At investment cost Baht 140 million
Withdrawal in private fund managed by subsidiary	135,000,000	-	135,000,000	-	At net asset value
Income from selling agent			144,214		Commission charged 0.15 percent of NAV unit trust selling
Other income	-	-	100,000	225,000	At the rate determined under the contract of Baht 25,000 per month
Associate					
KT ZMICO Securities Co., Ltd. Service Expense	-	-	750,000	-	At the rate determined under the contract of Baht 150,000per month(see Note 31.4)
Related companies					
Under common directors					
Thanh Cong Securities Company J.S.C.					
Advisory fee income	5,946,032	-	5,946,032	-	At the rate determined under the contract of USD 35,018 per month (see Note 31.7)
Brooker Group Plc.					
Commission expenses	-	727,688	-	727,688	At the rate of 15 - 30 percent of fee income as determined under the contract
Burda (Thailand) Co., Ltd.					
Financial advisory income	-	168,919	-	168,919	At the rate determined under the contract of Baht 225,000 per year
Mac Sharaf Securities (U.A.E) LLC					
Other expenses	-	212,035	-	212,035	At actual amount of expenses
Srivisarvacha Foundation					
Sale of Government bond	-	7,305,754	-	7,305,754	At market price

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		Pricing policy
	For the nine-month periods ended September 30,		For the nine-month periods ended September 30,		
	2009	2008	2009	2008	
	Baht	Baht	Baht	Baht	
G Steel Plc.					
Financial advisory fee income	-	500,500	-	500,500	At the rate determined under the contract
Quam Securities Nominess (Singapore) Pte.					
Commission received	-	2,299,133	-	2,299,133	Commission charged at 0.25 percent of the value of trades by cash accounts and 0.15 - 0.20 percent of the value of trades via internet, which is normal rate charged to other customers
Quam Asset Management Limited					
Commission received	-	108,327	-	108,327	Commission charged at 0.25 percent of the value of trades by cash accounts and 0.15 - 0.20 percent of the value of trades via internet, which is normal rate charged to other customers
Related persons					
Commission received	50,678	169,860	50,678	169,860	Commission charged at 0.25 percent of the value of trades by cash accounts, which is normal rate charged to other customers
Commission received from derivatives trading	23,850	14,829	23,850	14,829	Commission charged at Baht 450 per contract

31. COMMITMENTS

Transactions with related parties

- 31.1 On December 16, 2002, the Company entered into a one-year fee allocation agreement with Brooker Group Plc., under which the Company agreed to appoint that company as the agent to introduce its clients to the Company as a financial advisor. Such agreement has been extended to January 31, 2010. The Company must pay advisory fees to that company as a percentage of the fee income earned from the introduction of that company. As at May 1, 2009, the Company transfer right in this agreement to KT ZMICO Securities Co., Ltd. as the same condition and expired date.
- 31.2 On December 28, 2007, the Company entered into an agreement with Seamico Asset Management Co., Ltd., which is a subsidiary. The subsidiary will manage the Company's fund for one year. The contract, which will be expired on December 30, 2008, is automatically renewed for another year. Under the agreement, the Company agreed to pay a management fee at the rate of 0.4 percent per annum of the net asset value of the fund.
- 31.3 On August 26, 2008, the Company entered into an allocation agreement with Mac Capital 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, 2009. The Company must pay advisory fees to that company as a percentage of the fee income earned from the introduction of that company As at May 1, 2009, the Company transfer right in this agreement to KT ZMICO Securities Co., Ltd. as the same condition and expired date.

- 31.4 On May 28, 2009, the Company entered into agreement with KT ZMICO 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 expired on April 30, 2010. The agreement is automatically extended one year by payment in amount of Baht 150,000 per month.
- 31.5 On May 1, 2009, The Company entered into agreement with KT ZMICO Co., Ltd. for rental office at 16th Floor (No. 1601), 287 Liberty Square for operating business in amount of Baht 49,503 per month. The term of agreement is from May 1, 2009 to January 31, 2010.
- 31.6 On May 12, 2009, the Board of Director's meeting No. 5/2009 had a resolution to approve the payment of retention bonus to employees transferred from the Company to continue their works at KT ZMICO Securities Co., Ltd. totaling of Baht 115 million. The payments will be made periodically within 18 months by payment every 6 months start from proportion 20 : 20 : 20 : 40, respectively, started from June 2009 to December 31, 2010 with the condition that such payment will be made to employees who have status as the Company's staff at the payment date. However, the payment is paid only according to the commitment under employment transfer agreement. Until for the half year ended June 30, 2009, the Company already paid in the amount of Baht 35.42 million. Subsequently, as at September 30, 2009 the Company had estimated to payment of retention bonus by using the present information and the Company additionally recorded liabilities in amount of Baht 53.89 million.
- 31.7 On March 20, 2009, the Company entered into agreement with Thanh Cong Securities Joint Stock Company ("TCSC"), a securities company in Vietnam. According to the agreement, the Company will provide advisory and other services to TCSC in order to develop technical proficiency and improve potential in international investment banking, securities market and research including distribute the research information of TCSC in Vietnam and oversea through Seamico's network. The Company will receive such service fee in total amount of US\$ 420,218 which will be made periodically within 12 months in amount of US\$ 35,018 per month. The amount mentioned is net with related taxes in Vietnam.

Transactions with other business parties

- 31.8 As at September 30, 2009, the Company has no commitment from with respect to office equipment and computer purchase's agreement and as at December 31, 2008, the Company had outstanding capital commitments totalling approximately Baht 2.5 million, for purchase of computer and office equipment, and had the following outstanding rental and service commitments under long-term lease agreements for its offices building and equipment.

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2009	2008	2009	2008
	Million Baht	Million Baht	Million Baht	Million Baht
Within 1 year	2.1	58.6	1.6	58.8
Over 1 year to 5 years	2.3	28.5	2.3	28.4
Total	4.4	87.1	3.9	87.2

32. BUSINESS/GEOGRAPHICAL SEGMENT INFORMATION

The Company's operation involves mainly in securities brokering and service provision and its subsidiary's operation involves in securities and providing asset management services. They are operated only in Thailand, accordingly, no business/geographical area segmental information is presented.

33. DISCONTINUED OPERATION

During the quarter ended June 30, 2009, the Company has transferred its securities business to KT ZMICO Securities Co., Ltd. After the transfer of business, the Company's operations will be related to investments in debt and equity securities and derivatives trading funds. The proportion of income from discontinued operation is 97% of total income. Expenses related to securities business have decreased entirely. Expenses from discontinued operation are 98% of total expenses.

34. EVENTS AFTER BALANCE SHEET DATE

34.1 Treasury stock

On October 7, 2009, the Executive Committee Meeting No. 7/2009 which authorized by the resolution of the Board of Directors Meeting No.6/2009 held on August 27, 2009, passed a resolution to approve the resale of treasury shares amounting to 9,087,100 shares by selling in the Stock Exchange of Thailand with the resale period from October 22, 2009 to March 13, 2012. The resale price should not be less than 85% of the average closing price of shares for the preceding 5 business days.

34.2 Selling the investment in Thanh Cong Securities Company J.S.C.

On October 29, 2009, the Board of Directors Meeting No. 7/2009 approved to sale of all investment of 18.88% in Thanh Cong Securities Company J.S.C., a securities company in Vietnam to KT ZMICO Securities Company Limited, associated company. The Board of Directors approved to sale all investment at the price of Baht 161.24 million (cost of Baht 156 million) and authorized the management discretionary proceeding for the completion of the sale of investment.

35. APPROVAL OF FINANCIAL STATEMENTS

These interim financial statements have been approved for issuing by the audit committee and authorized director of the Company on November 10, 2009.