

**SEAMICO SECURITIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2010 AND 2009**  
“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 16<sup>th</sup> Floor (Room 1601), 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

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

As at September 30, 2010 and December 31, 2009, the Company has one head office. Total number of personnel of the Company and subsidiary are 30 and 25 persons, respectively, and the Company only total number of personnel are 5 and 5 persons, respectively.

As described in Note 6, 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.

During the year 2008, the Company invested in KT ZMICO Securities Co., Ltd.’s ordinary shares. As at December 31, 2008, the Company hold the investment in equivalent to 48.81% of issued and paid-up share capital, resulting to that KT ZMICO Securities Co., Ltd. has become the Company’s associate. During the year 2009, the Company additionally invested in such company. As at December 31, 2009, the company holds the investment in equivalent to 49.45% of issued and paid-up share capital. In addition, in the second quarter of year 2010, the Company additionally invested in such company. As at September 30, 2010, the Company hold the investment in equivalent to 49.54% of issued and paid-up share capital of such associated company (see Note 6).

On March 20, 2009, the extraordinary shareholders’ meeting No.2/2009 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 had been completed on May 1, 2009. The status of the Company after the transfer of its business and margin loan accounts, the Company has temporarily ceased its operation on securities and derivative contracts business since May 1, 2009 until December 31, 2011 which was approved by the Office of the Securities and Exchange Commission No. SEC.Thor. 701/2552. However, the Company continues as a listed securities company which most business are related to investment and have activity in securities business which is not competitive with KT ZMICO Securities Co., Ltd.

## 2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 The Company prepares its interim financial statements in accordance with the Accounting Standard No. 34 (Revised 2007) “Interim Financial Reporting”, practices generally accepted in Thailand and in accordance with the Notifications 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”.

In 2007, Thai Accounting Standards No. 1 (Revised 2007) “Presentation of Financial Statements” and No. 7 (Revised 2007) “Cash Flow Statements” 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 nine-month periods ended September 30, 2010 and 2009 are still presented in accordance with the above Notification of the Office of the Securities and Exchange Commission.

- 2.2 The Federation of Accounting Professions has issued the Notification of Federation of Accounting Professions No. 17/2553 dated April 9, 2010 regarding the following new and revised Thai accounting standards (TASs) and Thai Financial Reporting Standards (TFRSs) that have been announced in the Royal Gazette on May 26, 2010, but not yet effective in 2010. The TASs and TFRSs which are related to Company are as follows:

	<b>TAS/TFRS</b>	<b>Effective date</b>
<b>Thai Accounting Standards (TASs)</b>		
TAS 1 (Revised 2009)	Presentation of Financial Statements	January 1, 2011
TAS 7 (Revised 2009)	Statement of Cash Flows	January 1, 2011
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors	January 1, 2011
TAS 10 (Revised 2009)	Events after the Reporting Period	January 1, 2011
TAS 12	Income Taxes	January 1, 2013
TAS 17 (Revised 2009)	Leases	January 1, 2011
TAS 23 (Revised 2009)	Borrowing Costs	January 1, 2011
TAS 24 (Revised 2009)	Related Party Disclosures	January 1, 2011
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements	January 1, 2011
TAS 28 (Revised 2009)	Investments in Associates	January 1, 2011
TAS 33 (Revised 2009)	Earnings Per Share	January 1, 2011
TAS 34 (Revised 2009)	Interim Financial Reporting	January 1, 2011
TAS 36 (Revised 2009)	Impairment of Assets	January 1, 2011
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets	January 1, 2011
TAS 38 (Revised 2009)	Intangible Assets	January 1, 2011
TAS 40 (Revised 2009)	Investment Property	January 1, 2011
<b>Thai Financial Reporting Standards (TFRSs)</b>		
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations	January 1, 2011

The Company’s management anticipates that all of the above accounting standards and financial reporting standards will be adopted in the Company’s financial statements when they become effective. However, the Company has elected to early adopt TAS 12 “Income Tax”.

TAS 1 (Revised 2009) “Presentation of Financial Statements” and TAS 7 (Revised 2009) “Statement of Cash Flow” have change requirements regarding presentation in financial statements. Therefore, the Company has required to apply such standard retrospectively when it becomes effective.

The Company's management anticipates that the adoption of those accounting standards will have no material impact on the financial statements of the Company in the period if initial application.

- 2.3 The consolidated and separate balance sheets as at December 31, 2009, 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 consolidated financial statements for the quarters and nine-month period ended September 30, 2010 and 2009, and for the year ended December 31, 2009 include the Accounts of the Company and Seamico Asset Management Co., Ltd., which the Company has a holding of 100% in its equity. Significant transactions and balances between the Company and the subsidiary have been eliminated.

The consolidated financial statements included interest in associated company's equity which is determined from the financial statements of KT ZMICO Securities Co., Ltd.

- 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, 2009.

The results of operations for the quarter and nine-month periods ended September 30, 2010 are not necessarily indicative of the operation results anticipated for the full years.

- 2.5 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.

- 2.6 Reclassification

The reclassifications have been made to the consolidated and separate statements of income for the quarter and nine-month period ended September 30, 2009 to conform to the classification used in the consolidated and separate statements of income for the quarter and nine-month period ended September 30, 2010 follows:

- Management benefit expenses in the consolidated and separate statements of income for the quarter period ended September 30, 2009 in amount of Baht 8.33 million and Baht 7.61 million, respectively, management benefit expenses in the consolidated and separate statements of income for the nine-month period ended September 30, 2009 in amount of Baht 43.90 million and Baht 41.84 million, respectively, which were previously presented as a part of personnel expenses, were classified and included directors' remuneration under the directors and managements' remuneration (see Note 25.2).

### 3. 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, 2009.

### 4. 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,
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Cash on hand	135,612	144,096	125,612	139,096
Current, savings and fixed deposits	71,357,730	55,245,413	61,623,684	45,504,031
Promissory notes with maturity less than 3 months	550,000,000	250,000,000	540,000,000	220,000,000
<u>Less</u> Deposits and promissory notes under the Company's name for customers *	<u>(24,922,354)</u>	<u>(41,923,530)</u>	<u>(22,613,800)</u>	<u>(41,846,530)</u>
Total cash and cash equivalents	<u>596,570,988</u>	<u>263,465,979</u>	<u>579,135,496</u>	<u>223,796,597</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, 2010 and December 31, 2009, the Company had deposits at financial institutions and promissory notes in the consolidate balance sheets in amounting to Baht 24.92 million and Baht 41.92 million, respectively, and the separate balance sheets in amounting to Baht 22.61 million and Baht 41.85 million, respectively, which the Company must be returned to the customers at call.

As at September 30, 2010 and December 31, 2009, the deposits for securities trading which were transferred from KT ZMICO Securities Co., Ltd. since October 1, 2009 were remained securities trading of Baht 12.98 million and Baht 32.51 million, respectively (securities cash customer and credit balance of 766 accounts and 3,414 accounts, respectively) and were remained derivative business trading of Baht 1.31 million and Baht 1.34 million, respectively (derivatives business receivables of 312 accounts and 324 accounts, respectively). However, when customers have opened account agreements for securities trading at KT ZMICO Securities Co., Ltd., cash deposits of these customers account will be returned to KT ZMICO Securities Co., Ltd. (see Note 6).

## 5. INVESTMENTS IN DEBT AND EQUITY SECURITIES - NET

### 5.1 Cost / Book value and fair value

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at September 30, 2010		As at December 31, 2009	
	Cost/ Book value	Fair value	Cost/ Book value	Fair value
	Baht	Baht	Baht	Baht
<b>Short-term investments</b>				
<u>Trading securities</u>				
Equity securities - Listed securities	6,375,369	3,048,452	16,715,353	15,147,778
Debt securities - Bill of exchange	-	-	193,145,402	194,607,064
Debt securities - Promissory notes	-	-	79,632,843	79,859,847
Debt securities - Corporate bonds	-	-	111,538,528	112,713,359
Total	6,375,369	3,048,452	401,032,126	402,328,048
<u>Add (Less) Revaluation adjustments</u>	<u>(3,326,917)</u>	<u>-</u>	<u>1,295,922</u>	<u>-</u>
Total trading securities - net	3,048,452	3,048,452	402,328,048	402,328,048
<u>Available-for-sale securities</u>				
Equity securities - Listed securities	-	-	17,940,000	7,930,000
Equity securities - Unit trust	40,650,105	50,089,516	40,650,105	43,548,105
Total	40,650,105	50,089,516	58,590,105	51,478,105
<u>Add</u> Revaluation adjustments	<u>9,439,411</u>	<u>-</u>	<u>2,898,000</u>	<u>-</u>
<u>Add (Less) Allowance for loss on impairment</u>	<u>-</u>	<u>-</u>	<u>(10,010,000)</u>	<u>-</u>
Total available-for-sale securities - net	50,089,516	50,089,516	51,478,105	51,478,105
Total short-term investments - net	53,137,968	53,137,968	453,806,153	453,806,153
<b>Long-term investments</b>				
<u>Available-for-sale securities</u>				
Debt securities - Corporate bonds	-	-	3,206,558	3,204,225
<u>Less</u> Revaluation adjustments	<u>-</u>	<u>-</u>	<u>(2,333)</u>	<u>-</u>
Total available-for-sale securities - net	-	-	3,204,225	3,204,225
<u>General investments</u>				
Ordinary shares	178,298,668	148,151,923	178,298,668	156,575,359
Preference shares	125,000	125,000	125,000	125,000
Total	178,423,668	148,276,923	178,423,668	156,700,359
<u>Less</u> Allowance for loss on impairment	<u>(30,146,745)</u>	<u>-</u>	<u>(21,788,312)</u>	<u>-</u>
Total general investments - net	148,276,923	148,276,923	156,635,356	156,700,359
Total long-term investments - net	148,276,923	148,276,923	159,839,581	159,904,584
Total investments in debt and equity securities - net	201,414,891	201,414,891	613,645,734	613,710,737

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 156.02 million which is classified as general investment.

On October 29, 2009, the Board of Directors Meeting No. 7/2009 approved to sell all investment of 18.88% in TCSC to KT ZMICO Securities Company Limited, associated company. The Board of Directors approved to sell all investment at the price of Baht 161.24 million (cost of Baht 156.02 million) and authorized the management discretionary proceeding for the completion of the sale of investment. As at December 31, 2009, the Company has not sold such investment.

On May 12, 2010, the Board of Directors Meeting No. 3/2010 newly approved to sell all investments in TCSC to KT ZMICO Securities Company Limited, associated company. The Board of Directors approved to sell all investments at the price of Baht 147.66 million and authorized the management discretionary proceeding for the completion of the sale of investment. As at September 30, 2010, the Company has not sold such investment. However, the Company recorded an allowance for loss on impairment in amount of Baht 8.36 million.

## 5.2 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,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Unrealized gain (loss) on trading securities	(2,569,841)	3,983,301	(2,569,841)	3,983,301
Realized gain on trading securities	3,772,971	752,070	3,772,971	752,070
Realized gain on available-for-sale securities	1,327,587	24,381	1,327,587	24,381
Reversal unrealized loss on general investments	-	488,750	-	488,750
Unrealized loss from available-for-sale securities	(2,080,000)	(65,000)	(2,080,000)	(65,000)
Total	450,717	5,183,502	450,717	5,183,502

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month periods		For the nine-month periods	
	ended September 30,		ended September 30,	
	2010	2009	2010	2009
Unrealized gain (loss) on trading securities	(4,622,839)	2,715,173	(4,622,839)	2,715,173
Realized gain on trading securities	6,669,643	13,640,126	6,669,643	13,640,126
Realized gain on available-for-sale securities	1,327,587	650,105	1,327,587	650,105
Reversal unrealized loss (loss) on general investments	(8,358,433)	488,750	(8,358,433)	488,750
Reversal unrealized loss from available-for-sale securities	10,010,000	1,300,000	10,010,000	1,300,000
Realized loss from derivatives contracts	-	(4,500)	-	(4,500)
Realized gain on sale of investment in subsidiary	-	11,046	-	475,652
Total	5,025,958	18,800,700	5,025,958	19,265,306

5.3 Interest and dividend from investments in debt and equity securities

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Interest income	327,767	707,467	327,767	707,467
Dividend	1,033,624	186,393	1,033,624	186,393
Total	<u>1,361,391</u>	<u>893,860</u>	<u>1,361,391</u>	<u>893,860</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	September 30,		September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Interest income	2,167,918	3,833,624	2,167,918	3,833,624
Dividend	1,492,224	260,017	42,968,274	260,017
Total	<u>3,660,142</u>	<u>4,093,641</u>	<u>45,136,192</u>	<u>4,093,641</u>

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

	Unit : Baht					
	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	As at September 30, 2010			As at December 31, 2009		
	Mature within			Mature within		
	1 year	2 - 5 years	Total	1 year	2 - 5 years	Total
<b>Short-term investments</b>						
<b>Trading securities</b>						
Bill of exchange	-	-	-	193,145,402	-	193,145,402
Promissory notes	-	-	-	79,632,843	-	79,632,843
Corporate bonds	-	-	-	111,538,528	-	111,538,528
Total	-	-	-	384,316,773	-	384,316,773
Add Revaluation adjustments	-	-	-	2,863,497	-	2,863,497
Total - net	-	-	-	<u>387,180,270</u>	-	<u>387,180,270</u>
<b>Long-term investments</b>						
<b>Available-for-sale securities</b>						
Corporate bonds	-	-	-	3,206,558	-	3,206,558
Less Revaluation adjustments	-	-	-	(2,333)	-	(2,333)
Total - net	-	-	-	<u>3,204,225</u>	-	<u>3,204,225</u>
<b>Total debt securities - net</b>	-	-	-	<u>390,384,495</u>	-	<u>390,384,495</u>

5.5 Revaluation surplus in investments in securities recognized in the shareholders' equity

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Beginning balance of the period/year	1,923,074	(4,123,363)	2,171,750	(3,670,622)
Changes during the period/year				
- from deferred tax adjustment	(1,635,936)	(1,947,457)	(1,635,936)	(1,947,457)
- from revaluation	6,541,412	8,268,782	6,541,412	8,268,782
- from sale	2,333	(478,953)	2,333	(478,953)
- from share of profit (loss) in associated	(741,865)	204,065	-	-
Ending balance of the period/year	<u>6,089,018</u>	<u>1,923,074</u>	<u>7,079,559</u>	<u>2,171,750</u>

5.6 As at September 30, 2010 and December 31, 2009, the Company has investments in companies that have financial position and performance problems as follows:

	As at September 30, 2010			As at December 31, 2009		
	Cost/ Book value	Fair value	Allowance for loss on impairment	Cost/ Book value	Fair Value	Allowance for loss on impairment
	Baht	Baht	Baht	Baht	Baht	Baht
Ordinary shares	<u>21,789,274</u>	<u>869</u>	<u>21,788,405</u>	<u>21,789,274</u>	<u>962</u>	<u>21,788,312</u>
	<u>21,789,274</u>	<u>869</u>	<u>21,788,405</u>	<u>21,789,274</u>	<u>962</u>	<u>21,788,312</u>

6. INVESTMENTS IN SUBSIDIARY AND ASSOCIATED COMPANIES – NET

The Company's investments in its subsidiary and associate, which are companies registered under Thai laws and operating in Thailand, as at September 30, 2010 and December 31, 2009 are summarized below:

Company name	Type of business	Type of shares	Paid-up capital		% of holding		Cost method		Equity method	
			As at September 30, 2010	As at December 31, 2009						
			Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
<b>Associate</b>										
KT ZMICO Securities Co., Ltd.	Securities business	Ordinary share	1,838	1,538	49.54	49.45	<u>1,087.5</u>	<u>937.5</u>	<u>1,129.2</u>	<u>967.4</u>
Total							<u>1,087.5</u>	<u>937.5</u>	<u>1,129.2</u>	<u>967.4</u>

SEPARATE FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares	Paid-up capital		% of holding		Cost method		Equity method	
			As at September 30, 2010	As at December 31, 2009	As at September 30, 2010	As at December 31, 2009	As at September 30, 2010	As at December 31, 2009	As at September 30, 2010	As at December 31, 2009
			Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
<b>Subsidiary</b>										
Seamico Asset Management Co., Ltd.	Mutual and private fund management	Ordinary share	120	120	100	100	120.0	120.0	30.6	51.2
<u>Less</u> Allowance for impairment							(89.4)	(68.8)	-	-
							<u>30.6</u>	<u>51.2</u>	<u>30.6</u>	<u>51.2</u>
<b>Associate</b>										
KT ZMICO Securities Co., Ltd.	Securities business	Ordinary share	1,838	1,538	49.54	49.45	1,087.5	937.5	1,129.2	967.4
Total - net							<u>1,118.1</u>	<u>988.7</u>	<u>1,159.8</u>	<u>1,018.6</u>

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

	<b>As at September 30, 2010 Million Baht</b>	<b>As at December 31, 2009 Million Baht</b>
Total assets	4,989.6	3,386.5
Total liabilities	<u>3,038.8</u>	<u>1,759.5</u>
Net assets	<u>1,950.8</u>	<u>1,627.0</u>
	<b>For the quarter ended September 30, 2010 Million Baht</b>	<b>For the quarter ended September 30, 2009 Million Baht</b>
Total revenue	474.7	377.0
Net income for the quarters	74.1	55.6
Share of profits of associated company accounted for under equity method	36.7	24.4
	<b>For the nine-month period ended September 30, 2010 Million Baht</b>	<b>For the nine-month period ended September 30, 2009 Million Baht</b>
Total revenue	1,049.1	699.7
Net income for the nine month periods	109.1	81.1
Share of profits of associated company accounted for under equity method	54.0	40.2

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.

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 were 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 7).

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.

On January 5, 2010, the Company entered into First Amendment Agreement to Asset Transfer Agreement with KT ZMICO Securities Co., Ltd. to change the receive conditions for the remaining of Baht 200 million specified in Asset Transfer Agreement dated March 31, 2009 as follows:

If the transfer business and assets does not occur at the beginning of the year 2009, the targeted EBITDA of Baht 250 million for the year 2009 shall be pro-rated based on the remaining period from the date on which the business and assets are transferred (the "Pro-rate 2009 EBITDA"). In this case, the 2009 receive shall be calculated as follows:

- a) In the case where actual EBITDA is less than Pro-rated 2009 EBITDA, the 2009 actual EBITDA shall be deferred and made together with the 2010 receive;
- b) In the case where actual EBITDA is equal or more than the Pro-rated 2009 EBITDA, the 2009 receive shall be paid on the Pro-rated based on the comparison of i.) the actual EBITDA and ii.) the targeted EBITDA for the year 2009 which is determined amount of Baht 250 million. However, the received amount shall not be more than Baht 60 million.

For the cash received from transferring the business amount of Baht 300 million resulting gain on transfer of assets of Baht 185.51 million in the separate financial statements for the year ended December 31, 2009. The Company recognized such gain on transfer of assets and its business to associated 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 and its business 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 and its business to the associated company" as income when the Company has lower percentage of shareholding in the associated company and when the associated company calculation depreciation or sells such transferred assets to the third parties. In addition, for the year ended December 31, 2009, the associated company calculated depreciation and sold part of transferred assets to the third parties, therefore, the Company recorded "unrealized gain on transfer of assets and its business to the associated company" as gain on transfer of assets and its business to associated in the consolidated statements of income by Baht 9.13 million. The Company recorded unrealized gain on such transferred assets and its business to the associated company which occurred from the part of transferred its business amount of Baht 82.60 million.

The separate financial statements for the year ended December 31, 2009, the Company recorded additional gain on transfer of assets and its business to associated company of Baht 58.18 million and recorded an accrued income from associate company at the same amount as at December 31, 2009 as part of the remaining Baht 200 million which the Company will receive from the associated company, due to 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. However, the Company recognized such gain on transfer of assets and its business as income in the consolidated statements of income by Baht 29.41 million according to the shareholding percentage of the third parties in the associated company of 50.55%. The remaining amount of Baht 28.77 million was additionally recorded as unrealized gain on transfer of assets and its business to the associated company. In the consolidated balance sheet as at December 31, 2009, the Company has unrealized gain on transferred assets to the associated company in amount of Baht 111.37 million.

On March 29, 2010, the Company received compensation regarding the transfer of assets and its business for the year 2009 of Baht 58.18 million from KT ZMICO Securities Co., Ltd. because actual EBITDA in 2009 is higher than Pro-rated 2009 EBITDA.

As at April 22, 2010, the Company additionally invested in KT ZMICO Securities Co., Ltd. by 18,181,800 shares which is 8.25 Baht/share totally amount of Baht 149.99 million. The percentage of investment increased from 49.45% to 49.54% which is 110.35 million shares in amount of Baht 1,087.5 million as at September 30, 2010.

During the nine-month periods ended September 30, 2010, the associated company calculated depreciation and sold part of transferred assets and its business to the third parties. The Company recorded “unrealized gain on transfer of assets to the associated company” as an income in the consolidated statements of income by Baht 6.9 million. Therefore, as at September 30, 2010, the Company has unrealized gain on transferred assets to the associated company remaining amount of Baht 104.48 million.

#### 7. SECURITIES BUSINESS RECEIVABLES AND ACCRUED INTEREST RECEIVABLES - NET

As at September 30, 2010 and December 31, 2009, the Company has securities business receivables and accrued interest receivables as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at	As at
	September 30, 2010	December 31, 2009
	Baht	Baht
Securities business receivables		
Receivables under litigation	130,901,691	131,611,293
Instalment receivables	7,091	53,283
Other receivables	157,606,703	170,401,841
Total securities business receivables	288,515,485	302,066,417
<u>Less</u> Allowance for doubtful accounts (see Note 8)	<u>(285,817,245)</u>	<u>(286,481,115)</u>
Total	<u>2,698,240</u>	<u>15,585,302</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 Notification No. Kor Thor. 5/2544 dated February 15, 2001 as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	As at September 30, 2010			As at December 31, 2009		
	Securities Business receivables and accrued interest receivables	Allowance for doubtful accounts set up by the Company	Securities business receivables and accrued interest receivables - net	Securities business accrued interest receivables	Allowance for doubtful accounts set up by the Company	Securities business receivables and accrued interest receivables - net
	Baht	Baht	Baht	Baht	Baht	Baht
Substandard debts	2,698,240	-	2,698,240	15,585,302	-	15,585,302
Doubtful debts	285,817,245	(285,817,245)	-	286,481,115	(286,481,115)	-
Total	<u>288,515,485</u>	<u>(285,817,245)</u>	<u>2,698,240</u>	<u>302,066,417</u>	<u>(286,481,115)</u>	<u>15,585,302</u>

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 September 30, 2010 Baht	As at December 31, 2009 Baht
Over 9 months to 12 months	-	100,744,438
Over 1 year to 3 years	281,016,523	193,114,964
Over 3 years	7,498,962	8,207,015
Total	<u>288,515,485</u>	<u>302,066,417</u>

## 8. ALLOWANCE FOR DOUBTFUL ACCOUNTS

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at September 30, 2010 Baht	As at December 31, 2009 Baht
Beginning balances of the period/year	286,481,115	250,726,115
<u>Add</u> Doubtful accounts	<u>(663,870)</u>	<u>35,755,000</u>
Ending balances of the period/year (see Note 7)	<u>285,817,245</u>	<u>286,481,115</u>

## 9. DEFERRED INCOME TAX - NET

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at September 30, 2010 Baht	As at December 31, 2009 Baht	As at September 30, 2010 Baht	As at December 31, 2009 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,057,359	2,264,432	2,057,359	2,264,432
Allowance for loss on impairment of investments	33,071,475	28,350,906	33,071,475	28,350,906
Amortization of underwriting license	-	732,877	-	732,877
Reserve for retention bonus	8,741,091	8,491,060	8,741,091	8,491,060
Unrealized loss on revaluation of investments				
- Trading securities	831,729	391,894	831,729	391,894
- Available-for-sale securities	-	583	-	583
Cumulative tax loss	15,219,833	7,251,115	15,219,833	7,251,115
Other assets	35,446	35,446	35,446	35,446
Gain on transfer of assets and its business to associated company	26,120,230	27,843,201	-	-
	<u>86,077,163</u>	<u>75,361,514</u>	<u>59,956,933</u>	<u>47,518,313</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on revaluation of investments				
- Trading securities	-	715,874	-	715,874
- Available-for-sale securities	2,359,853	724,500	2,359,853	724,500
Amortization of derivative license	133,818	40,069	133,818	40,069
	<u>2,493,671</u>	<u>1,480,443</u>	<u>2,493,671</u>	<u>1,480,443</u>
Deferred tax assets - net	<u>83,583,492</u>	<u>73,881,071</u>	<u>57,463,262</u>	<u>46,037,870</u>

The movements of deferred income tax are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized into	recognized into	September 30,
	2010	Statements of	Shareholders'	2010
	Income	Equity		
	Baht	Baht	Baht	Baht
		(see Note 28)		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,264,432	(207,073)	-	2,057,359
Allowance for loss on impairment of investments	28,350,906	4,720,569	-	33,071,475
Amortization of underwriting license	732,877	(732,877)	-	-
Reserve for retention bonus	8,491,060	250,031	-	8,741,091
Unrealized loss on revaluation of investments			-	
- Trading securities	391,894	439,835	-	831,729
- Available-for-sale securities	583	-	(583)	-
Cumulative tax loss	7,251,115	7,968,718	-	15,219,833
Other assets	35,446	-	-	35,446
Gain on transfer of asset and its business to associated company			-	
	<u>27,843,201</u>	<u>(1,722,971)</u>	<u>-</u>	<u>26,120,230</u>
	<u>75,361,514</u>	<u>10,716,232</u>	<u>(583)</u>	<u>86,077,163</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on revaluation of investments				
- Trading securities	715,874	(715,874)	-	-
- Available-for-sale securities	724,500	-	1,635,353	2,359,853
Amortization of derivative license	40,069	93,749	-	133,818
	<u>1,480,443</u>	<u>(622,125)</u>	<u>1,635,353</u>	<u>2,493,671</u>
<b>Deferred tax assets - net</b>	<u>73,881,071</u>	<u>11,338,357</u>	<u>(1,635,936)</u>	<u>83,583,492</u>

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized into	recognized into	September 30,
	2009	Statements of	Shareholders'	2009
	Income	Equity		
	Baht	Baht	Baht	Baht
		(see Note 28)		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,417,187	(152,755)	-	2,264,432
Allowance for loss on impairment of investments	23,962,815	2,740,275	-	26,703,090
Amortization of underwriting license	3,317,808	(1,959,931)	-	1,357,877
Reserve for retention bonus	-	7,746,586	-	7,746,586
Unrealized loss on revaluation of investments				
- Trading securities	1,235,391	(770,513)	-	464,878
- Available-for-sale securities	1,223,540	-	(1,222,420)	1,120
Cumulative tax loss	33,400,593	(24,471,922)	-	8,928,671
Other assets	74,034	(38,588)	-	35,446
Gain on transfer of assets and its business of associated company			-	
	<u>-</u>	<u>26,607,245</u>	<u>-</u>	<u>26,607,245</u>
	<u>65,631,368</u>	<u>9,700,397</u>	<u>(1,222,420)</u>	<u>74,109,345</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on revaluation of investments				
- Trading securities	553,329	(91,720)	-	461,609
- Available-for-sale securities	-	-	803,691	803,691
Amortization of derivative license	-	8,818	-	8,818
	<u>553,329</u>	<u>(82,902)</u>	<u>803,691</u>	<u>1,274,118</u>
<b>Deferred tax assets - net</b>	<u>65,078,039</u>	<u>9,783,299</u>	<u>(2,026,111)</u>	<u>72,835,227</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized into	recognized into	September 30,
	2010	Statements of	Shareholders'	2010
	Income	Equity		
Baht	Baht	Baht	Baht	
	(see Note 28)			
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,264,432	(207,073)	-	2,057,359
Allowance for loss on impairment of investments	28,350,906	4,720,569	-	33,071,475
Amortization of underwriting license	732,877	(732,877)	-	-
Reserve for retention bonus	8,491,060	250,031	-	8,741,091
Unrealized loss on revaluation of investments				
- Trading securities	391,894	439,835	-	831,729
- Available-for-sale securities	583	-	(583)	-
Cumulative tax loss	7,251,115	7,968,718	-	15,219,833
Other assets	35,446	-	-	35,446
	<u>47,518,313</u>	<u>12,439,203</u>	<u>(583)</u>	<u>59,956,933</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on revaluation of investments				
- Trading securities	715,874	(715,874)	-	-
- Available-for-sale securities	724,500	-	1,635,353	2,359,853
Amortization of derivative license	40,069	93,749	-	133,818
	<u>1,480,443</u>	<u>(622,125)</u>	<u>1,635,353</u>	<u>2,493,671</u>
<b>Deferred tax assets - net</b>	<u>46,037,870</u>	<u>13,061,328</u>	<u>(1,635,936)</u>	<u>57,463,262</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized into	recognized into	September 30,
	2009	Statements of	Shareholders'	2009
	Income	Equity		
Baht	Baht	Baht	Baht	
	(see Note 28)			
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,417,187	(152,755)	-	2,264,432
Allowance for loss on impairment of investments	23,962,815	2,740,275	-	26,703,090
Amortization of underwriting license	3,317,808	(1,959,931)	-	1,357,877
Reserve for retention bonus	-	7,746,586	-	7,746,586
Unrealized loss on revaluation of investments				
- Trading securities	1,235,391	(770,513)	-	464,878
- Available-for-sale securities	1,223,540	-	(1,222,420)	1,120
Cumulative tax loss	33,400,593	(24,471,922)	-	8,928,671
Other assets	74,034	(38,588)	-	35,446
	<u>65,631,368</u>	<u>(16,906,848)</u>	<u>(1,222,420)</u>	<u>47,502,100</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on revaluation of investments				
- Trading securities	553,329	(91,720)	-	461,609
- Available-for-sale securities	-	-	803,691	803,691
Amortization of derivative license	-	8,818	-	8,818
	<u>553,329</u>	<u>(82,902)</u>	<u>803,691</u>	<u>1,274,118</u>
<b>Deferred tax assets - net</b>	<u>65,078,039</u>	<u>(16,823,946)</u>	<u>(2,026,111)</u>	<u>46,227,982</u>

**10. ASSETS CLASSIFIED AS HELD FOR SALE - NET**

	<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS</b>	
	<b>As at</b>	<b>As at</b>
	<b>September 30,</b>	<b>December 31,</b>
	<b>2010</b>	<b>2009</b>
	<b>Baht</b>	<b>Baht</b>
Land	160,257,466	160,257,466
Golf membership	200,000	200,000
	<u>160,457,466</u>	<u>160,457,466</u>
<u>Less</u> Allowance for impairment	<u>(141,786)</u>	<u>(141,786)</u>
Total assets classified as held for sale - net	<u>160,315,680</u>	<u>160,315,680</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 by the issuer. At present, the Company is in process to find the potential buyers.

**11. OTHER ASSETS**

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>September 30,</b>	<b>December 31,</b>	<b>September 30,</b>	<b>December 31,</b>
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Accrued interest income	290,229	1,179,820	275,216	1,123,361
Prepaid insurance	145,655	294,789	-	284,127
Prepaid repair and maintenance	302,333	12,336	-	-
Other deposits	833,102	832,102	472,827	472,827
Fund management fee and service income receivables	343,860	616,565	-	-
Accrued income from associated company (see Note 7)	-	58,180,804	-	58,180,804
Corporate income tax claim receivable	718,008	26,408,227	301,285	26,207,334
Value-added-tax receivable	2,487,047	2,202,871	-	-
Others	3,599,911	2,921,271	2,526,645	2,224,216
Total	<u>8,720,145</u>	<u>92,648,785</u>	<u>3,575,973</u>	<u>88,492,669</u>

## 12. 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, 2010 and December 31, 2009, the Company has not issued such debentures.

## 13. 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, 2010 and as at December 31, 2009, the Company has not issued such derivatives debentures.

## 14. OTHER LIABILITIES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Accrued expenses	1,221,149	4,602,605	387,413	2,358,725
Withholding tax payable	414,256	5,440,527	236,390	5,350,145
Value-added-tax payable	201,008	827,659	188,695	827,659
Others payable	5,344,196	5,344,196	5,344,196	5,344,196
Others	5,245,787	4,602,227	5,207,394	4,552,670
Total	<u>12,426,396</u>	<u>20,817,214</u>	<u>11,364,088</u>	<u>18,433,395</u>

## 15. SHARE CAPITAL

Registered and issued 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 ratios 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.

On April 21, 2010, the ordinary shareholders' meeting 2010 has passed the following resolutions:

- (1) Approved of decreasing the Company's authorized share capital from Baht 1,083,833,521 to Baht 833,895,131 and cancelling the issuance of 249,938,390 new ordinary shares which were reserved for the exercise of the shareholder's warrants, the Directors and employees' warrants III, and the ESOP warrants offering the Company's employees (see Notes 17.1, 17.2 and 17.3) due to the warrants were expired.
- (2) Approved an amendment of Clause 4 of the Memorandum of Association in order to comply with an decrease of capital. The registered capital of Baht 1,083,833,521 will be decreased to Baht 833,895,131 equivalent to 833,895,131 shares at a par value of Baht 1 each.

The Company registered the decrease of share capital and amendment of the Company's Memorandum of Association with the Ministry of Commerce on April 30, 2010.

On August 30, 2010, the Extraordinary General Meeting of Shareholders No. 1/2010 have passed the following resolutions :

- (1) Approved the reduction of authorized and issued and paid-up share capital of the Company from Baht 833,895,131 to Baht 416,947,565.50 by reducing the par value of the Company's shares from Baht 1 per share to Baht 0.50 per share to return capital to the Company's shareholders.
- (2) Approved an amendment of Clause 4 of the Memorandum of Association in order to comply with a reduction of registered and paid up capital by reducing the par value of the Company's shares.

As at September 30, 2010, the Company is in process of decreasing its authorized and issued and paid-up share capital.

As at September 30, 2010 and December 31, 2009, the Company has issued and paid-up share capital totalling Baht 833,895,131.

#### Net asset value

As at September 30, 2010 and December 31, 2009, 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 2.54 per share and Baht 2.52 per share, respectively.

## 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.

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.

On May 12, 2010, the Board of Directors' meeting No. 3/2010 has passed a resolution on a project to repurchase 14,444,444 ordinary shares (representing 1.73% 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 26 million with the repurchase period from May 27, 2010 to November 26, 2010. 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)

As at September 30, 2010, the Company has 16,724,200 treasury shares representing 2.00% 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 33.80 million. (As at December 31, 2009: 9,087,100 treasury shares, representing 1.09% with total treasury stocks of Baht 20.06 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 on April 18, 2007, were amended to a ratio of 1 warrant to 1.09832 ordinary shares, with the exercise price of Baht 5.463 per share.

As at December 31, 2009, the outstanding warrants, which have been allotted but not exercised, are 201,214,034 units. Such warrants were matured on May 6, 2009.

On April 21, 2010, the ordinary shareholders' meeting of the year 2010 has passed the resolution for the approval of decreasing the Company's authorized share capital by cancelling of new ordinary share which were reserved for the exercise of warrants (see Note 15).

## 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 warrants will be 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.

As at December 31, 2009, the outstanding warrants, which have been allotted but not exercised, are 1,451,991 units. Such warrants were matured on August 8, 2009.

On April 21, 2010, the ordinary shareholders' meeting of the year 2010 has passed the resolution for the approval of decreasing the Company's authorized share capital by cancelling of new ordinary share which were reserved for the exercise of warrants (see Note 15).

## 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 year ended December 31, 2009, the employees have not exercised their warrants. As at December 31, 2009, the outstanding warrants, which have been allotted but not exercised, are 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 which have been allotted and have not been allotted 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 25, 2009.

On April 21, 2010, the ordinary shareholders' meeting of the year 2010 has passed the resolution for the approval of decreasing the Company's authorized share capital by cancelling of new ordinary share which were reserved for the exercise of warrants (see Note 15).

## **18. DIVIDEND**

On April 29, 2009, the ordinary shareholders' meeting No.1/2009 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 passed a resolution to approve the dividend payment from the operating result for the six-month period ended June 30, 2009 and from the inappropriate 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.

On April 21, 2010, the 2010 ordinary shareholders' meeting passed the resolution to approve not to pay dividend in respect of the operating result for the year ended December 31, 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 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, 2010 and December 31, 2009, the Company is not required to maintain its net liquid capital and share 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. 20/2552, regarding "The Capital Adequacy of Management Company", the asset management company has to maintain shareholders' 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 shareholders' equity to the warning level. As at September 30, 2010 and December 31, 2009, the Company's financial statements showed shareholders' equity amount of Baht 30.6 million and Baht 51.2 million, respectively. The Company complies with the Notification of the Securities and Exchange Commission.

In addition, the objectives of the 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 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, 2010 and December 31, 2009, the Company has statutory reserve at the rate of 13% and 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, 2010 and December 31, 2009, the Company has appropriated the retained earnings as the treasury stock reserve for the whole amount in amounting to Baht 33.80 million and Baht 20.06 million, respectively (see Note 16).

## 23. FEES AND SERVICES INCOME

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the quarters ended September 30,		For the quarters ended September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Financial advisory fees	-	3,550,654	-	3,550,654
Private fund management and mutual fund management	2,235,712	728,908	-	-
Others	-	71,090	-	71,090
Total	<u>2,235,712</u>	<u>4,350,652</u>	<u>-</u>	<u>3,621,744</u>

  

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the nine-month periods ended September 30,		For the half years ended September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Underwriting fees	-	44,800	-	44,800
Financial advisory fees	4,566,200	8,758,703	4,566,200	8,758,703
Private fund management and mutual fund management	6,534,236	1,236,793	-	-
Others	-	1,562,555	-	1,562,555
Total	<u>11,100,436</u>	<u>11,602,851</u>	<u>4,566,200</u>	<u>10,366,058</u>

## 24. FEE AND SERVICE EXPENSES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters		For the quarters	
	ended September 30,		ended September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Amortization of private fund, mutual fund and derivative licenses	126,027	126,027	-	-
Others	2,312,406	520,306	16,020	28,002
Total	<u>2,438,433</u>	<u>646,333</u>	<u>16,020</u>	<u>28,002</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	September 30,	September 30,	2010	2009
	Baht	Baht	Baht	Baht
Brokerage fees paid to the Stock Exchange of Thailand	-	7,928,364	-	7,928,364
Amortization of private fund, mutual fund and derivative licenses	373,973	373,973	-	-
Others	5,236,979	1,524,426	1,145,244	555,190
Total	<u>5,610,952</u>	<u>9,826,763</u>	<u>1,145,244</u>	<u>8,483,554</u>

## 25. DIRECTORS AND MANAGERMENTS' REMUNERATION

- 25.1 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 and related benefits payable to directors who hold executive position. Directors' remuneration for the year 2010 was approved by the ordinary shareholders' meetings of the Company and the subsidiary held on April 21, 2010 and April 29, 2010, respectively. 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.
- 25.2 Management benefit expenses represents cash remuneration as salaries, bonus, car allowance and provident fund paid to the Company's managements in accordance with the Notification of the Capital Market and Supervisory Board No. Tor Jor. 24/2552 dated July 20, 2009 regarding "Prescription of Prohibited Characteristics of Issuing Company's Director and Executive" (see Note 2.6).

## 26. OTHER EXPENSES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the quarters ended		For the quarters ended	
	September 30,		September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Entertainment expenses	12,696	5,710	-	3,600
Publication and marketing expenses	486,605	267,408	119,400	105,808
Traveling expenses	248,035	674,719	221,411	654,941
SET Fee	779,129	631,603	779,129	631,603
Stationery and office supply	144,749	54,520	94,898	-
Others	1,984,970	2,155,856	1,462,756	2,021,178
Total	<u>3,656,184</u>	<u>3,789,816</u>	<u>2,677,594</u>	<u>3,417,130</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Entertainment expenses	231,562	2,413,400	148,401	2,402,024
Publication and marketing expenses	1,929,615	3,254,153	1,092,338	2,733,807
Traveling expenses	1,077,236	4,229,480	909,022	4,203,547
SET Fee	1,778,236	3,474,960	1,778,236	3,474,960
Stationery and office supply	322,597	2,967,056	110,491	2,822,888
Others	4,301,808	11,200,763	3,131,180	10,581,642
Total	<u>9,641,054</u>	<u>27,539,812</u>	<u>7,169,668</u>	<u>26,218,868</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.

During the quarters ended September 30, 2010 and 2009, the Company has contributed Baht 0.11 million and Baht 0.03 million, respectively, to the fund and has refund cash from employee resigned amount of Baht 0.12 million. The subsidiary has contributed Baht 0.13 million and Baht 0.08 million, respectively, to the fund.

During the nine-month periods ended September 30, 2010 and 2009, the Company has contributed Baht 0.29 million and Baht 2.42 million a, respectively, to the fund and the subsidiary has contributed Baht 0.35 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, 2010 and 2009 to conform to such tax rate change.

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the quarters ended September 30,		For the quarters ended September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Deferred income tax - income	1,836,667	5,069,432	2,460,099	1,395,498
Total	<u>1,836,667</u>	<u>5,069,432</u>	<u>2,460,099</u>	<u>1,395,498</u>

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the nine-month periods ended September 30,		For the nine-month periods ended September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Deferred income tax - expense (income) (see Note 9)	11,338,357	9,783,299	13,061,328	(16,823,946)
Total	<u>11,338,357</u>	<u>9,783,299</u>	<u>13,061,328</u>	<u>(16,823,946)</u>

Reconciliation of income tax expenses 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 quarters ended September 30,		For the quarters ended September 30,	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Net income (loss) before income tax	29,256,053	3,906,155	(9,965,903)	(5,760,509)
Tax rate	<u>25%, 30%</u>	<u>25%, 30%</u>	<u>25%</u>	<u>25%</u>
The result of the account profit (loss) multiplied by the income tax rate	(7,314,014)	(1,092,692)	2,491,475	1,440,127
Effect of the non-deductible income and expense	<u>9,150,681</u>	<u>6,162,124</u>	<u>(31,376)</u>	<u>(44,629)</u>
Income tax - income (expenses)	<u>1,836,667</u>	<u>5,069,432</u>	<u>2,460,099</u>	<u>1,395,498</u>

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		SEPARATE FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2010 Baht	2009 Baht	2010 Baht	2009 Baht
Net income (loss) before income tax	7,657,559	(6,892,339)	(11,795,873)	59,834,271
Tax rate	<u>25%, 30%</u>	<u>25%, 30%</u>	<u>25%</u>	<u>25%</u>
The result of the account profit multiplied by the income tax rate	(1,914,390)	1,606,932	2,948,968	(14,958,568)
Effect of the non-deductible income and expense	<u>13,252,747</u>	<u>8,176,367</u>	<u>10,112,360</u>	<u>(1,865,378)</u>
Income tax - income (expenses) (see Note 9)	<u>11,338,357</u>	<u>9,783,299</u>	<u>13,061,328</u>	<u>(16,823,946)</u>

## 29. RECONCILIATION OF EARNINGS (LOSS) PER SHARE

	CONSOLIDATED FINANCIAL STATEMENTS For the quarters ended September 30,					
	Net income		Weighted average number of ordinary shares		Earnings per share	
	2010 Baht	2009 Baht	2010 shares	2009 shares	2010 Baht	2009 Baht
<b>Basic earnings per share</b>						
Net income	<u>31,092,720</u>	<u>8,975,587</u>	<u>817,170,996</u>	<u>824,767,945</u>	<u>0.038</u>	<u>0.011</u>

	SEPARATE FINANCIAL STATEMENTS For the quarters ended September 30,					
	Net income		Weighted average number of ordinary shares		Earnings per share	
	2010 Baht	2009 Baht	2010 Shares	2009 shares	2010 Baht	2009 Baht
<b>Basic earnings (loss) per share</b>						
Net income (loss)	<u>(7,505,804)</u>	<u>(4,365,011)</u>	<u>817,170,996</u>	<u>824,767,945</u>	<u>(0.009)</u>	<u>(0.005)</u>

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,					
	Net income (loss)		Weighted average number of ordinary shares		Earnings (loss) per share	
	2010 Baht	2009 Baht	2010 shares	2009 shares	2010 Baht	2009 Baht
<b>Basic earnings per share</b>						
Net income	<u>18,995,916</u>	<u>2,890,960</u>	<u>821,609,543</u>	<u>824,780,078</u>	<u>0.023</u>	<u>0.004</u>

SEPARATE FINANCIAL STATEMENTS  
For the nine-month periods ended September 30,

	Net income		Weighted average number of ordinary shares		Earnings per share	
	2010	2009	2010	2009	2010	2009
	Baht	Baht	Shares	Shares	Baht	Baht
<b>Basic earnings per share</b>						
Net income	<u>1,265,455</u>	<u>43,010,325</u>	<u>821,609,543</u>	<u>824,780,078</u>	<u>0.002</u>	<u>0.052</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, 2010 and December 31, 2009 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at September 30, 2010 Baht	As at December 31, 2009 Baht	As at September 30, 2010 Baht	As at December 31, 2009 Baht
<b>Subsidiary</b>				
Seamico Asset Management Co., Ltd.				
Investment in subsidiary - net (see Note 6)	-	-	30,637,465	51,171,306
Investment in mutual fund managed by subsidiary	50,089,516	43,548,105	50,089,516	43,548,105
Investment in private fund managed by subsidiary	-	24,618,407	-	24,618,407
Accrued private fund management fee expenses	-	-	-	7,823
Other receivable	-	-	-	1,856
<b>Associate</b>				
KT ZMICO Securities Co., Ltd.				
Investment in associate (see Note 6)	1,129,195,212	967,321,816	1,087,504,850	937,505,000
Other receivables from transfer business (see Note 6)	-	58,180,804	-	58,180,804
Other liabilities	229,799	-	229,799	-
Other receivable	409,087	248,573	409,087	248,573
<b>Related companies</b>				
<b>Under common directors</b>				
Quam Limited				
Other payable	-	36,081	-	36,081
Thanh Cong Securities Company J.S.C.				
Investment in ordinary shares - net (see Note 5.1)	147,662,303	156,020,644	147,662,303	156,020,644
Other receivable	1,275,008	1,230,008	1,275,008	1,230,008

Significant transactions with related parties for the nine-month periods ended September 30, 2010 and 2009 are as follows:

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the quarters ended		For the quarters ended		
	September 30,		September 30,		
	2010	2009	2010	2009	
	Baht	Baht	Baht	Baht	
<b>Subsidiary</b>					
Seamico Asset Management Co., Ltd.					
Investment in mutual fund managed by subsidiary	-	5,000,000	-	5,000,000	At net asset value of fund total 0.5 million units at price Baht 10 per unit
Withdrawal mutual fund managed by subsidiary	-	5,000,000	-	5,000,000	At net asset value of fund total 0.498 million units at price Baht 10.049 per unit
Withdraw private fund managed by subsidiary	26,551,873	-	26,551,873	-	At fair value of fund
Private fund management fee expenses	-	-	13,308	23,170	At rate determined under the contract at 0.4 percent per annum of net asset value of fund managed (see Note 31.1)
Income from selling agent	-	-	-	24,362	Commission charged at 0.15 per cent of NAV unit trust selling
<b>Associate</b>					
KT ZMICO Securities Co., Ltd.					
Service expense	450,000	450,000	450,000	450,000	At the rate determined under the contract of Baht 150,000 per month (see Note 31.2)
Rental expenses	148,509	148,509	148,509	148,509	At the rate determined under the contract of Baht 49,503 per month
<b>Related companies</b>					
<b>Under common directors</b>					
Quam Limited					
Office rental	280,708	-	280,708	-	Under the contract of HKD 22,941 per month
Thanh Cong Securities Company J.S.C.					
Financial Advisory fee	-	3,550,654	-	3,550,654	At the rate determined under the contract total amount of USD 420,218 which will be made periodically within 12 months in amount of USD 35,018 per month

Significant transactions with related parties for the nine-month periods ended September 30, 2010 and 2009 are as follows:

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the nine-month		For the nine-month		
	periods ended		periods ended		
	September 30,		September 30,		
	2010	2009	2010	2009	
	Baht	Baht	Baht	Baht	
<b>Subsidiary</b>					
Seamico Asset Management Co., Ltd.					
Investment in mutual fund managed by subsidiary	-	25,625,724	-	25,625,724	At net asset value 0.8 million units at the price Baht 10 per units, 1.68 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
Withdrawal mutual fund managed by subsidiary	-	25,625,724	-	25,625,724	At net asset value 2.71 million units at the price Baht 7.6191 per units and 0.498 million units at the price Baht 10.049 per unit
Withdrawal private fund managed by subsidiary	26,551,873	135,000,000	26,551,873	135,000,000	At fair value of fund
Private fund management fee expenses	-	-	62,701	155,008	At rate determined under the contract at 0.4 percent per annum of net asset value of fund managed (see Note 31.1)
Income from selling agent	-	-	-	144,214	Commission charged at 0.15 percent of NAV unit trust selling
Other income	-	-	-	100,000	At the rate determined under the contract of Baht 25,000 per month
<b>Associate</b>					
KT ZMICO Securities Co., Ltd.					
Service expense	1,350,000	750,000	1,350,000	750,000	At the rate determined under the contract of Baht 150,000 per month (see Note 31.2)
Rental expenses	445,527	247,515	445,527	247,515	At the rate determined under the contract of Baht 49,503 per month
<b>Related companies</b>					
<b>Under common directors</b>					
Quam Limited					
Office rental	861,877	-	861,877	-	Under the contract of HKD 22,941 per month
Thanh Cong Securities Company J.S.C.					
Financial Advisory fee	4,566,200	5,946,032	4,566,200	5,946,032	At the rate determined under the contract total amount of USD 420,218 which will be made periodically within 12 months in amount of USD 35,018 per month
<b>Related persons</b>					
Commission received	-	50,678	-	50,678	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	-	23,850	-	23,850	Commission charged at Baht 450 per contract

## 31. COMMITMENTS

### Transactions with related parties

- 31.1 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. As at 30 September, 2010, the Company has closed the provident fund already.
- 31.2 On May 28, 2009, the Company entered into 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 expired on April 30, 2010. The agreement is automatically extended one year by payment in amount of Baht 150,000 per month.
- 31.3 On May 1, 2009, the Company entered into agreement with KT ZMICO Securities Co., Ltd. for rental office at 16<sup>th</sup> Floor (No. 1601), 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 and has continued the agreement to January 31, 2013.
- 31.4 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 : 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 KT ZMICO Securities Co., Ltd. staff at the payment date. However, the payment is paid only according to the commitment under employment transfer agreement. For the year ended December 31, 2009, the Company already paid in the total amount of Baht 55 million. For the nine-month period ended September 30, 2010, the Company already paid of retention bonus the totally amount of Baht 25 million. As at September 30, 2010, the Company has the remaining of accrued retention bonus amount of Baht 35 million.
- 31.5 On March 20, 2009, the Company entered into agreement with Thanh Cong Securities Company J.S.C. ("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 overseas through Seamico's network. The term of agreement is one year and the Company will receive such service fee in total amount of USD 420,218 which will be made periodically within 12 months in amount of USD 35,018 per month. The amount mentioned is net with related taxes in Vietnam.
- 31.6 On October 19, 2009, the Company entered into a licensing agreement with Quam Limited for rental office in Hong Kong. The term of agreement is 6 months for the period from October 19, 2009 to April 18, 2010 and automatically renew on a monthly basis. The Company agreed to pay a monthly fee at the rate of HKD 22,941.

Transactions with other business parties

31.7 As at September 30, 2010 and December 31, 2009, the Company 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,
	2010	2009	2010	2009
	Million Baht	Million Baht	Million Baht	Million Baht
Within 1 year	3.2	1.7	1.6	1.6
Over 1 year to 5 years	3.0	2.0	0.8	2.0
Total	6.2	3.7	2.4	3.6

**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 and nine-month period ended September 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 trading funds, debt and equity securities and derivatives. 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. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

These interim financial statements have been approved for issuing by the audit committee and authorized director of the Company on November 11, 2010.