

บริษัทหลักทรัพย์ เมย์แบงก์ กิมเอ็ง (ประเทศไทย) จำกัด
(มหาชน) และบริษัทย่อย
รายงาน และ งบการเงินระหว่างกาล
30 กันยายน 2556

รายงานการสอบทานข้อมูลทางการเงินระหว่างกาลโดยผู้สอบบัญชีรับอนุญาต

เสนอต่อผู้ถือหุ้นของบริษัทหลักทรัพย์ เมย์แบงก์ กิมเอ็ง (ประเทศไทย) จำกัด (มหาชน)

ข้าพเจ้าได้สอบทานงบแสดงฐานะการเงิน ณ วันที่ 30 กันยายน 2556 งบกำไรขาดทุนเบ็ดเสร็จสำหรับงวดสามเดือนและเก้าเดือนสิ้นสุดวันที่ 30 กันยายน 2556 งบแสดงการเปลี่ยนแปลงส่วนของผู้ถือหุ้น และงบกระแสเงินสดสำหรับงวดเก้าเดือนสิ้นสุดวันเดียวกัน และหมายเหตุประกอบงบการเงินแบบย่อของบริษัทหลักทรัพย์ เมย์แบงก์ กิมเอ็ง (ประเทศไทย) จำกัด (มหาชน) และได้สอบทานงบกำไรขาดทุนเบ็ดเสร็จรวมและงบกระแสเงินสดรวมสำหรับงวดเก้าเดือนสิ้นสุดวันเดียวกันของบริษัทหลักทรัพย์ เมย์แบงก์ กิมเอ็ง (ประเทศไทย) จำกัด (มหาชน) และบริษัทย่อยด้วยเช่นกัน ซึ่งผู้บริหารของกิจการเป็นผู้รับผิดชอบในการจัดทำและนำเสนอข้อมูลทางการเงินระหว่างกาลเหล่านี้ตามมาตรฐานการบัญชี ฉบับที่ 34 เรื่อง งบการเงินระหว่างกาล ส่วนข้าพเจ้าเป็นผู้รับผิดชอบในการให้ข้อสรุปเกี่ยวกับข้อมูลทางการเงินระหว่างกาลดังกล่าวจากผลการสอบทานของข้าพเจ้า

ขอบเขตการสอบทาน

ข้าพเจ้าได้ปฏิบัติตามสอบทานตามมาตรฐานงานสอบทาน รหัส 2410 เรื่อง การสอบทานข้อมูลทางการเงินระหว่างกาลโดยผู้สอบบัญชีรับอนุญาตของกิจการ การสอบทานดังกล่าวประกอบด้วย การใช้วิธีการสอบถาม บุคลากร ซึ่งส่วนใหญ่เป็นผู้รับผิดชอบด้านการเงินและบัญชีและการวิเคราะห์เปรียบเทียบและวิธีการสอบทานอื่น การสอบทานนี้มีขอบเขตจำกัดกว่าการตรวจสอบตามมาตรฐานการสอบบัญชี ทำให้ข้าพเจ้าไม่สามารถได้ความเชื่อมั่นว่าจะพบเรื่องที่มีนัยสำคัญทั้งหมดซึ่งอาจพบได้จากการตรวจสอบ ดังนั้นข้าพเจ้าจึงไม่ได้แสดงความเห็นต่อข้อมูลทางการเงินระหว่างกาลที่สอบทาน

ข้อสรุป

ข้าพเจ้าไม่พบสิ่งที่เป็นเหตุให้เชื่อว่าข้อมูลทางการเงินระหว่างกาลดังกล่าวไม่ได้จัดทำขึ้นตามมาตรฐานการบัญชี ฉบับที่ 34 เรื่อง งบการเงินระหว่างกาล ในสาระสำคัญจากการสอบทานของข้าพเจ้า

ข้อมูลและเหตุการณ์ที่เน้น

ข้าพเจ้าขอให้สังเกตหมายเหตุประกอบงบการเงินข้อ 3 เกี่ยวกับการเปลี่ยนแปลงนโยบายบัญชี เนื่องจากการนำมาตรฐานการบัญชี ฉบับที่ 12 เรื่องภาษีเงินได้ มาถือปฏิบัติ ทั้งนี้ ข้าพเจ้ามิได้ให้ข้อสรุปอย่างมีเงื่อนไขต่อกรณีนี้แต่อย่างใด

รัตนา จาละ

ผู้สอบบัญชีรับอนุญาต เลขทะเบียน 3734

บริษัท สำนักงาน เอ็นส์ท แอนด์ ยัง จำกัด

กรุงเทพฯ: 6 พฤศจิกายน 2556

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary

Statement of Financial Position

As at 30 September 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements		
		31 December 2012	1 January 2012	30 September 2013	31 December 2012	1 January 2012
		(Restated)		(Unaudited but reviewed)	(Restated)	
Assets						
Cash and cash equivalents	4	301,264	436,944	402,475	271,776	373,414
Deposits at financial institutions	5	3,451	3,447	3,518	3,451	3,447
Receivables from Clearing House	6	1,245,126	178,179	239,801	1,245,126	178,179
Securities and derivatives business receivables	7	11,676,878	5,870,371	14,134,404	11,676,878	5,870,371
Investment	10	74,758	35,001	45,503	74,758	35,001
Investments in subsidiary	11	-	-	-	50,693	100,000
Loans to employees under welfare program		289,117	323,157	293,240	289,117	323,157
Equipment		154,576	142,623	186,744	150,404	139,991
Intangible assets		31,629	23,792	30,841	28,506	21,698
Property foreclosed		9,887	9,887	9,887	9,887	9,887
Deposits		41,222	39,446	44,217	41,215	39,427
Deferred tax assets	3	26,365	20,870	30,540	36,226	20,870
Other assets	12	145,224	103,355	159,684	141,671	101,631
Total assets		13,999,497	7,187,072	15,580,854	14,019,708	7,217,073

The accompanying notes are an integral part of the financial statements.

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary

Statement of Financial Position (continued)

As at 30 September 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements		
		31 December 2012 (Restated)	1 January 2012	30 September 2013 (Unaudited but reviewed)	31 December 2012 (Restated)	1 January 2012
Liabilities and shareholders' equity						
Liabilities						
Borrowings from financial institutions	13	2,170,000	594,000	4,015,000	2,170,000	594,000
Payables to Clearing House		451,885	-	1,227,019	451,885	-
Securities and derivatives business payables	14	3,956,161	1,354,730	2,547,385	3,956,161	1,354,730
Derivatives liabilities	9	24,287	5,952	9,681	24,287	5,952
Debt issued and borrowings	15	2,007,424	-	1,991,978	2,007,424	-
Provisions	16	83,729	57,765	100,626	83,026	57,429
Accrued bonus		305,800	480,784	416,558	305,099	480,259
Income tax payable		131,394	133,493	66,844	131,394	133,493
Accrued expenses		103,738	75,446	126,384	102,015	74,993
Liabilities under financial lease agreements		17,569	16,518	19,871	16,072	14,807
Dividend payable		167,230	917	917	167,230	917
Other liabilities		36,902	26,515	57,571	36,450	26,372
Total liabilities		9,456,119	2,746,120	10,579,834	9,451,043	2,742,952
Shareholders' equity						
Share capital						
Registered						
572,250,000 ordinary shares of Baht 5 each		2,861,250	2,861,250	2,861,250	2,861,250	2,861,250
Issued and fully paid-up						
570,814,500 ordinary shares of Baht 5 each		2,854,072	2,854,072	2,854,072	2,854,072	2,854,072
Share premium		523,571	523,571	523,571	523,571	523,571
Premium on treasury shares		19,219	5,348	19,219	19,219	5,348
Retained earnings						
Appropriated - statutory reserve	19	286,125	286,125	286,125	286,125	286,125
Appropriated - treasury shares reserve		-	11,261	-	-	11,261
Unappropriated		860,391	771,836	1,318,033	885,678	805,005
Less: Treasury shares		-	(11,261)	-	-	(11,261)
Equity attributable to holders of the Company		4,543,378	4,440,952	5,001,020	4,568,665	4,474,121
Non-controlling interests of the subsidiary		-	-	-	-	-
Total shareholders' equity		4,543,378	4,440,952	5,001,020	4,568,665	4,474,121
Total liabilities and shareholders' equity		13,999,497	7,187,072	15,580,854	14,019,708	7,217,073
		-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary**Statement of comprehensive income****For the three-month period ended 30 September 2013**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated	Separate	
		financial statement	financial statements	
		2012	2013	2012
		(Restated)		(Restated)
Continuing operations				
Income				
Brokerage fee	21	641,535	749,565	641,535
Fee and service income		50,242	11,323	50,448
Loss on investments		(1,416)	(93,763)	(1,416)
Gain on derivatives		3,321	100,316	3,321
Interest and dividends		55,429	91,198	55,429
Interest on margin loans		88,750	143,810	88,750
Other income		5,435	9,757	5,545
Total income		843,296	1,012,206	843,612
Expenses				
Financial costs		55,689	113,795	55,689
Fee and service expenses		49,355	59,935	49,355
Operating expenses				
Personnel expenses	24	337,908	379,186	337,909
Premises and equipment expenses		77,246	85,207	77,247
Taxes and duties		3,405	7,324	3,405
Directors' remuneration	22	3,400	2,500	3,400
Information and technology		8,234	7,800	8,235
Other expenses		50,552	33,830	50,550
Total operating expenses		480,745	515,847	480,746
Reversal of bad debt and doubtful accounts		(138)	(199)	(138)
Total expenses		585,651	689,378	585,652
Profit before income tax expenses		257,645	322,828	257,960
Income tax expenses	18	(62,699)	(66,761)	(62,699)
Profit from continuing operations		194,946	256,067	195,261
Discontinued operations				
Loss from discontinued operations	27	(7,134)	-	-
Profit for the periods		187,812	256,067	195,261
Other comprehensive income:				
Other comprehensive income for the periods		-	-	-
Total comprehensive income for the periods		187,812	256,067	195,261

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary

Statement of comprehensive income (continued)

For the three-month period ended 30 September 2013

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated	Separate	
		financial statement	financial statements	
		2012	2013	2012
		(Restated)		(Restated)
Profit attributable to:				
Equity holders of the Company				
Profit from continuing operations		194,946	256,067	195,261
Loss from discontinued operations	27	(7,134)	-	-
Profit attributable to equity holders of the Company		<u>187,812</u>	<u>256,067</u>	<u>195,261</u>
Non-controlling interests				
Profit from continuing operations		-		
Loss from discontinued operations		-		
Profit attributable to equity holders of the non-controlling interests		<u>-</u>		
		<u>187,812</u>		
Total comprehensive income attributable to:				
Equity holders of the Company				
Comprehensive income from continuing operations		194,944	256,067	195,261
Comprehensive income from discontinued operations	27	(7,134)	-	-
Total comprehensive income attributable to the Company		<u>187,810</u>	<u>256,067</u>	<u>195,261</u>
Non-controlling interests				
Comprehensive income from continuing operations		-		
Comprehensive income from discontinued operations		-		
Total comprehensive income attributable to the non-controlling interests		<u>-</u>		
		<u>187,810</u>		
Earnings per share attributable to equity holders of the Company				
Basic earnings (loss) per share	23			
From continuing operations		0.34	<u>0.45</u>	<u>0.34</u>
From discontinued operations	27	-0.01		
		<u>0.33</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary**Statement of comprehensive income**

For the nine-month period ended 30 September 2013

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Continuing operations					
Income					
Brokerage fee	21	3,075,417	1,813,052	3,075,417	1,813,052
Fee and service income		58,799	71,218	58,958	71,868
Loss on investments		(155,052)	(72,086)	(155,052)	(72,086)
Gain on derivatives		163,922	95,929	163,922	95,929
Interest and dividends		244,984	178,684	244,984	178,684
Interest on margin loans		484,759	230,908	484,759	230,908
Gains on sale of investment in subsidiary		18,624	-	-	-
Other income		69,810	19,889	69,864	20,639
Total income		3,961,263	2,337,594	3,942,852	2,338,994
Expenses					
Financial costs		353,908	155,350	353,908	155,350
Fee and service expenses		229,121	151,063	229,121	151,063
Operating expenses					
Personnel expenses	24	1,502,525	899,597	1,502,525	899,597
Premises and equipment expenses		252,250	223,033	252,329	223,033
Taxes and duties		23,688	9,240	23,688	9,240
Directors' remuneration	22	2,300	5,200	2,300	5,200
Information and technology		21,595	27,095	21,595	27,095
Other expenses		117,226	121,496	117,226	121,496
Total operating expenses		1,919,584	1,285,661	1,919,663	1,285,661
Reversal of bad debt and doubtful accounts		(94)	(233)	(94)	(233)
Total expenses		2,502,519	1,591,841	2,502,598	1,591,841
Profit before income tax expenses		1,458,744	745,753	1,440,254	747,153
Income tax expenses	18	(284,520)	(176,215)	(294,381)	(176,215)
Profit from continuing operations		1,174,224	569,538	1,145,873	570,938
Discontinued operations					
Loss from discontinued operations	27	(3,063)	(22,187)	-	-
Profit for the periods		1,171,161	547,351	1,145,873	570,938
Other comprehensive income:					
Other comprehensive income for the periods		-	-	-	-
Total comprehensive income for the periods		1,171,161	547,351	1,145,873	570,938

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary**Statement of comprehensive income (continued)**

For the nine-month period ended 30 September 2013

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Profit attributable to:					
Equity holders of the Company					
Profit from continuing operations		1,174,224	569,538	1,145,873	570,938
Loss from discontinued operations	27	(3,063)	(22,187)	-	-
Profit attributable to equity holders of the Company		1,171,161	547,351	1,145,873	570,938
Non-controlling interests					
Profit from continuing operations		-	-		
Loss from discontinued operations		-	-		
Profit attributable to equity holders of the non-controlling interests		-	-		
		1,171,161	547,351		
Total comprehensive income attributable to:					
Equity holders of the Company					
Comprehensive income from continuing operations		1,174,224	569,538	1,145,873	570,938
Comprehensive income from discontinued operations	27	(3,063)	(22,187)	-	-
Total comprehensive income attributable to the Company		1,171,161	547,351	1,145,873	570,938
Non-controlling interests					
Comprehensive income from continuing operations		-	-		
Comprehensive income from discontinued operations		-	-		
Total comprehensive income attributable to the non-controlling interests		-	-		
		1,171,161	547,351		
Earnings per share attributable to equity holders of the Company					
Basic earnings (loss) per share	23				
From continuing operations		2.06	1.00	2.01	1.00
From discontinued operations	27	-0.01	-0.04		
		2.05	0.96		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary**Cash flow statement****For the nine-month period ended 30 September 2013**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Cash flows from operating activities				
Profit before income tax expenses from continuing operations	1,458,744	745,753	1,440,254	747,153
Loss before income tax expenses from discontinued operations	(3,063)	(22,187)	-	-
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	63,075	52,517	62,854	51,534
Reversal of bad debt and doubtful accounts	(94)	(233)	(94)	(233)
Unrealised (gains) losses on revaluation of investments	2,219	(884)	2,219	(884)
Unrealised (gains) losses on revaluation of derivatives liabilities	(1,349)	3,716	(1,349)	3,716
Unrealised losses on revaluation of foreign receivables and payables	2,532	16,491	2,532	16,491
Gains on sale investment in subsidiary	(18,624)	-	-	-
(Gains) losses on sales and written-off of premises and equipment	(1,839)	263	(1,667)	16
Retirement benefit	17,668	19,473	17,600	19,197
Financial cost	353,082	154,621	353,082	154,621
Amortised interest expense of financial lease	834	813	826	729
Doubtful accounts - other receivables (reversal)	(60)	(100)	(60)	(100)
Interest income	(734,869)	(413,639)	(734,752)	(412,570)
Cash paid for interest	(325,647)	(156,444)	(325,638)	(156,361)
Cash paid for income tax	(353,255)	(253,641)	(353,245)	(253,595)
Profit from operating activities before changes in operating assets and liabilities	459,354	146,519	462,562	169,714
Decrease (increase) in operating assets				
Deposits at financial institutions	(67)	(3)	(67)	(3)
Receivables from Clearing House	1,002,793	10,377	1,002,793	10,377
Securities and derivatives business receivables	(2,452,200)	(5,738,697)	(2,452,200)	(5,738,697)
Investments	27,036	(28,287)	27,036	(28,287)
Loans to employees under welfare program	(4,123)	29,645	(4,123)	29,645
Deposits	(3,002)	(1,654)	(3,002)	(1,667)
Other assets	(25,668)	(54,926)	(25,121)	(54,418)
Increase (decrease) in operating liabilities				
Payables to Clearing House	775,134	594,838	775,134	594,838
Securities and derivatives business payables	(1,408,776)	2,095,588	(1,408,776)	2,095,588
Derivative liabilities	(13,257)	7,466	(13,257)	7,466
Accrued bonus	111,035	(289,348)	111,459	(289,523)
Accrued expenses	16,258	6,436	17,581	6,392
Other liabilities	20,941	13,601	21,121	13,484
Net cash flows used in operating activities	(1,494,542)	(3,208,445)	(1,488,860)	(3,185,091)

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary

Cash flow statement (continued)

For the nine-month period ended 30 September 2013

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Cash flows from investing activities				
Cash received from interest	736,887	397,303	736,688	396,193
Cash received from sale investment in subsidiary	26,707	-	50,693	-
Proceeds from disposals of equipment	2,372	1,283	2,372	1,283
Cash paid for purchases of equipment	(83,601)	(53,036)	(83,601)	(50,161)
Cash paid for purchases of intangible assets	(11,207)	(6,379)	(11,207)	(5,059)
Net cash flows from investing activities	671,158	339,171	694,945	342,256
Cash flows from financing activities				
Cash received from borrowings	83,741,000	68,642,000	83,741,000	68,642,000
Cash paid for borrowings	(81,896,000)	(67,101,000)	(81,896,000)	(67,101,000)
Cash received from foreign borrowings	11,971,302	2,000,000	11,971,302	2,000,000
Cash paid for foreign borrowings	(12,007,424)	-	(12,007,424)	-
Cash received from treasury shares	-	25,132	-	25,132
Cash paid on principal of long-term lease	(4,451)	(3,093)	(4,432)	(2,934)
Dividend paid	(879,832)	(500,290)	(879,832)	(500,290)
Net cash flows from financing activities	924,595	3,062,749	924,614	3,062,908
Net increase in cash and cash equivalents	101,211	193,475	130,699	220,073
Cash and cash equivalents as at 1 January	301,264	436,944	271,776	373,414
Cash and cash equivalents as at 30 September	402,475	630,419	402,475	593,487

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the nine-month periods ended 30 September 2013

(Unit: Thousand Baht)

Consolidated financial statement										
Equity attributable to holders of the Company										
	Share capital	Share premium	Premium on treasury shares	Retained earnings			Treasury shares	Total equity attributable to holders of the Company	Non-controlling interests of subsidiary	Total
				Appropriated - statutory reserve	Appropriated - treasury shares reserve	Unappropriated				
Balance as at 1 January 2012- as previously reported	2,854,072	523,571	5,348	286,125	11,261	750,966	(11,261)	4,420,082	-	4,420,082
Cumulative effect of changes in accounting policy for deferred tax (Note 3)	-	-	-	-	-	20,870	-	20,870	-	20,870
Balance as at 1 January 2012 - as restated	2,854,072	523,571	5,348	286,125	11,261	771,836	(11,261)	4,440,952	-	4,440,952
Premium on treasury shares	-	-	13,871	-	-	-	-	13,871	-	13,871
Decrease in treasury shares	-	-	-	-	-	-	11,261	11,261	-	11,261
Total comprehensive income for the period (restated)	-	-	-	-	-	547,351	-	547,351	-	547,351
Treasury shares reserve	-	-	-	-	(11,261)	11,261	-	-	-	-
Dividend paid (Note 20)	-	-	-	-	-	(666,604)	-	(666,604)	-	(666,604)
Balance as at 30 September 2012 - as restated	2,854,072	523,571	19,219	286,125	-	663,844	-	4,346,831	-	4,346,831

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2013

(Unit: Thousand Baht)

	Separate financial statements							Total
	Share capital	Share premium	Premium on treasury shares	Retained earnings				
				Appropriated - statutory reserve	Appropriated - treasury shares reserve	Unappropriated	Treasury shares	
Balance as at 1 January 2012 - as previously reported	2,854,072	523,571	5,348	286,125	11,261	784,135	(11,261)	4,453,251
Cumulative effect of changes in accounting policy for deferred tax (Note 3)	-	-	-	-	-	20,870	-	20,870
Balance as at 1 January 2012 - as restated	2,854,072	523,571	5,348	286,125	11,261	805,005	(11,261)	4,474,121
Premium on treasury shares	-	-	13,871	-	-	-	-	13,871
Decrease in treasury shares	-	-	-	-	-	-	11,261	11,261
Total comprehensive income for the period (restated)	-	-	-	-	-	570,938	-	570,938
Treasury shares reserve	-	-	-	-	(11,261)	11,261	-	-
Dividend paid (Note 20)	-	-	-	-	-	(666,604)	-	(666,604)
Balance as at 30 September 2012 - as restated	2,854,072	523,571	19,219	286,125	-	720,600	-	4,403,587
Balance as at 1 January 2013 - as previously reported	2,854,072	523,571	19,219	286,125	-	849,452	-	4,532,439
Cumulative effect of changes in accounting policy for deferred tax (Note 3)	-	-	-	-	-	36,226	-	36,226
Balance as at 1 January 2013 - as restated	2,854,072	523,571	19,219	286,125	-	885,678	-	4,568,665
Total comprehensive income for the period	-	-	-	-	-	1,145,873	-	1,145,873
Dividend paid (Note 20)	-	-	-	-	-	(713,518)	-	(713,518)
Balance as at 30 September 2013	2,854,072	523,571	19,219	286,125	-	1,318,033	-	5,001,020

The accompanying notes are an integral part of the financial statements.

Maybank Kim Eng Securities (Thailand) Public Company Limited and its subsidiary
Notes to interim financial statements
For the nine-month period ended 30 September 2013

1. General information

Maybank Kim Eng Securities (Thailand) Public Company Limited (“the Company”) is a public limited company incorporated and domiciled in Thailand. Its parent company is Maybank Kim Eng Holdings Limited, which is incorporated in Singapore. The parent company of the Group is Mayban IB Holdings Sdn Bhd, which is incorporated in Malaysia. The Company has licenses for securities business, which are brokering, trading, underwriting, investment advisory, corporate finance advisory, securities registrant, TFEX and securities borrowing and lending.

The Company's registered office is located on 999/9 the Offices at Central World, 20th - 21st and 24th - 25th Floor, Rama 1 Road, Pathumwan, Bangkok. As at 30 September 2013, the Company has 48 branches in Bangkok and upcountry (31 December 2012: 45 branches).

1.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements and the presentation of the financial statements has been made in compliance with requirement of the notification of the Office of the Securities and Exchange Commission relating to the format of the financial statements of securities companies No. Sor. Thor. Kor. Nor. 53/2553 dated 15 December 2010.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.2 Basis for the preparation of the consolidated financial statements

The basis of consolidation adopted for these interim financial statements is the same as that for the consolidated financial statements for the year ended 31 December 2012, except for the sale of investment in subsidiary. There has been change in the composition of the group during the current period, with the Company selling ordinary shares of Maybank Asset Management (Thailand) Company Limited (formerly known as “Kim Eng Asset Management (Thailand) Company Limited”) (“subsidiary company”) to Maybank Asset Management Group Berhad, which is a related company. The consolidated financial statements therefore include the financial statements of the subsidiary up to the date on which the Company disposed of its investment.

1.3 New accounting standards

Below is a summary of accounting standards that became effective in the current accounting period and those that will become effective in the future.

(a) Accounting standards that became effective in the current accounting period

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

IFRS 8	Operating Segments
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Accounting Standard Interpretations:

TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 12 *Income Taxes*

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiary have changed this accounting policy in this current period and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiary had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 3 to the financial statements.

(b) Accounting standards that will become effective in the future

	<u>Effective date</u>
Accounting Standard:	
TAS 12 (revised 2012) Income taxes	1 January 2014
Financial Reporting Standard:	
TFRS 4 Insurance Contracts	1 January 2016
Accounting Standard Interpretations:	
TSIC 15 Operating Leases - Incentives	1 January 2014
TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29 Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32 Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations:	
TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4 Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7 Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10 Interim Financial Reporting and	1 January 2014

		<u>Effective date</u>
	Impairment	
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

The management of the Company has assessed the effect of the above accounting standard, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations and believes that they are not relevant to the business of the Company, except TAS 12 (revised 2012), TFRIC 1 and TFRIC 13, for which the management is still evaluating the first-year impact to the financial statements and has yet to reach a conclusion.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2012, except for the change in the accounting policies due to the adoption of TAS 12 *Income Taxes* as follow:

Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

(Unaudited but reviewed)

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

3. Cumulative effect of the change in accounting policies due to the adoption of new accounting standard

During the current period, the Company and its subsidiary made the change described in Note 1.3 to the financial statements to its significant accounting policies, as a result of the adoption of TAS 12 *Income Taxes*. The cumulative effect of the change in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate		
	financial statements		financial statements		
	As at	As at	As at	As at	As at
	31 December	1 January	30 September	31 December	1 January
	2012	2012	2013	2012	2012
Statements of financial position					
Increase in deferred tax assets	26,365	20,870	30,540	36,226	20,870
Increase in unappropriated retained earnings	26,365	20,870	30,540	36,226	20,870

(Unit: Thousand Baht)

	Consolidated	Separate	
	financial statement	financial statements	
	For the three-month period ended	For the three-month period ended	
	30 September	30 September	
	2012	2013	2012
Statements of comprehensive income			
Profit or loss:			
Decrease in income tax	(1,034)	(2,031)	(1,034)
Increase in profit attributable to equity holders of the Company	1,034	2,031	1,034
Increase in basic earnings per share (Baht)	0.002	0.004	0.002

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2013	2012	2013	2012
Statements of comprehensive income				
Profit or loss:				
Increase (decrease) in income tax	(4,175)	(7,071)	5,686	(7,071)
Increase (decrease) in profit attributable to equity holders of the Company	4,175	7,071	(5,686)	7,071
Increase (decrease) in basic earnings per share (Baht)	0.007	0.012	(0.010)	0.012

4. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		
	financial		
	statement	Separate financial statements	
	31 December 2012	30 September 2013	31 December 2012
Cash on hand	550	568	545
Current deposits and savings deposits	1,759,457	3,541,569	1,758,974
Fixed deposits	3,024,000	1,600,000	3,000,000
Promissory notes	5,000	-	-
Total cash and cash equivalents	4,789,007	5,142,137	4,759,519
Less: Cash deposits held for customers	(4,487,743)	(4,739,662)	(4,487,743)
Total cash and cash equivalents - net	301,264	402,475	271,776

7. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Consolidated		
	financial statement	Separate financial statements	
	31 December 2012	30 September 2013	31 December 2012
<u>Securities business receivables</u>			
Cash accounts	2,772,636	3,357,175	2,772,636
Credit balance accounts	8,776,278	10,213,270	8,776,278
Receivables under securities borrowing and lending business			
- Guarantee deposit receivables	-	348,846	-
- Securities borrowing receivables	82,273	145,105	82,273
Other receivables			
- Overdue customers' accounts	246,859	246,914	246,859
Total securities business receivables	11,878,046	14,311,310	11,878,046
Add: Accrued interest receivables	54,035	59,266	54,035
Less: Allowance for doubtful accounts	(261,379)	(261,296)	(261,379)
Securities business receivables and accrued interest receivables - net	11,670,702	14,109,280	11,670,702
<u>Derivatives business receivables</u>			
Derivatives business receivables	6,330	25,267	6,330
Less: Allowance for doubtful accounts	(154)	(143)	(154)
Derivatives business receivables - net	6,176	25,124	6,176
Total securities and derivatives business receivables - net	11,676,878	14,134,404	11,676,878

7.1 As at 30 September 2013, the Company had other receivables with book values totaling Baht 262 million from which it has ceased recognising income (31 December 2012: Baht 262 million).

(Unaudited but reviewed)

7.2 As at 30 September 2013 and 31 December 2012, the Company has classified securities business receivables and derivatives business receivables, in accordance with the relevant notification issued by the Office of the Securities and Exchange Commission. The classification is as follows:

(Unit: Thousand Baht)

	Separate financial statement		
	30 September 2013		
	Debt balance	Allowance for doubtful Accounts	Debt balance net of allowance for doubtful accounts
Normal Debt	14,134,076	-	14,134,076
Sub-standard Debt	9,707	(9,379)	328
Doubtful Debt	252,060	(252,060)	-
Total	14,395,843	(261,439)	14,134,404

(Unit: Thousand Baht)

	Consolidated and Separate financial statements		
	31 December 2012		
	Debt balance	Allowance for doubtful Accounts	Debt balance net of allowance for doubtful accounts
Normal Debt	11,676,658	-	11,676,658
Sub-standard Debt	9,678	(9,458)	220
Doubtful Debt	252,075	(252,075)	-
Total	11,938,411	(261,533)	11,676,878

8. Allowance for doubtful accounts

(Unit: Thousand Baht)

	Separate financial statement	Consolidated and Separate financial statements
	For the nine-month period ended	For the year ended
	30 September 2013	31 December 2012
Balance - beginning of the period/year	261,533	261,939
Add: Doubtful accounts	2,914	118
Less: Reversal of doubtful accounts	(3,008)	(524)
Balance - end of the period/year	261,439	261,533

(Unaudited but reviewed)

9. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

	Separate financial statement			
	30 September 2013			
	Fair value		Notional amount	
	Assets	Liabilities	Assets	Liabilities
Trading derivatives				
Derivatives warrants	-	9,681	-	352,644
Total derivatives assets and derivatives liabilities	-	9,681	-	352,644

(Unit: Thousand Baht)

	Consolidated and Separate financial statements			
	31 December 2012			
	Fair value		Notional amount	
	Assets	Liabilities	Assets	Liabilities
Trading derivatives				
Derivatives warrants	-	16,313	-	51,006
Forward exchange contracts	-	7,974	-	1,997,062
Total derivatives assets and derivatives liabilities	-	24,287	-	2,048,068

10. Investments

(Unit: Thousand Baht)

	Consolidated		Separate financial statements			
	financial statement		30 September 2013		31 December 2012	
	31 December 2012		Cost value/ amortised	Fair value	Cost value/ amortised	Fair value
	cost	Fair value	cost	Fair value	cost	Fair value
Trading securities						
Equity securities						
Listed securities	56,606	57,629	29,570	28,375	56,606	57,629
Total	56,606	57,629	29,570	28,375	56,606	57,629
Add (less): Allowance for revaluation	1,023		(1,196)		1,023	
Trading securities - net	57,629		28,374		57,629	
Held-to-maturity debt securities						
Government and state enterprise securities	-		3,354,581		-	
Less: investment on behalf of customer	-		(3,354,581)		-	
Net held-to maturity debt securities	-		-		-	

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated					
	financial statement		Separate financial statements			
	31 December 2012		30 September 2013		31 December 2012	
	Cost value/ amortised cost	Fair value	Cost value/ amortised cost	Fair value	Cost value/ amortised cost	Fair value
Other investments						
Other securities - ordinary shares	31,791		31,791		31,791	
Less: allowance for impairment	(14,662)		(14,662)		(14,662)	
Net other investments	<u>17,129</u>		<u>17,129</u>		<u>17,129</u>	
Total investments - net	<u>74,758</u>		<u>45,503</u>		<u>74,758</u>	

10.1 Investments subject to restrictions

(Unit: Thousand Baht)

	Separate		Consolidated and Separate	
	financial statements		financial statements	
	30 September 2013		31 December 2012	
	Cost value/ amortised cost	Fair value	Cost value/ amortised cost	Fair value
Securities placed with court for stay execution	7,622	14,935	7,622	15,509
Total	<u>7,622</u>	<u>14,935</u>	<u>7,622</u>	<u>15,509</u>

11. Investments in subsidiary company

Investments in subsidiary as presented in separate financial statements are as follows:

Company's name	Business	Type of Relations	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment loss		Dividend	
			30 September 2013	31 December 2012	30 September 2013	31 December 2012	30 September 2013	31 December 2012	30 September 2013	31 December 2012	For the nine-month periods ended 30 September	
			Million Baht	Million Baht	Percent	Percent	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht
<u>Subsidiary company</u>												
<u>included in</u>												
<u>consolidated</u>												
<u>financial statements</u>												
Maybank Asset Management (Thailand) Company Limited (formerly known as "Kim Eng Asset Management (Thailand) Company Limited")	Mutual fund management	Shareholding	-	100	-	99.99	-	100	-	(49)	-	-

(Unaudited but reviewed)

On 21 March 2013, the Company sold its 99.99 percent interest in a subsidiary to Maybank Asset Management Group Berhad, which is a subsidiary in the Maybank Group, major shareholder, for Baht 51 million. There is no gain on the sale of investment in subsidiary in the separate financial statements (consolidated financial statement: Baht 19 million).

12. Other assets

(Unit: Thousand Baht)

	Consolidated	Separate financial statements	
	financial		
	statement	30 September	31 December
	31 December	30 September	31 December
	2012	2013	2012
Clearing fund	74,416	86,446	74,416
Accrued income	39,093	37,535	38,926
Prepaid expenses	13,911	20,256	12,656
Others	17,804	15,447	15,673
Total	145,224	159,684	141,671

13. Borrowings from financial institutions

As at 30 September 2013 and 31 December 2012, borrowings from financial institutions comprising only domestic borrowing in Baht currency are classified as follows:

(Unit: Thousand Baht)

	Separate financial statement			
	30 September 2013			
	Interest rate per annum	Remaining period to maturity		
(percent)	At call	Within 1 year	Total	
Financial institutions				
Promissory notes	2.65 - 3.20	4,015,000	-	4,015,000
Total borrowings from financial institutions		4,015,000	-	4,015,000

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and Separate financial statements				
31 December 2012				
Interest rate per annum (percent)	Remaining period to maturity			
	At call	Within 1 year	Total	
<u>Financial institutions</u>				
Promissory notes	2.86 - 3.00	1,995,000	175,000	2,170,000
Total borrowings from financial institutions				
		1,995,000	175,000	2,170,000

14. Securities and derivatives business payables

(Unit: Thousand Baht)

	Consolidated	Separate financial statements	
	financial		
	statement	30 September 2013	31 December 2012
Securities business payables - cash accounts	3,581,246	2,394,552	3,581,246
Payables under securities borrowing and lending business	82,449	146,347	82,449
Guarantee deposit payables	292,466	6,486	292,466
Total securities and derivatives business payables	3,956,161	2,547,385	3,956,161

15. Debt issued and borrowings

As at 30 September 2013 and 31 December 2012, debt issued and borrowings are classified as follows:

(Unit: Thousand Baht)

Separate financial statement				
30 September 2013				
Interest rate per annum (percent)	Remaining period to maturity			
	At call	Within 1 year	Total	
<u>Debt issued and borrowings</u>				
Debt issued - bill of exchange	3.03 - 3.04	-	1,991,978	1,991,978
Total debt issued and borrowings				
		-	1,991,978	1,991,978

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated and Separate financial statements			
31 December 2012			
Interest rate per annum (percent)	Remaining period to maturity		
	At call	Within 1 year	Total
<u>Debt issued and borrowings</u>			
Borrowings from other - borrowing			
from Maybank Kim Eng Holdings Limited 79,396,584 SGD			
0.90	-	2,007,424	2,007,424
Total debt issued and borrowings	-	2,007,424	2,007,424

Borrowings from Maybank Kim Eng Holdings Limited are short-term borrowings which will mature in January 2013.

16. Provisions

(Unit: Thousand Baht)

	Consolidated		
	financial statement	Separate financial statements	
	31 December 2012	30 September 2013	31 December 2012
Balance - beginning of the period/year	57,765	83,026	57,429
Increase during the period/year	25,964	17,600	25,597
Balance - end of the period/year	83,729	100,626	83,026

As at 30 September 2013 and 31 December 2012, the provision comprised the obligations of the Company to Nithipat Capital Public Co., Ltd., ("Nithipat"), the former parent company, of approximately Baht 11 million in case that Nithipat cannot collect their securities debts which have not been transferred as mentioned in the Asset Transfer Letter dated 14 August 1996. Additional provision is set up for the notification of approximately Baht 16 million from a customers' account of Yuanta Securities (Thailand) Limited demanding the Company to pay for damage claims from the event occurred before the customer was transferred to the Company.

In addition, as at 30 September 2013, the Company has post employment benefits, payable to employees under the Thai labor law in the separate financial statements amounting to Baht 70 million (note to financial statement 17).

17. Provisions for long-term employee benefits

As at 1 January 2011, the Company and its subsidiary have changed their accounting policies to bring them in line with TAS 19 Employee Benefits. This accounting standard requires employee benefits to be recognised as an expense in the period in which service is performed by the employee. In particular, an entity has to evaluate and make provision for post-employment benefits using actuarial techniques.

The Company and its subsidiary have changed this accounting policy in the year 2011 and recognise the liability in the transition period as an expense on a straight-line basis over up to five years from the date of adoption.

As at 30 September 2013, the Company recognised Baht 31 million of such long-term employee benefit liabilities and Baht 25 million remains unrecognised as a result of gradual recognition of liability in the transition period over the five-year period as mentioned above.

Provision for long-term employee benefits as at 30 September 2013 and 31 December 2012, was as follows:

(Unit: Thousand Baht)

	Consolidated financial		
	statement	Separate financial statements	
	31 December 2012	30 September 2013	31 December 2012
Defined benefit obligation at beginning of			
period/year	72,361	86,120	71,793
Current service cost	14,636	9,148	14,327
Benefits paid during the period/year	-	-	-
Defined benefit obligation at end of period/year	86,997	95,268	86,120
Unrecognised transitional provisions	(33,984)	(25,357)	(33,810)
Provisions for long-term employee benefits at			
end of period/year	53,013	69,911	52,310

(Unaudited but reviewed)

Long-term employee benefit expenses included in the profit or loss for the three-month and nine-month periods ended 30 September 2013 and 2012 was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements	
	For the three-month period ended 30 September	For the three -month periods ended 30 September	
	2012	2013	2012
Current service cost	3,659	3,049	3,582
Transitional liability recognised during the periods	2,832	2,818	2,817
Total	6,491	5,867	6,399

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2013	2012	2013	2012
Current service cost	9,206	10,977	9,148	10,745
Transitional liability recognised during the periods	8,462	8,496	8,453	8,452
Total	17,668	19,473	17,601	19,197

The Company and its subsidiary recognised these expenses in operating expenses.

The principal actuarial assumptions used to calculate the defined benefit obligations as at actuarial date are summarised below.

	(% per annum)
Discount rate	4
Average future salary increase	4
Average turnover rate	7

18. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2013 and 2012 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statement		financial statements	
	For the three-month		For the three-month periods ended	
	period ended		30 September	
	30 September		30 September	
	2012	2013	2013	2012
	(Restated)			(Restated)
Current income tax:				
Interim corporate income tax charge	63,733	68,792	68,792	63,733
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,034)	(2,031)	(2,031)	(1,034)
Income tax expense reported in the statements of comprehensive income	62,699	66,761	66,761	62,699

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2013	2012	2013	2012
		(Restated)		(Restated)
Current income tax:				
Interim corporate income tax charge	288,695	183,286	288,695	183,286
Deferred tax:				
Relating to origination and reversal of temporary differences	(4,175)	(7,071)	5,686	(7,071)
Income tax expense reported in the statements of comprehensive income	284,520	176,215	294,381	176,215

19. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net income, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered capital. The statutory reserve is not available for dividend distribution.

20. Dividends

During the nine-month periods ended 30 September 2013 and 2012, the Annual General Meeting of the Company's shareholders and Board of Directors approved the payment of dividend as follows:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividends for earnings from 1 January 2013 to 30 June 2013	Board of Directors' Meeting on 14 August 2013	200	0.35
Dividends for the year 2012	Annual General Meeting of the shareholders on 26 March 2013	514	0.90
Dividends for earnings from 1 January 2012 to 30 June 2012	Board of Directors' meeting on 8 August 2012	200	0.35
Dividends for the year 2011	Annual General Meeting of the shareholders on 30 March 2012	467	0.82

21. Brokerage fee

(Unit: Thousand Baht)

	Consolidated financial statements		
	For the three-month period ended 30 September	For the nine-month periods ended 30 September	
	2012	2013	2012
	Brokerage fee from securities business	579,474	2,857,035
Brokerage fee from derivatives business	62,061	218,382	212,532
Total brokerage fee	<u>641,535</u>	<u>3,075,417</u>	<u>1,813,052</u>

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2013	2012	2013	2012
	Brokerage fee from securities business	685,108	579,474	2,857,035
Brokerage fee from derivatives business	64,457	62,061	218,382	212,532
Total brokerage fee	<u>749,565</u>	<u>641,535</u>	<u>3,075,417</u>	<u>1,813,052</u>

22. Directors' remuneration

Directors' remuneration represents the benefits (exclusive of salaries, bonus, and related benefits payable to executive directors) paid to directors of the Company and its subsidiary in accordance with section 90 of the Public Company Limited Companies Act.

Directors' remuneration of the current period included adjustments made by reversing remuneration of directors for the year 2012. As at 31 December 2012, the Company estimated and recorded directors' remuneration based on the amounts approved for the year 2011 and subsequently adjusted it when the amounts approved by the Annual General Meeting of shareholders were known.

23. Earnings per share

Basic earnings per share is calculated by dividing the net earnings for the period by the weighted average number of ordinary shares held by outside shareholders in issue during the period by net from the treasury shares held by the Company.

	Consolidated financial statement	Separate financial statements	
	For the three-month period ended 30 September	For the three-month periods ended 30 September	
	2012	2013	2012
Beginning balance of the period - weighted average number of ordinary shares (Thousand shares)	570,815	570,815	570,815
Weighted average number of treasury shares sold during the period (Thousand shares)	-	-	-
Ending balance of the period - weighted average number of ordinary shares (Thousand shares)	570,815	570,815	570,815
Profit for the period - from continuing operations (Thousand Baht)	194,946	256,067	195,261
Earnings per share - from continuing operations (Baht/share)	0.34	0.45	0.34

(Unaudited but reviewed)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2013	2012	2013	2012
Beginning balance of the period - weighted average number of ordinary shares (Thousand shares)	570,815	569,169	570,815	569,169
Weighted average number of treasury shares sold during the period (Thousand shares)	-	1,231	-	1,231
Ending balance of the period - weighted average number of ordinary shares (Thousand shares)	570,815	570,400	570,815	570,400
Profit for the period - from continuing operations (Thousand Baht)	1,174,224	569,538	1,145,873	570,938
Earnings per share - from continuing operations (Baht/share)	2.06	1.00	2.01	1.00

24. Related party transactions

During the three-month and nine-month periods ended 30 September 2013 and 2012, the Company and its subsidiary had significant business transactions with the following related parties.

Company's name and related person	Relationship
Maybank Kim Eng Holdings Limited	Parent company
Mayban IB Holdings Sdn Bhd	Shareholder of parent company
Maybank Asset Management (Thailand) Co., Ltd. (Formerly known as "Kim Eng Asset Management (Thailand) Co., Ltd.")	Fellow subsidiary of the Group
Maybank Kim Eng Securities Pte. Ltd.	Fellow subsidiary
Kim Eng Securities (Hong Kong) Limited	Fellow subsidiary
Maybank Kim Eng Investment Limited	Fellow subsidiary
Maybank Asset Management Group Berhad	Fellow subsidiary

(Unaudited but reviewed)

Such related parties transactions have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those related parties. Below is a summary of those transactions.

(Unit: Million Baht)

	Consolidated financial	Separate		Pricing policies
	statement	financial statements		
	For the	For the three-month periods		
	three-month period	ended 30 September		
ended 30 September	2012	2013	2012	
<u>Transactions with related parties</u>				
<u>Rental and service income</u>				
Maybank Asset Management (Thailand) Co., Ltd.	-	0.8	0.4	In accordance with service agreements
<u>Brokerage fee income</u>				
Maybank Kim Eng Securities Pte. Ltd.	6	14	6	At normal rate charged to other clients, in accordance with SET's and SEC's notification
Maybank Kim Eng Securities (Hong Kong) Limited	1	1	1	
<u>Rental expenses</u>				
Maybank Asset Management (Thailand) Co., Ltd.	-	0.2	-	In accordance with agreement
<u>Brokerage expenses</u>				
Maybank Kim Eng Securities Pte. Ltd.	1	1	1	In accordance with agreement
<u>Interest expenses on borrowings</u>				
Maybank Kim Eng Holdings Limited	-	2	-	In accordance with borrowings agreement
<u>Consulting service fee</u>				
Maybank Kim Eng Securities Pte. Ltd.	1	1	1	In accordance with service agreements
<u>Dividend paid</u>				
Maybank Kim Eng Holdings Limited	166	166	166	As declared
Maybank Kim Eng Investment Limited	1	1	1	

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial		Separate		Pricing policies
	statement		financial statements		
	For the nine-month periods		For the nine-month periods		
	ended 30 September		ended 30 September		
	2013	2012	2013	2012	
<u>Transactions with related parties</u>					
<u>Rental and service income</u>					
Maybank Asset Management (Thailand) Co., Ltd.	0.8	-	1	1.4	In accordance with service agreements
<u>Brokerage fee income</u>					
Maybank Kim Eng Securities Pte. Ltd.	45	19	45	19	At normal rate charged to other clients, in accordance with SET's and SEC's notification
Maybank Kim Eng Securities (Hong Kong) Limited	4	2	4	2	
<u>Information technology service expenses</u>					
Maybank Kim Eng Holdings Limited	-	2	-	2	At the price agreed upon by both parties referencing the market price.
<u>Rental expenses</u>					
Maybank Asset Management (Thailand) Co., Ltd.	0.6	-	0.6	-	In accordance with agreement
<u>Brokerage expenses</u>					
Maybank Kim Eng Securities Pte. Ltd.	2	1	2	1	In accordance with agreement
<u>Interest expenses on borrowings</u>					
Maybank Kim Eng Holdings Limited	54	-	54	-	In accordance with borrowings agreement
<u>Consulting service fee</u>					
Maybank Kim Eng Securities Pte. Ltd.	2	2	2	2	In accordance with service agreements
<u>Dividend paid</u>					
Maybank Kim Eng Holdings Limited	594	556	594	556	As declared
Maybank Kim Eng Investment Limited	2	2	2	2	
<u>Gain on sale of investment in subsidiary</u>					
Maybank Asset Management Group Berhad	19	-	-	-	Sale price Baht 51 million, refer to net assets values as at 30 June 2012

(Unaudited but reviewed)

As at 30 September 2013 and 31 December 2012, the outstanding balances of the above transactions, as presented in the statements of financial position are as follows:

(Unit: Million Baht)

	Consolidated financial			Pricing Policies
	statement	Separate financial statements		
	31 December 2012	30 September 2013	31 December 2012	
Related company				
<u>Other receivables</u>				No interest charged
Maybank Asset Management (Thailand) Co., Ltd.	-	0.3	0.4	
<u>Securities business receivables</u>				No interest charged
Maybank Kim Eng Securities Pte. Ltd.	59	597	59	
Kim Eng Securities (Hong Kong) Limited	1	-	1	
<u>Foreign securities company receivables</u>				No interest charged
Maybank Kim Eng Securities Pte. Ltd.	58	1	58	
<u>Foreign deposits receivables</u>				No interest charged
Maybank Kim Eng Securities Pte. Ltd.	1,248	178	1,248	
<u>Prepaid consulting fee</u>				In accordance with service agreement
Maybank Kim Eng Securities Pte. Ltd.	4	2	4	
<u>Borrowings</u>				
Maybank Kim Eng Holdings Limited	2,007	-	2,007	Differential between the local cost of borrowing and the SGD/THB swap cost
<u>Securities business payables</u>				No interest charged
Maybank Kim Eng Securities Pte. Ltd.	134	9	134	
Kim Eng Securities (Hong Kong) Limited	4	42	4	
<u>Foreign securities company payables</u>				No interest charged
Maybank Kim Eng Securities Pte. Ltd.	1	5	1	
Maybank Investment Bank Bevhad	-	2	-	
<u>Dividend payable</u>				As declared
Maybank Kim Eng Holdings Limited	166	-	166	

Loans from related parties

As at 30 September 2013 and 31 December 2012, the balance of loans between the Company and the related company and the movement are as follows:

(Unit: Million Baht)

Loans from related parties	Related by	Separate financial statement			
		Balance as at 31 December 2012	Increase during the period	Decrease during the period	Balance as at 30 September 2013
Maybank Kim Eng Holdings Limited	Parent company	2,007	-	2,007	-
Total		2,007	-	2,007	-

(Unit: Million Baht)

Loans from related parties	Related by	Consolidated and separate financial statements			
		Balance as at 31 December 2011	Increase during the year	Decrease during the year	Balance as at 31 December 2012
Maybank Kim Eng Holdings Limited	Parent company	-	2,007	-	2,007
Total		-	2,007	-	2,007

On 1 July 2003, the Company signed the information technology service agreement with the parent company in Singapore for a period of 1.5 years and has been committed to pay fee at the rate specified in the agreement. On 1 January 2013, the Company terminated this service agreement.

As at 30 September 2013, Maybank Kim Eng Holdings Ltd. guaranteed the overdraft facilities amounting to Baht 330 million (31 December 2012: Baht 330 million). There is no overdraft outstanding balance as at 30 September 2013.

As at 30 September 2013, the Company had loans to employees under welfare program amounting to Baht 293 million. The loans charged interest at rate of 2.72, 3.00 percent per annum (31 December 2012: Baht 289 million, interest at rate 2.50, 3.30 percent per annum).

Management's remuneration

During the nine-month periods ended 30 September 2013 and 2012, benefits paid to management of the Company and its subsidiary both monetary and non-monetary, which presented as part of "Personnel expenses", are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statement		financial statements	
	For the nine-month period ended		For the nine-month periods ended	
	30 September		30 September	
	2013	2012	2013	2012
Management's remuneration				
Short-term employee benefits	225,781	190,044	225,781	178,411
Post-employment benefits	3,365	3,412	3,365	3,209
	<u>229,146</u>	<u>193,456</u>	<u>229,146</u>	<u>181,620</u>

25. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have two reportable segments as follows:

- Securities business segment, which provide service according to brokering and derivative brokering and securities borrowing and lending.
- Investment banking segment, which provide service according to underwriting, investment advisory, securities borrowing and lending and corporate finance advisory.

(Unaudited but reviewed)

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Company and its subsidiary income taxes is managed on a Group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Inter-segment revenues are eliminated on consolidation.

The following tables present revenue and profit information regarding the Company's operating segments for the nine-month periods ended 30 September 2013 and 2012, respectively.

(Unit: Thousand Baht)

For the nine-month period ended	Securities	Investment	Total	Adjustment	Consolidated
30 September 2013	business	banking	Total	and	Consolidated
	segment	segment	segments	eliminations	Consolidated
Income					
External customers					
Brokerage fee	3,0741,531	3,886	3,075,417	-	3,075,417
Fee and service income	16,015	42,943	58,958	(159)	58,799
Interest on deposit and margin loans	729,741	2	729,743	-	729,743
Other income	77,392	1,342	78,734	(54)	78,680
Total income	3,894,679	48,173	3,942,852	(213)	3,942,639
Expenses					
Financial cost					353,908
Fee and service expenses					229,121
Personnel expenses					1,502,525
Other expenses					416,965
Total expenses					2,502,519
Segment profit					1,440,120
Gain on sale investment in subsidiary					18,624
Profit before income tax expense					1,458,744
Income tax expense					(284,520)
Profit from continuing operations					1,174,224
Loss from discontinued operations					(3,063)
Profit for the period					1,171,161

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended	Securities	Investment	Total	Adjustment	
30 September 2012	business	banking	Total	and	
	segment	segment	segments	eliminations	Consolidated
Income					
External customers					
Brokerage fee	1,813,052	-	1,813,052	-	1,813,052
Fee and service income	17,803	54,065	71,868	(650)	71,218
Interest on deposit and margin loans	409,592	-	409,592	-	409,592
Other income	43,821	661	44,482	(750)	43,732
Total income	2,284,268	54,726	2,338,994	(1,400)	2,337,594
Expenses					
Financial cost					155,350
Fee and service expenses					151,063
Personnel expenses					899,597
Other expenses					385,831
Total expenses					1,591,841
Segment profit					745,753
Income tax expense					(176,215)
Profit from continuing operations					569,538
Loss from discontinued operations					(22,187)
Profit for the period					547,351

The following table presents segment assets of the Company and its subsidiary' operating segments as at 30 September 2013 and 31 December 2012:

(Unit: Thousand Baht)

Segment assets	Securities	Investment	Total	Unallocated	
	business	banking	Total	Unallocated	
	segment	segment	Segments	assets	Consolidated
At 30 September 2013	14,511,996	4,252	14,516,247	1,064,607	15,580,854
At 31 December 2012	13,022,647	2,149	13,024,796	974,701	13,999,497

26. Commitments and contingent liabilities

Significant contingent liabilities are as follows:

- 1) The Company and its subsidiary have the significant outstanding commitments under office space, office equipment, and other service agreements are as follows:

(Unit: Million Baht)

	Consolidated financial statement		
	Separate financial statements		
	31 December 2012	30 September 2013	31 December 2012
Payable:			
In up to 1 year	83	61	82
In over 1 and up to 5 years	41	47	39

- 2) As at 30 September 2013 and 31 December 2012, future minimum lease payments required under the finance lease agreements are as follows:

(Unit: Million Baht)

	Consolidated financial statement		
	As at 31 December 2012		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	7	13	20
Deferred interest expenses	(1)	(1)	(2)
Present value of future minimum lease payments	6	12	18

(Unit: Million Baht)

	Separate financial statement		
	As at 30 September 2013		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	6	16	22
Deferred interest expenses	(1)	(1)	(2)
Present value of future minimum lease payments	5	15	20

(Unit: Million Baht)

	Separate financial statement		
	As at 31 December 2012		
	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	6	12	18
Deferred interest expenses	(1)	(1)	(2)
Present value of future minimum lease payments	5	11	16

27. Discontinued operations

On 21 March 2013, the Company sold its investment in Maybank Asset Management (Thailand) Company Limited (formerly known as “Kim Eng Asset Management (Thailand) Company Limited”), which was a subsidiary company, and has already received payment.

The operating results of subsidiary company, presented under the caption of “Net loss from discontinued operations” in the consolidated statements of comprehensive income of the Company for the three-month and nine-month periods ended 30 September 2013 and 2012, are as follows:

(Unit: Thousand Baht)

	For the three-month	For the nine-month periods ended	
	period ended	30 September	
	30 September	2013	2012
	2012		
Fee and service incomes	671	793	1,601
Interest and dividend income	292	117	1,069
Other income	10	12	61
Total income	973	922	2,731
Finance cost	27	9	83
Fee and service expenses	307	271	731
Operating expenses	7,773	3,705	24,104
Total expenses	8,107	3,985	24,918
Net loss from discontinued operations	(7,134)	(3,063)	(22,187)

(Unit: Baht)

	For the nine-month	For the nine-month periods ended	
	period ended	30 September	
	30 September	2013	2012
	2012		
Earnings per share			
Basic earnings (loss) per share			
Loss from discontinued operations	(0.01)	(0.01)	(0.04)

28. Approval of interim financial statements

These financial statements were authorised for issue by the Company’s Board of Directors on 6 November 2013.