

Maybank Kim Eng Securities (Thailand) Public  
Company Limited  
Review report and interim financial information  
For the three-month and nine-month periods ended  
30 September 2021



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## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Maybank Kim Eng Securities (Thailand) Public Company Limited

I have reviewed the accompanying statement of financial position of Maybank Kim Eng Securities (Thailand) Public Company Limited as at 30 September 2021, the related statements of comprehensive income for the three-month and nine-month periods then ended, and the related statement of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the interim financial statements (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Ratana Jala

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 1 November 2021

Maybank Kim Eng Securities (Thailand) Public Company Limited

Statement of Financial Position

As at 30 September 2021

(Unit: Thousand Baht)

	Note	30 September 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
<b>Assets</b>			
Cash and cash equivalents	2	816,891	130,770
Receivables from Clearing House and brokers		927,612	1,775,775
Securities and derivatives business receivables	3	20,344,784	13,300,474
Derivatives assets	4	97,519	-
Investments	5	7,394,304	2,750,385
Loans to employees	15.1	204,776	216,840
Equipment		73,170	68,999
Right-of-use assets		290,058	352,469
Intangible assets		32,426	23,997
Deferred tax assets		76,855	-
Other assets		416,525	465,963
<b>Total assets</b>		<b>30,674,920</b>	<b>19,085,672</b>

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

วิบูลย์ วัฒนวิทย์ (วิบูลย์ วัฒนวิทย์) (วิบูลย์ วัฒนวิทย์)  
กรรมการผู้จัดการใหญ่ บริษัท เมย์แบงก์ คิม เอ็ง ซีเคียวริตีส์ (ประเทศไทย) จำกัด

*วิบูลย์ วัฒนวิทย์*

Maybank Kim Eng Securities (Thailand) Public Company Limited

Statement of Financial Position (continued)

As at 30 September 2021

(Unit: Thousand Baht)

	Note	30 September 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
<b>Liabilities and shareholders' equity</b>			
<b>Liabilities</b>			
Borrowings from financial institutions		5,860,000	5,050,000
Payables to Clearing House and brokers		1,952,102	13,934
Securities and derivatives business payables	6	2,203,709	2,794,206
Derivatives liabilities	4	1,001	13,951
Income tax payable		58,361	-
Debt issued and other borrowings	7	14,921,633	5,606,449
Provisions		302,367	298,026
Lease liabilities		282,949	336,599
Deferred tax liabilities		-	46,881
Other liabilities		418,854	324,072
<b>Total liabilities</b>		<b>26,000,976</b>	<b>14,484,118</b>
<b>Shareholders' equity</b>			
Issued and paid-up share capital			
570,814,500 ordinary shares of Baht 5 each		2,854,073	2,854,073
Share premium and premium on treasury shares		542,789	542,789
Retained earnings			
Appropriated - statutory reserve		286,125	286,125
Unappropriated		988,786	916,502
Other components of shareholders' equity		2,171	2,065
<b>Total shareholders' equity</b>		<b>4,673,944</b>	<b>4,601,554</b>
<b>Total liabilities and shareholders' equity</b>		<b>30,674,920</b>	<b>19,085,672</b>

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

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Directors



(Unaudited but reviewed)

Maybank Kim Eng Securities (Thailand) Public Company Limited

Statement of comprehensive income

For the three-month period ended 30 September 2021

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

	Note	2021	2020
<b>Profit or loss:</b>			
<b>Income</b>			
Brokerage fees income	9	614,377	394,369
Fees and service income	10	47,685	14,691
Interest income	11	178,360	122,058
Gains (losses) and returns on financial instruments	12	(2,969)	23,715
Other income		17,900	15,535
<b>Total income</b>		<b>855,353</b>	<b>570,368</b>
<b>Expenses</b>			
Employee benefit expenses		397,056	284,171
Fees and service expenses		59,300	41,907
Interest expenses		65,132	47,999
Expected credit losses		684	118
Other expenses	13	107,362	117,308
<b>Total expenses</b>		<b>629,534</b>	<b>491,503</b>
<b>Profit before income tax</b>		<b>225,819</b>	<b>78,865</b>
Income tax	14	(42,179)	(10,140)
<b>Profit for the period</b>		<b>183,640</b>	<b>68,725</b>
<b>Other comprehensive income:</b>			
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>183,640</b>	<b>68,725</b>
<b>Earnings per share</b>			
Basic earnings per share		0.32	0.12

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

Approved, on behalf of the Board of Directors, on 30 September 2021

*Wongpat Sangkha*





(Unaudited but reviewed)

**Maybank Kim Eng Securities (Thailand) Public Company Limited**

**Cash flows statement**

**For the nine-month period ended 30 September 2021**

(Unit: Thousand Baht)

	2021	2020
<b>Cash flows from operating activities</b>		
Profits before income tax	786,502	387,503
Adjustments to reconcile profit before income tax to net cash provided by (paid for) operating activities		
Depreciation and amortisation	99,144	101,525
(Gain) loss on modification of lease agreement	(252)	85
Expected credit losses (reversal)	664	(1,377)
Doubtful accounts - other assets (reversal)	22,460	(14,000)
Unrealised (gain) loss on revaluation of investments	378,058	(104,696)
Unrealised loss on revaluation of exchange rate	103,538	231
Unrealised (gain) loss on revaluation of derivatives assets and liabilities	(161,504)	108,721
(Gain) loss on sales and written-off of equipment	(988)	6,472
Interest expenses	174,755	190,609
Interest income	(481,870)	(423,090)
Amortisation of prepaid personal expenses	406	69,180
Provision for long-term employee benefits	23,155	28,124
<b>Profit from operating activities before changes in operating assets and liabilities</b>	<b>944,068</b>	<b>349,287</b>
(Increase) decrease in operating assets		
Receivables from Clearing House and brokers	917,877	(505,577)
Securities and derivatives business receivables	(7,028,020)	2,232,670
Investments	(5,023,311)	(131,445)
Loans to employees	12,039	10,128
Other assets	35,227	(32,628)

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



*August Sangph*



(Unaudited but reviewed)

**Maybank Kim Eng Securities (Thailand) Public Company Limited**

**Cash flows statement (continued)**

**For the nine-month period ended 30 September 2021**

	(Unit: Thousand Baht)	
	2021	2020
Increase (decrease) in operating liabilities		
Payables to Clearing House and brokers	1,938,170	(428,698)
Securities and derivatives business payables	(589,026)	423,153
Derivative liabilities	(19,313)	(8,242)
Provisions	(18,487)	(14,444)
Other liabilities	87,552	79,040
Cash received (paid) from operating activities	(8,743,224)	1,973,244
Cash paid for interest	(97,011)	(128,563)
Cash received from interest	456,659	414,438
Cash paid for income tax	(220,221)	(123,770)
<b>Net cash flows provided by (used in) operating activities</b>	<b>(8,603,797)</b>	<b>2,135,349</b>
<b>Cash flows from investing activities</b>		
Cash received (paid) from investing activities		
Cash paid for purchases of equipment	(16,873)	(11,267)
Proceeds from disposals of equipment	1,051	171
Cash paid for purchases of intangible assets	(17,080)	(2,558)
<b>Net cash flows used in investing activities</b>	<b>(32,902)</b>	<b>(13,654)</b>
<b>Cash flows from financing activities</b>		
Cash received (paid) from financing activities		
Cash received from borrowings from financial institutions	77,630,000	71,193,000
Cash paid for borrowings from financial institutions	(76,820,000)	(70,713,000)
Cash received from debt issued and other borrowings	26,844,258	22,181,232
Cash paid for debt issued and other borrowings	(17,702,000)	(24,656,000)
Cash paid for lease liabilities	(69,662)	(64,530)
Dividend paid	(559,398)	(159,828)
<b>Net cash flows provided by (used in) financing activities</b>	<b>9,323,198</b>	<b>(2,219,126)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>686,499</b>	<b>(97,431)</b>
<b>Increase in allowance for expected credit losses</b>	<b>(378)</b>	<b>(198)</b>
Cash and cash equivalents at the beginning of the period	130,770	363,335
<b>Cash and cash equivalents at the ending of the period (Note 2)</b>	<b>816,891</b>	<b>265,706</b>

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

*Angie + Sange*



### 1.3 New financial reporting standards

#### a) Financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standard does not have any significant impact on the Company's financial statements.

#### b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

### 1.4 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

Interim financial statements for the period ended 31 December 2020  
The accompanying notes are an integral part of these financial statements.

*Arupit Sangha*

(Unaudited but reviewed)

## 2. Cash and cash equivalents

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
Cash, short-term fixed deposits and short-term certificates of deposit maturing within 3 months from date of acquisition	2,085,451	5,704,402
Less: Cash deposits held for customers	(1,267,796)	(5,573,246)
	817,655	131,156
Less: Allowance for expected credit losses	(764)	(386)
Cash and cash equivalents	816,891	130,770

## Supplemental cash flows information

	(Unit: Thousand Baht)	
	30 September 2021	30 September 2020
Non-cash items:		
Purchase of equipment and intangible asset on credit	8,075	145

## 3. Securities and derivatives business receivables

	(Unit: Thousand Baht)	
	30 September 2021	31 December 2020
<b>Securities business receivables</b>		
Cash accounts receivables	3,480,941	2,124,906
Credit balance accounts receivables	16,558,588	10,992,252
Receivables under securities borrowing and lending business	75,181	93,345
Other receivables	263,512	264,302
Total securities business receivables	20,378,222	13,474,805
Add: Accrued interest receivables	52,591	36,031
Less: Allowance for expected credit losses	(252,601)	(252,191)
Securities business receivables	20,178,212	13,258,645
<b>Derivatives business receivables</b>		
Derivatives business receivables	166,449	41,706
Other receivables	470	609
Less: Allowance for expected credit losses	(347)	(486)
Derivatives business receivables	166,572	41,829
Securities and derivatives business receivables	20,344,784	13,300,474

*August Sang*

### 3.1 Classification of securities and derivatives business receivables

As at 30 September 2021 and 31 December 2020, classification are as follows:

(Unit: Thousand Baht)

	30 September 2021		
	Securities business receivables and accrued interest	Exposure at Default	Allowance for expected credit losses
<b>Securities business receivables</b>			
12-month ECL	20,165,654	20,165,654	(1,246)
Lifetime ECL - not credit impaired	1,647	1,647	-
Lifetime ECL - credit impaired	263,512	263,512	(251,355)
Total securities business receivables	20,430,813	20,430,813	(252,601)
<b>Derivative business receivables</b>			
12-month ECL	166,449	166,449	-
Lifetime ECL - not credit impaired	-	-	-
Lifetime ECL - credit impaired	470	470	(347)
Total derivative business receivables	166,919	166,919	(347)
Total securities and derivative business receivables	20,597,732	20,597,732	(252,948)

(Unit: Thousand Baht)

	31 December 2020		
	Securities business receivables and accrued interest	Exposure at Default	Allowance for expected credit losses
<b>Securities business receivables</b>			
12-month ECL	13,246,534	13,246,534	(783)
Lifetime ECL - not credit impaired	-	-	-
Lifetime ECL - credit impaired	264,302	264,302	(251,408)
Total securities business receivables	13,510,836	13,510,836	(252,191)
<b>Derivative business receivables</b>			
12-month ECL	41,706	41,706	-
Lifetime ECL - not credit impaired	-	-	-
Lifetime ECL - credit impaired	609	609	(486)
Total derivative business receivables	42,315	42,315	(486)
Total securities and derivative business receivables	13,553,151	13,553,151	(252,677)

Approved and signed on behalf of the Board of Directors

*Asat Sangsri*

As at 30 September 2021, credit impaired loans (including accrued interest) totalling Baht 254 million is the Company's receivables before Kim Eng Holdings Limited (Current name is Maybank Kim Eng Holdings Limited) became a shareholders and management of the Company in 1998.

#### 4. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

Type of risk	30 September 2021			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Equity price				
- Derivatives warrants	-	-	993	2,506,523
- Futures <sup>(1)</sup>	-	3,946,303	-	3,530,346
Exchange rate				
- Forward contract	97,519	1,996,691	8	1,935
<b>Total</b>	<b>97,519</b>	<b>5,942,994</b>	<b>1,001</b>	<b>6,038,804</b>

<sup>(1)</sup> The futures are cash settlement. Real exposure is a difference between cost of such contracts and underlying assets level. Net fair value of outstanding futures as at 30 September 2021, fair value of derivative liabilities - futures is Baht 57 million included in "Receivables from clearing house and brokers".

(Unit: Thousand Baht)

Type of risk	31 December 2020			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Equity price				
- Derivatives warrants	-	-	13,951	13,818,355
- Futures <sup>(1)</sup>	-	863,894	-	2,064,476
<b>Total</b>	<b>-</b>	<b>863,894</b>	<b>13,951</b>	<b>15,882,831</b>

<sup>(1)</sup> The futures are cash settlement. Real exposure is a difference between cost of such contracts and underlying assets level. Net fair value of outstanding futures as at 31 December 2020, fair value of derivative assets - futures is Baht 127 million included in "Receivables from clearing house and brokers".

Derivatives warrants are cash settlement between the closing price of underlying equities as at last trading day and the exercise price.

(Signature area)

*Regret Sang*

(Unaudited but reviewed)

## 5. Investments

## 5.1 Cost and fair value

(Unit: Thousand Baht)

	30 September 2021			31 December 2020		
	Fair value/Amortised cost			Fair value/Amortised cost		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
<b>Fair value</b>						
<b>Investments measured at fair value through profit or loss</b>						
<b>Trading securities</b>						
Marketable equity instruments in domestic market	7,377,554	749	7,378,303	2,734,520	-	2,734,520
Total	7,377,554	749	7,378,303	2,734,520	-	2,734,520
<b>Investments designated at fair value through other comprehensive income</b>						
Non-marketable equity instruments in domestic market	12,472	-	12,472	12,338	-	12,338
Total	12,472	-	12,472	12,338	-	12,338
<b>Amortised cost</b>						
<b>Held-to-maturity securities</b>						
Fixed deposits	3,000,001	-	3,000,001	3,000,004	-	3,000,004
Deposits with restriction	-	3,531	3,531	-	3,530	3,530
Government bonds	11,465,957	-	11,465,957	5,658,509	-	5,658,509
Less: Investments held for customers	(14,465,957)	-	(14,465,957)	(8,658,509)	-	(8,658,509)
Less: Allowance for expected credit losses	-	(3)	(3)	-	(7)	(7)
Total	1	3,528	3,529	4	3,523	3,527
<b>Total investments</b>	<b>7,390,027</b>	<b>4,277</b>	<b>7,394,304</b>	<b>2,746,862</b>	<b>3,523</b>	<b>2,750,385</b>

(Unit: Thousand Baht)

30 September 2021      31 December 2020

**Restricted investments in equity instruments in domestic****market**

Fair value of securities lending

749

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(Unit: Thousand Baht)

*Deep Singh*

(Unaudited but reviewed)

## 6. Securities and derivatives business payables

(Unit: Thousand Baht)

	30 September 2021	31 December 2020
Cash accounts payables	2,088,503	2,628,464
Guaranteed deposit payables	29,900	9,212
Payables under securities borrowing and lending business	85,306	156,530
Securities and derivatives business payables	<u>2,203,709</u>	<u>2,794,206</u>

## 7. Debt issued and other borrowings

As at 30 September 2021 and 31 December 2020, debt issued and borrowings are classified as follows:

(Unit: Thousand Baht)

	30 September 2021			
	Interest rate per annum (percent)	Remaining years to maturity		Total
		Within 1 year	1 - 5 years	
Bills of exchange	0.95 - 1.20	12,425,235	-	12,425,235
Debenture	2.25	400,000	-	400,000
Subordinated loans (USD 61.80 million, matured within September 2022)	1% above cost of funds of lender	2,096,398	-	2,096,398
Debt issued and other borrowings		<u>14,921,633</u>	<u>-</u>	<u>14,921,633</u>

(Unit: Thousand Baht)

	31 December 2020			
	Interest rate per annum (percent)	Remaining years to maturity		Total
		Within 1 year	1 - 5 years	
Bills of exchange	1.00 - 1.30	4,266,449	-	4,266,449
Debenture	1.10 - 2.25	1,340,000	-	1,340,000
Debt issued and other borrowings		<u>5,606,449</u>	<u>-</u>	<u>5,606,449</u>





(Unaudited but reviewed)

## 8. Dividends

Dividends	Approved by	Dividend paid (Million Baht)	Dividend per share (Baht)
Interim dividends for the operating result as from 1 January 2021 to 30 June 2021	Board of Directors' meeting on 13 August 2021	274	0.48
Dividends for the operating result as from 1 January 2020 to 31 December 2020	Annual General Meeting of the shareholders on 8 April 2021	285	0.50
Dividend paid during the nine-month period ended 30 September 2021		<u>559</u>	<u>0.98</u>
Interim dividends from retain earnings	Board of Directors' meeting on 14 August 2020	57	0.10
Interim dividends for the operating result as from 1 January 2019 to 31 December 2019	Board of Directors' meeting on 27 March 2020	103	0.18
Dividend paid during the nine-month period ended 30 September 2020		<u>160</u>	<u>0.28</u>

## 9. Brokerage fees income

	(Unit: Thousand Baht)			
	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2021	2020	2021	2020
Brokerage fees income from securities business	569,082	356,424	1,832,620	1,303,611
Brokerage fees income from derivatives business	44,502	37,945	120,102	140,265
Other brokerage fees	793	-	793	-
Brokerage fee income	<u>614,377</u>	<u>394,369</u>	<u>1,953,515</u>	<u>1,443,876</u>



(Unaudited but reviewed)

## 10. Fees and service income

	(Unit: Thousand Baht)			
	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2021	2020	2021	2020
Underwriting fee	23,411	4,447	54,430	8,447
Financial advisory	5,800	3,000	24,344	12,150
Securities borrowing and lending	1,077	1,030	4,016	3,594
Others	17,397	6,214	28,909	9,411
Fees and service income	47,685	14,691	111,699	33,602

## 11. Interest income

	(Unit: Thousand Baht)			
	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2021	2020	2021	2020
Interest income on margin loans	159,423	94,213	427,258	322,168
Interest income on bank deposits and government bonds	18,099	26,727	51,686	97,497
Interest income on staff loans	838	1,118	2,926	3,425
Interest income	178,360	122,058	481,870	423,090

## 12. Gains (losses) and returns on financial instruments

	(Unit: Thousand Baht)			
	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2021	2020	2021	2020
Gains (losses) on trading investments	(146,508)	64,291	77,683	(410,056)
Gains (losses) on trading derivatives	112,795	(46,939)	(82,710)	403,583
Dividend income	30,744	6,363	71,790	77,687
Gains (losses) and returns on financial instruments	(2,969)	23,715	66,763	71,214



**13. Other expenses**

	(Unit: Thousand Baht)			
	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2021	2020	2021	2020
Depreciation and amortisation	32,655	33,314	99,143	101,525
Rental and service expenses	1,819	1,541	4,463	6,263
Utility expenses	2,839	2,908	8,283	9,278
Maintenance expenses	24,424	31,083	74,146	60,438
Taxes and duties	5,595	3,596	15,334	12,847
Travelling expenses	5,376	5,794	17,385	15,663
Telephone and information service expenses	10,703	11,008	32,238	32,889
Others	23,951	28,064	105,546	78,713
Other expenses	107,362	117,308	356,538	317,616

**14. Income tax**

Income tax for the three-month and nine-month periods ended 30 September 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2021	2020	2021	2020
<b>Current income tax:</b>				
Corporate income tax for the period	55,516	(2,144)	182,684	77,690
Adjustment of corporate income tax of previous years	-	-	(76)	895
<b>Deferred tax:</b>				
Adjust of deferred tax liabilities and corporate income tax payable of previous year				
Decrease in deferred tax liabilities	-	-	(98,057)	-
Increase in corporate income tax payable of previous year	-	-	98,057	-
Relating to origination and reversal of temporary differences	(13,337)	12,284	(27,788)	(1,499)
<b>Income tax reported in profit or loss</b>	42,179	10,140	154,820	77,086

**15. Related party transactions**

During the period, the Company had significant business transactions with the following related parties.

Related parties	Relationship
Malayan Banking Berhad	The ultimate parent company
Maybank Kim Eng Holdings Limited	Parent company
Maybank Kim Eng Securities Pte. Ltd.	Fellow subsidiary
Kim Eng Securities (Hong Kong) Limited	Fellow subsidiary
Maybank Kim Eng Research Pte. Ltd.	Fellow subsidiary
Maybank Kim Eng Securities Limited	Fellow subsidiary
Maybank Investment Bank Berhad	Fellow subsidiary of the Group

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

(Unit: Million Baht)

	For the		For the		Pricing policies
	three-month		nine-month		
	periods ended		periods ended		
	30 September		30 September		
	2021	2020	2021	2020	
<b>Transactions with related parties</b>					
<u>Brokerage fees income</u>					
Maybank Kim Eng Securities Pte. Ltd.	31	24	97	114	At normal rate charged to other clients which is in accordance with SET's and SEC's notification
Kim Eng Securities (Hong Kong) Limited	-	1	1	6	
<u>Research and advisory service income</u>					
Maybank Kim Eng Research Pte. Ltd.	11	8	26	24	In accordance with the agreement
<u>Fees and service expenses</u>					
Maybank Kim Eng Securities Pte. Ltd.	1	1	1	1	In accordance with the agreement
<u>Brokerage fees expenses</u>					
Maybank Kim Eng Securities Pte. Ltd.	2	1	6	3	In accordance with the agreement
Maybank Kim Eng Securities Limited	1	-	1	1	
<u>Research and advisory service expenses</u>					
Maybank Kim Eng Research Pte. Ltd.	1	1	3	5	In accordance with the agreement
<u>Interest expenses</u>					
Maybank Kim Eng Holding Limited	6	-	10	-	In accordance with the agreement
<u>Dividend paid</u>					
Maybank Kim Eng Holding Limited	228	47	466	133	As declared
Maybank Kim Eng Securities Pte. Ltd.	1	-	2	-	

(Unaudited but reviewed)

As at 30 September 2021 and 31 December 2020, the outstanding balances of the above transactions, as presented in the statements of financial position are as follows:

(Unit: Million Baht)

	30 September 2021	31 December 2020	Pricing Policies
<u>Securities business receivables</u>			No interest charged
Maybank Kim Eng Securities Pte. Ltd.	1,001	224	
Kim Eng Securities (Hong Kong) Limited	-	3	
<u>Foreign securities company receivables</u>			No interest charged
Maybank Kim Eng Securities Pte. Ltd.	196	16	
<u>Foreign deposits receivables</u>			As determined by Maybank
Maybank Kim Eng Securities Pte. Ltd.	1,198	523	Kim Eng Securities Pte. Ltd.
<u>Accrued research and advisory fee income</u>			In accordance with the agreement
Maybank Kim Eng Securities Pte. Ltd.	-	40	
Maybank Kim Eng Research Pte. Ltd.	28	-	
<u>Securities business payables</u>			No interest charged
Kim Eng Securities (Hong Kong) Limited	24	-	
<u>Foreign securities company payables</u>			No interest charged
Maybank Kim Eng Securities Pte. Ltd.	417	22	
<u>Foreign deposit payables</u>			No interest charged
Kim Eng Securities (Hong Kong) Limited	4	12	
<u>Subordinated loan</u>			In accordance with the agreement
Maybank Kim Eng Holding Limited	2,096	-	
<u>Accrued research and advisory fee expense</u>			In accordance with the agreement
Maybank Kim Eng Research Pte. Ltd.	3	-	
<u>Interest payables</u>			In accordance with the agreement
Maybank Kim Eng Holding Limited	5	-	
<u>Other payables</u>			In accordance with the agreement
Maybank Investment Bank Berhad	1	2	
Maybank Kim Eng Securities Pte. Ltd.	1	-	

As at 30 September 2021, Maybank Kim Eng Holdings Limited guaranteed the overdraft facilities of the Company amounting to Baht 30 million (31 December 2020: Baht 30 million). There is no overdraft outstanding balance as at 30 September 2021 (31 December 2020: none).



### 15.1 Loans to employees

As at 30 September 2021, the Company has loans to employees under welfare program amounting to Baht 205 million. The loans charged interest at rate of 0.43 and 1.65 percent per annum (31 December 2020: Baht 217 million, interest at rate of 0.48 and 2.00 percent per annum).

### 15.2 Loans from related parties

As at 30 September 2021, the loans from related parties between the Company and the related company and the movement of loans are as follows:

		(Unit: Million Baht)			
Subordinated loan	Relationship	Balance as at 1 January 2021	Increase during the period	Loss on exchange rate	Balance as at 30 September 2021
Maybank Kim Eng Holdings Limited	Parent company	-	1,993	103	2,096
Total		-	1,993	103	2,096

### 15.3 Management's remuneration

During the three-month and nine-month periods ended 30 September 2021 and 2020, benefits paid to management of the Company, which presented as part of "Employee benefit expenses" are as follows:

	(Unit: Million Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2021	2020	2021	2020
Management's remuneration				
Short-term employee benefits	26	22	88	67
Post-employment benefits	4	4	13	12
Total	30	26	101	79

## 16. 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.

  
 Anupat Sangsri  
 Director

(Unaudited but reviewed)

For management purposes, the Company is 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 securities brokering and derivative brokering, securities trading of the Company and securities borrowing and lending.
- Investment banking segment, which provide service according to underwriting, investment advisory and corporate finance advisory.

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.

The following tables present revenue and profit information regarding the Company's operating segments for the nine-month periods ended 30 September 2021 and 2020, respectively.

(Unit: Million Baht)

	Securities business segment	Investment banking segment	Total segments
<b>For the nine-month period ended 30 September 2021</b>			
<b>Income</b>			
Revenue from external customers			
Brokerage fees income	1,952	1	1,953
Fees and service income	33	79	112
Interest income	482	-	482
Gains and returns on financial instruments	67	-	67
Other income	46	-	46
<b>Total income</b>	<b>2,581</b>	<b>79</b>	<b>2,660</b>
<b>Expenses</b>			
Employee benefit expenses			1,163
Fees and service expenses			178
Interest expenses			175
Expected credit losses			1
Other expenses			356
<b>Total expenses</b>			<b>1,873</b>
<b>Profit before income tax</b>			<b>787</b>
Income tax			(155)
<b>Profit for the period</b>			<b>632</b>

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September 2020	Securities business segment	Investment banking segment	Total segments
<b>Income</b>			
Revenue from external customers			
Brokerage fees income	1,444	-	1,444
Fees and service income	9	24	33
Interest income	423	-	423
Gains and returns on financial instruments	71	-	71
Other income	41	-	41
<b>Total income</b>	<b>1,988</b>	<b>24</b>	<b>2,012</b>
<b>Expenses</b>			
Employee benefit expenses			965
Fees and service expenses			153
Interest expenses			191
Reversal of expected credit losses			(1)
Other expenses			317
<b>Total expenses</b>			<b>1,625</b>
<b>Profit before income tax</b>			<b>387</b>
Income tax			(77)
<b>Profit for the period</b>			<b>310</b>

The following table presents segment assets of the Company's operating segments as at 30 September 2021 and 31 December 2020.

(Unit: Million Baht)

Segment assets	Securities business segment	Investment banking segment	Total Segments	Unallocated assets	Total
As at 30 September 2021	20,401	1	20,402	10,273	30,675
As at 31 December 2020	13,653	2	13,655	5,431	19,086





### Geographic information

The Company operates only in Thailand. As a result, all the revenues and assets as reflected in these financial statements pertain exclusive to this geographical reportable segment.

### Major customers

For the nine-month periods ended 30 September 2021 and 2020, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

## 17. Fair value measurement of financial instruments

The Company applies the market approach in measuring the fair value of assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in the case where there is no active market or a quoted price in active market is not available, the Company is to measure the fair value using assumptions e.g. net book value, the cost method or income approach to measure the assets and liabilities.

### 17.1 Fair value of financial instruments

As of 30 September 2021 and 31 December 2020, the Company had the following financial assets and financial liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)				
	30 September 2021				
	Book value	Fair Value			Total
	Level 1	Level 2	Level 3		
<b>Financial assets</b>					
<b>Financial assets measured at fair value</b>					
Securities and derivatives business receivables					
Receivables under securities borrowing and lending business	75	75	-	-	75
Derivatives assets	98	-	98	-	98
Investments					
Marketable equity instruments in domestic market	7,378	7,378	-	-	7,378
Non-marketable equity instruments in domestic market	12	-	-	12	12
<b>Financial liabilities</b>					
<b>Financial liabilities measured at fair value</b>					
Securities and derivatives business payables					
Payables under securities borrowing and lending business	85	85	-	-	85
Derivatives liabilities <sup>(1)</sup>					
Derivatives warrants	1	1	-	-	1

<sup>(1)</sup> Fair value of derivatives liabilities - futures (net) as at 30 September 2021 amounting to Baht 57 million, included in "Receivables from clearing house and brokers", were measured at fair value by using Level 1 of input.

(Unaudited but reviewed)

(Unit: Million Baht)

31 December 2020

	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
<b>Financial assets measured at fair value</b>					
Securities and derivatives business receivables					
Receivables under securities borrowing and lending business	93	93	-	-	93
Investments					
Marketable equity instruments in domestic market	2,735	2,735	-	-	2,735
Non-marketable equity instruments in domestic market	12	-	-	12	12
<b>Financial liabilities</b>					
<b>Financial liabilities measured at fair value</b>					
Securities and derivatives business payables					
Payables under securities borrowing and lending business	157	157	-	-	157
Derivatives liabilities <sup>(1)</sup>					
Derivatives warrants	14	14	-	-	14

<sup>(1)</sup> Fair value of derivatives liabilities - futures (net) as at 31 December 2020 amounting to Baht 127 million, included in "Receivables from clearing house and brokers", were measured at fair value by using Level 1 of input.

During the current period, the entity does not change methods and assumptions used in estimating fair value of financial instruments, and there is no transfers within the fair value hierarchy.

### 17.2 Fair value measurement techniques and information used for fair value measurement, level 3

Fair value of non-marketable-equity instruments in the domestic market is determined using current book value of investee.

### 18. Approval of interim financial information

These interim financial information were authorised for issue by the Company's Board of Directors on 1 November 2021.



