

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
SEAMICO SECURITIES PUBLIC COMPANY LIMITED**

Opinion

We have audited the consolidated financial statements of Seamico Securities Public Company Limited and its subsidiary (the “Group”) and the separate financial statements of Seamico Securities Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2017, and the related consolidated and separate statements of comprehensive income, changes in shareholders’ equity and cash flows for the year ended period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Seamico Securities Public Company Limited and its subsidiaries and of Seamico Securities Public Company Limited as at December 31, 2017, and financial performance and cash flows for the year ended period then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the consolidated and separate financial statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Key Audit Procedures
<p>Investments in new associated companies</p> <p>For the year ended December 31, 2017, the Group has invested in new associated companies for the initial investment totaling to Baht 231.60 million. Therefore, the key audit matter is whether recognition and measurement of the investments at the acquisition date and subsequent date including the presentation and related disclosures are in accordance with TFRSs.</p> <p>Basic for preparation and presentation of the financial statements, accounting policies and details of the investments in associated companies were disclosed in Note 2.2, 4.6 and Note 9 to the financial statements, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the business acquisition process of investments and related internal control procedures for investments • Reviewing the design and implementation of the internal control procedures for investments • Performing substantive testing as follows: <ul style="list-style-type: none"> - Examining the share purchased and sales agreement signed by Group and the sellers, the payment documents, the share transferred documents and related supporting documents. - Examining details of the investments at the acquisition date which consists of the examination of existence, rights, obligations, completeness, accuracy, classification and initial measurement and subsequent measurement of the investments. - Examining the documents to support the presentation and related disclosures.

Key Audit Matters	Key Audit Procedures
<p>Impairment of investment</p> <p>Investments which the impairment was considered consist of investments in trading securities, investments in available for sale securities, general investments and investments in subsidiary and associated companies. The Group’s managements have considered the impairment indicators and estimated the impairment provision for those investments. The consideration is depended on the management judgement and key assumptions. Therefore, the key audit matter is whether the valuation of investment and the impairment have been recognized in accordance with Thai Financial Reporting Standards.</p> <p>The accounting policies of investments in debt and equity securities and investments in subsidiary and associated companies and the details of investments in debt and equity securities and investments in subsidiary and associated companies were disclosed in Note 4.5 Note 4.6 Note 8 and Note 9 to the financial statements respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the impairment consideration process and internal control procedures relating to the consideration of impairment of investments • Reviewing the design and implementation of the internal control procedures relating to the consideration of impairment of investments • Performing the operating effectiveness testing over the internal control procedures around impairment consideration process • Performing substantive testing as follows: <ul style="list-style-type: none"> - Examining the supporting documents in relation to the management consideration of impairment indicators for investments. - Examining the supporting documents the Group’s management used in assessing the appropriateness of valuation model and basis, key assumptions and information used in the estimation of the impairment provision for investments - Testing the calculation of the impairment provision for investments - Examining the supporting documents regarding the disclosures of valuation model and basis, key assumptions and information used in the estimation of the impairment provision for the investments

Key Audit Matters	Key Audit Procedures
<p>Impairment of securities and derivatives business receivables of associate company</p> <p>The allowance for doubtful accounts represent management’s estimation of loss that would occur from the securities and derivatives business receivable of associated company as at the end of financial reporting period. The associated company has estimated the allowance for doubtful accounts for the securities and derivatives business receivable when the debts are not fully secured and/or there exists a possibility that principal and interest cannot be recovered in full. Therefore, the key audit matter is whether as valuation of the securities and derivatives business receivables of the associated company and the allowance for doubtful accounts are in accordance with Thai Financial Reporting Standards</p> <p>Accounting policy of the allowance for doubtful accounts was disclosed in the Note 4.8 to the financial statements.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the associated company’s design and implementation of the controls relating to the calculation of allowance for doubtful accounts • Performing the operating effectiveness testing of control relating to the accuracy of account receivable classification and the estimation of allowance for doubtful accounts • Performing substantive testing as follows: <ul style="list-style-type: none"> - Examining the supporting documents the managements of the associated company used in considering the impairment indicators - Examining the supporting documents the associated company's management used in assessing the appropriateness of valuation model and basis, key assumptions and information used in the estimation of allowance for doubtful accounts - Testing the calculation of the allowance for doubtful accounts

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Company.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group's and the Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and the separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such.

BANGKOK
February 22, 2018

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.