

*(Translation)*

# **Tender Offer to Purchase Securities**

**Of**

**CIMB Securities International (Thailand)  
Public Company Limited**

Tender Offeror

**CIMB Securities International Pte Ltd**

Tender Offer Preparer and Tender Offer Agent



**CIMB Securities (Thailand) Co., Ltd.**



CIMBS.CF- 2012/033

4 July 2012

Subject: Submission of Tender Offer to Purchase Securities of CIMB Securities International (Thailand) Public Company Limited

To: Secretary-General of the Securities and Exchange Commission  
President of the Stock Exchange of Thailand  
Chief Executive Officer and President, Directors and Shareholders of CIMB Securities International (Thailand) Public Company Limited

Enclosed: Tender Offer to Purchase Securities of CIMB Securities International (Thailand) Public Company Limited (Form 247-4)

Pursuant to the intention of CIMB Securities International Pte Ltd (“**CSI**” or the “**Offeror**”) to undertake a tender offer for delisting the ordinary shares of CIMB Securities International (Thailand) Public Company Limited (“**CIMBI**” or the “**Company**”) from the Stock Exchange of Thailand (the “**SET**”) within 1 year after the end of mandatory tender offer, such an exercise contemplated by the Offeror shall be subject to fulfillment of conditions precedent.

All conditions precedent are currently fulfilled and the Offeror in this regard has agreed to proceed to conduct a mandatory tender offer for delisting all the securities of the Company by virtue of the Notification of the Capital Markets Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers.

CIMB Securities (Thailand) Company Limited, acting in the capacity of Tender Offer Preparer and Tender Offer Agent, hereby enclosed the Tender Offer to purchase the securities of the Company (Form 247-4) to the SEC, with copies made to the SET, the board of directors and shareholders of the Company for consideration.

**CIMB Securities (Thailand) Company Limited**

(Signature) [Mr. Suchai Sutasthumkul]

(Mr. Suchai Sutasthumkul)

Chief Executive Officer

(Signature) [Mr. Sittichai Mahaguna]

(Mr. Sittichai Mahaguna)

Director, Corporate Finance And  
Equity Capital Market

**Tender Offer Preparer and Tender Offer Agent**

**Tender Offer to Purchase Securities of**  
**CIMB Securities International (Thailand) Public Company Limited**

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(Translation)

*This English translation of the Tender Offer document has been prepared solely for the convenience of the foreign shareholders of CIMB Securities International (Thailand) Public Company Limited and should not be relied upon as the definitive and official Tender Offer document of the Offeror. The Thai language version shall be regarded as the definitive and official Tender Offer document of the Offeror and shall prevail in all respects in the event of any inconsistency or discrepancy between the Thai version and this English translation.*

## **Tender Offer for Securities of CIMB Securities International (Thailand) Public Company Limited**

(The Offer Price and Offer Period specified in the Tender Offer are final and will not be amended)

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To: All Securities Holders of CIMB Securities International (Thailand) Public Company Limited

We, CIMB Securities International Pte Ltd (“**CSI**” or the “**Offeror**”), hereby offer to purchase the securities of CIMB Securities International (Thailand) Public Company Limited (“**CIMBI**” or the “**Company**”) in accordance with the terms and conditions as follows:

### **Part 1** **Significant Elements of the Tender Offer**

- 1. Date of Submission of the Tender Offer**  
4 July 2012
  
- 2. Name of the Offeror**  
CIMB Securities International Pte Ltd
  
- 3. Name of the Tender Offer Preparer**  
CIMB Securities (Thailand) Co., Ltd. (“**CIMBST**”)
  
- 4. Objectives of the Tender Offer**

The Tender Offer is a tender offer for delisting pursuant to the letter of intent the Offeror had on 15 February 2012 proposed to the Board of Directors of the Company to undertake a tender offer for delisting of the ordinary shares of the Company from the Stock Exchange of Thailand (the “**SET**”) at an offer price of Baht 1.72 (One point seven two) per ordinary share within 1 year after the end of mandatory tender offer (the “**Proposed Delisting**”).

The Offeror has fulfilled all the conditions for the Proposed Delisting and therefore agreed to proceed to purchase and delist the Company’s ordinary shares from the SET by virtue of the Notification of the Capital Markets Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers. Major events relating to the Proposed Delisting can be summarized as follows:

Date	Major Events
15 February 2012	▪ The Board of Directors of the Company resolved to approve the Proposed Delisting and related matters.
28 May 2012	▪ The extraordinary shareholders' meeting of the Company resolved to approve the Proposed Delisting.
15 June 2012	▪ The SET has approved the Proposed Delisting.

## 5. Category, Type, Class and Amount of Securities to be Tendered

There is only one class of securities i.e. ordinary shares issued by the Company. The Company has total paid-up ordinary shares of 637,215,030 shares with par value of Baht 1.00 and voting right ratio of 1:1 per share. On the submission date of the Tender Offer, the Offeror had a direct shareholding in an aggregate of 620,439,165 shares or equivalent to 97.37% of the total paid-up capital and voting rights of the Company. Therefore, the Offeror will proceed to conduct a tender offer for the remaining 16,775,865 ordinary shares of the Company, which represents 2.63% of the Company's total paid-up capital and voting rights.

## 6. Offer Price

The offer price is Baht 1.72 (One point seven two) per ordinary share (the "Offer Price"). Shareholders accepting the Tender Offer (the "Offerees") are subject to a brokerage fee of 0.25% of the Offer Price and value added tax (VAT) of 7.0% on the brokerage fee. Consequently, the net Offer Price received by the Offerees after accounting for the brokerage fee and respective VAT shall be Baht 1.7153990 (One point seven one five three nine nine zero) per share.

The Offer Price is:

- the final offer which will not be changed (subject to the conditions as specified in Clause 8)
- not the final offer and the Offeror may change the Offer Price

It should be noted that the Offeror will be responsible for reimbursing all the Offerees for the amount of expenses as incurred in relation to the securities transferring fee payable to the securities company the Offerees have trading account with.

Pursuant to the Revenue Code, unless specifically exempted by an applicable tax treaty, capital gains realized by non-resident corporate holders from the sale of shares will be subject to a 15% withholding tax in Thailand. Withholding tax is calculated on the capital gains (the difference between the Offer Price and the cost basis) on the sale of shares. The Offerees must declare the cost basis to the Tender Offer Agent (by completing the Confirmation of Securities Cost Form in Appendix 2(3) for ordinary shares and Appendix 4(3) for Non-voting Depository Receipts ("NVDR") together with evidence demonstrating the cost basis.

If an Offeree fails to declare the cost basis and submit proper evidence demonstrating the cost basis, the Tender Offer Agent will determine the amount of withholding tax based on the total proceeds payable to the Offeree and deduct the tax accordingly.

Note: Thai juristic persons are responsible for a 3% withholding tax on the brokerage fee and must issue a Withholding Tax Certificate to the Tender Offer Agent.

## 7. Offer Period

The Tender Offer period will be for a total of 45 business days starting from 9 July 2012 to 11 September 2012 during the office hours of the Tender Offer Agent from 9:00 a.m. to 4:00 p.m. on every business day (the "Offer Period").

The Offer Period is

- the final period which will not be extended (subject to the conditions as specified in Clause 8)
- not the final period and the Offeror may extend the period

**8. Conditions of Change in the Tender Offer**

- no condition
- conditions of change in the Tender Offer are as follows:
  - the Offeror may reduce the Offer Price and/or extend the Offer Period if any event and/or action occurs during the Offer Period which has or may have a material adverse effect on the status or assets of the Company
  - the Offeror may change the offer and/or extend the Offer Period to compete with another offeror who has submitted a tender offer for the ordinary shares of the Company during the Offer Period

**9. Conditions for Cancellation of the Tender Offer**

The Offeror may cancel the Tender Offer upon the occurrence of one or more of the following events:

- 1) any events and/or actions occurring after the acceptance of the Tender Offer by the Securities and Exchange Commission (“**SEC**”) but before the end of the Offer Period, which has or may have a material adverse effect on the Company’s status or assets, where such events and/or actions do not result from acts of the Offeror or any acts for which the Offeror is responsible;
- 2) any other events resulting in the cancellation of delisting the shares from the SET

**10. Tender Offer Revocation Period**

The Offerees may revoke their acceptance of the Tender Offer at the Tender Offer Agent’s office on any business day from 9 July 2012 to 6 August 2012, between the hours of 9:00 a.m. to 4:00 p.m. for a total of 20 business days (the Offerees must follow the Tender Offer Revocation Procedure as specified in Appendix 3(1)).

**11. Allocation of shares in the event that the amount of shares tendered is either more or less than the amount offered to be purchased** (applicable only to the case of a partial tender offer pursuant to Chapter 5 of the Notification of the Capital Markets Supervisory Board No. TorJor. 12/2554)

- Not applicable -

**12. Sources of Funds for the Tender Offer**

In the event that all the existing shareholders other than the Offeror accepts the Tender Offer, the amount of shares to be tendered to the Offeror will be equal to 16,775,865 representing 2.63% of the total paid-up capital and voting rights of the Company. Based on the Offer Price of Baht 1.72 per share, the total consideration payable for the acquisition of the Company’s ordinary shares under the Tender Offer will be equal to Baht 28,854,488 (Twenty eight millions eight hundred fifty four thousands four hundred and eighty eight).

The Offeror shall utilize a loan procured from its wholly-owned subsidiary CIMB-GK Securities (Thailand) Limited to finance and settle the total consideration for the Tender Offer.

CIMBST as the Tender Offer Preparer has verified that the source of funds of the Offeror is sufficient to conduct and complete the Tender Offer.

**13. Name of the Tender Offer Agent**

Name: CIMB Securities (Thailand) Company Limited

Address: 44 CIMB Thai Bank Building, 24-25<sup>th</sup> floor, Soi Langsuan, Ploenchit Road,  
Lumpini, Pathumwan, Bangkok 10330

Contact person: Khun Pannataree Niyomdach and Khun Suntaree Kumplee

Telephone: +66 2 657 9274 and +66 2 657 9271

Fax: +66 2 657 9276

Settlement Date: The Offeree shall receive payment for the Company's ordinary shares tendered on 14 September 2012 (the 3<sup>rd</sup> business day following the last day of the Offer Period)

## Part 2 Details of the Offeror

### 1. The Offeror Information

#### 1.1 General information of the Offeror

Name: CIMB Securities International Pte Ltd  
 Address: 50 Raffles Place #19-00, Singapore Land Tower, Singapore 048623  
 Telephone: +65 6225-1228  
 Fax: +65 6225-1522  
 Company Registration No.: 200506890E

Please contact CIMBST, the Tender Offer Preparer and Tender Offer Agent, should there be any enquiries regarding the Tender Offer.

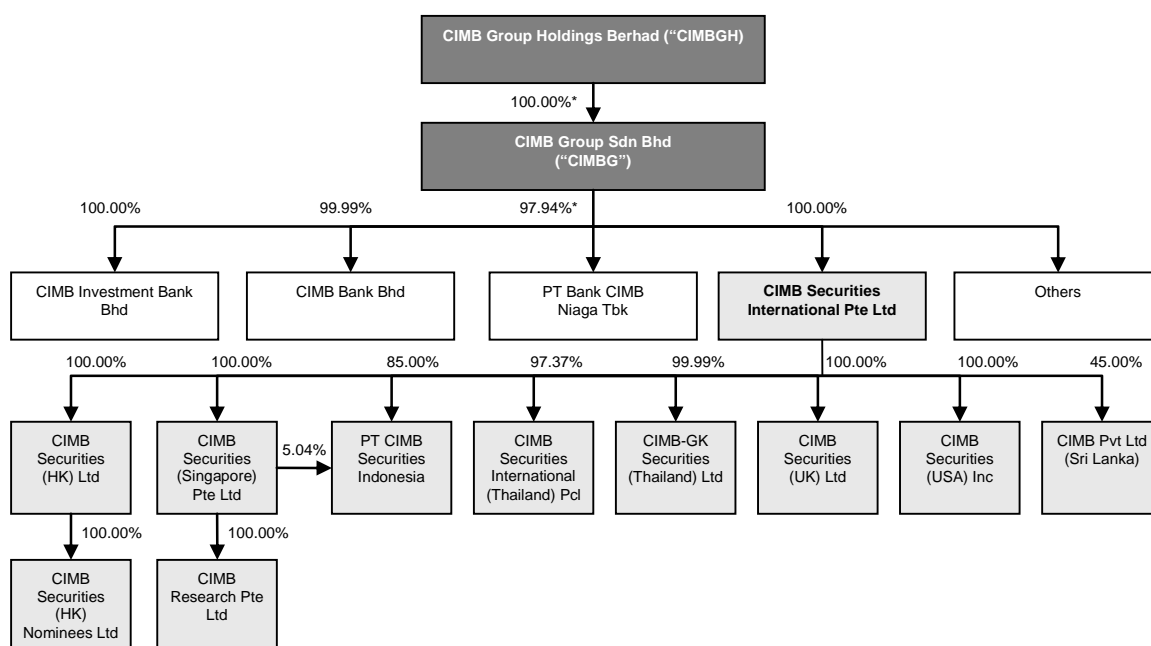
#### 1.2 Business information and other information of the Offeror

##### (1) Business descriptions

Established in 2005, CSI is an investment holding company for the international securities franchise of CIMB Group Holdings Berhad (“CIMBGH”) group of companies (the “CIMBGH Group”), offering institutional and retail brokerage, placements and underwriting, wealth management, and corporate advisory services in Singapore, Hong Kong, Indonesia, Thailand, United Kingdom, United States of America and Sri Lanka.

CSI is incorporated and domiciled in Singapore as a wholly owned subsidiary of CIMB Group Sdn Bhd (“CIMBG”), which is in turn a wholly owned subsidiary of CIMBGH. CIMBGH is the listed holding company for Malaysia's second largest financial service provider and one of the Southeast Asia's leading universal banking groups with current market capitalization of approximately Malaysian Ringgit 55.7 billion as at 31 May 2012.

##### Shareholding Structure of the Offeror as at 31 May 2012





Note: \* Representing total direct and indirect shareholding

CIMB Thai Bank Public Company Limited (“**CIMBT**”) held its annual general shareholders’ meeting No. 18/2012 and passed the resolution to approve the divestment of 109,999,993 ordinary shares or equivalent to 99.99% of total paid-up capital and voting right in CIMBST to the Offeror for a total cash consideration in the range of Baht 1,066.8 - 1,117.6 millions.

#### **Details of Investment in Subsidiaries by the Offeror**

<b>Company Name</b>	<b>Country of Incorporation</b>	<b>Business Activities</b>	<b><sup>1/</sup> Current % Shares held by CSI</b>
CIMB Securities (Singapore) Pte Ltd (formerly known as CIMB-GK Securities Pte Ltd)	Singapore	Stock Broking	100%
<sup>2/</sup> CIMB Research Pte Ltd (formerly known as CIMB-GK Research Pte Ltd)	Singapore	Investment Research	100%
CIMB Securities (HK) Limited	Hong Kong	Stock Broking	100%
<sup>3/</sup> CIMB Securities (HK) Nominees Limited	Hong Kong	Nominee Services	100%
<sup>4/</sup> PT CIMB Securities Indonesia	Indonesia	Stock Broking	90%
CIMB Securities International (Thailand) Pcl	Thailand	Stock Broking	97%
CIMB-GK Securities (Thailand) Ltd	Thailand	Dormant	100%
CIMB Securities (UK) Ltd	United Kingdom	Stock Broking	100%
CIMB Securities (USA), Inc	United States of America	Stock Broking	100%
CIMB Pvt Ltd (Sri Lanka)	Sri Lanka	Stock Broking	45%

**Note:** <sup>1/</sup> Including both direct and indirect ownership by CSI as at the submission date of this tender offer

<sup>2/</sup> Indirect holding through CIMB Securities (Singapore) Pte Ltd

<sup>3/</sup> Indirect holding through CIMB Securities (HK) Limited

<sup>4/</sup> CSI has 85% direct holding plus 5% indirect holding through CIMB Securities (Singapore) Pte Ltd. The remaining 10% shares in PT CIMB Securities Indonesia is held by PT Commerce Kapital, which in turn is a wholly owned subsidiary under the CIMBGH Group

#### **(2) Registered and paid-up capital**

As at 31 May 2012, the Offeror's share capital comprises fully paid-up 27,550,000 ordinary shares and 171,000 preference shares, amounting to SGD 27,550,000 and SGD 171,000,000, totaling SGD 198,550,000.

#### **(3) List of shareholders**

As at 31 May 2012, the top 10 shareholders of the Offeror are as follows:

Name	Type of shares	Number of shares	% of total paid-up shares	% of total voting rights
1. CIMB Group Sdn Bhd "CIMBG")	Preference shares	171,000	0.62	-
	Ordinary shares	27,550,000	99.38	100.00
<b>Total</b>		<b>27,721,000</b>	<b>100.00</b>	<b>100.00</b>

Note: Voting rights are not attached with the preference shares

**(4) List of the Board of Directors**

As at 31 May 2012, the Board of Directors of the Offeror is as follows:

Name	Title
1. Dato' Charon Wardini bin Mokhzani	Director
2. Dato' Robert Cheim Dau Meng	Director
3. Tan Hong Kheng	Director
4. Carolina Chan Swee Liang	Director
5. Mak Lye Mun	Director
6. Dharmendra Prasad Yadav	Director

**(5) Summary of the financial status and performance**

Summary of the audited separate financial statements of the Offeror for the year-ended 31 December 2009, 2010 and 2011 is as follows:

Separate Financial Statements (Unit: SGD Thousands)	2009 (Audited)	2010 (Audited)	2011 (Audited)
Total assets	381,690	374,550	380,718
Total liabilities	155,136	153,241	155,751
Shareholders' equity	226,554	221,309	220,725
Registered capital	198,550	198,550	198,550
Total revenues	4,593	3,360	13,045
Total expenses	25,688	8,344	2,693
Net profit/(loss)	(21,401)	(5,245)	9,416
Basic Earnings per share (SGD per share)	(1.35)	(0.19)	0.34
Dilutive Basic Earnings per share (SGD per share)	(1.35)	(0.19)	0.34
Dividend per share (SGD per share)	-	-	0.36
Book value per share (SGD per share)	3.50	1.83	1.80

Source: Audited separate financial statements of the Offeror

Notes: The Offeror is exempted from preparing consolidated financial statements under the Singapore Financial Reporting Standard No. 27 Consolidated and Separate Financial Statement (FRS 27 (June 2009)).

Please refer to the audited separate financial statements of CIMB Securities Pte Ltd for the fiscal period ended 31 December 2011 in Appendix 5.

Referring to the letter no. SEC.PorSor.847/2555 dated on 20 June 2012, the Offeror has been granted a waiver re: disclosing the significant financial figures according to the audited consolidated financial statements of the Offeror over the past three years and enclosing a copy of the audited consolidated financial statements of the most recent year. The key condition, among others under which the SEC has waived such disclosure, is for

CIMBGH to provide the same information as the Offeror in Part 2 of the Tender Offer.

- (6) **Material encumbrances of the Offeror according to the notes to the latest financial statements, as audited by the auditor**  
- None -
- (7) **Information relating to criminal records of the Offeror and/or Executives of the Offeror**  
- None -
- (8) **Pending legal disputes of the Offeror and/or Executives of the Offeror**  
- None -

## 2. CIMBGH Information

### 2.1 General information of CIMBGH

Name: CIMB Group Holdings Berhad  
Address: 5th Floor, Bangunan CIMB  
Jalan Semantan, Damansara Heights  
50490 Kuala Lumpur, Malaysia  
Telephone: 03-2093 0379  
Fax: 03-2093 9688  
Company Registration No.: 50841-W

Please contact CIMBST, the Tender Offer Preparer and Tender Offer Agent, should there be any enquiries regarding the Tender Offer.

### 2.2 Business information and other information of CIMBGH

#### (1) Business descriptions

CIMBGH through its wholly owned subsidiary CIMBG, operates across the Association of Southeast Asian Nations under several corporate entities including CIMB Investment Bank Berhad, CIMB Bank Berhad, CIMB Islamic Bank Berhad, PT Bank CIMB Niaga Tbk, CSI and CIMBT. The CIMBGH Group's main markets are Malaysia, Indonesia, Singapore and Thailand. The CIMBGH Group's business activities are organized primarily across the following areas: Consumer Banking, Corporate and Investment Banking, Treasury and Investment, Asset Management and Insurance, Foreign Banking Operations, Support and Others. The CIMBGH Group also has a presence in other markets such as China, Hong Kong, United Kingdom, United States of America, Brunei, Bahrain, Vietnam, Myanmar, Cambodia, Sri Lanka and India. In total, the CIMBGH Group has over 40,000 employees globally as at 31 March 2012.

#### **Segmentation reporting for the year ended 31 December 2011**

2011 Geographical Segmentation Reporting Unit: RM Thousands	Net Interest Income	Total Assets	Total Liabilities
Malaysia	3,218,678	204,222,063	186,618,702
Indonesia	2,677,924	58,709,549	52,117,726
Thailand	547,377	17,105,661	15,781,156
Others <sup>1/</sup>	232,272	20,165,434	18,821,963
<b>Total</b>	<b>6,676,251</b>	<b>300,202,707</b>	<b>273,339,547</b>

**Source:** The audited consolidated financial statements of CIMBGH

**Notes:** 1/ Others include branch and subsidiary operations in Singapore, the United Kingdom, the United States of America, Cambodia and Hong Kong. Overseas operations involved mainly in corporate lending and borrowing, and stock broking activities. With the exception of Malaysia, Indonesia and Thailand, no other individual country contributed more than 10% of the consolidated net interest income or assets.

2011 Business Segmentation Reporting (consolidated) Unit: RM Thousands	Consumer Banking	Corporate and Investment Banking	Treasury and Investment	Asset Management and Insurance	Foreign Banking Operations	Support and Others	Total Consolidation
Net Interest Income	2,600,314	691,551	371,291	12,728	3,218,217	(217,850)	6,676,251
Non-interest Income	1,464,962	1,026,716	1,509,010	262,928	1,172,359	9,803	5,445,778
Profit (Loss) before Taxation	1,416,337	806,986	1,402,724	91,564	1,718,767	(233,236)	5,203,142
<b>Total Assets</b>	<b>83,015,464</b>	<b>58,707,487</b>	<b>76,132,969</b>	<b>1,827,682</b>	<b>72,212,401</b>	<b>1,049,357</b>	<b>300,202,707</b>

**Source:** The audited consolidated financial statements of CIMBGH

Shareholders can refer to the information re: separate and consolidated financial statements of CIMBGH via the website (<http://www.cimb.com>)

The Offeror and its subsidiaries are primarily engaged in the area of Corporate and Investment Banking based on the business segment information presented in the above table.

As a percentage to the audited consolidated financial statements of CIMBGH for the year ended 31 December 2011, the Offeror and its subsidiaries jointly accounted for 0.6% of net interest income, 7.4% of non-interest income, 0.6% of profit before taxation and 0.5% of total assets. In 2010, the percentages were approximately 0.6% of net interest income, 8.8% of non-interest income, 2.2% of profit before tax and 0.7% of total assets. In 2009, the percentages were approximately 0.4% of net interest income, 7.8% of non-interest income, 0.7% of profit before tax and 0.7% of total assets.

The above percentages are computed based on the Offeror's unaudited consolidated financial results vis-a-vis the audited consolidated financial statements of CIMBGH.

**(2) Registered and paid-up capital**

As at 31 May 2012, CIMBGH had total registered capital of RM 10,000,000,000 and total paid-up capital of RM 7,432,774,646 comprising 7,432,774,646 ordinary shares of RM 1.00 each.

**(3) List of shareholders**

As at 31 May 2012, the top 10 shareholders of CIMBGH are as follows:

Name	Class of shares	Number of shares	% of total paid-up shares	% of total voting rights
1. Khazanah Nasional Berhad	Ordinary shares	2,222,466,767	29.90	29.90
2. Citigroup Nominees (Tempatan) Sdn Bhd (Employees Provident Fund Board)	Ordinary shares	843,378,832	11.35	11.35
3. The Bank of Tokyo-Mitsubishi UFJ, Ltd.	Ordinary shares	371,638,700	5.00	5.00
4. Kumpulan Wang Persaraan (Diperbadankan)	Ordinary shares	180,987,326	2.43	2.43
5. Cartaban Nominees (Asing) Sdn Bhd (Exempt AN for State Street Bank & Trust Company (West CLT OD67))	Ordinary shares	123,368,748	1.66	1.66
6. HSBC Nominees (Asing) Sdn Bhd (TNTC for Saudi Arabian Monetary Agency)	Ordinary shares	117,788,682	1.58	1.58
7. HSBC Nominees (Asing) Sdn Bhd (BNP Paribas Secs Svs Lux for Aberdeen Global)	Ordinary shares	109,141,560	1.47	1.47
8. HSBC Nominees (Asing) Sdn Bhd (Exempt AN for JPMorgan Chase Bank, National Association (Resident USA-2))	Ordinary shares	107,999,260	1.45	1.45
9. Cartaban Nominees (Asing) Sdn Bhd (Government of Singapore Investment Corporation Pte Ltd for Government of Singapore (C))	Ordinary shares	94,679,404	1.27	1.27
10. AmanahRaya Trustees Berhad	Ordinary shares	93,844,400	1.26	1.26
<b>Total of Top 10 Shareholders</b>		<b>4,265,293,679</b>	<b>57.37</b>	<b>57.37</b>

**(4) List of the Board of Directors**

As at 31 May 2012, the Board of Directors of CIMBGH is as follows:

Name	Position
Tan Sri Dato' Md Nor Yusof	Chairman / Non-Independent Non-Executive Director
Dato' Sri Mohamed Nazir bin Abdul Razak	Group Managing Director / Chief Executive Officer
Dato' Hamzah Bakar	Independent Non-Executive Director

Name	Position
Datuk Dr. Syed Muhamad Syed Abdul Kadir	Senior Independent Non-Executive Director
Dato' Zainal Abidin Putih	Independent Non-Executive Director
Mr Cezar Peralta Consing	Independent Non-Executive Director
Dato' Robert Cheim Dau Meng	Non-Independent Non-Executive Director
Mr Glenn Muhammad Surya Yusuf	Independent Non-Executive Director
Mrs Watanan Petersik	Independent Non-Executive Director
Mr Katsumi Hatao	Non-Independent Non-Executive Director

**(5) Summary of the financial status and performance**

Summary of CIMBGH's audited separate and consolidated financial statements for the years ended 31 December 2009, 2010 and 2011 as well as for the 3-month period ended 31 March 2012 is as follows:

Separate statements Unit: RM in thousands	For year ended 31 Dec			For 3-month ended 31 Mar
	2009 (Audited)	2010 (Audited)	2011 (Audited)	2012 (Unaudited)
Total assets	14,315,200	16,754,508	18,380,429	18,444,235
Total liabilities	3,099,966	3,809,361	5,417,235	5,356,736
Shareholders' equity	11,215,234	12,945,147	12,963,194	13,087,498
Registered capital	5,000,000	10,000,000	10,000,000	10,000,000
Total revenues <sup>1</sup>	849,546	1,757,865	2,255,713	1,220,690
Total expenses <sup>2</sup>	234,680	497,561	751,102	353,110
Net profit attributed to shareholders of the company	614,866	1,260,304	1,504,611	867,580
Basic Earnings per share (RM per share) <sup>3</sup>	0.09	0.18	0.20	0.12
Dilutive Earnings per share (RM per share) <sup>3</sup>	0.09	0.18	0.20	0.12
Dividend per share (RM per share) <sup>3</sup>	0.25	0.37	0.20	N/A
Book value per share (RM per share) <sup>3</sup>	3.18	1.74	1.74	1.76

Consolidated statements Unit: RM in thousands	For year ended 31 Dec			For 3-month ended 31 Mar
	2009 (Audited)	2010 (Audited)	2011 (Audited)	2012 (Unaudited)
Total assets	239,983,999	269,365,244	300,202,707	310,121,782
Total liabilities	217,337,285	245,062,045	273,339,547	283,270,173
Shareholders' equity	20,345,014	23,229,966	25,936,470	25,907,914
Registered capital	5,000,000	10,000,000	10,000,000	10,000,000

Consolidated statements Unit: RM in thousands	For year ended 31 Dec			For 3-month ended 31 Mar
	2009 (Audited)	2010 (Audited)	2011 (Audited)	2012 (Unaudited)
Total revenues <sup>1</sup>	15,174,417	16,538,454	18,278,321	4,852,904
Total expenses <sup>2 4</sup>	12,147,934	12,868,567	14,203,995	3,829,935
Net profit <sup>4</sup>	3,026,483	3,669,887	4,074,326	1,022,969
Net profit attributed to shareholder of the company <sup>4</sup>	2,7866,232	3,500,803	4,030,798	1,010,667
Basic Earnings per share (RM per share)	0.40	0.49	0.54	13.6
Dilutive Earnings per share (RM per share)	0.40	0.49	0.54	13.6
Dividend per share (RM per share)	0.25	0.37	0.20	N/A
Book value per share (RM per share)	2.88	3.13	3.49	3.49

Source: Audited separate and consolidated financial statements of CIMBGH

Notes: <sup>1</sup> Total revenues include interest income, income from Islamic banking operations, non-interest income, gain on disposal of net assets and interest in subsidiaries, share of results of jointly controlled entities and share of results of associates

<sup>2</sup> Total expenses include interest expense, non-interest expense, overheads, losses, allowances, tax and zakat

<sup>3</sup> The per-share financial figures are computed solely for the purpose of disclosure required in the Tender Offer (Form 247-4)

<sup>4</sup> Comparative periods have been restated to reflect the adoption of Amendment to FRS 2.

Shareholders can refer to the information re: separate and consolidated financial statements of CIMBGH via the website (<http://www.cimb.com>)

**(6) Material encumbrances according to the notes to the latest financial statements of CIMBGH, as audited by the auditor**

- None -

**(7) Information relating to criminal records of CIMBGH and/or its Executives**

- None -

**(8) Pending legal disputes of CIMBGH and/or its Executives**

- None -

**3. The Tender Offer Preparer Information**

Name: CIMB Securities (Thailand) Co., Ltd.

Address: 44 CIMB Thai Bank Building, 24-25<sup>th</sup> floor, Soi Langsuan, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Telephone: +66 2 657 9274 and +66 2 657 9271

Fax: +66 2 657 9276

#### 4. Other Advisor Information

Baker & Mckenzie Ltd., legal advisor

CIMBST, financial advisor

#### 5. Relationship between the Offeror and the Business, major Shareholders or Directors of the Business

**5.1 Summary of the material information of any contract/agreement/memorandum of understanding, entered into by the Offeror prior to making the Tender Offer for the purpose of trading securities of the Business, regardless of whether or not such contract/agreement/memorandum of understanding is entered into for the purpose of trading of securities in the Tender Offer.**

- None -

**5.2 Shareholding, whether direct or indirect, by the Offeror or the persons authorized to bind the Offeror (in case the Offeror is a juristic person) in the Business or major shareholders of the Business (in case major shareholders of the Business are juristic persons):**

**(1) Shareholding in the Company**

As at the submission date of the Tender Offer, the Offeror directly held 620,439,165 ordinary shares of the Company, which is equivalent to 97.37% of the Company's total issued and paid-up shares and voting rights.

CIMBGH has no direct shareholding in the Company.

**(2) Shareholding in Major Shareholders of the Company**

As at the submission date of the Tender Offer, CIMBG held 100.00% ordinary shares and preference shares in the Offeror, which in turn is ultimately owned by the CIMBGH Group.

**5.3 Shareholding, whether direct or indirect, by the Business, major shareholders or Directors of the Business in the Offeror (in case the Offeror is the juristic person):**

**(1) Shareholding by the Company in the Offeror and/or CIMBGH**

- None -

**(2) Shareholding by Major Shareholders of the Company in the Offeror and/or CIMBGH**

- None -

**(3) Shareholding by Directors of the Company in the Offeror and/or CIMBGH**

- None -

#### 5.4 Common directorship

According to the latest list of the Board of Directors of the Company as at 26 June 2012, CIMBST and the Company have common directors and management as follows:

Name	Position in CIMBST	Position in the Company
Khun Suchai Sutasthumkul	Chief Executive Officer / Executive Director	Chairman of Board of Directors / Chairman of Executive Directors

Note: CIMBST and the Company are subsidiaries under the ultimate shareholding of CIMBGH



## 6. Other relevant information for the securities holders' decision making

### 6.1 Securities held prior to making the Tender Offer (information as at the submission date of the Tender Offer)

#### 6.1.1 Shares held by the Offeror

Name	Class of shares	Number of shares	% of total paid-up shares	% of total voting rights
I. Tender Offeror	Ordinary Shares	620,439,165	97.37	97.37
II. Persons in the same group of the Offeror	-	-	-	-
III. Related parties under Section 258 of the persons under I and II	-	-	-	-
IV. Other agreements resulting in additional acquisition of shares by the persons under I to III	-	-	-	-
<b>Total</b>		<b>620,439,165</b>	<b>97.37</b>	<b>97.37</b>

#### 6.1.2 Convertible securities held by the Offeror

- None -

#### 6.1.3 Shares held by CIMBGH

- None -

#### 6.1.4 Convertible securities held by CIMBGH

- None -

### 6.2 Sources of funds for the Tender Offer

In the event that all the existing shareholders other than the Offeror accepts the Tender Offer, the amount of shares to be tendered to the Offeror will be equal to 16,775,865 representing 2.63% of the total paid-up capital and voting rights of the Company. Based on the Offer Price of Baht 1.72 per share, the total consideration payable for the acquisition of the Company's ordinary shares under the Tender Offer will be equal to Baht 28,854,488 (Twenty eight millions eight hundred fifty four thousands four hundred and eighty eight).

The Offeror shall utilize a loan procured from its wholly-owned subsidiary CIMB-GK Securities (Thailand) Limited to finance and settle the total consideration for the Tender Offer.

CIMBST as the Tender Offer Preparer has verified that the source of funds of the Offeror is sufficient to conduct and complete the Tender Offer.

### 6.3 Plan to sell shares of the Business

The Offeror does not presently have any intention to either sell or transfer a significant amount of the Company's shares within a 12-month period after the end of the Offer Period, except:

1. for the purpose of complying with the relevant rules and regulations under Thai laws; or
2. for any corporate restructuring within the Offeror or the CIMBGH Group

#### **6.4 Other necessary information**

The Tender Offer with details as prescribed herein is attempted for the purpose of delisting the Company's ordinary shares from the SET. Thus, shareholders of the Company can no longer trade ordinary shares of the Company on the SET should the Delisting of the Company's ordinary shares have come into force i.e. after the shares are delisted and lose the status of listed securities. Furthermore, the Company will no longer be required to disclose business and financial information to the SET.

## **Part 3** **Information of the Company**

### **1. Details of the Company**

#### **1.1 General Information**

Name: CIMB Securities International (Thailand) Public Company Limited

Address: 130-132 Floor 1-2 Sindhorn Tower 2 and Floor 12,  
Sindhorn Tower 3, Wireless Road, Lumpini, Pathumwan,  
Bangkok 10330

Telephone: +662 627 3100

Fax: +662 263 2043

Company Registration No.: 0107542000038

#### **1.2 Nature of business**

CIMB Securities International (Thailand) Public Company Limited is a listed company and a member company of the SET under the ticker "CIMBI" with 2 subsidiaries, namely CIMB Advisory (Thailand) Company Limited and SSEC Asset Management Securities Company Limited. The Company is authorized by the Ministry of Finance and the Office of SEC to undertake securities business, which mainly includes securities brokerage and derivatives brokerage business.

The securities brokerage business is the main source of income for the Company, providing services to retail investors, institutional investors, and foreign investors. Clients can make their trading orders via 2 channels, including placing orders through a broker or the internet. In addition, the clients have the option to open the following accounts: 1) Account traded on a cash basis, which includes 1.1) Cash Account whereby the clients deposit 15% cash guarantee as stipulated by the SET and 1.2) Cash Balance Account whereby the clients can trade securities for the amount of cash deposited with the Company as a settlement guarantee for securities they bought, or 2) Credit Balance Account whereby clients can increase their securities buying capacity through a loan for trading by placing cash and/or securities as settlement guarantee at the minimum rate of 50% or the rate specified by the SET. For 2010 and 2011, the Company had a market share of 1.48% and 1.31% respectively.

The derivatives brokerage business offered are 1) Futures Contract with the SET 50 Index as the underlying asset, 2) Stock Futures Contract with designated big-cap high liquidity ordinary stocks listed on the SET 50 Index as the underlying assets, 3) Gold Futures Contract with gold bullion as the underlying asset, 4) Interest Rate Futures with underlying interest rates, and 5) Options Contract or SET 50 Index Option. For 2010 and 2011, the Company had a market share of 0.73% and 0.53% respectively.

In addition to securities brokerage and derivatives brokerage business, the Company also offers the mutual fund selling agent services on its own accounts while offering securities underwriting business and financial advisory business through CIMB Advisory (Thailand) Company Limited. However, it should be noted that the Company held the Board of Directors' meeting no. 3/2012 on 27 June 2012 to pass the resolution to temporarily suspend CIMB Advisory (Thailand) Company Limited from its business operations. Such a temporary suspension shall take effect from 1 July 2012 onwards.

SSEC Asset Management Securities Company Limited was granted approval by the Ministry of Finance to discontinue its private fund business and investment advisory services. SSEC Asset Management Securities Company Limited filed its dissolution with the Ministry of Commerce on 11 February 2011 and registered for complete liquidation on 29 April 2011.

Presently, the Company operates its business through its head office in Bangkok and 12 other branches throughout the country, which are located in Chiang Mai, Phichit, Nakhon Sawan, Udon Thani, Khon Kaen, Surin, Trang, Krabi, Surat and 3 branches in Bangkok metropolitan area.

### 1.3 Summary of financial status and performance of the Company

Summary of the Company's audited separate and consolidated financial statements for the year ended 31 December 2009, 2010 and 2011 as well as the 3-month period ended 31 March 2012 is as follows:

Separate statements Unit: Baht in millions	For year ended 31 Dec			For 3-month ended 31 Mar
	2009 (Audited)	2010 (Audited)	2011 (Audited)	3M2012 (Unaudited)
Securities and derivatives business receivables –net	688.66	836.19	769.39	991.78
Total assets	1,217.50	1,396.57	1,257.71	1,337.76
Securities and derivatives business payables –net	243.57	295.06	202.84	261.60
Total liabilities	305.82	465.97	310.65	377.61
Shareholders' equity	911.67	930.59	947.05	960.15
Registered and Paid-up capital	637.22	637.22	637.22	637.22
Total revenue <sup>1/</sup>	368.01	401.19	386.20	97.92
Total expenses <sup>2/</sup>	338.72	345.34	336.46	81.38
Net profit/(loss)	25.31	38.04	35.58	13.09
Number of shares (Million share)	637.22	637.22	637.22	637.22
Basic Earnings per share (Baht per share)	0.04	0.06	0.06	0.02
Dividend per share (Baht per share)	0.03	0.03	n/a	-
Book value per share (Baht per share)	1.43	1.46	1.49	1.51

Consolidated statements Unit: Baht in millions	For year ended 31 Dec			For 3-month ended 31 Mar
	2009 (Audited)	2010 (Audited)	2011 (Audited)	3M2012 (Unaudited)
Securities and derivatives business receivables –net	688.66	836.19	769.39	991.78
Total assets	1,220.37	1,400.46	1,258.99	1,335.95
Securities and derivatives business payables –net	243.57	295.06	202.84	261.60
Total liabilities	306.07	467.97	311.94	378.52

Consolidated statements Unit: Baht in millions	For year ended 31 Dec			For 3-month ended 31 Mar
	2009 (Audited)	2010 (Audited)	2011 (Audited)	3M2012 (Unaudited)
Total shareholders' equity	914.31	932.50	947.05	957.43
- Attributable to the company's shareholders	911.13	930.59	947.05	957.43
- Non-controlling interest	3.18	1.91	-	-
Registered and Paid-up capital	637.22	637.22	637.22	637.22
Total revenue <sup>1/</sup>	368.46	407.12	394.03	98.11
Total expenses <sup>2/</sup>	348.70	352.00	344.32	84.29
Net profit/(loss)	21.29	38.58	35.58	10.38
Number of shares (Million share)	637.22	637.22	637.22	637.22
Basic Earnings per share (Baht per share)	0.03	0.06	0.06	0.02
Dividend per share (Baht per share)	0.03	0.03	n/a	-
Book value per share (Baht per share)	1.43	1.46	1.49	1.50

Source: Audited separate and consolidated financial statements of the Company

Notes: <sup>1/</sup> Total revenue includes income from brokerage, fee, interest income and other income

<sup>2/</sup> Total expenses include financial expenses, fees, services expenses, operating expenses and other expenses

Shareholders can refer to the information re: the financial statements of the Company via its website ([www.sseclick.com](http://www.sseclick.com)), the SEC ([www.sec.or.th](http://www.sec.or.th)) or the SET ([www.set.or.th](http://www.set.or.th))

#### 1.4 List of shareholders of the Business

(1) As at 26 June 2012, the top 10 shareholders of the Company are as follows:

Name	No of shares	% of total paid-up shares	% of total voting right
1. CIMB Securities International Pte Ltd	620,439,165	97.37	97.37
2. Thai NVDR Company Limited	3,275,189	0.51	0.51
3. Mrs. Rungkarn Srisomboon	2,022,726	0.32	0.32
4. Mr. Prayad Limsupanak	989,882	0.16	0.16
5. Mr. Kiat Srijomkhwan	500,000	0.08	0.08
6. Mr. Prasit Rojanapanukorn	500,000	0.08	0.08
7. Ms. Sujitra Techanavakul	444,000	0.07	0.07
8. Mrs. Payungsri Suksrisathapornkul	400,000	0.06	0.06
9. Mr. Boonchana Ingkaninun	350,000	0.05	0.05
10. Mrs. Yauwadee Ausdathorn	350,000	0.05	0.05
<b>Total</b>	<b>629,270,962</b>	<b>98.75</b>	<b>98.75</b>

Source: The Company

**(2) Expected shareholding structure of the Company after the Tender Offer**

The expected shareholding structure of the Company after the completion of the Tender Offer, assuming that all the existing shareholders of the Company other than the Offeror accept the Tender Offer is as follows:

Name	Number of shares	% of total paid-up shares	% of total voting right
CIMB Securities International Pte Ltd	637,215,030	100.00	100.00
<b>Total</b>	<b>637,215,030</b>	<b>100.00</b>	<b>100.00</b>

**1.5 List of the Board of Directors of the Company according to the latest list of Directors as at 26 June 2012 and the expected list of the Board of Directors immediately after the Tender Offer is set out below:**

**(1) Latest list of the Board of Directors of the Company (26 June 2012):**

Name	Position
Khun Suchai Sutasthumkul	Chairman of the Board of Directors / Chairman of Executive Directors
Khun Siripong Sutharoj	Director / Chief Executive Officer and President
Khun Chakkris Uthayophas	Director / Senior Deputy President
Khun Yothin Pibulkasetkij	Independent Director / Chairman of the Audit Committee
Khun Somboon Wongrassamee	Independent Director / Audit Committee
Khun Korawut Chiwaprecha	Independent Director / Audit Committee

Source: The Company

**(2) Immediately after the Tender Offer:**

Upon completion of the Tender Offer, the Offeror may introduce changes to the Board of Directors as deemed appropriate. Should there be any changes the Offeror will take the appropriate actions in compliance with the Company's Article of Association as well as the applicable rules and regulations under Thai laws.

**1.6 The highest and lowest prices of shares of the Business for each quarter over the past 3 years**

Year	Quarter	Highest and lowest price range (Baht per share)	
		Lowest price	Highest price
2009	Jan – Mar	0.36	0.98
	Apr – Jun	0.45	0.91
	Jul – Sep	0.67	0.91
	Oct – Dec	0.75	1.28
2010	Jan – Mar	0.78	1.14
	Apr – Jun	0.79	1.00
	Jul – Sep	0.89	1.25
	Oct – Dec	0.90	1.05
2011	Jan – Mar	0.85	1.05

Year	Quarter	Highest and lowest price range (Baht per share)	
		Lowest price	Highest price
	Apr – Jun	0.89	1.39
	Jul – Sep	1.30	1.74
	Oct – Dec	1.30	1.73
2012	Jan – Mar	1.50	1.73

Source: SETSMART

## 2. Operational Plan after the Business Takeover

### 2.1 Business status

After completing the Tender Offer and obtaining the delisting approval from the SET, the Company's listing status will be terminated. However, the Company will continue its public status and is still required to comply with the Public Company Act B.E. 2535. Thus, after the shares are delisted, the impacts on the Company's shareholders not accepting the Tender Offer can be summarized as follows:

1. The Shareholders will no longer have the secondary market for share trading, hence no liquidity and no market price available for trading reference. Shareholders will have less chance to receive returns in the form of capital gain. Return on investments would only be dividend payments from the Company, subject to approval from shareholders' meeting;
2. Shareholders of the Company who are individuals will no longer be exempted from capital gain tax; and
3. Shareholders of the Company will receive less information regarding the Company's business and financials. In accordance with the SEC's Notifications, after the end of the Offer Period, if the number of the Company's shareholders of all types of securities is less than 100 persons, or if the shareholders excluding the Offeror and any persons in connection with the Offeror pursuant to the Section 258 of the Securities and Exchange Act B.E. 2535 have in possession a total of no more than 5.0% of shares with voting rights, the Company will not be accountable for preparing and submitting financial statements as well as reporting financial status and securities holdings by its executives and auditors to the SEC;

### 2.2 Policy and plans of business operations

The CIMBGH Group currently operates two active securities brokerage firms in Thailand; CIMBST which is a 99.99% owned subsidiary of CIMBT and the Company which is a 97.37% owned subsidiary of the Offeror as at the submission date of the Tender Offer. On 12 April 2012, CIMBT's shareholders approved the divestment of 109,999,993 ordinary shares or equivalent to 99.99% of total paid-up capital and voting right in CIMBST to the Offeror for a total cash consideration in the range of Baht 1,066.8 - 1,117.6 millions.

As a result of the above, the Offeror intends to undertake a corporate restructuring to combine the businesses of the Company and CIMBST via partial transfer of the Company's assets to CIMBST. Preliminary details of assets subject to such a partial transfer plan are as follows:

<b>Summary of Assets Transferred to CIMBST by Major Category</b>	<b>Book value as at 12 June 2012 (Baht in Millions)</b>
Intangible Assets	20.8
Office Equipments	13.0
Leasehold Improvements	12.5
Vehicles	4.2
Furniture & Fixtures	2.6
<b>Total</b>	<b>53.1</b>

Note: Assets and respected consideration payable to the Company will be determined by the appraised value prepared by an independent asset appraiser. The above summary is preliminary and subject to change in line with the CIMBGH Group's policies

In attempts to accommodate the transitional period of business combination, the Offeror also considers transferring the Company's securities and derivatives business receivables, particularly those related to credit balance, to CIMBST based on book value as at the transaction date. As at 31 March 2012, the Company carried the amount of receivables relating to credit balance of Baht 688.8 millions.

### **1. Objectives of the Company**

Upon completion of the partial asset transfer to CIMBST, the Offeror will temporarily suspend the Company's core business operations. Respectively, the majority of the Company's assets will be held in the form of cash and cash equivalents as well as short-term investments i.e. a cash company with no further recurring income generated from securities and related businesses during the period of temporary suspension. All existing customers of the Company will be offered for the services and reactivated under the accounts of CIMBST. The reactivation shall be made upon prior consent obtained from customers on an individual basis.

### **2. Capital structure and dividend policy**

Even though the majority of the Company's assets will be consequently composed of cash and cash equivalents as well as short-term investments after the partial transfer of assets, the Offeror shall reserve the right to introduce any changes as deemed appropriate which may differ from the Company's existing dividend policy. The Offeror will take into account the appropriateness of the Company's future business plans and objectives as well as the broad-based policies of securities businesses under the CIMBGH Group. Any dividend payments shall be subject to the approval of the Board of Directors' and Shareholders' meeting of the Company.

The process mentioned above shall only begin upon successful and effective delisting of the Company from the SET. The decision to implement any plan shall be made after all options have been carefully assessed and subject to the receipt of any approvals required from the relevant parties based on the relevant laws and regulations. If circumstances change materially at a later stage, the Offeror may nevertheless adjust or change any of the abovementioned plans in line with the plans for the business.

### **2.3 Connected Transactions**

Should there be any connected transactions in the future the transactions shall be based on commercial terms on an arm's length basis and in compliance with the rules and regulations of the SEC, the Capital Markets Supervisory Board and the SET as well as any other applicable rules and regulations.



## Part 4

### Additional Information of the Tender Offer

#### 1. Tender Offer Acceptance Procedures

Any shareholder intending to sell any ordinary shares of CIMBI in the Tender Offer is required to comply with the following procedures:

- 1.1 Complete the "Acceptance Form for a Tender Offer to Purchase Securities of CIMB Securities International (Thailand) Public Company Limited" ("**Tender Offer Acceptance Form**") as attached in Appendix 2(2) for ordinary shares or Appendix 4(2) for NVDR herein with the Offeree's signature.
- 1.2 Enclose the following documents:

- (1) **If the ordinary shares are held in certificate form**, all the share certificate(s) must be endorsed with the signature of the Offeree in the column headed "Signature of the transferor" on the back of each share certificate. The endorsed share certificates must be submitted along with two copies of the duly signed supporting documents as per section 1.2 Clause (3) to Clause (5) as the case may be. The signatures endorsed on the share certificates and the supporting documents must be the same. If the first name, prefix or last name of the Offeree is not the same as in the Identification Card, please complete the "**Request Form for Rectifying Items in the Securities Holder Record**" of the Thailand Securities Depository Company Limited (TSD) as set forth in Appendix 2(5) with the same data as specified in the Identification Card. The Offeree must submit the said endorsed share certificates and documents to the Tender Offer Agent at its office during the business days and times as specified in section 1.3 Clause (1) below.

If the share certificates are lost or missing, the Offeree must contact the Thailand Securities Depository Company Limited (TSD) to reissue the share certificates. Since the reissuance process by TSD may take up to approximately 2 weeks, the Offeree should allow a sufficient amount of lead time to contact the TSD in advance prior to the end of the Offer Period.

- (2) **If the ordinary shares are deposited with the Thailand Securities Depository Company Limited (TSD) in scripless form**, the Offeree must contact his/her/its securities broker and submit the duly signed documents as per section 1.2 Clause (3) to Clause (5) as the case may be in order to transfer the tendered scripless shares into the following account of the Tender Offer Agent:

**- For a Thai Shareholder:**

"CIMB Securities (Thailand) Co., Ltd. for Tender Offer"

Account No. 007-000000098-2

**- For a Foreign Shareholder or NVDR Holder:**

"CIMB Securities (Thailand) Co., Ltd. for Tender Offer"

Account No. 007-000000098-2

Any shareholder who wishes to sell his/her/its shares shall send the Tender Offer Acceptance Form with the related documents to the securities firm that he/she has a brokerage account with. The securities firm will gather all documents and subsequently send them to the Tender Offer Agent.

**(3) If the Offeree is an individual:**

**- Thai Individual**

A certified copy of his/her valid Identification Card or Civil Servant Identification or State Enterprise Employee Card (in case of a Civil Servant Identification or State Enterprise Employee Card, a certified copy of his/her house registration is required and the Offeree's name must appear on the copy) is required.

**- Foreign Individual**

A certified copy of his/her valid Alien Certificate or passport is required.

**(4) If the Offeree is a juristic person:**

**- Thai Juristic Person**

- A copy of the most updated company affidavit granted by the Ministry of Commerce issued not more than 12 months prior to the last day of the Tender Offer period, certified by an authorized signatory(ies) of the juristic person and affixed company's seal (if any) are required; and
- A certified copy of the Identification card, Civil Servant Identification card, or State Enterprise Employee Card of the authorized person is required (in case of a Civil Servant Identification card or State Enterprise Employee Card, a certified copy of the person's house registration is also required and the person's name must appear on the copy). If the authorized person is a foreigner; a certified copy of Alien Certificate or passport is required.

**- Foreign Juristic Person**

- A certified copy of the certificate of incorporation and the affidavit issued by an authorized officer of the juristic person or regulatory body of the country where the juristic person is domiciled, which certifies the name of the juristic person, the person authorized to bind the juristic person, head office location, and any condition to the power of such authorization to bind the juristic person that is not more than 12 months prior to the last day of the Tender Offer period, all certified by director(s) or authorized person(s) is required; and
- A certified copy of valid Alien Certificate(s) or passport(s) of the director(s) or authorized person(s) who certified the aforementioned document(s) is required.

All of the aforementioned certified documents must be certified by a Notary Public or by any other agency with authority in a country where such documents were prepared or certified and then authenticated by an official of the Royal Thai Embassy or of the Thai Consulate in a country where such documents were prepared or certified and issued not more than 12 months prior to the last day of the Tender Offer period.

**(5) If the Offeree is a juristic person carrying business outside Thailand:**

If the Offeree's business is carried on in a country which has no double tax treaty agreement with Thailand or in a country that is a party to a double tax treaty with Thailand, but such double tax treaty does not exempt a foreign juristic person from withholding tax on the capital gains realized from the sale of securities in Thailand, the Offeree is required to declare the cost basis for the securities for withholding tax purpose by completing and submitting a **"Confirmation of Securities Cost Form (for Offeree, as a foreign juristic person who does not carry on business in Thailand)"** Appendix 2(3) or Appendix 4(3) for NVDR. If the

Offeree fails to declare the cost basis or fails to submit proper evidence of the cost basis, the Tender Offer Agent will collect the withholding tax based on the total proceeds payable to the Offeree from the sale of the securities.

**(6) If the Offeree cannot submit the Tender Offer Acceptance Form by him/herself**

The documents required are a "Power of Attorney" appointing the authorized representative as stated in Appendix 2(4) or Appendix 4(4) for NVDR affixed with relevant stamp duty and certified copy of identification documents in Clause 1.2 (3) or 1.2 (4) of the securities holder and the authorized representative.

**(7) Other documents, which the Tender Offer Agent will notify.**

If there are any questions regarding the Tender Offer Acceptance Procedure, please contact:

Khun Pannataree Niyomdach and Khun Suntaree Kumplee  
Corporate Finance and Equity Capital Market Department  
CIMB Securities (Thailand) Company Limited  
44 CIMB Thai Bank Building, 24-25<sup>th</sup> floor, Soi Langsuan,  
Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone: +662 657 9274 and +662 657 9271

1.3 Submission of the Tender Offer Acceptance Form

**(1) If the ordinary shares are held in certificate form:**

The Offeree shall submit a completed Tender Offer Acceptance Form together with the aforementioned documents at the office of the Tender Offer Agent at least 1 business day prior to the last day of the Tender Offer period:

Khun Pannataree Niyomdach and Khun Suntaree Kumplee  
Corporate Finance and Equity Capital Market Department  
CIMB Securities (Thailand) Company Limited  
44 CIMB Thai Bank Building, 24-25<sup>th</sup> floor, Soi Langsuan,  
Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone: +662 657 9274 and +662 657 9271

CIMBST as the Tender Offer Agent will use its best efforts to submit the ordinary share certificates to the TSD for verification as soon as possible. Nonetheless, if the transfer of ownership of the ordinary share certificate cannot be completed within the period before the submission of a report of the result of the Tender Offer, the tender of such shares will be revoked if such failure of the transfer of ownership is caused by the Offerees.

**The Tender Offer Agent will not accept any documents submitted by mail.**

**(2) If the ordinary shares are held in scripless form:**

The Offeree's broker where the securities are deposited shall collect the Tender Offer Acceptance Form and the required documents and submit them to the Tender Offer Agent throughout the Tender Offer period from 9:00 a.m. to 4:00 p.m. on every business day.

### **(3) NVDR:**

The Offeree shall comply with the procedure of Tender Offer Acceptance for NVDR as per Appendix 4(1)

**Note:** All NVDR holders should submit the Tender Offer Acceptance Form at least one business day prior to the last date of the Tender Offer Period.

- 1.4 If the tendered ordinary shares are under pledge or any other encumbrances, the Offeree must take action to release the pledge or any other encumbrances before accepting the Tender Offer and complying with Clause 1.1 to 1.3 above.

## **2. Procedure for the purchase of securities**

All tendered securities will be purchased except for the case of a Tender Offer Cancellation as specified in Clause 9 of Part 1.

## **3. Settlement and payment procedure**

After the Tender Offer Agent has received the Tender Offer Acceptance Form along with all the required documents, CIMBST as the Tender Offer Agent will make payments to the Offerees on 14 September 2012, which is the third business day after the last day of the Offer Period, by way of automatic transfer through Bangkok Bank PCL (BBL), Krung Thai Bank PCL (KTB), The Siam Commercial Bank PCL (SCB), Kasikornbank PCL (KBANK), TMB Bank PCL (TMB), United Overseas Bank (Thai) PCL (UOB), CIMB Thai Bank PCL (CIMBT), Bank of Ayudhya PCL (BAY) or Thanachart Bank PCL (TCHART). Details of automatic transfer through commercial bank are as follows:

### **3.1 Automatic transfer to an account with commercial bank**

The account must be a saving or current account opened with BBL, KTB, SCB, KBANK, TMB, UOB, CIMBT, BAY or TCHART only. The name of the account holder must be the same as that of the Offeree stated in the Tender Offer Acceptance Form. The remitted amount will be available in the account from 10:30 a.m. on 14 September 2012. Note that the Offerees are required to provide either a certified copy of the first page of the savings deposit passbook showing the account name and account number, or a certified copy of the current account statement.

## **4. Rights of securities holders who have confirmed their intention to sell shares**

The Offeror will make payment to the Offerees through the Tender Offer Agent for all shares tendered according to the payment date and payment procedure in Clause 3 as selected by the Offerees.

In case of the occurrence of any event as outlined in Clause 8 of Part 1, the Tender Offeror will pay the decreased price to all Offerees except for the Offerees who have confirmed their Tender Offer before the announcement of the decreased price.

In the event of increased offer price, the Tender Offeror will pay the increased price to all Offerees.

## **5. Conditions for withdrawal of the Intention to sell**

- 5.1 The last day the Offeree can revoke acceptance of the Tender Offer is the 20<sup>th</sup> business day of the Offer Period, which is 6 August 2012 inclusive from 9:00 a.m. to 4:00 p.m.

### **5.2 Revocation Procedures**

- 5.2.1 Complete and sign the “**Tender Offer Revocation Form**” as enclosed in Appendix 3(2)

5.2.2 Enclose the following documents:

- (1) Evidence of the receipt of ordinary share certificate or transfer of scripless ordinary shares and the Tender Offer Acceptance Form.
- (2) If the Offeree wishing to revoke is an individual:
  - Thai individual: A certified copy of a valid Identification Card, Civil Servant Identification Card or State Enterprise Employee Card (in case of a Civil Servant Identification Card or State Enterprise Employee Card, a certified copy of the person's house registration is also required and the person's name must appear on the copy).
  - Foreign individual: A certified copy of a valid Alien Certificate or passport must be enclosed
- (3) If the Offeree wishing to revoke is a juristic person:
  - Thai juristic person: A copy of the most updated affidavit granted by the Ministry of Commerce not more than 12 months prior to the last day of the Tender Offer period, certified by an authorized signatory(ies) of the juristic person and affixed with a company seal (if any) and must be enclosed along with a certified copy of each of the documents in Clause 5.2.2 (2) of the authorized signatory(ies).
  - Foreign juristic person: A certified copy of the certificate of incorporation and the affidavit issued by an authorized officer of the juristic person or regulatory body of the country where the juristic person is domiciled and issued not more than 12 months prior to the last day of the Tender Offer period, all certified by director(s) or authorized person(s) along with certified copy of the documents in Clause 5.2.2 (2) of authorized signatory(ies).

All of the aforementioned certified documents must be certified by a Notary Public or by any other agency with authority in a country where such documents were prepared or certified and then authenticated by an official of the Royal Thai Embassy or the Thai Consulate in a country where such documents were prepared or certified and issued not more than 12 months prior to the last day of the Tender Offer period.

If the Offeree is represented by an authorized representative, a "Power of Attorney" appointing the authorized representative as stated in Appendix 3(3) affixed with Baht 30 stamp duty and the certified copy of documents in Clause 5.2.2 (2) or 5.2.2 (3) of the authorized person and certified copy of Identification Card of the authorized representative are required.

5.2.3 Submit a completed Tender Offer Revocation Form together with the required documents specified in Clause 5.2.2 at the Tender Offer Agent's office as mentioned in Clause 1.3 (1)

5.2.4 After receiving and verifying the Tender Offer Revocation Form and other necessary documents stated in Clause 5.2.2 that are submitted within the revocation period, the Tender Offer Agent will proceed as follows:

- Return of ordinary share certificate: The Offeree must complete, sign, and submit the Tender Offer Revocation Form along with the required documents stated in Clause 5.2.2. The Tender Offer Agent will return the share certificates to the Offeree or its authorized representative on the next business day after the submission date. The Offeree can contact the Tender Offer Agent per address specified in Clause 1.3 (1) for picking up the share certificate.

- **Return of scripless ordinary share:** The Offeree is required to pay a transfer fee of Baht 100 per transaction. The Tender Offer Agent will transfer the shares through the TSD to the Offeree's broker account as specified in the Tender Offer Revocation Form on the next business day after the submission date.

**Note:** An Offeree making a revocation shall receive shares only in the form in which such ordinary shares are tendered, and cannot request to change the form for all ordinary shares.

## **6. Procedure for returning the shares to the Offerees if the Tender Offer is canceled**

If the Tender Offer is canceled due to conditions specified in Part 1 Clause 9, the Offeror will send a letter notifying the cancellation of the Tender Offer to the Company's shareholders, whose name appear on the most recent shareholder registration, on the next business day after the end of the last business day (within 3 business days after the SEC receives the Offeror's notice) that the SEC has not objected the Offeror's cancellation. Afterward, the Tender Offer Agent will proceed as follow:

### **6.1 For share certificate:**

The Tender Offer Agent will return the share certificates to the Offeree and the Offeree can collect the share certificates at the Tender Offer Agent's office as mentioned in Clause 1.3 (1) on the next business day after the Offeror announces the cancellation of the Tender Offer.

### **6.2 For scripless shares and NVDR:**

The Tender Offer Agent will transfer the shares through the TSD system to the Offeree's broker account as specified in the Tender Acceptance Form within the next business day after the Offeror announces the cancellation of the Tender Offer.

**Note:** An Offeree shall receive shares only in the form in which such ordinary shares were tendered and cannot request to change the form of ordinary shares.

## **7. Determination of the Offer Price**

### **7.1 Method of the Offer Price Determination**

The tender offer price for delisting by virtue of the Notification of the Capital Markets Supervisory Board No. TorJor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers shall not be less than the highest price calculated by the following four methods:

- 1. The highest price at which the Offeror or person under Section 258 of the Offeror has obtained the ordinary shares during the period of 90 days prior to submission of the Tender Offer to the SEC;**

The price equals Baht 1.72 per share.

- 2. The weighted average price during 5 business days before the day the Board of Directors of the Company resolves to propose the delisting of securities to the shareholders' meeting for approval, or the day the Company's shareholders' meeting resolves for the Company to delist the securities from the SET, whichever is earlier;**

The price shall be based on the period starting from 8 February 2012 to 14 February 2012, which covers 5 business days before the date the Board of directors of the Company passed a resolution to approve and propose to the shareholders' meeting for approval on 15 February 2012. Hence, the 5-day weighted average price is Baht 1.68 per share with details as follows:



Date	Trading Volume (No. of shares)	Trading Value (Baht)
8 February 2012	5,200	8,780
9 February 2012	1,000	1,500
10 February 2012	2,400	4,072
13 February 2012	200	334
14 February 2012	19,300	32,422
<b>5-day weighted average price is equal to Baht 1.68 per share</b>		

**3. The net asset value of the Company based on adjusted book value approach so as to reflect the latest market price of the assets and liabilities of the Company; and**

The Company's latest consolidated financial statements for the 3-month period ending 31 March 2012 will be adjusted for market value under current circumstances as well as any off-balance-sheet items. The price is equal to Baht 1.50 per share with details as follows:

Shareholders' equity before non-controlling interest (Baht in millions)	957.4
Plus: Increase in net value of investments (Baht in millions)	1.0
Minus: Post-employment benefit obligations (Baht in millions)	4.5
Equal to: Adjusted shareholders' equity (Baht in millions)	953.9
Divided by: Number of paid-up shares (million shares)	637.2
<b>Net asset value of the Company per share (Baht/share)</b>	<b>1.50</b>

Note: Please refer details of adjustments to the section presented below i.e. the fair value of the ordinary shares of the Company valued by the financial advisor re: Adjusted Book Value Approach

**4. The fair value of the ordinary shares of the Company valued by the financial advisor.**

We, CIMB Securities (Thailand) Co., Ltd., adopted several approaches to valuation of the Company's ordinary shares and opined pros and cons respective to each approach. Valuation methodologies used to the advantage of evaluating fair value of the Company's ordinary shares are as follows:

1. Book Value Approach
2. Adjusted Book Value Approach
3. Market Comparable Approach
  - Price to Book Value Approach
  - Price to Earning Approach
4. Market Value Approach

It should be noted that the Discounted Cash Flows (DCF) Approach is considered inapplicable in this context. The DCF Approach, which is central to the valuation based on business fundamentals such as profitability, growth and earnings potential in competitive setting, assumes that a going concern entity shall continue to produce free cash flows from normal course of business operations as a result of managerial decisions in the long run. Consequently, fair value is equal to the present value of future free cash flows.

Since the Company will be transferring part of its assets to CIMBST and temporarily suspending its core business operations thereafter, the DCF Approach may not be appropriate in determining fair value of the Company's ordinary shares.

Details of our selected valuation methodologies are presented below:

#### 4.1. Book Value Approach

Book value is referred to as total assets minus associated liabilities or shareholders' equity of the Company in financial statements prepared in conformity with accounting standards and practices generally accepted in Thailand as well as the Notifications of the Office of the Securities and Exchange Commission. Hence, the Company's (reviewed) consolidated financial statements as at 31 March 2012 will result in book value per share as follows:

Shareholders' equity as at 31 March 2012 (Baht in millions)	957.4
Divided by: Number of paid-up shares (million shares)	637.2
<b>Book value per share (Baht/share)</b>	<b>1.50</b>

Valuation result of the Book Value Approach is equal to Baht 957.4 millions or Baht 1.50 per share as at 31 March 2012.

#### 4.2 Adjusted Book Value Approach

This approach is primarily intended to mitigate one of the potential drawbacks behind the Book Value Approach in the sense that assets and liabilities will be adjusted for market value under current circumstances as well as any off-balance-sheet items. Adjusted Book Value Approach will better capture fair value of the Company's ordinary shares. Review of significant items and any adjustments made thereto based on the Company's (reviewed) consolidated financial statements as at 31 March 2012 are as follows:

##### (A.) Securities and derivatives business receivables

Net securities and derivatives business receivables amounted to Baht 991.8 millions as at 31 March 2012, comprising total receivables and accrued interest of Baht 1,061.8 millions and allowance for doubtful accounts of Baht 70.0 millions. The allowance for doubtful accounts on securities and derivatives business receivables is based on management's review and assessment of the status of individual debtor and overall debtors as well as the requirements as stated in the Office of the SEC's Notifications.

We view that net securities and derivatives business receivables are appropriate and require no further adjustment in this context due to the facts that the amount of allowance is provided in full and in accordance with the guidelines stipulated by the SEC.

##### (B.) Net investments

Net investments amounted to Baht 79.9 millions as at 31 March 2012, comprising trading securities of Baht 71.6 millions and investments in non-marketable securities of Baht 8.3 millions. Investments in trading securities require no further adjustment because they are determined at fair value.

Investments in non-marketable securities represent equity securities held in TSFC Securities Public Company Limited ("TSFC"), which are determined at historical cost of Baht 8.3 millions with no record of impairment loss. Thus, we view that the amount of investments in TSFC should be adjusted in order to reflect the current book value as a percentage of the Company's holdings. Based on TSFC's financial statements for the 3-month period ending 31 March 2012, its shareholders' equity amounted to Baht 1,136.9 millions or Baht 11.18 per share. The adjustment made to the Company's investments in non-marketable securities equal to the difference between current book value of Baht 11.18 per share and historical cost measured at



par value of Baht 10.00 per share multiplied by 828,875 ordinary shares held in TSFC, which is approx Baht 1.0 millions

### **(C.) Post-employment benefits**

The Company and its subsidiary apply actuarial technique to calculating post-employment benefit obligations with past service costs recognized as expenses by straight-line method over 5 years. Therefore, we view that it is appropriate to adjust for the amount of post-employment benefit obligations that has yet to be recognized as liabilities at 31 March 2012. Such an unrecognized amount of post-employment benefit obligations totaling Baht 4.5 millions will be treated as a basis for adjusting liabilities upwards in this context.

### **(D.) Intangible assets**

Intangible assets amounted to Baht 12.4 millions as at 31 March 2012, which was comprised of software, investment advisory fee, TFX membership and costs associated with website development. We view that intangible assets are appropriate and in conformity with accounting standards and practices generally accepted in Thailand. It is therefore concluded that there shall be no adjustment made to intangible assets as reported on the financial statement.

### **(E.) Commitment and contingent liabilities**

In January 2011, the Company has been a defendant in the Civil Court for a claim of Baht 3.4 millions. Subsequently, on 19 July 2011, the Civil Court rendered a judgment for dismissing. However, on 2 September 2011, the prosecutor has appealed against the Court, the case is being in consideration of the Court. Since the Company foresees no loss arising from the lawsuit, there are no further adjustments required.

According to the review of significant items and any adjustments as presented above, the Adjusted Book Value Approach will produce the result as follows:

Shareholders' equity before non-controlling interest as at 31 March 2012 (Baht in millions)	957.4
Plus: Increase in net value of investments (Baht in millions)	1.0
Minus: Post-employment benefit obligations (Baht in millions)	4.5
Equal to: Adjusted shareholders' equity (Baht in millions)	953.9
Divided by: Number of paid-up shares (million shares)	637.2
<b>Net asset value of the Company per share (Baht/share)</b>	<b>1.50</b>

Valuation result of the Adjusted Book Value Approach is equal to Baht 953.9 millions or Baht 1.50 per share as at 31 March 2012. However, it should be noted regarding the implications of the Offeror's plan to transact partial asset transfer from the Company to CIMBST and temporarily suspend the Company from all aspects of its business operations thereafter as follows:

1.) At this stage, the Offeror has a plan to transfer the Company's non-current assets i.e. intangible assets as well as leasehold improvements and equipments to CIMBST at the appraised value prepared by an independent asset appraiser. The appraisal report is currently unavailable, but we are of the view that the appraised value would not differ materially from book value of the subject assets. Therefore, we disregard the adjustment for difference between the subject assets' appraised value and book value in valuation result of the Adjusted Book Value Approach.

2.) The temporary business suspension will result in the Company making compensations under the relevant rules and regulations to a number of employees of the Company. Even though such an amount of compensation payments has yet to be estimated reliably at this stage, the compensation payments in total would likely exceed the post-employment benefit obligations that have been adjusted for the unrecognized portion of Baht 4.5 millions. In the event that we take into account the compensation payments, valuation result of the Adjusted Book Value Approach will decrease further and fall below Baht 1.50 per share as illustrated above. Nevertheless, due to lack of reliable estimate at this stage, we do not reflect the compensations payable to certain employees in valuation result of the Adjusted Book Value Approach.

### 4.3 Market Comparable Approach

This approach evaluates fair value on the basis that companies operating in similar business should have similar price multiples based on key financials. Therefore, this approach is to first identify comparable companies whose normal courses of business operations are similar to the Company and then use their average price multiples as a relative basis for determining fair value of the Company's ordinary shares. Price multiple ratios we select for the Market Comparable Approach are as follows:

- ✓ Price to Book Value Approach (P/BV);
- ✓ Price to Earnings Approach (P/E); and

For the purpose of peer group identification, there are 15 companies listed on the SET but only 12 of which including the Company are currently engaged in securities brokerage as their principal area of business operations. The universe of securities companies listed on the SET that we have identified is presented in order of market share as follows:

	Symbol	Market Share of securities brokerage
1. Maybank Kim Eng Securities (Thailand) PCL	MBKET	11.86%
2. Finansia Syrus Securities PCL	FSS	5.17%
3. Country Group Securities PCL	CGS	5.13%
4. Asia Plus Securities PCL	ASP	4.83%
5. Phatra Capital PCL	PHATRA	4.76%
6. KGI Securities (Thailand) PCL	KGI	4.54%
7. Capital Nomura Securities PCL	CNS	2.60%
8. UOB Kay Hian Securities (Thailand) PCL	UOBKH	2.53%
9. Globex Holding Management PCL	GBX	2.25%
10. CIMB Securities International (Thailand) PCL	CIMBI	1.31%
11. Trinity Watthana PCL	TNITY	1.28%
12. OSK Securities (Thailand) PCL	OSK	0.48%

**Note:** Total market excluding proprietary trading in 2011

Finansa Pcl ("FNS"), United Securities Pcl ("US"), Seamico Securities Pcl ("ZMICO") are carved out of peer group because they are no longer engaged in securities brokerage as their principal area of business operations.

Bualuang Securities Pcl ("BLS") were delisted from the SET with effects on 7 April 2012

Since each securities house varies considerably in scale of business operations, we use market share as a basis for narrowing the focus and only concentrate on those having market share closer to that of the Company. Provided is the Company's market share of 1.31% in 2011, we are therefore to identify comparable companies as the ones commanding

market shares below 3.0%. List of the comparable companies is presented as follows:

	Symbol	Market Share of securities brokerage
Capital Nomura Securities Pcl	CNS	2.60%
UOB Kay Hian Securities (Thailand) Pcl	UOBKH	2.53%
Globex Holding Management Pcl	GBX	2.25%
Trinity Watthana Pcl	TNITY	1.28%
OSK Securities (Thailand) Pcl	OSK	0.48%

Details of valuation based on the Market Comparable Approach are as follows:

### **(1.) Price to Book Value Approach**

P/BV Approach determines fair value by having book value per share based on the Company's (reviewed) consolidated financial statements as at 31 March 2012 multiplied by average P/BV ratios of the comparable companies.

Average P/BV ratios are calculated retroactively on different intervals i.e. 30-day, 90-day, 180-day, 270-day, and 360-day from 28 September 2011 (the last trading day before the Company notified to the SET re: the execution of the Definitive Share Sale and Purchase Agreement between the Siam Industrial Credit Pcl and the Offeror). The average P/BV ratios derived from our selection of comparable companies are as follows:

	30-day	90-day	180-day	270-day	360-day
CNS	0.52	0.53	0.52	0.53	0.52
UOBKH	0.74	0.67	0.62	0.61	0.61
GBX	1.05	1.11	1.17	1.12	1.06
TNITY	0.57	0.58	0.53	0.52	0.51
OSK	0.96	0.95	0.91	0.78	0.70
<b>Average P/BV multiples</b>	<b>0.77</b>	<b>0.77</b>	<b>0.75</b>	<b>0.71</b>	<b>0.68</b>

The average P/BV ratios are in a range of 0.68-0.77 times. Provided is the Company's applicable book value of Baht 1.50 per share as at 31 March 2012, valuation results are as follows:

	Average P/BV Ratio	Book Value Per Share	Resulting Share Price
Retroactive 30 days	0.77	1.50	1.15
Retroactive 90 days	0.77	1.50	1.16
Retroactive 180 days	0.75	1.50	1.13
Retroactive 270 days	0.71	1.50	1.07
Retroactive 360 days	0.68	1.50	1.02

Valuation result of the P/BV Approach is in a range of Baht 1.02-1.16 per share.

### **(2.) Price to Earnings Approach**

Fair value under the P/E approach can be determined having the Company's trailing 4-quarter earnings per share i.e. from 2Q2011 to 1Q2012 multiplied by average P/E ratios of the comparable companies.

Average P/E ratios are calculated retroactively on different intervals i.e. 30-day, 90-day, 180-day, 270-day, and 360-day from 28 September 2011 (the last trading day before the Company notified to the SET re: the execution of the Definitive Share Sale and Purchase Agreement between the Siam Industrial Credit Pcl and the Offeror). The average P/E ratios derived from our selection of comparable companies for different intervals are as follows:

	30-day	90-day	180-day	270-day	360-day
CNS	9.01	9.73	10.37	12.25	13.14
UOBKH	8.03	7.60	7.68	8.32	8.45
GBX	14.34	15.16	16.05	18.93	20.48
TNITY	8.59	9.63	11.50	14.06	15.96
OSK <sup>1/</sup>	<del>96.32</del>	<del>95.90</del>	<del>91.22</del>	<del>115.67</del>	<del>130.09</del>
<b>Average P/E multiples</b>	<b>9.99</b>	<b>10.53</b>	<b>11.40</b>	<b>13.39</b>	<b>14.51</b>

Note: <sup>1/</sup> P/E ratios derived from OSK are considered an outlier and therefore carved out when calculating for average P/E multiples.

The average P/E ratios are in a range of 9.99-14.51 times. Provided is the Company's applicable trailing 4-quarter earnings of Baht 0.05 per share, valuation results are as follows:

	Average P/E Ratio	4-quarter trailing EPS	Resulting Share Price
Retroactive 30 days	9.99	0.05	0.50
Retroactive 90 days	10.53	0.05	0.53
Retroactive 180 days	11.40	0.05	0.57
Retroactive 270 days	13.39	0.05	0.67
Retroactive 360 days	14.51	0.05	0.73

Valuation result of the P/E Approach is in a range of Baht 0.50 - 0.73 per share.

#### 4.4 Market Value Approach

Market Value Approach determines fair value based on volume weighted average price (VWAP) of the Company's shares. The VWAP calculated on different intervals are as follows:

	VWAP (Baht/share)
Retroactive 30 days	1.57
Retroactive 90 days	1.43
Retroactive 180 days	1.29
Retroactive 270 days	1.24
Retroactive 360 days	1.18

Valuation result of the Market Value Approach is in a range of Baht 1.18-1.57 per share.

**Pros and cons as well as our suggested valuation methodologies used to evaluate fair value of the Company's ordinary shares are summarized as follows:**

- Book Value Approach determines fair value solely on the basis of the Company's shareholders' equity as reported on the consolidated financial statement. However, instead of Book Value Approach, we recommend using Adjusted Book Value Approach as one of the main approaches to determining fair value of the Company's ordinary shares.

- Adjusted Book Value Approach better captures fair value of the Company's ordinary shares. Book value of the Company is primarily composed of financial assets and liabilities such as cash and cash equivalents, securities and derivatives business receivables and investments as well as securities and derivatives business payables. The majority of which are considered liquid and fairly stated by nature. Further adjustments are incorporated to better reflect fair value of assets and liabilities under current circumstances as well.

It should be noted that the Company is currently in the process of transacting partial asset transfer to CIMBST and temporarily suspending core business operations thereafter. We view that the fair value should be determined by the Adjusted Book Value Approach, which is an asset-base valuation as opposed to the going concern valuation.

- Market Comparable Approach determines fair value as a specific multiple of the Company's selected key financials relative to comparable companies having similar business operations. In this context, we merit the P/BV Approach as one of the main approaches to determining fair value of the Company's ordinary shares because book value of securities companies is fairly stated by nature of financial assets and liabilities. In addition, the Market Comparable Approach is able to reflect general investors' perception and expected return from equity investments in companies engaging principally in securities brokerage with similar scale of business operations.

Note that average P/BV ratios falling well below 1.0 time indicate unfavorable outlook of securities brokerage business. Changing sentiment of investments and volatility in equity capital markets as well as liberalization of securities brokerage fees and license in the country are considered major factors that have considerable tendency to cause intensified competitions and deteriorate profit-generating capability of securities companies.

Referring to the P/E Approach, we view that it may not be appropriate because it determines fair value of the Company as a result of profits generated over the past 4 quarters without considering any prospects of operating performance based on future business plan in the long run. The P/E Approach also fails to reflect the quality of assets i.e. liquidity and marketability.

- Market Value Approach derives fair value from the average market prices at which the Company's shares are traded in the secondary market. Trading prices are a function of demand and supply of the Company's shares in the secondary market, which in turn have tendency to reflect fair value under appropriate level of trading conditions and liquidity from theoretical perspective. However, VWAP under the Market Value Approach may not be appropriate to use as a basis for determining fair value of the Company's ordinary shares due to relatively low trading volume.

	Average Trading Volume (,000 Shares)	Trading Turnover Ratio
Retroactive 30 days	3,521	0.55
Retroactive 90 days	3,629	0.57
Retroactive 180 days	2,953	0.46
Retroactive 270 days	2,592	0.41
Retroactive 360 days	3,159	0.50

As illustrated in the above table, average trading volumes were in a range of 2.6 – 3.6 million shares or approx 0.41 – 0.57 of total paid-up shares of the Company over the subject horizon. Therefore, we do not recommend

using Historical Market Price Approach as a main approach to determining fair value.

**Summary of the valuation methodologies selected to determine fair value of the Company'**

<b>Valuation Approach</b>	<b>The Company's fair value of equity (Baht/share)</b>
Book Value Approach	1.50
<b>Adjusted Book Value Approach</b>	<b>1.50</b>
<b>Market Comparable –P/BV Approach</b>	<b>1.02 – 1.16</b>
Market Comparable –P/E Approach	0.50 – 0.73
Market Price Approach	1.18 – 1.57

In conclusion, we are of the view that the appropriate valuation methodologies used to evaluate fair value of the Company's ordinary shares include the Adjusted Book Value Approach and the Price to Book Value Approach, resulting in the price calculated by the financial advisor equal to Baht 1.02 – 1.50 per share.

**8. Acquisition of shares prior to the Tender Offer (applicable only to the case of partial tender offer pursuant to Section 5 of the Notification of the Stock Exchange Commission No. TorJor. 12/2554)**

- Not applicable -

**Part 5**  
**Certification of Information**

**We hereby certify that:**

- (1) We truly intend to make this Tender Offer;
- (2) The Offer Price in this Tender Offer has been determined in compliance with the Notification of Capital Markets Supervisory Board No. TorJor. 12/2554;
- (3) We truly intend to proceed in compliance with the plans as specified in this Tender Offer; and
- (4) The statements set forth in this tender offer are complete and accurate without information that may be misleading and no concealment is made on any material information that should be disclosed.

**CIMB Securities International Pte Ltd**

(Signature) Chan Swee Liang Carolina

(Chan Swee Liang Carolina)

Executive Director

(Signature) Chan Yuen May

(Chan Yuen May)

Chief Operation Officer

**The Offeror**

## **Certification of Information by the Tender Offer Preparer**

We, as the preparer of the Tender Offer, have duly performed duties as prescribed in the SEC Notification governing the approval of financial advisors and scope of operation, and hereby certify that in the process of such duties, we:

- (1) Have reviewed and considered such information of the Offeror to the extent that we are confident that such information disclosed in this Tender Offer document is complete and accurate with no misleading content in any material aspect, nor shall it conceal any material information which should be disclosed;
- (2) Have reviewed the financial evidence and are of the view that the Offeror is actually capable of proceeding with the foregoing tender offer;
- (3) Have reviewed the Offeror's business management policy and plan for CIMB Securities International (Thailand) Public Company Limited as stated in Clause 2 in Part 3 regarding to the Information of the Company, and are of the view that:
  - (a) The Offeror is capable of implementing such business management policy and plan;
  - (b) The assumptions used in the drafting of the business management policy and plan are justifiably formulated; and
  - (c) The description of the impacts on the Company and risks which may affect the Company and the securities holders is clear and sufficient.
- (4) Based on the information and evidence of acquisition of securities of the business by the Offeror or any related party prescribed in Section 258 of the Offeror during the period of 90 days prior to the date on which the tender offer is submitted and the tender offer price as reviewed by us, there is no doubt that the offer price on this occasion has complied with the provisions under the Notification of Capital Markets Supervisory Board No. TorJor. 12/2554; and
- (5) Have reviewed the completeness and correctness of other information contained in this tender offer with due care and are of the view that such information is complete and accurate without misleading information and no concealment is made on any material information that should be disclosed.

### **CIMB Securities (Thailand) Company Limited**

(Signature) Mr. Suchai Sutasthumkul

(Mr. Suchai Sutasthumkul)

Chief Executive Officer

(Signature) Mr. Sittichai Mahaguna

(Mr. Sittichai Mahaguna)

Director of Corporate Finance  
And Equity Capital Market

### **Tender Offer Preparer and Tender Offer Agent**

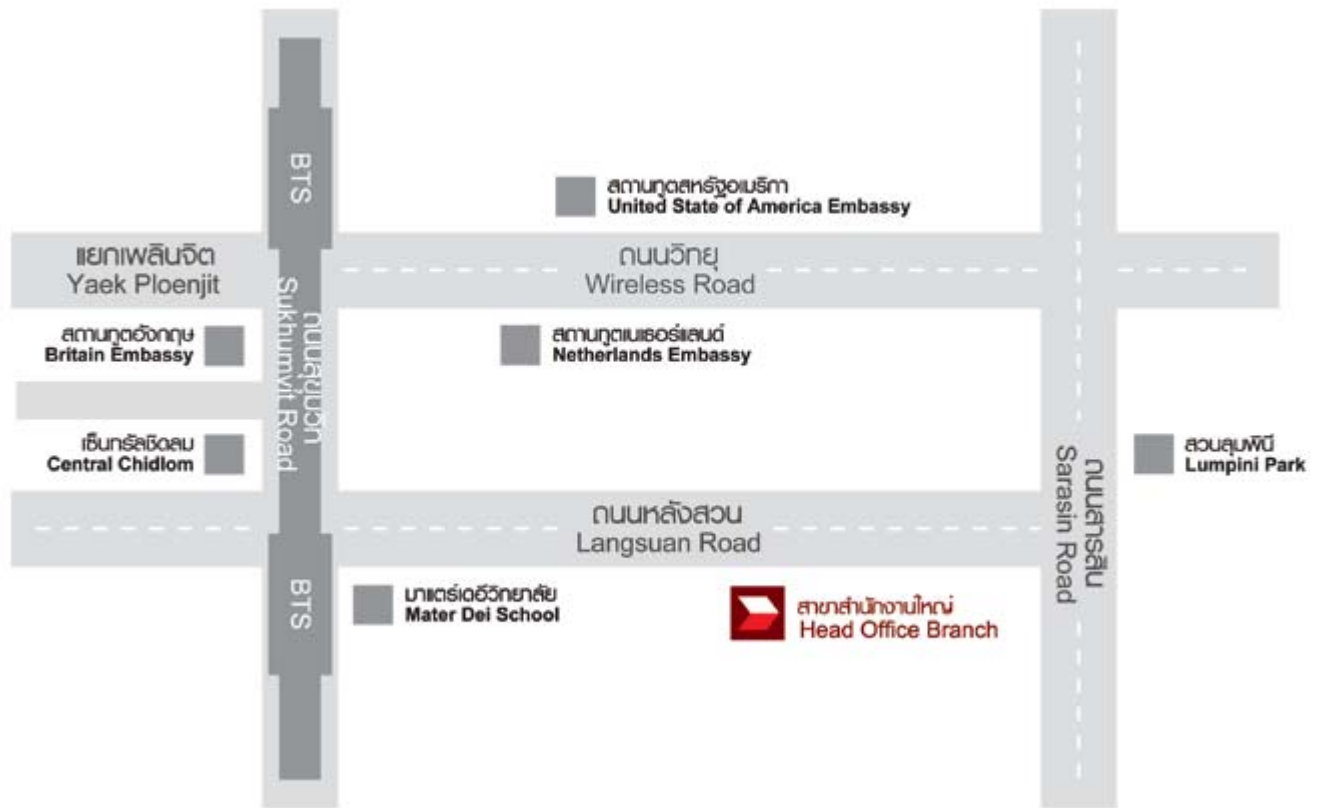


## Appendix 1

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The Map of CIMB Securities (Thailand) Co., Ltd.  
(Tender Offer Agent)

The Map of CIMB Securities (Thailand) Co., Ltd.



CIMB Securities (Thailand) Company Limited, 44 CIMB Thai Bank Building, 24th floor, Soi Langsuan, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330, Telephone: +662 657 9274 and +662 657 9271

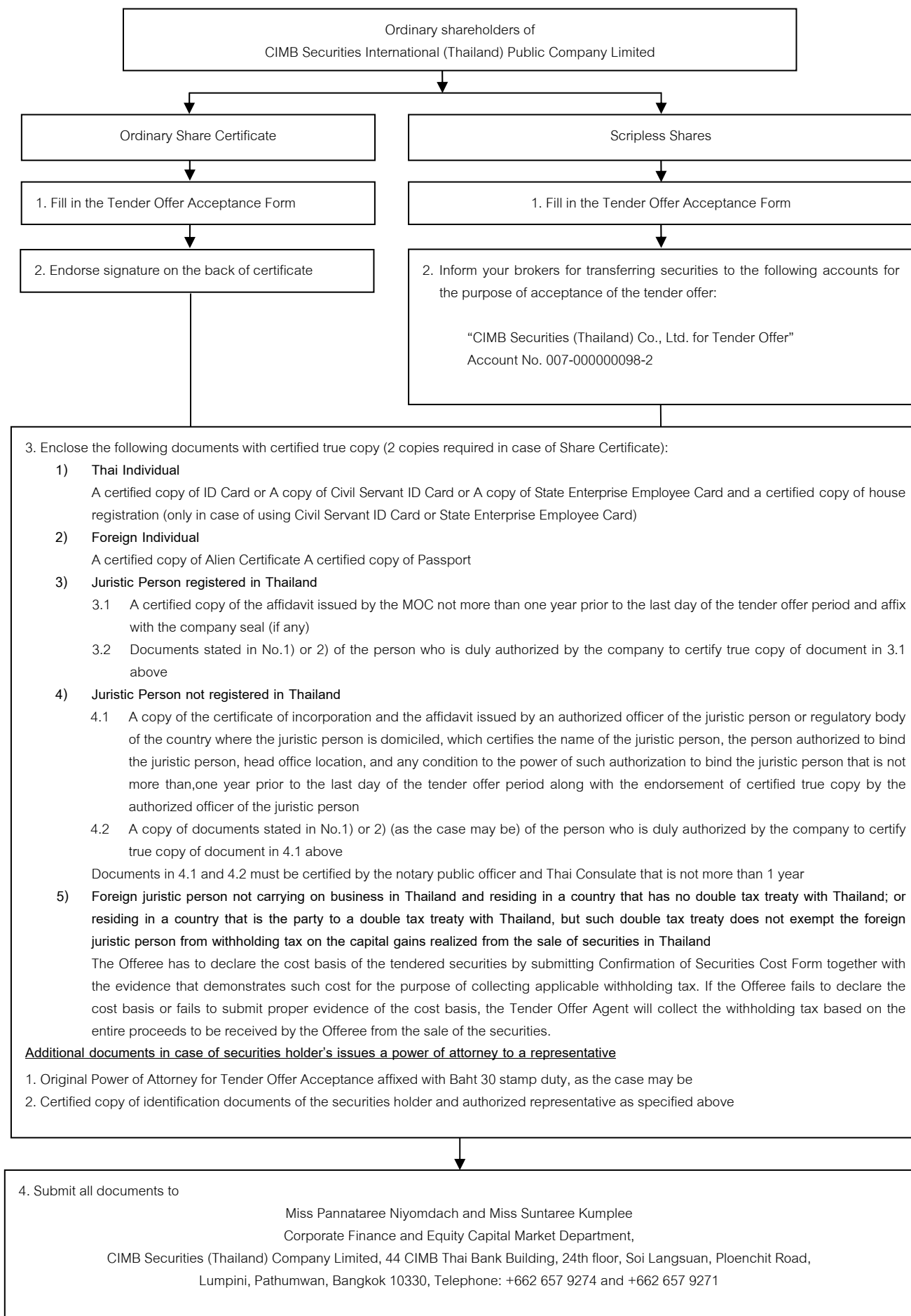
## Appendix 2

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### Tender Offer Acceptance Procedure and Forms

- 2(1) Tender Offer Acceptance Procedure
- 2(2) Tender Offer Acceptance Form
- 2(3) Confirmation of Securities Cost Form
- 2(4) Power of Attorney for Tender Offer Acceptance
- 2(5) Request Form for Rectifying Items in the Securities Holder Record

## Tender Offer Acceptance Procedures



**ACCEPTANCE FORM FOR A TENDER OFFER TO PURCHASE SECURITIES OF  
CIMB SECURITIES INTERNATIONAL (THAILAND) PUBLIC COMPANY LIMITED**

To CIMB Securities International Pte. Ltd (the "Offeror") and CIMB Securities (Thailand) Co., Ltd. (the "Tender Offer Agent") Receipt No. ....  
 I/We (Mr./ Mrs./ Miss/ Company) ..... Nationality.....  
 Address ..... Postal code ..... Tel. no. .... Fax no. ....

<b>Type of Seller</b>	
<input type="checkbox"/> Thai Individual	Identification Card/ Civil Servant Identification/ State Enterprise Employee Identification No. ....
<input type="checkbox"/> Foreign Individual	Alien Certificate/ Passport No. ....
<input type="checkbox"/> Thai Juristic Person	Company Registration No. ....
<input type="checkbox"/> Foreign Juristic Person Operating Business in Thailand	Incorporate document No. ....
<input type="checkbox"/> Foreign Juristic Person not Operating Business in Thailand	Incorporate document No. ....

hereby accept to sell  
 .....ordinary shares of CIMB Securities International (Thailand) Public Company Limited at the price of Baht 1.72 (one point seven two) per share and the net price after commission fee of 0.25 percent of the offering price and VAT (7% of commission fee) will equal to Baht 1.7153990 (One point seven one five three nine nine zero) per share or a total value of Baht ..... (.....)

I / We hereby appoint CIMB Securities (Thailand) Co., Ltd. As my / our proxy to sell, transfer, deliver and arrange the payment procedure and process any other necessary deeds relevant to the terms and conditions stated in the Tender Offer document.

<input type="checkbox"/> Ordinary share certificate		<input type="checkbox"/> Shares transfer through TSD			Number of ordinary shares
Name of ordinary shareholder	Ordinary share certificate No.	Transfer from broker no. (Participant No.)	Transfer slip no.	Transfer date	
For tender of ordinary shares					
Total					

I/We hereby acknowledge receiving the share payment 3 business days following the end of the tender offer period, which is on 14 September 2012. I/We acknowledge that I/We may cancel my/our intention to sell the shares during the hours of 9.00 a.m. to 4.00 p.m. on business days during the period from 9 July 2012 to 6 August 2012. (the first 20 business days from the commencement of the tender offer period)

**Payment Method**

- Automatic transfer to bank account as follows:
- Transfer to Bangkok Bank Public Company Limited (BBL) Branch ..... Account Number .....
  - Transfer to Krung Thai Bank Public Company Limited (KTB) Branch ..... Account Number .....
  - Transfer to The Siam Commercial Bank Public Company Limited (SCB) Branch ..... Account Number .....
  - Transfer to Kasikornbank Public Company Limited (KBANK) Branch ..... Account Number .....
  - Transfer to TMB Bank Public Company Limited (TMB) Branch ..... Account Number .....
  - Transfer to United Overseas Bank (Thai) Public Company Limited (UOB) Branch ..... Account Number .....
  - Transfer to CIMB Thai Bank Public Company Limited (CIMBT) Branch ..... Account Number .....
  - Transfer to Bank of Ayudhya Public Company Limited (BAY) Branch ..... Account Number .....
  - Transfer to Thanachart Bank Public Company Limited (TCHART) Branch ..... Account Number .....

(The account name must be the same as the Offeree name, please attach a certified copy of the first page of saving deposit passbook or current account statement with this form)

I/We hereby attached the required document(s) for the selling transaction including endorsing the Ordinary share certificate with the holder's signature and/or the document of share transfer into the account of "CIMB Securities (Thailand) Co., Ltd. for Tender Offer" Account No. 007-000000098-2, and certified copy of the identification card and/or certified copy of company affidavit (in case of Juristic person) as per details indicated in the Tender Offer document.

I/We certify, represent and warrant that I am/we are the legal and beneficial owner(s) of all such Ordinary shares of CIMB Securities International (Thailand) Public Company Limited free from any mortgage or encumbrance of whatever nature, or third party rights ("Encumbrance"); and I/we sell such Ordinary shares as beneficial owner(s) there of free from any and all Encumbrances. I/We hereby acknowledge that this form will be completed when TSD completes the transfer of such Ordinary shares to the Tender Offer Agent.

Signed..... Proxy  
 ( ..... )  
 Signed..... Seller  
 ( ..... )  
 Date .....

**Receipt of Acceptance for Tender Offer Form/ Ordinary Share Certificate / Transfer slip for Tender Offer**

Receipt No. ....  
 Date .....

CIMB Securities (Thailand) Company Limited has received the Tender Offer Acceptance Form with the following documents:  
 Ordinary Share certificate       Transfer slip through TSD      Total..... Shares

From Mr./ Mrs./ Miss/ Company ..... By Automatic transfer to .....  
 Branch ..... Account Number .....

Signed ..... Recipient  
 ( ..... )

**Confirmation of Securities Cost Form**  
**(For Foreign Juristic Person Who Does Not Carry On Business in Thailand)**

Date .....

To CIMB Securities (Thailand) Company Limited ("Tender Offer Agent")

I/We .....Nationality.....  
 Tax Identification No. (if any) .....would like to declare the securities cost of CIMB Securities International (Thailand) Public Company Limited, which are the securities being offered hereto as follows:

**For Tender of Ordinary Shares**

No. of Ordinary Share Certificates/ No. of Transfer Slip (Date of Transfer)	Name of Shareholders as appeared in the Registration	No. of Shares	Cost per Share (Baht)
<b>Total</b>			

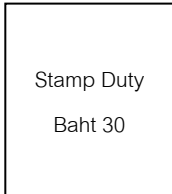
I/We hereby, attached .....  
 totally ..... , as evidence (s) of cost for withholding tax calculation.

I/we hereby certify that the statements given above are accurate.

Signed..... Offeree  
 (.....)

Foreign juristic person, who does not carry on business in Thailand and residing in a country that has no double tax treaty with Thailand, or who resides in a country that is the party to a double tax treaty with Thailand, but such double tax treaty does not exempt the foreign juristic person from withholding tax on the capital gains realized from the sale of securities in Thailand, has to declare securities cost by submitting the Confirmation of Securities Cost Form attached with the evidence of such cost. If the form is not submitted or proper evidence of the cost basis is not enclosed with the form, the withholding tax will be imposed on the entire proceeds to be received by the Offeree from the sale of securities.

POWER OF ATTORNEY



Made at .....

Date .....

I/We .....
Age ..... Nationality .....
Resides at (address that can be reached by mail) ..... Postal code.....
hereby authorized ..... Age ..... Nationality .....
Resides at (address that can be reached by mail) ..... Postal code .....
to act as my/our proxy

[ ] to sell, transfer and deliver ordinary shares of CIMB Securities International (Thailand) Public Company Limited, and to be authorized to do and execute all such other matter in connection with the aforesaid mentioned on my behalf until its completion.

Any acts taken by my/our proxy shall be deemed to be taken by myself/ourselves in every respect.

Signed.....Grantor
(.....)

Signed..... Proxy
(.....)

Signed..... Witness
(.....)

Signed..... Witness
(.....)

Remarks (Please attached the following):

- 1. Certified true copy of ID card of the Grantor (in case of Thai individual) or the most recent/updated company affidavit or commercial registration of the Grantor and certified true copy ID card (in case of Thai individual) or passport (in case of foreigner) of the authorized representative(s) are required to be attached herewith. In case the Grantor or authorized representative is foreign juristic person, the most recent/updated company affidavit or commercial registration and copy of passport of the authorized representative(s) must be certified by a notary public officer and Thai Embassy or Thai Consulate in the country where the documents were prepared and must not exceed 1 year.
2. Affix a Baht 30 stamp duty



## Appendix 3

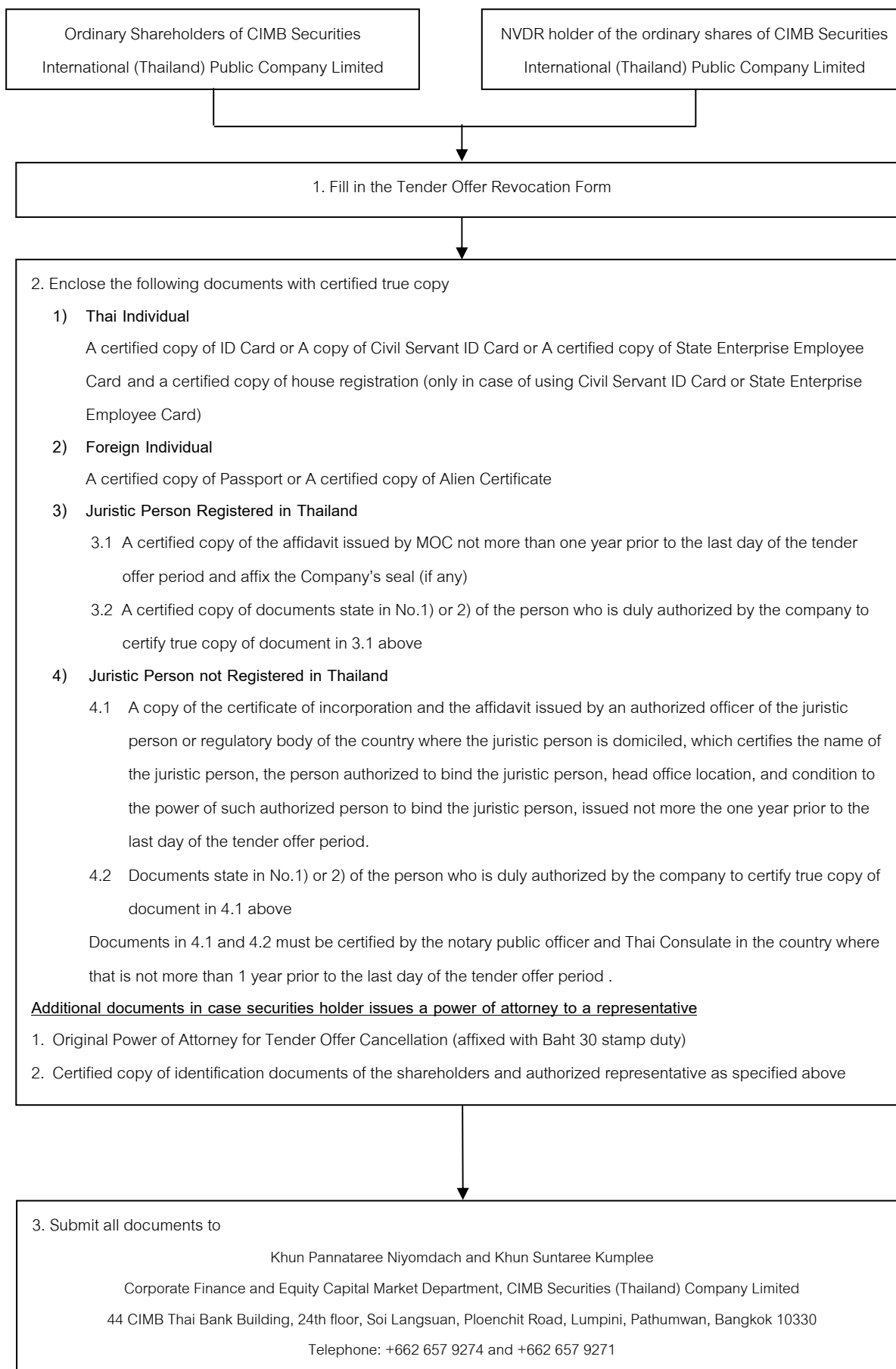
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### Tender Offer Revocation Procedure and Forms

- 3(1) Tender Offer Revocation Procedure
- 3(2) Tender Offer Revocation Form
- 3(3) Power of Attorney for Tender Offer Revocation



**Tender Offer Revocation Procedures of  
CIMB Securities International (Thailand) Public Company Limited**



**Tender Offer Revocation Form**  
**CIMB Securities International (Thailand) Public Company Limited**

Revocation Form No. ....

Date .....

To CIMB Securities (Thailand) Company Limited (the "Tender Offer Agent")

I/We.....

Address (that can be reached by mail).....

Postal Code ..... Home Tel. no. .... Office Tel. no.....hereby cancel the offer to sell

..... ordinary shares of CIMB Securities International (Thailand) Public Company Limited.

I/We submitted the Tender Offer Acceptance Form of the securities of CIMB Securities International (Thailand) Public Company Limited on (Date) ..... Acceptance Form No. ....

I/We would like to received the securities in the same method as tendered by

Ordinary share certificate (the certificate will be collectible at CIMB Securities (Thailand) Co., Ltd. on the business day following the date of submission of the Tender Offer Revocation Form)

Transfer securities through TSD by transferring to the following account

Broker's Name ..... Broker's Number .....

Account Name ..... Account Number .....

I/We, herewith, attached Baht 100 for securities transferring fee. CIMB Securities (Thailand) Co., Ltd. will transfer the securities through TSD into securities trading account specified above on the business day following the date of submission of the Tender Offer Revocation Form.

I/We hereby agree to accept the terms and conditions stated above.

Signed .....Proxy  
 (.....)

Signed.....Offeree  
 (.....)



**Receipt of Tender Offer Revocation Form of CIMB Securities International (Thailand) Public Company Limited**

Revocation Form No. ....

Date .....

CIMB Securities (Thailand) Company Limited has received the Tender Offer Revocation Form of CIMB Securities International (Thailand) Public Company Limited from Mr./Mrs./Ms./(Company).....

Amount of Revocation  ..... ordinary shares and the Receipt of the Tender Offer Acceptance Form No.....

The securities will be returned to the person who intend to cancel by

Ordinary share certificate (the certificate will be collectible at CIMB Securities (Thailand) Co., Ltd. on the business day following the date of submission of the Tender Offer Cancellation Form)

Transfer securities through TSD by transferring to the following account

Broker's Name .....Broker's Number .....

Account Name .....Account Number .....

CIMB Securities (Thailand) Co., Ltd. will transfer the securities through TSD into securities trading account specified above on the business day following the date of submission of the Tender Offer Cancellation Form.

Signed..... Recipient  
 (.....)

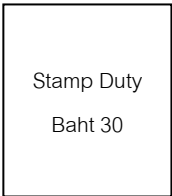
Khun Pannataree Niyomdach and Khun Suntaree Kumplee

Corporate Finance and Equity Capital Market Department, CIMB Securities (Thailand) Company Limited

Telephone: +662 657 9274 and +662 657 9271



POWER OF ATTORNEY



Made at .....

Date .....

I/We .....Age ..... Nationality .....
resides at (Address that can be reached by mail) .....

..... Postal code.....

hereby authorized..... Age ..... Nationality .....

resides at (Address that can be reached by mail) .....

..... Postal code.....

to act as my/our proxy to cancel the Tender Offer acceptance form of

[ ] Ordinary shares at the amount of ..... shares

Of CIMB Securities International (Thailand) Public Company Limited which I/We intended to sell to CIMB Securities International Pte. Ltd. (the "Offeror") and to be authorized to do and execute all such other matters in connection with the aforesaid mentioned on my behalf until its completion.

Any acts taken by my/our proxy shall be deemed to be taken by myself/ourselves in every respect.

Signed.....Grantor
(.....)

Signed..... Proxy
(.....)

Signed..... Witness
(.....)

Signed..... Witness
(.....)

Note: Certified true copy of ID card of the Grantor (in case of Thai individual) or the most recent/updated company affidavit or commercial registration of the Grantor and certified true copy ID card (in case of Thai individual) or passport (in case of foreigner) of the authorized representative(s) are required to be attached herewith. In case the Grantor or authorized representative is foreign juristic person, the most recent/updated company affidavit or commercial registration and copy of passport of the authorized representative(s) must be certified by a notary public officer and Thai Embassy or Thai Consulate in the country where the documents were prepared and must not exceed 1 year.



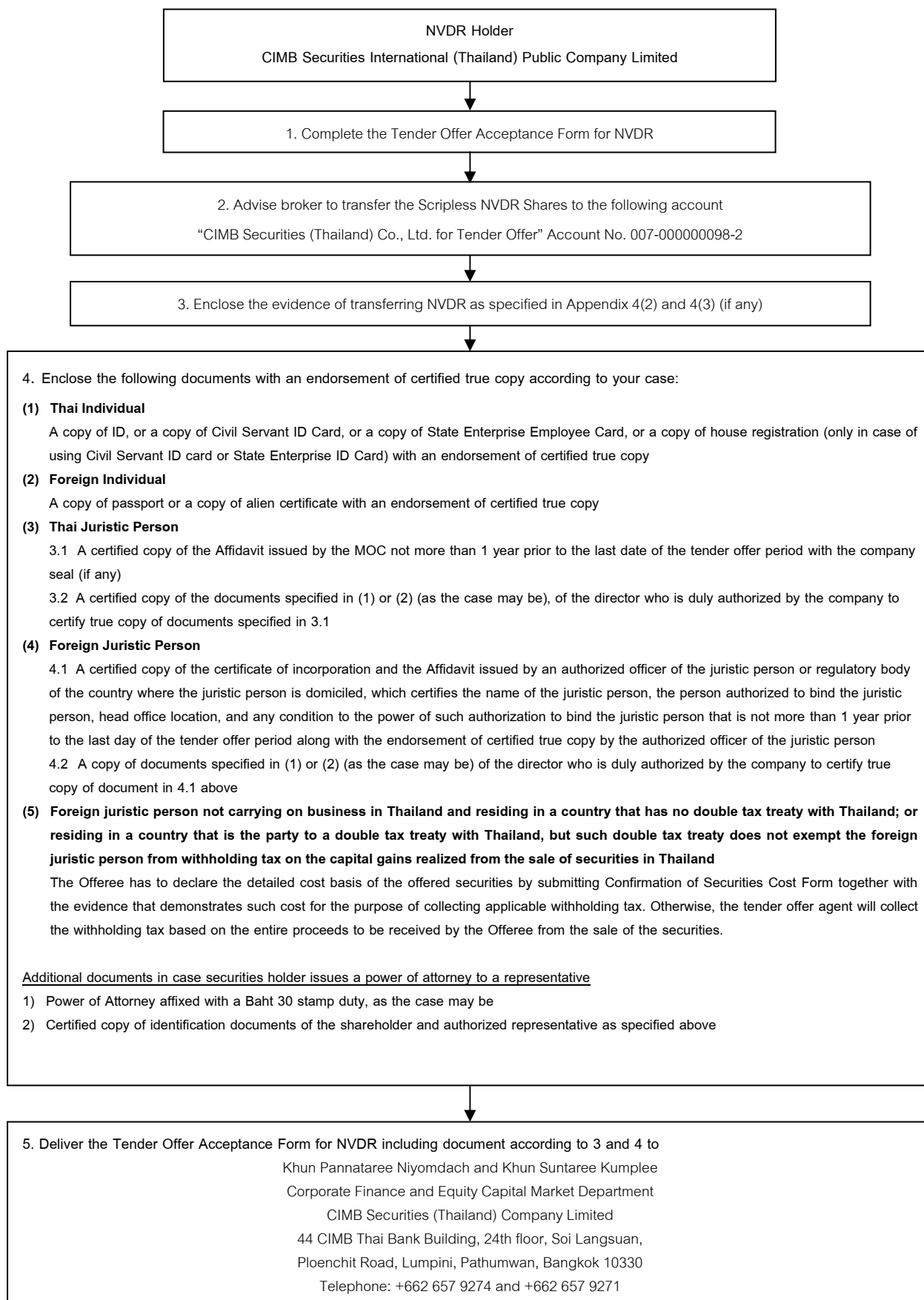
## Appendix 4

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### Tender Offer Acceptance Procedure and Forms For Non-Voting Depository Receipt (NVDR)

- 4(1) Tender Offer Acceptance Procedure for NVDR
- 4(2) Tender Offer Acceptance Form for NVDR
- 4(3) Confirmation of Securities Cost Form for NVDR (For foreign juristic person who does not carry on business in Thailand)
- 4(4) Power of Attorney for NVDR

## Tender Offer Acceptance Procedure for NVDR



Note: For all NVDR holders, please submit the Tender Offer Acceptance Form 1 business day prior to the last day of tender offer period.

## Tender Offer Acceptance Form for NVDR

(To purchase NVDR of CIMB Securities International (Thailand) Public Company Limited)

Acceptance Form No. \_\_\_\_\_  
Date \_\_\_\_\_

To : CIMB Securities International Pte. Ltd. (the "Offeror") and CIMB Securities (Thailand) Co., Ltd. (the "Tender Offer Agent")

I/We (Mr./Mrs./Miss/Company) \_\_\_\_\_

Address \_\_\_\_\_

Telephone No. \_\_\_\_\_ Facsimile No. \_\_\_\_\_

## TYPE OF SELLER

<input type="checkbox"/> Thai Individual	Identification Card No./Civil Servant ID/State Enterprise Employee ID _____
<input type="checkbox"/> Foreign Individual	Foreign Identity/Passport No. _____
<input type="checkbox"/> Thai Juristic Person	Company Registration No. _____
<input type="checkbox"/> Foreign Juristic Person	Company Registration No. _____

I/We hereby accept the Tender Offer to sell ..... (.....) NVDRs of CIMB Securities International (Thailand) Public Company Limited at the offer price of Baht 1.72 (Baht one point seven two) per share, subject to the brokerage fee of 0.25 percent of the Offer Price and the value added tax of 7 percent of the brokerage fee, bringing the net offer price to be Baht 1.7153990 (One point seven one five three nine nine zero) per share, or the total amount of Baht ..... subject to all terms and conditions stated in the Tender Offer document.

I/We hereby appoint CIMB Securities (Thailand) Co., Ltd. as my/our proxy to sell, transfer, deliver and arrange the payment procedure and process any other necessary deeds relevant to the terms and conditions stated in the Tender Offer document.

<input type="checkbox"/> Transfer Scripless NVDR			
Transfer Date	Transfer Slip No.	TSD Participant No.	No. of NVDR
		Total NVDR	

I/We hereby acknowledge receiving the share payment 3 business days following the end of the tender offer period, which is on 14 September 2012. I/We acknowledge that I/We may cancel my/our intention to sell the shares during the hours of 9.00 a.m. to 4.00 p.m. on business days during the period from 9 July 2012 to 6 August 2012. (the first 20 business days from the commencement of the tender offer period)

## Payment Method

- Automatic transfer to bank account as follows:
- |   |              |                      |
|---|--------------|----------------------|
| <input type="checkbox"/> Transfer to Bangkok Bank Public Company Limited (BBL)                | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to Krung Thai Bank Public Company Limited (KTB)             | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to The Siam Commercial Bank Public Company Limited (SCB)    | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to Kasikornbank Public Company Limited (KBANK)              | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to TMB Bank Public Company Limited (TMB)                    | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to United Overseas Bank (Thai) Public Company Limited (UOB) | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to CIMB Thai Bank Public Company Limited (CIMBT)            | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to Bank of Ayudhya Public Company Limited (BAY)             | Branch ..... | Account Number ..... |
| <input type="checkbox"/> Transfer to Thanachart Bank Public Company Limited (TCHART)          | Branch ..... | Account Number ..... |

(The account name must be the same as the Offeree name, please attach herewith a certified copy of the first page of saving deposit passbook or current account statement)

I/We hereby attached the required document(s) for the selling transaction including endorsing the Ordinary share certificate with the holder's signature and/or the document of share transfer into the account of "CIMB Securities (Thailand) Co., Ltd. for Tender Offer" Account No. 007-00000098-2, and certified copy of the identification card and/or certified copy of company affidavit (in case of Juristic person) as per details indicated in the Tender Offer document.

I/We certify, represent and warrant that I am/we are the legal and beneficial owner(s) of all such Ordinary shares of CIMB Securities International (Thailand) Public Company Limited free from any mortgage or encumbrance of whatever nature, or third party rights ("Encumbrance"); and I/we sell such Ordinary shares as beneficial owner(s) there of free from any and all Encumbrances. I/We hereby acknowledge that this form will be completed when TSD completes the transfer of such Ordinary shares to the Tender Offer Agent.

Signed \_\_\_\_\_ Proxy  
( )Signed \_\_\_\_\_ Offeree  
( )

## Transfer of Scripless NVDR and Tender Offer Acceptance Form Receipt

Acceptance Form No. \_\_\_\_\_  
Date \_\_\_\_\_

CIMB Securities (Thailand) Company Limited (the "Tender Offer Agent") has received the Tender Offer Acceptance Form for NVDR of the securities of CIMB Securities International (Thailand) Public Company Limited and the Transfer of Scripless NVDR with the document to transfer NVDR totaling ..... units of NVDR from (Mr./Mrs./Miss/Company) .....

The Offeree will receive the money by Automatic transfer to ..... Branch ..... Account Number .....

Signed \_\_\_\_\_ Recipient  
( )

For more information please contact Khun Pannataree Niyomdach and Khun Suntaree Kumplee, Corporate Finance and Equity Capital Market Department

CIMB Securities (Thailand) Co., Ltd. Tel: +66 2 657 9274 and +66 2 657 9271

Confirmation of Securities Cost Form for NVDR

(Only for Foreign Juristic Person not carrying on business in Thailand and residing in a country that has no double tax treaty with Thailand; or residing in a country that is the party to a double tax treaty with Thailand, but such double tax treaty does not exempt the foreign juristic person from withholding tax on the capital gains realized from the sale of securities in Thailand)

Date .....

To CIMB Securities (Thailand) Co., Ltd. ("The Tender Offer Agent")

I/We ..... Nationality .....  
 Tax Identification No. (if any) ..... would like to declare the Securities cost of CIMB Securities International (Thailand) Public Company Limited which are NVDRs being tendered and offered for sale hereunder as follows:

NVDR certificate No./Transfer slip No. (Transfer date)	No. of NVDRs	Cost per unit (Baht)
Total		

I/We hereby, attached .....  
 totally....., as evidence(s) of cost of the securities tendered for the purpose of withholding tax calculation.

I/We hereby certify that the above statements are true and correct in all respects.

Signed..... Offeree  
 (.....)

Foreign juristic person, who does not carry on business in Thailand and residing in a country that has no double tax treaty with Thailand, or who resides in a country that is the party to a double tax treaty with Thailand, but such double tax treaty does not exempt the foreign juristic person from withholding tax on the capital gains realized from the sale of securities in Thailand, has to declare securities cost by submitting the Confirmation of Securities Cost Form attached with the evidence of such cost. If this form is submitted with proper evidence of the cost basis, only the Offeree's gain on the sale (if any) will be subject to withholding tax. If the form is not submitted or proper evidence of the cost basis is not enclosed with the form, the withholding tax will be imposed on the entire proceeds to be received by the Offeree from the sale of securities.



POWER OF ATTORNEY

Stamp  
Duty  
Baht 30

Written at .....

Date.....

By this Power of Attorney, I/we.....Age.....years Nationality..... Resides at  
(address that can be reached by mail) .....

..... hold(s) ..... NVDR of CIMB Securities

International (Thailand) Public Company Limited hereby appoint Mr./Miss/.....

Age..... Years Nationality..... Resides at (address that can be reached by mail)

.....

..... Postal code..... to

act as my/our Proxy

to sell, transfer and deliver ordinary shares of CIMB Securities International (Thailand) Public Company Limited,

and to be authorized to do and execute any and all such other acts in connection with the aforementioned matters on my/our behalf until its completion

.All acts done by my/our Proxy under this Power of Attorney shall be deemed done by myself/ ourselves in all respects.

IN WITNESS WHEREOF, this Power of Attorney has been duly executed in the presence of the witnesses on the date herein above written.

Signed .....Grantor  
( .....)

Signed .....Proxy  
( .....)

Signed .....Witness  
( .....)

Signed .....Witness  
( .....)

Remarks (please attach the following documents):

- Copies of identification documents of the grantor and of the authorized representative as specified in subsection (1) – (4) of section 3. in Appendix D.1, as per cases.
- Affix a 30 Baht stamp duty





Appendix 5

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Audited Separate Financial Statements of CIMB Securities International Pte Ltd  
for the fiscal period ending 31 December 2011

**CIMB SECURITIES INTERNATIONAL PTE LTD**  
*(Incorporated in Singapore. Registration Number: 200506890E)*

**ANNUAL REPORT**  
*For the financial year ended 31 December 2011*

**CIMB SECURITIES INTERNATIONAL PTE LTD**  
*(Incorporated in Singapore)*

**ANNUAL REPORT**  
*For the financial year ended 31 December 2011*

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Statement by Directors	4
Independent Auditor's Report	5
Statement of Comprehensive Income	6
Balance Sheet	7
Statement of Changes in Equity	8
Statement of Cash Flows	9
Notes to the Financial Statements	10

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## CIMB SECURITIES INTERNATIONAL PTE LTD

### DIRECTORS' REPORT

For the financial year ended 31 December 2011

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The directors present their report to the shareholder together with the audited financial statements of CIMB Securities International Pte Ltd (the "Company") for the financial year ended 31 December 2011.

#### Directors

The directors of the Company in office at the date of this report are as follows:

Dato' Robert Cheim Dau Meng	
Dato' Charon Wardini bin Mokhzani	
Carolina Chan Swee Liang	
Mak Lye Mun	(appointed on 16 April 2012)
Tan Hong Kheng	(appointed on 16 April 2012)
Dato' Sri Mohamed Nazir bin Abdul Razak	(resigned on 16 April 2012)
Goh Yew Lin	(resigned on 16 April 2012)
Cezar Peralta Consing	(resigned on 16 April 2012)
Manu Bhaskaran	(resigned on 16 April 2012)

#### Arrangements to enable directors to acquire shares and debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose object was to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate, other than as disclosed under "Share options" of this report.

#### Directors' interests in shares, debentures and options

- (a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

	Holdings registered in name of director		Holdings in which a director is deemed to have an interest	
	At <u>31.12.2011</u>	At <u>1.1.2011</u>	At <u>31.12.2011</u>	At <u>1.1.2011</u>
<b>CIMB Group Holdings Berhad</b> (No. of ordinary shares of RM1 each)				
Dato' Sri Mohamed Nazir bin Abdul Razak	46,926,522	46,926,522	8,000,000	8,000,000
Dato' Robert Cheim Dau Meng	100,000	100,000	-	-
Dato' Charon Wardini bin Mokhzani	127,314	127,314	10,000	-

## CIMB SECURITIES INTERNATIONAL PTE LTD

### DIRECTORS' REPORT

*For the financial year ended 31 December 2011*

---

#### Directors' interests in shares, debentures and options (continued)

- (b) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the options to subscribe for ordinary shares of the Company or related corporations, except for options which are granted pursuant to the Management Equity Scheme ("MES") and Equity Ownership Plan ("EOP") as disclosed under "Share options" of this report.

	Shares held by director, granted under EOP	
	At 31.12. 2011	At 1.1.2011
<b>CIMB-Group-Holdings-Berhad</b> (No. of ordinary shares of RM1 each)		
Dato' Sri Mohamed Nazir bin Abdul Razak	469,353	-
Dato' Robert Cheim Dau Meng	15,592	-
Dato' Charon Wardini bin Mokhzani	183,164	-
Carolina Chan Swee Liang	324,263	-

#### Directors' contractual benefits

Since the end of the previous financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest, except as disclosed in the accompanying financial statements and this report, and except that certain directors receive remuneration as a result of their employment relationships with the immediate holding company or related corporations.

#### Share options

Details of the MES and EOP are disclosed in the Directors' Report for the financial year ended 31 December 2011 of CIMB Group Holdings Berhad ("CIMB Group").

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

**CIMB SECURITIES INTERNATIONAL PTE LTD**

**DIRECTORS' REPORT**

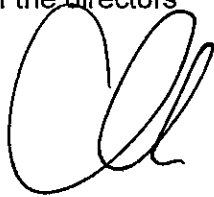
*For the financial year ended 31 December 2011*

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**Independent auditor**

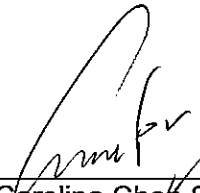
The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors



---

Dato' Charon Wardini Bin Mokhzani  
Director



---

Carolina Chan Swee Liang  
Director

18 May 2012

**CIMB SECURITIES INTERNATIONAL PTE LTD**

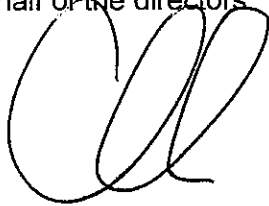
**STATEMENT BY DIRECTORS**

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In the opinion of the directors,

- (a) the financial statements as set out on pages 6 to 30 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2011 and of the results of the business, changes in equity and cash flows of the Company for the financial year then ended;
- (b) the Company is a wholly-owned subsidiary of CIMB Group, a company incorporated in Malaysia, who prepares consolidated financial statement available for public use, and is therefore exempt from having to prepare one set of consolidated financial statement under Singapore Financial Reporting Standard No. 27 "Consolidated and Separate Financial Statements"; and
- (c) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the directors



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Dato' Charon Wardini Bin Mokhzani  
Director



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Carolina Char Swee Liang  
Director

18 May 2012

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF  
CIMB SECURITIES INTERNATIONAL PTE LTD**

**Report on the Financial Statements**

We have audited the accompanying financial statements of CIMB Securities International Pte Ltd set out on pages 6 to 30, which comprise the balance sheet as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

*Management's Responsibility for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets.

*Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2011, and the results, changes in equity and cash flows of the Company for the financial year ended on that date.

**Report on Other Legal and Regulatory Requirements**

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



PricewaterhouseCoopers LLP  
Public Accountants and Certified Public Accountants

Singapore, 18 May 2012



**CIMB SECURITIES INTERNATIONAL PTE LTD****STATEMENT OF COMPREHENSIVE INCOME***For the financial year ended 31 December 2011*

	Note	2011 \$	2010 \$
<b>Revenue</b>	4	<b>13,045,598</b>	<b>3,360,272</b>
<b>Expenses</b>			
- Finance expense	5	(1,840,029)	(2,066,419)
- Currency translation gain/(loss)		75,460	(248,978)
- Impairment of investment in a subsidiary	11	(623,280)	(5,846,217)
- Loss on disposal of subsidiary		-	(51,733)
- Other operating expenses		(305,497)	(130,397)
<b>Total expenses</b>		<b>(2,693,346)</b>	<b>(8,343,744)</b>
<b>Profit/(loss) before income tax</b>		<b>10,352,252</b>	<b>(4,983,472)</b>
Income tax expense	6(a)	(390,309)	(261,462)
<b>Profit/(loss) after tax</b>		<b>9,961,943</b>	<b>(5,244,934)</b>
<b>Other comprehensive income:</b>			
Fair value loss on available-for-sale financial assets		(545,368)	-
<b>Other comprehensive income, net of tax</b>		<b>(545,368)</b>	<b>-</b>
<b>Total comprehensive income</b>		<b>9,416,575</b>	<b>(5,244,934)</b>

*The accompanying notes form an integral part of these financial statements.*

**CIMB SECURITIES INTERNATIONAL PTE LTD**

**BALANCE SHEET**

*As at 31 December 2011*

	Note	2011 \$	2010 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		1,099,006	404,852
Available-for-sale financial assets	7	4,865,008	-
Other receivables	8	995,929	309
Amounts due from subsidiaries	9	134,537	640,525
		<u>7,094,480</u>	<u>1,045,686</u>
<b>Non-current assets</b>			
Loans to subsidiaries	10	92,305,500	92,298,270
Investments in subsidiaries	11	281,206,083	281,206,083
Investments in an associated company	12	2	-
Deferred income tax assets	13	111,700	-
		<u>373,623,285</u>	<u>373,504,353</u>
<b>Total assets</b>		<u>380,717,765</u>	<u>374,550,039</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Other payables	14	136,091	130,735
Amounts due to related company	9	821	-
Bank borrowings	15	154,900,000	152,500,000
Current income tax liabilities	6(b)	714,530	610,425
		<u>155,751,442</u>	<u>153,241,160</u>
<b>Non-current liabilities</b>			
Loan from subsidiary	10	4,240,869	-
		<u>4,240,869</u>	<u>-</u>
<b>Total liabilities</b>		<u>159,992,311</u>	<u>153,241,160</u>
<b>NET ASSETS</b>		<u>220,725,454</u>	<u>221,308,879</u>
<b>EQUITY</b>			
Share capital	16	198,550,000	198,550,000
Fair value reserve	17	(545,368)	-
Retained profits		22,720,822	22,758,879
<b>Total equity</b>		<u>220,725,454</u>	<u>221,308,879</u>

*The accompanying notes form an integral part of these financial statements.*

**CIMB SECURITIES INTERNATIONAL PTE LTD****STATEMENT OF CHANGES IN EQUITY***For the financial year ended 31 December 2011*

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	Note	Share capital \$	Fair value reserve \$	Retained profits \$	Total \$
<b>Balance at 1 January 2011</b>		198,550,000	-	22,758,879	221,308,879
Dividend paid	18	-	-	(10,000,000)	(10,000,000)
Total comprehensive income for the year		-	(545,368)	9,961,943	9,416,575
<b>Balance at 31 December 2011</b>		<b>198,550,000</b>	<b>(545,368)</b>	<b>22,720,822</b>	<b>220,725,454</b>
<b>Balance at 1 January 2010</b>		198,550,000	-	28,003,813	226,553,813
Total comprehensive income for the year		-	-	(5,244,934)	(5,244,934)
<b>Balance at 31 December 2011</b>		<b>198,550,000</b>	<b>-</b>	<b>22,758,879</b>	<b>221,308,879</b>

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*The accompanying notes form an integral part of these financial statements.*

**CIMB SECURITIES INTERNATIONAL PTE LTD****STATEMENT OF CASH FLOWS***For the financial year ended 31 December 2011*

	2011 \$	2010 \$
<b>Cash flows from operating activities</b>		
Profit/(loss) after tax	9,961,943	(5,244,934)
Adjustments for:		
- Income tax expense	390,309	261,462
- Interest income	(3,045,598)	(3,359,597)
- Impairment of investment in a subsidiary	623,280	5,846,217
- Interest expense	1,840,029	2,066,419
- Loss on disposal of subsidiary	-	51,733
- Currency translation (gain)/loss	(506)	238,791
- Dividend income	(10,000,000)	-
Operating cash flows before working capital changes	(230,543)	(139,909)
Changes in working capital		
- Other receivables	(995,720)	(309)
- Other payables	(1,653)	(3,477)
Cash used in operations	(1,227,916)	(143,695)
Interest received	4	197
<b>Net cash used in operating activities</b>	(1,227,912)	(143,498)
<b>Cash flows from investing activities</b>		
Purchase of available-for-sale financial assets	(5,522,076)	-
Disposal of subsidiary	-	288,267
Loan from subsidiary	4,240,869	-
Interest received	2,740,542	2,962,037
Interest paid	(1,701,751)	(2,068,022)
Income tax (paid)/refund	(286,110)	1,373,897
Dividend received	10,000,000	-
<b>Net cash provided by investing activities</b>	9,471,474	2,556,179
<b>Cash flows from financing activities</b>		
Bank borrowings	2,400,000	(2,500,000)
Interest received	181,863	251,223
Interest paid	(131,271)	-
Dividend paid	(10,000,000)	-
<b>Net cash used in financing activities</b>	(7,549,408)	(2,248,777)
<b>Net increase in cash and cash equivalents</b>	694,154	163,904
Cash and cash equivalents at the beginning of the financial year	404,852	240,948
<b>Cash and cash equivalents at the end of the financial year</b>	1,099,006	404,852

*The accompanying notes form an integral part of these financial statements.*

## **CIMB SECURITIES INTERNATIONAL PTE LTD**

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2011*

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These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### **1. General information**

The Company is incorporated and domiciled in Singapore. The address of its registered office is 50 Raffles Place, #19-00, Singapore Land Tower, Singapore 048623.

The principal activity of the Company is that of an investment holding company. There have been no significant changes in the nature of this activity during the financial year.

#### **2. Significant accounting policies**

##### **2.1 Basis of preparation**

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS") and prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of these financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant and critical are disclosed in Note 3.

The following are the new or amended FRS that are relevant to the Company:

Amendments to FRS 24 – Related Party Disclosures (effective for annual periods beginning on or after 1 January 2011).

The adoption of the above FRS did not result in any substantial changes to the Company's accounting policies or any significant impact on the financial statements.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2011*

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## 2. Significant accounting policies (continued)

### 2.2 Separate financial statements

These financial statements are the separate financial statements of CIMB Securities International Pte Ltd. The Company is a wholly-owned subsidiary of CIMB Group Holdings Berhad ("CIMB Group") a company incorporated in Malaysia, who prepares consolidated financial statements available for public use. Accordingly, the Company is exempted from preparing consolidated financial statement as required under Singapore Financial Reporting Standard No. 27 "Consolidated and Separate Financial Statements". The subsidiaries of the Company on which the subsidiaries are accounted for are disclosed in Notes 2.4 and 11. The registered address of CIMB Group is 5<sup>th</sup> floor, Bangunan CIMB, Jalan Semantan, Damansara Heights, 50490, Kuala Lumpur, Malaysia.

### 2.3 Revenue recognition

Revenue is recognised as follows:

(a) *Interest income*

Interest income is recognised using the effective interest method.

(b) *Dividend income*

Dividend income is recognised when the right to receive payment is established.

### 2.4 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses (Note 2.6) in the Company's balance sheet.

Subsidiaries are entities (including special purpose entities) over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Details of the subsidiaries are set out in Note 11 to the financial statements.

On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts of the investments are taken to the profit or loss.

### 2.5 Borrowing costs

Borrowing costs are recognised in profit or loss using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

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2. Significant accounting policies (continued)

2.6 Impairment of non-financial assets

Investments in subsidiaries are reviewed for impairment whenever there is any objective evidence or indication that these assets may be impaired.

For the purpose of impairment testing, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating-unit ("CGU") to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

An impairment loss for an asset is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in profit or loss.

2.7 Financial assets

(a) Classification

The Company classified its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the balance sheet date which are presented as non-current assets. Loans and receivables are presented as "cash and cash equivalents", "amounts due from subsidiaries", "other receivables" and "loans to subsidiaries" on the balance sheet.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

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#### 2. Significant accounting policies (continued)

##### 2.7 Financial assets (continued)

###### (a) Classification (continued)

###### (ii) *Available-for-sale financial assets*

Available-for-sale financial assets, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the balance sheet date.

###### (b) Recognition and derecognition

Regular way purchases and sales of the financial assets are recognised on trade date – the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount in other comprehensive income relating to that asset is reclassified to profit or loss.

###### (c) Initial and subsequent measurement

Financial assets are initially recognised at fair value plus transaction costs. Loans and receivables are subsequently carried at amortised cost using the effective interest method. Available-for-sale financial assets are subsequently carried at fair value.

Interest and dividend income on available-for-sale financial assets are recognised separately in income. Changes in fair value of available-for-sale equity securities (i.e non-monetary items) are recognised in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.



## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2011*

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#### 2. Significant accounting policies (continued)

##### 2.7 Financial assets (continued)

###### (d) Impairment

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

###### (i) *Loans and receivables*

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or significant delay in payments are objective evidence that these financial assets are impaired.

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognised against the same line item in profit or loss.

The impairment allowance account is reduced through profit or loss in a subsequent period when the amount of impairment loss decreases and the related decrease can be objectively measured. The carrying amount of the asset previously impaired is increased to the extent that the new carrying amount does not exceed the amortised cost had no impairment been recognised in prior periods.

###### (ii) *Available-for-sale financial assets*

In addition to the objective evidence of impairment described in 2.7(d)(i), a significant or prolonged decline in the fair value of an equity security below its cost is considered as an indicator that the available-for-sale financial assets is impaired.

If any evidence of impairment exists, the cumulative loss that was previously recognised in other comprehensive income is reclassified to profit or loss. The cumulative loss is measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised as an expense. The impairment losses recognised as an expense on equity securities are not reversed through profit or loss.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2011*

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#### 2. Significant accounting policies (continued)

##### 2.7 Financial assets (continued)

###### (e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

##### 2.8 Financial liabilities

Financial liabilities are initially recognised at fair value, and subsequently carried at amortised cost, using the effective interest rate method. The Company's financial liabilities comprise other payables, amounts due to related company, loan from subsidiary and bank borrowings.

##### 2.9 Borrowings

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption values is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

##### 2.10 Provisions for other liabilities and charges

Provisions for other liabilities and charges are recognised when the Company has a present legal or constructive obligation as a result of past events. It is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated.

##### 2.11 Fair value estimation

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

The fair values of non-current financial liabilities carried at amortised cost are estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial liabilities.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

*For the financial year ended 31 December 2011*

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## 2. Significant accounting policies (continued)

### 2.12 Income taxes

Current income tax for current and prior periods are recognised at the amounts expected to be paid to or received from the tax authorities, using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investment in subsidiaries and associated companies, except where the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date; and
- (ii) based on the tax consequence that will follow from the manner in which the Company expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the profit or loss for the period, except to the extent that the tax arises from a transaction which is recognised directly in equity.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

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#### 2. Significant accounting policies (continued)

##### 2.13 Currency translation

###### (a) *Functional and presentation currency*

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("functional currency"). The financial statements are presented in Singapore Dollars which is the functional currency of the Company.

###### (b) *Transactions and balances*

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at dates of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

##### 2.14 Cash and cash equivalents

For the purposes of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits with financial institutions.

##### 2.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributed to the issuance of new ordinary shares are deducted against the share capital account.

##### 2.16 Dividends

Dividends to the Company's shareholders are recognised when the dividends are approved for payment.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

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#### 3. Critical accounting estimates, assumptions and judgements

Estimates, assumptions and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### *Income taxes*

There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

#### 4. Revenue

	2011	2010
	\$	\$
Interest income		
- Loan to subsidiaries	3,045,594	3,359,400
- Bank deposits	4	197
	<u>3,045,598</u>	<u>3,359,597</u>
Dividend income	10,000,000	-
Sundry income	-	675
	<u>13,045,598</u>	<u>3,360,272</u>

#### 5. Finance expense

	2011	2010
	\$	\$
Interest expense		
- Loan from subsidiary	(44,413)	-
- Bank loans	(1,795,616)	(2,066,419)
	<u>(1,840,029)</u>	<u>(2,066,419)</u>

**CIMB SECURITIES INTERNATIONAL PTE LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2011*

**6. Income taxes**

(a) Income tax expense

	2011 \$	2010 \$
Tax expense attributable to profit is made up of:		
Current income tax	(409,000)	(426,050)
Overprovision in preceding financial years - current income tax	18,691	164,588
	<u>(390,309)</u>	<u>(261,462)</u>

The tax expense on profit differs from the amount that would arise using the Singapore standard rate of income tax due to the following:

	2011 \$	2010 \$
Profit/(loss) before tax:	<u>10,352,252</u>	<u>(4,983,472)</u>
Tax calculated at a tax rate of 17% (2010: 17%)	(1,759,883)	847,190
Effects of:		
- statutory stepped income exemption	25,925	25,925
- income not subject to tax	1,700,000	-
- expenses not deductible for tax purposes	(375,042)	(1,299,165)
Tax charge	<u>(409,000)</u>	<u>(426,050)</u>

(b) Movements in current income tax liability

	2011 \$	2010 \$
Beginning of financial year	(610,425)	1,024,934
Income tax paid/(refund)	286,110	(1,373,897)
Overprovision in preceding financial years	18,691	164,588
Tax expense	(409,000)	(426,050)
Others	94	-
End of financial year	<u>(714,530)</u>	<u>(610,425)</u>

**CIMB SECURITIES INTERNATIONAL PTE LTD****NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2011***7. Available-for-sale financial assets**

	2011 \$	2010 \$
Beginning of financial year	-	-
Additions	5,522,076	-
Fair value loss recognised in other comprehensive income (Note 17)	(657,068)	-
End of financial year	<u>4,865,008</u>	<u>-</u>

This relates to equity shares in SICCO Securities Public Company Limited ("SICCO").

**8. Other receivables**

	2011 \$	2010 \$
Prepayments	995,720	-
Other receivables	209	309
	<u>995,929</u>	<u>309</u>

**9. Amounts due from/(to) subsidiaries/related company**

The amounts due from/(to) subsidiaries/related company are non-trade, unsecured, interest free and repayable on demand.

**10. Loans to/(from) subsidiaries**

Loans to subsidiaries include the following:

- (i) Loan amounting to \$90,100,000 (2010: \$90,100,000) is unsecured and bears interest rate of 3% (2010: 3%) per annum. The loan is repayable on 28 February 2015.
- (ii) A loan amounting to \$2,205,500 (2010: \$2,198,270) is unsecured and bears interest rate of 6% (2010: 6%) per annum. The loan is repayable by 2016.

Loan from subsidiary amounting to \$4,240,869 (2010: \$Nil) is unsecured and bears interest rate of 6.25% (2010: Nil) per annum. The loan is repayable on 8 October 2016.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

#### 11. Investments in subsidiaries

	2011 \$	2010 \$
Equity investments at cost	<b>309,719,718</b>	309,096,438
Impairment loss in subsidiaries	<b>(28,513,635)</b>	(27,890,355)
	<b><u>281,206,083</u></b>	<u>281,206,083</u>

During the year, the Company made additional impairment loss amounting to \$623,280 (2010: \$5,846,217) to fully impair its investment in CIMB Securities (USA), Inc.

On 1 February 2011, the Company converted the interest receivable amounting to \$623,280 from CIMB Securities (USA), Inc into 490,000 ordinary shares.

Details of the subsidiaries are as follows:

Name	Principal activities	Country of incorporation/ Place of business	Percentage of equity held		Cost	
			2011 %	2010 %	2011 \$	2010 \$
CIMB Securities (Singapore) Pte Ltd	Stockbroking	Singapore	100	100	189,480,639	189,480,639
PT CIMB Securities Indonesia	Stockbroking	Indonesia	90	90	43,616,337	43,616,337
CIMB Securities (HK) Ltd	Stockbroking	Hong Kong	100	100	22,975,954	22,975,954
CIMB-GK Securities (Thailand) Ltd	Dormant	Thailand	100	100	42,847,291	42,847,291
CIMB Securities (UK) Ltd	Stockbroking	United Kingdom	100	100	4,330,000	4,330,000
CIMB Securities (USA), Inc	Stockbroking	United States Of America	100	100	6,469,497	5,846,217
					<b><u>309,719,718</u></b>	<u>309,096,438</u>



**CIMB SECURITIES INTERNATIONAL PTE LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2011*

**12. Investment in an associated company**

	2011 \$	2010 \$
Equity investment at cost	<u>2</u>	-

<u>Name</u>	<u>Principal activity</u>	<u>Country of incorporation/ Place of business</u>	<u>Percentage of equity held</u>		<u>Cost</u>	
			2011 %	2010 %	2011 \$	2010 \$
CIMB (Private) Limited	Dormant	Sri Lanka	33	-	2	-

On 28 November 2011, the Company has subscribed for 1-subscriber share.

**13. Deferred income tax assets**

The movements in the deferred income is as follows:

	<u>Fair value loss</u> \$
<b>2011</b>	
Beginning of financial year	-
Tax credited to equity (Note 17)	111,700
End of financial year	<u>111,700</u>
<b>2010</b>	
Beginning of financial year	-
Tax credited to equity (Note 17)	-
End of financial year	<u>-</u>

**14. Other payables**

	2011 \$	2010 \$
Accrued interest payable	20,589	13,582
Other accruals for operating expenses	115,502	117,153
	<u>136,091</u>	<u>130,735</u>

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

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#### 15. Bank borrowings

##### (a) Security granted

Total bank borrowings are secured by a deed of guarantee and indemnity issued by the immediate holding company.

##### (b) Maturity of borrowings

Current bank borrowings have a maturity period ranging from 13 days to one month (2010: one to six months) from the end of the financial year.

##### (c) Interest rate risk

The effective interest rate of total borrowings at the balance sheet date is 1.2% (2010: 1.1%) per annum.

#### 16. Share capital

	<u>No. of shares</u>	<u>Amount</u> S\$
<b>2011</b>		
<u>Ordinary share capital</u>		
Balance at beginning and end of financial year	27,550,000	27,550,000
<u>Redeemable preference shares</u>		
Balance at beginning and end of financial year	171,000	171,000,000
	<u>27,721,000</u>	<u>198,550,000</u>
<b>2010</b>		
<u>Ordinary share capital</u>		
Balance at beginning of financial year	27,550,000	27,550,000
<u>Redeemable preference shares</u>		
Balance at beginning and end of financial year	171,000	171,000,000
	<u>27,721,000</u>	<u>198,550,000</u>

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**CIMB SECURITIES INTERNATIONAL PTE LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2011*

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**16. Share capital (continued)**

(a) All issued shares are fully paid. There is no par value for these shares.

(b) Series A redeemable preference shares ("RPS")

The Series A redeemable preference shares ("RPS") confer upon the holders the following rights:

(i) Voting

The right to attend and vote at general meetings of the Company only upon the happening of any of the following events:

- (1) Upon any resolution which varies or abrogates the rights attached to the preference shares; and
- (2) Upon any resolution for the winding up of the Company.

In addition, written approval of 75% of the RPS holders to be obtained prior to:

- (i) Variation or abrogation of rights to RPS holders;
- (ii) Altering RPS through, for example repurchase, cancellation, reduction, subdivision, reclassification or consolidation;
- (iii) Issue of equity or debt convertible into equity ranking pari passu or in priority to RPS; or
- (iv) Declaration or payment of dividends or other distribution of profits or by issuance of ordinary shares through capitalisation of profits or reserves.

(ii) Redemption

The Company has the right to redeem all or any part of the RPS issued and fully paid at any time. Each RPS will be redeemed for the amount paid up thereon the redemption date.

(iii) Declaration of dividend

The Company is authorised to declare a preference dividend for the RPS but no preference dividend was declared for the period ending 31 December 2011.

**CIMB SECURITIES INTERNATIONAL PTE LTD****NOTES TO THE FINANCIAL STATEMENTS***For the financial year ended 31 December 2011***17. Fair value reserve**

	2011 \$	2010 \$
Beginning of financial year	-	-
Available-for-sale financial assets		
- Fair value loss (Note 7)	(657,068)	-
- Tax on fair value changes	111,700	-
End of financial year	<u>(545,368)</u>	-

**18. Dividends**

	2011 \$	2010 \$
Ordinary dividends paid		
Final exempt (one-tier) dividend of \$0.36298 (2010: \$Nil) per ordinary share for the years ended 31 December	<u>10,000,000</u>	-

**19. Immediate and ultimate holding companies**

CIMB Group Sdn Bhd and CIMB Group Holdings Berhad are the Company's immediate holding and ultimate holding companies respectively. Both companies are incorporated in Malaysia.

**20. Significant related party transactions**

In addition to the information disclosed elsewhere in the financial statements, the following significant transactions took place between the Company and related parties during the financial year:

	2011 \$	2010 \$
Interest income on loans to subsidiaries	3,045,594	3,359,400
Interest expense on bank loan from related party	(440,570)	(575,396)
Interest expense on loan from a subsidiary	(44,413)	-
Directors' fees	(90,000)	(90,000)
Dividend income from a subsidiary	10,000,000	-
Dividend paid to immediate holding company	<u>(10,000,000)</u>	-

**CIMB SECURITIES INTERNATIONAL PTE LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2011*

**21. Financial risk management**

The Company's activities expose it to a variety of financial risks.

Risk management is carried out under policies approved by the Group Management of the immediate holding company. Group Management provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity.

(a) Market risk

*Currency risk*

Currency risk arises from investing, financing activities and having assets and liabilities denominated in foreign currencies such as United States Dollar ("USD"), Malaysian Ringgit ("MYR") and Thailand Bahts ("THB"). If the Company is exposed to any significant currency risk, it would enter into currency derivatives to hedge this risk. The Company's exposure to foreign currency is as follows:

	2011					Total \$
	SGD	USD \$	MYR \$	THB \$	Others \$	
<b>Financial assets</b>						
Cash and cash equivalents	994,129	104,877	-	-	-	1,099,006
Other receivables	-	-	209	-	-	209
Amount due from subsidiaries	-	134,537	-	-	-	134,537
Loans to subsidiaries	90,100,000	2,205,500	-	-	-	92,305,500
	<u>91,094,129</u>	<u>2,444,914</u>	<u>209</u>	<u>-</u>	<u>-</u>	<u>93,539,252</u>
<b>Financial liabilities</b>						
Other payables	136,089	-	-	-	2	136,091
Amount due to related company	-	-	-	821	-	821
Loan from subsidiary	-	-	-	4,240,869	-	4,240,869
Bank borrowings	154,900,000	-	-	-	-	154,900,000
	<u>155,036,089</u>	<u>-</u>	<u>-</u>	<u>4,241,690</u>	<u>2</u>	<u>159,277,781</u>
<b>Net financial (liabilities)/assets</b>	<u>(63,941,960)</u>	<u>2,444,914</u>	<u>209</u>	<u>(4,241,690)</u>	<u>(2)</u>	<u>(65,738,529)</u>

**CIMB SECURITIES INTERNATIONAL PTE LTD**

**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2011*

**21. Financial risk management (continued)**

**(a) Market risk (continued)**

*Currency risk (continued)*

	<b>2010</b>			Total \$
	SGD \$	USD \$	MYR \$	
<b>Financial assets</b>				
Cash and cash equivalents	258,370	146,482	-	404,852
Other receivables	-	-	309	309
Amount due from subsidiaries	-	640,525	-	640,525
Loans to subsidiaries	90,100,000	2,198,270	-	92,298,270
	<u>90,358,370</u>	<u>2,985,277</u>	309	<u>93,343,956</u>
<b>Financial liabilities</b>				
Other payables	130,222	-	513	130,735
Bank borrowings	152,500,000	-	-	152,500,000
	<u>152,630,222</u>	<u>-</u>	513	<u>152,630,735</u>
<b>Net financial (liabilities)/assets</b>	<u>(62,271,852)</u>	<u>2,985,277</u>	<u>(204)</u>	<u>(59,286,779)</u>

If the USD and THB change against the SGD by 9% and 7% (2010: 5% and Nil) with all other variables including tax rate being held constant, the effects arising from the net financial asset positions will be as follows:

	Increase/(decrease) in profit/(loss) after tax	
	2011 \$	2010 \$
<b>USD against SGD</b>		
- Strengthened	<b>220,042</b>	149,264
- Weakened	<b>(220,042)</b>	(149,264)
<b>THB against SGD</b>		
- Strengthened	<b>(296,918)</b>	-
- Weakened	<b>296,918</b>	-

In determining the various percentages of the currencies fluctuations, the Company has considered the economic environments in which it operates. It uses the highest fluctuation for the past 1 year for the sensitivity analysis.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

#### 21. Financial risk management (continued)

##### (b) Interest rate risk

The Company's exposure to interest rate risks arises mainly from loans to subsidiaries at variable rates and current variable rate borrowings.

The Company's borrowings at variable rates on which effective hedges have not been entered into, are denominated mainly in SGD. If the SGD interest rates increase/(decrease) by 1% (2010: 1%) with all other variables including tax rate being held constant, the profit after tax will be lower/higher by \$17,795 (2010: \$12,534) as a result of higher/lower interest expense on these borrowings.

##### (c) Credit risk

The Company has no significant concentrations of credit risk. The Company deals mainly with its related corporations and has no significant concentration of credit risk as at 31 December 2011 and 2010. Bank deposits that are neither past due or impaired are mainly deposits with banks which have high credit ratings. Consequently, the management of the Company does not expect any of these banks to fail to meet any of its obligations. There are no other classes of financial assets that is past due and/or impaired.

##### (d) Liquidity risk

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	<u>Less than 1 month</u>	<u>Between 1 and 3 months</u>	<u>Between 3 and 6 months</u>	<u>Between 6 and 12 months</u>	<u>Over 12 months</u>	<u>Total</u>
<b>As at 31 December 2011</b>						
Other payables	121,551	14,540	-	-	-	136,091
Bank borrowings	2,400,000	152,500,000	-	-	-	154,900,000
Loan from subsidiary	-	-	-	-	4,240,869	4,240,869
	<u>2,521,551</u>	<u>152,514,540</u>	<u>-</u>	<u>-</u>	<u>4,240,869</u>	<u>159,276,960</u>
<b>As at 31 December 2010</b>						
Other payables	117,153	4,068	9,514	-	-	130,735
Bank borrowings	-	45,000,000	107,500,000	-	-	152,500,000
	<u>117,153</u>	<u>45,004,068</u>	<u>107,509,514</u>	<u>-</u>	<u>-</u>	<u>152,630,735</u>

The Company adopts prudent liquidity risk management by maintaining sufficient cash and availability of funding through an adequate amount of credit facilities. Due to the dynamic nature of the underlying businesses, the Company aims at maintaining flexibility in funding by keeping credit lines available and adequate funding from the immediate holding company.

## CIMB SECURITIES INTERNATIONAL PTE LTD

### NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2011

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#### 21. Financial risk management (continued)

##### (e) Capital risk

The Company's main objectives when managing capital are to maximise shareholders' return and at the same time control its business within prudent guidelines. Management strives to maintain an optimal capital structure so as to maximise shareholder value. To achieve this, the Company may adjust the amount of dividend payment and source for borrowings from banks, which provide facilities which best meet its needs at competitive rates. The Company's composition of capital is represented by share capital as disclosed on the balance sheet.

The Company is not subjected to any externally imposed capital requirements.

##### (f) Fair value measurements

The following table presents assets measured at fair value and classified by level of the fair value measurement hierarchy:

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
<b>As at 31 December 2011</b>				
Available-for-sale financial assets	4,865,008	-	-	4,865,008
<b>Total assets</b>	<u>4,865,008</u>	<u>-</u>	<u>-</u>	<u>4,865,008</u>

The fair value of financial instruments traded in active markets (such as available-for-sale financial assets) is based on quoted market prices as at the balance sheet date. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in Level 1.

Level 2 and level 3 are not applicable to the Company.



## **CIMB SECURITIES INTERNATIONAL PTE LTD**

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2011*

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#### **22. Events occurring after balance sheet date**

On 15 February 2012, the Company acquired a 70% interest in SICCO, a company incorporated in Thailand, for a cash consideration of \$31,343,164. On 11 April 2012, the Company acquired an additional 15% interest in SICCO for a cash consideration of \$6,835,834. Arising from these acquisitions, SICCO has become a subsidiary of the Company.

On 5 March 2012, the Company paid a cash consideration of \$505,215 for an additional 12% equity interest in CIMB (Private) Limited. Arising from this acquisition, the Company now owns 45% equity interest in CIMB (Private) Limited. CIMB has become a subsidiary of the Company as the Company has significant influence over the financial and operating decisions of CIMB (Private) Limited.

#### **23. New or revised accounting standards**

Below are the mandatory standards and amendments to existing standards that have been published, and relevant for the Company's accounting periods beginning on or after 1 January 2012 or later periods and which the Company has not early adopted are:

- Amendments to FRS 107 Disclosures – Transfer of Financial Assets (effective for annual periods beginning on or after 1 July 2011)
- Amendments to FRS 1 Presentation of Financial Statements (effective for annual periods beginning on or after 1 July 2012)
- FRS 27 (revised 2011) Separate Financial Statements (effective for annual Period beginning on or after 1 January 2013)

The Management anticipates that the adoption of the above FRSs and amendments to FRS in the future periods will not have a material impact on the financial statements of the Company in the period of its first initial adoption.

#### **24. Authorisation of financial statements**

These financial statements were authorised for issue in accordance with a resolution of the directors on 18 May 2012.