

# KCE Electronics Public Company Limited and its subsidiaries

## Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
		2013	2012	2013	2012
		(Unaudited)	(Restated)	(Unaudited)	(Restated)
		<i>(in thousand Baht)</i>			
<b>Current assets</b>					
Cash and cash equivalents		369,271	397,178	93,482	94,975
Short-term investments in trading securities		3,569	3,319	3,569	3,319
Trade and other receivables	6	2,540,317	2,214,827	1,128,802	1,032,410
Inventories		1,419,762	1,240,204	407,932	443,995
Insurance claim receivable	3	738,475	762,222	10,000	10,000
Other current assets		78,603	77,379	24,109	11,209
<b>Total current assets</b>		<b>5,149,997</b>	<b>4,695,129</b>	<b>1,667,894</b>	<b>1,595,908</b>
<b>Non-current assets</b>					
Investments in associates	7	79,557	77,674	3,962	3,962
Investments in subsidiaries	8	-	-	2,396,121	2,396,121
Other long-term investments		1,199	1,199	570	570
Property, plant and equipment	9	5,367,465	5,237,038	1,118,525	1,116,776
Goodwill		79,793	79,793	-	-
Intangible assets		162,512	160,682	71,659	70,689
Deferred tax assets	10	33,149	16,774	-	-
Other non-current assets		6,362	4,052	4,275	3,571
<b>Total non-current assets</b>		<b>5,730,037</b>	<b>5,577,212</b>	<b>3,595,112</b>	<b>3,591,689</b>
<b>Total assets</b>		<b>10,880,034</b>	<b>10,272,341</b>	<b>5,263,006</b>	<b>5,187,597</b>

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

# KCE Electronics Public Company Limited and its subsidiaries

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
		2013	2012	2013	2012
		(Unaudited)	(Restated)	(Unaudited)	(Restated)
		<i>(in thousand Baht)</i>			
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	11	3,249,776	2,811,806	782,527	709,522
Trade and other payables	12	1,822,645	1,566,475	816,301	781,345
Current portion of long-term loans	11	1,211,517	1,373,025	300,776	301,677
Current portion of liabilities under					
hire-purchase and finance lease liabilities	11	12,996	19,700	8,312	14,858
Income tax payable		14,571	11,687	-	-
Other current liabilities		1,759	1,741	-	1,637
<b>Total current liabilities</b>		<b>6,313,264</b>	<b>5,784,434</b>	<b>1,907,916</b>	<b>1,809,039</b>
<b>Non-current liabilities</b>					
Long-term loans	11	1,091,894	1,317,003	500,699	613,578
Liabilities under hire-purchase and					
finance lease agreements	11	6,794	9,601	4,105	5,221
Deferred tax liabilities	10	27,350	11,827	25,470	9,938
Employee benefit obligations		68,836	67,301	35,509	34,984
<b>Total non-current liabilities</b>		<b>1,194,874</b>	<b>1,405,732</b>	<b>565,783</b>	<b>663,721</b>
<b>Total liabilities</b>		<b>7,508,138</b>	<b>7,190,166</b>	<b>2,473,699</b>	<b>2,472,760</b>

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# KCE Electronics Public Company Limited and its subsidiaries

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
		2013	2012	2013	2012
<b>Liabilities and equity</b>		(Unaudited)	(Restated)	(Unaudited)	(Restated)
		<i>(in thousand Baht)</i>			
<b>Equity</b>					
Share capital	13				
Authorised share capital		491,830	491,830	491,830	491,830
Issued and paid-up share capital		474,996	472,601	474,996	472,601
Treasury shares	14	(105,582)	(105,582)	(105,582)	(105,582)
Premium on ordinary shares		1,128,847	1,110,753	1,128,847	1,110,753
Share warrants	13	1,712	4,009	1,712	4,009
Retained earnings					
Appropriated					
Legal reserve		50,000	50,000	50,000	50,000
Treasury shares reserve	14	105,582	105,582	105,582	105,582
Unappropriated		1,759,440	1,487,592	1,133,752	1,077,474
Other components of equity		(57,195)	(55,452)	-	-
<b>Equity attributable to owners of the Company</b>		<b>3,357,800</b>	<b>3,069,503</b>	<b>2,789,307</b>	<b>2,714,837</b>
Non-controlling interests		14,096	12,672	-	-
<b>Total equity</b>		<b>3,371,896</b>	<b>3,082,175</b>	<b>2,789,307</b>	<b>2,714,837</b>
<b>Total liabilities and equity</b>		<b>10,880,034</b>	<b>10,272,341</b>	<b>5,263,006</b>	<b>5,187,597</b>

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

## KCE Electronics Public Company Limited and its subsidiaries

### Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three month period ended		Three month period ended	
		31 March		31 March	
		2013	2012 (Restated)	2013	2012 (Restated)
<i>(in thousand Baht)</i>					
<b>Income</b>	5				
Revenue from sale of goods and rendering of services		1,999,599	1,345,188	896,407	940,759
Compensation from insurance claim	3	-	186,000	-	-
Other income	16	133,060	108,006	24,713	38,100
<b>Total income</b>		<b>2,132,659</b>	<b>1,639,194</b>	<b>921,120</b>	<b>978,859</b>
<b>Expenses</b>	5				
Cost of sale of goods and rendering of services		1,554,916	1,089,078	729,163	767,891
Selling expenses		126,335	99,423	52,262	63,309
Administrative expenses	16	141,079	225,059	54,971	49,530
Finance costs		38,574	40,165	12,914	13,846
<b>Total expenses</b>		<b>1,860,904</b>	<b>1,453,725</b>	<b>849,310</b>	<b>894,576</b>
Share of profit (loss) from investments in associates	7	3,626	(3,306)	-	-
<b>Profit before income tax</b>		<b>275,381</b>	<b>182,163</b>	<b>71,810</b>	<b>84,283</b>
Income tax expense	17	(2,109)	(26,352)	(15,532)	(24,188)
<b>Profit for the period</b>		<b>273,272</b>	<b>155,811</b>	<b>56,278</b>	<b>60,095</b>
<b>Other comprehensive income</b>					
Foreign currency translation differences for foreign operations	7	(1,743)	(3,028)	-	-
<b>Other comprehensive income for the period, net of income tax</b>		<b>(1,743)</b>	<b>(3,028)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>271,529</b>	<b>152,783</b>	<b>56,278</b>	<b>60,095</b>

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

## KCE Electronics Public Company Limited and its subsidiaries

### Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three month period ended		Three month period ended	
		31 March		31 March	
	2013	2012 (Restated)	2013	2012 (Restated)	
<i>(in thousand Baht)</i>					
<b>Profit attributable to:</b>					
Owners of the Company		271,848	154,531	56,278	60,095
Non-controlling interests		1,424	1,280	-	-
<b>Profit for the period</b>		<b>273,272</b>	<b>155,811</b>	<b>56,278</b>	<b>60,095</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		270,105	151,503	56,278	60,095
Non-controlling interests		1,424	1,280	-	-
<b>Total comprehensive income for the period</b>		<b>271,529</b>	<b>152,783</b>	<b>56,278</b>	<b>60,095</b>
<b>Earnings per share</b>					
Basic earnings per share <i>(in Baht)</i>	18	0.59	0.33	0.12	0.13
Diluted earnings per share <i>(in Baht)</i>	18	0.59	0.33	0.12	0.13

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## KCE Electronics Public Company Limited and its subsidiaries

### Statement of cash flows (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Three month period ended		Three month period ended	
	31 March		31 March	
2013	2012	2013	2012	
	(Restated)		(Restated)	
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit for the period	273,272	155,811	56,278	60,095
<i>Adjustments for</i>				
Share of profit (loss) from investments in associates	(3,626)	3,306	-	-
Depreciation	124,199	111,184	35,223	38,791
Amortisation	2,786	2,332	1,510	1,302
Allowance (reversal) for doubtful accounts - trade accounts receivable	(31)	-	-	-
Allowance (reversal) of net realisable value of inventories	(1,040)	(2,989)	(253)	(3,716)
Gain on disposals of equipment	(12)	(154)	(2)	(51)
Loss from write-off off equipment	9	550	9	123
Provision for long-term employee benefits	1,935	1,960	927	872
Unrealised gain on exchange rate and hedging activities	(103,113)	(72,575)	(8,319)	(18,066)
Share-based payment transactions	-	12,380	-	6,085
Unrealised loss (gain) on revaluation of investments in trading securities	(250)	(549)	(250)	(549)
Interest expense	36,170	38,373	12,360	13,258
Income tax expense	2,109	26,352	15,532	24,188
	<u>332,408</u>	<u>275,981</u>	<u>113,015</u>	<u>122,332</u>
<b><i>Changes in operating assets and liabilities</i></b>				
Trade and other receivables	(377,751)	(13,479)	(130,278)	(29,399)
Insurance claim receivable	23,747	85,550	-	-
Inventories	(178,518)	(21,895)	36,316	76,544
Other current assets	575	(4,348)	(12,400)	(4,691)
Other non-current assets	(1,453)	307	(963)	307
Trade and other payables	251,447	54,569	42,064	(32,852)
Other current liabilities	18	(1,934)	(1,637)	(1,009)
Employee benefit obligations	(401)	(3,624)	(401)	-
Cash generated from operating activities	<u>50,072</u>	<u>371,127</u>	<u>45,716</u>	<u>131,232</u>
Income tax paid	<u>(1,800)</u>	<u>(2,289)</u>	<u>(500)</u>	<u>(318)</u>
<b>Net cash from operating activities</b>	<b><u>48,272</u></b>	<b><u>368,838</u></b>	<b><u>45,216</u></b>	<b><u>130,914</u></b>

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

## KCE Electronics Public Company Limited and its subsidiaries

### Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three month period ended 31 March		Three month period ended 31 March	
	2013	2012 (Restated)	2013	2012 (Restated)
<i>(in thousand Baht)</i>				
<b><i>Cash flows from investing activities</i></b>				
Cash paid for additional investments in associate	-	(1,540)	-	(1,540)
Proceeds from disposals of equipment	38	387	-	266
Purchases of equipment	(179,140)	(239,304)	(33,757)	(3,396)
Purchases of computer software	(3,711)	(20,309)	(1,180)	(10,976)
<b>Net cash used in investing activities</b>	<b>(182,813)</b>	<b>(260,766)</b>	<b>(34,937)</b>	<b>(15,646)</b>
<b><i>Cash flows from financing activities</i></b>				
Interest paid	(33,657)	(33,539)	(11,277)	(11,825)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	433,174	(375,441)	74,461	(93,047)
Repayment of liabilities under hire-purchase and finance lease agreements	(9,512)	(17,602)	(7,662)	(14,553)
Proceed from long-term loans	-	300,000	-	-
Repayment of long-term loans	(301,564)	(76,515)	(85,487)	(25,316)
Proceed from capital increase and warrants exercised	18,193	-	18,193	-
<b>Net cash from (used in) financing activities</b>	<b>106,634</b>	<b>(203,097)</b>	<b>(11,772)</b>	<b>(144,741)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(27,907)</b>	<b>(95,025)</b>	<b>(1,493)</b>	<b>(29,473)</b>
Cash and cash equivalents at 1 January	397,178	535,535	94,975	142,492
<b>Cash and cash equivalents at 31 March</b>	<b>369,271</b>	<b>440,510</b>	<b>93,482</b>	<b>113,019</b>

#### Non-cash transactions

##### 1) Non-cash related transactions for investing activities

Net increase in other receivable from disposals of machinery and equipment	-	-	-	41
Net increase (decrease) in trust receipts from purchases of machinery and equipment	17,063	430,700	(18)	-
Net increase in other account payable from purchases of machinery and equipment	19,888	259,475	2,742	5,917

##### 2) Non-cash related transaction for financing activities

Assets acquired under hire-purchase and finance lease agreements	-	(6,871)	-	(11,500)
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**KCE Electronics Public Company Limited and its subsidiaries**  
**Statement of changes in equity (Unaudited)**

Consolidated financial statements														
	Note	Issued and paid-up share capital	Treasury shares	Share premium	Share warrants	Retained earnings			Translation adjustments	Other components of equity Excess of investments arising from additional purchases of investments in subsidiaries at a price higher than the net book value of the subsidiaries at the acquisition date	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
						Legal reserve	Treasury shares reserve	Unappropriated						
(in thousand Baht)														
<b>Three month period ended 31 March 2012</b>														
<b>Balance at 31 December 2011- as reported</b>		<b>472,224</b>	<b>(70,050)</b>	<b>1,107,753</b>	<b>-</b>	<b>50,000</b>	<b>70,050</b>	<b>942,275</b>	<b>(13,516)</b>	<b>(38,558)</b>	<b>(52,074)</b>	<b>2,520,178</b>	<b>(11,986)</b>	<b>2,508,192</b>
Impact of changes in accounting policies	4	-	-	-	-	-	-	74,739	-	-	-	74,739	32	74,771
<b>Balance at 31 December 2011 - restated and 1 January 2012</b>		<b>472,224</b>	<b>(70,050)</b>	<b>1,107,753</b>	<b>-</b>	<b>50,000</b>	<b>70,050</b>	<b>1,017,014</b>	<b>(13,516)</b>	<b>(38,558)</b>	<b>(52,074)</b>	<b>2,594,917</b>	<b>(11,954)</b>	<b>2,582,963</b>
<b>Transactions with owners, recorded directly in equity</b>														
<i>Contributions by and distributions to owners of the Company</i>														
Reduction of ordinary shares	13	(8,170)	70,050	(61,880)	-	-	-	-	-	-	-	-	-	-
Reduction of treasury shares reserve	14	-	-	-	-	-	(70,050)	70,050	-	-	-	-	-	-
Share-based payment transactions	13	-	-	-	12,380	-	-	-	-	-	-	12,380	-	12,380
<b>Total contributions by and distributions to owners of the Company</b>		<b>(8,170)</b>	<b>70,050</b>	<b>(61,880)</b>	<b>12,380</b>	<b>-</b>	<b>(70,050)</b>	<b>70,050</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,380</b>	<b>-</b>	<b>12,380</b>
<b>Comprehensive income for the period</b>														
Profit or loss		-	-	-	-	-	-	154,531	-	-	-	154,531	1,280	155,811
Other comprehensive income		-	-	-	-	-	-	-	(3,028)	-	(3,028)	(3,028)	-	(3,028)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>154,531</b>	<b>(3,028)</b>	<b>-</b>	<b>(3,028)</b>	<b>151,503</b>	<b>1,280</b>	<b>152,783</b>
<b>Balance at 31 March 2012</b>		<b>464,054</b>	<b>-</b>	<b>1,045,873</b>	<b>12,380</b>	<b>50,000</b>	<b>-</b>	<b>1,241,595</b>	<b>(16,544)</b>	<b>(38,558)</b>	<b>(55,102)</b>	<b>2,758,800</b>	<b>(10,674)</b>	<b>2,748,126</b>

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**KCE Electronics Public Company Limited and its subsidiaries**

**Statement of changes in equity (Unaudited)**

<b>Consolidated financial statements</b>														
	Note	Issued and paid-up share capital	Treasury shares	Share premium	Share warrants	Retained earnings			Translation adjustments	Other components of equity Excess of investments arising from additional purchases of investments in subsidiaries at a price higher than the net book value of the subsidiaries at the acquisition date	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
						Legal reserve	Treasury shares reserve	Unappropriated						
<i>(in thousand Baht)</i>														
<b>Three month period ended 31 March 2013</b>														
<b>Balance at 31 December 2012 - as reported</b>		<b>472,601</b>	<b>(105,582)</b>	<b>1,110,753</b>	<b>4,009</b>	<b>50,000</b>	<b>105,582</b>	<b>1,481,908</b>	<b>(16,894)</b>	<b>(38,558)</b>	<b>(55,452)</b>	<b>3,063,819</b>	<b>13,409</b>	<b>3,077,228</b>
Impact of changes in accounting policies	4	-	-	-	-	-	-	5,684	-	-	-	5,684	(737)	4,947
<b>Balance at 31 December 2012 - restated and 1 January 2013</b>		<b>472,601</b>	<b>(105,582)</b>	<b>1,110,753</b>	<b>4,009</b>	<b>50,000</b>	<b>105,582</b>	<b>1,487,592</b>	<b>(16,894)</b>	<b>(38,558)</b>	<b>(55,452)</b>	<b>3,069,503</b>	<b>12,672</b>	<b>3,082,175</b>
<b>Transactions with owners, recorded directly in equity</b>														
<i>Contributions by and distributions to owners of the Company</i>														
Issue of ordinary shares	13	2,395	-	18,094	-	-	-	-	-	-	-	20,489	-	20,489
Share-based payment transactions	13	-	-	-	(2,297)	-	-	-	-	-	-	(2,297)	-	(2,297)
<b>Total contributions by and distributions to owners of the Company</b>		<b>2,395</b>	<b>-</b>	<b>18,094</b>	<b>(2,297)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,192</b>	<b>-</b>	<b>18,192</b>
<b>Comprehensive income for the period</b>														
Profit or loss		-	-	-	-	-	-	271,848	-	-	-	271,848	1,424	273,272
Other comprehensive income		-	-	-	-	-	-	-	(1,743)	-	(1,743)	(1,743)	-	(1,743)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>271,848</b>	<b>(1,743)</b>	<b>-</b>	<b>(1,743)</b>	<b>270,105</b>	<b>1,424</b>	<b>271,529</b>
<b>Balance at 31 March 2013</b>		<b>474,996</b>	<b>(105,582)</b>	<b>1,128,847</b>	<b>1,712</b>	<b>50,000</b>	<b>105,582</b>	<b>1,759,440</b>	<b>(18,637)</b>	<b>(38,558)</b>	<b>(57,195)</b>	<b>3,357,800</b>	<b>14,096</b>	<b>3,371,896</b>

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**KCE Electronics Public Company Limited and its subsidiaries**
**Statement of changes in equity (Unaudited)**

	Note	Separate financial statements							Total equity
		Issued and paid-up share capital	Treasury shares	Share premium	Share warrants	Retained earnings		Unappropriated	
						Legal reserve	Appropriated Treasury shares reserve		
<i>(in thousand Baht)</i>									
<b>Three month period ended 31 March 2012</b>									
<b>Balance at 31 December 2011 - as reported</b>		<b>472,224</b>	<b>(70,050)</b>	<b>1,107,753</b>	-	<b>50,000</b>	<b>70,050</b>	<b>937,919</b>	<b>2,567,896</b>
Impact of changes in accounting policies	4	-	-	-	-	-	-	55,064	55,064
<b>Balance at 31 December 2011 - restated and 1 January 2012</b>		<b>472,224</b>	<b>(70,050)</b>	<b>1,107,753</b>	-	<b>50,000</b>	<b>70,050</b>	<b>992,983</b>	<b>2,622,960</b>
<b>Transactions with owners, recorded directly in equity</b>									
<i>Contributions by and distributions to owners of the Company</i>									
Reduction of ordinary shares	13	(8,170)	70,050	(61,880)	-	-	-	-	-
Reduction of treasury shares reserve	14	-	-	-	-	-	(70,050)	70,050	-
Shared-based payment transactions	13	-	-	-	12,380	-	-	-	12,380
<b>Total contributions by and distributions to owners of the Company</b>		<b>(8,170)</b>	<b>70,050</b>	<b>(61,880)</b>	<b>12,380</b>	<b>-</b>	<b>(70,050)</b>	<b>70,050</b>	<b>12,380</b>
<b>Comprehensive income for the period</b>									
Profit or loss		-	-	-	-	-	-	60,095	60,095
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>60,095</b>	<b>60,095</b>
<b>Balance at 31 March 2012</b>		<b>464,054</b>	<b>-</b>	<b>1,045,873</b>	<b>12,380</b>	<b>50,000</b>	<b>-</b>	<b>1,123,128</b>	<b>2,695,435</b>

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**KCE Electronics Public Company Limited and its subsidiaries**

**Statement of changes in equity (Unaudited)**

**Separate financial statements**

	Note	Issued and paid-up share capital	Treasury shares	Share premium	Share warrants	Retained earnings		Total equity	
						Legal reserve	Appropriated Treasury shares reserve		Unappropriated
<i>(in thousand Baht)</i>									
<b>Three month period ended 31 March 2013</b>									
<b>Balance at 31 December 2012 - as reported</b>		<b>472,601</b>	<b>(105,582)</b>	<b>1,110,753</b>	<b>4,009</b>	<b>50,000</b>	<b>105,582</b>	<b>1,087,412</b>	<b>2,724,775</b>
Impact of changes in accounting policies	4	-	-	-	-	-	-	(9,938)	(9,938)
<b>Balance at 31 December 2012 - restated and 1 January 2013</b>		<b>472,601</b>	<b>(105,582)</b>	<b>1,110,753</b>	<b>4,009</b>	<b>50,000</b>	<b>105,582</b>	<b>1,077,474</b>	<b>2,714,837</b>
<b>Transactions with owners, recorded directly in equity</b>									
<i>Contributions by and distributions to owners of the Company</i>									
Issue of ordinary shares	13	2,395	-	18,094	-	-	-	-	20,489
Shared-based payment transactions	13	-	-	-	(2,297)	-	-	-	(2,297)
<b>Total contributions by and distributions to owners of the Company</b>		<b>2,395</b>	<b>-</b>	<b>18,094</b>	<b>(2,297)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,192</b>
<b>Comprehensive income for the period</b>									
Profit or loss		-	-	-	-	-	-	56,278	56,278
Other comprehensive income		-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,278</b>	<b>56,278</b>
<b>Balance at 31 March 2013</b>		<b>474,996</b>	<b>(105,582)</b>	<b>1,128,847</b>	<b>1,712</b>	<b>50,000</b>	<b>105,582</b>	<b>1,133,752</b>	<b>2,789,307</b>

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