

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2013 (Unaudited)	31 December 2012 (Restated)	30 June 2013 (Unaudited)	31 December 2012 (Restated)
<i>(in thousand Baht)</i>					
Assets					
<i>Current assets</i>					
Cash and cash equivalents		286,033	397,178	61,545	94,975
Short-term investments in trading securities		3,277	3,319	3,277	3,319
Trade and other receivables	6	3,009,342	2,214,827	1,252,797	1,032,410
Inventories		1,371,292	1,240,204	406,700	443,995
Insurance claim receivable	3	734,485	762,222	10,000	10,000
Other current assets		98,067	77,379	22,385	11,209
Total current assets		5,502,496	4,695,129	1,756,704	1,595,908
<i>Non-current assets</i>					
Investments in associates	7	88,461	77,674	3,962	3,962
Investments in subsidiaries	8	-	-	2,396,121	2,396,121
Other long-term investments		1,629	1,199	1,000	570
Property, plant and equipment	9	5,459,302	5,237,038	1,089,788	1,116,776
Goodwill		79,793	79,793	-	-
Intangible assets		167,129	160,682	73,403	70,689
Deferred tax assets	10	60,342	16,774	-	-
Other non-current assets		3,743	4,052	2,236	3,571
Total non-current assets		5,860,399	5,577,212	3,566,510	3,591,689
Total assets		11,362,895	10,272,341	5,323,214	5,187,597

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

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2013 (Unaudited)	31 December 2012 (Restated)	30 June 2013 (Unaudited)	31 December 2012 (Restated)
<i>(in thousand Baht)</i>					
Liabilities and equity					
<i>Current liabilities</i>					
Bank overdrafts and short-term loans					
from financial institutions	11	3,697,833	2,811,806	817,448	709,522
Trade and other payables	12	1,890,963	1,566,475	873,851	781,345
Current portion of long-term loans	11	1,234,847	1,373,025	333,839	301,677
Current portion of liabilities under hire-purchase and finance lease liabilities	11	7,388	19,700	4,571	14,858
Income tax payable		9,301	11,687	-	-
Other current liabilities		1,584	1,741	1,329	1,637
Total current liabilities		6,841,916	5,784,434	2,031,038	1,809,039
<i>Non-current liabilities</i>					
Long-term loans	11	989,392	1,317,003	452,275	613,578
Liabilities under hire-purchase and finance lease agreements	11	6,058	9,601	3,212	5,221
Deferred tax liabilities	10	41,833	11,827	39,960	9,938
Employee benefit obligations		70,775	67,301	36,436	34,984
Total non-current liabilities		1,108,058	1,405,732	531,883	663,721
Total liabilities		7,949,974	7,190,166	2,562,921	2,472,760

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KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
		2013 (Unaudited)	2012 (Restated)	2013 (Unaudited)	2012 (Restated)
<i>(in thousand Baht)</i>					
Liabilities and equity					
Equity					
Share capital	13				
Authorised share capital		578,422	491,830	578,422	491,830
Issued and paid-up share capital		460,996	472,601	460,996	472,601
Treasury shares	14	-	(105,582)	-	(105,582)
Premium on ordinary shares		1,037,264	1,110,753	1,037,264	1,110,753
Share warrants	13	1,056	4,009	1,056	4,009
Retained earnings					
Appropriated					
Legal reserve		50,000	50,000	50,000	50,000
Treasury shares reserve	14	-	105,582	-	105,582
Unappropriated		1,901,152	1,487,592	1,210,977	1,077,474
Other components of equity		-52,558	-55,452	-	-
Equity attributable to owners of the Company		3,397,910	3,069,503	2,760,293	2,714,837
Non-controlling interests		15,011	12,672	-	-
Total equity		3,412,921	3,082,175	2,760,293	2,714,837
Total liabilities and equity		11,362,895	10,272,341	5,323,214	5,187,597

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	
		30 June		30 June	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
Income	5				
Revenue from sale of goods and rendering of services		2,261,684	1,507,561	957,212	841,421
Compensation from insurance claim	3	-	146,202	-	10,202
Other income	16	10,994	18,353	83,861	12,062
Total income		2,272,678	1,672,116	1,041,073	863,685
Expenses	5				
Cost of sale of goods and rendering of services		1,698,356	1,216,310	760,072	693,490
Selling expenses		135,209	103,082	57,031	50,761
Administrative expenses	16	206,856	229,038	63,036	65,603
Finance costs		43,644	38,861	13,459	12,368
Total expenses		2,084,065	1,587,291	893,598	822,222
Share of profit (loss) from investments in associate:		4,267	-1,927	-	-
Profit before income tax		192,880	82,898	147,475	41,463
Income tax benefit (expense)	17	6,167	-9,807	-14,490	-7,227
Profit for the period		199,047	73,091	132,985	34,236
Other comprehensive income					
Foreign currency translation differences for foreign operations		4,637	3,261	-	-
Other comprehensive income for the period, net of income tax		4,637	3,261	-	-
Total comprehensive income for the period		203,684	76,352	132,985	34,236

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

KCE Electronics Public Company Limited and its subsidiaries

Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Three month period ended		Three month period ended	
		30 June		30 June	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
Profit attributable to:					
Owners of the Company		197,472	72,201	132,985	34,236
Non-controlling interests		1,575	890	-	-
Profit for the period		199,047	73,091	132,985	34,236
Total comprehensive income attributable to:					
Owners of the Company		202,109	75,462	132,985	34,236
Non-controlling interests		1,575	890	-	-
Total comprehensive income for the period		203,684	76,352	132,985	34,236
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	18	0.43	0.16	0.29	0.07
Diluted earnings per share <i>(in Baht)</i>	18	0.42	0.16	0.28	0.07

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KCE Electronics Public Company Limited and its subsidiaries

Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Six month period ended		Six month period ended	
		30 June		30 June	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
Income	5				
Revenue from sale of goods and rendering of services		4,261,283	2,852,749	1,853,619	1,782,180
Compensation from insurance claim	3	-	332,202	-	10,202
Other income	16	104,361	56,768	108,574	37,025
Total income		4,365,644	3,241,719	1,962,193	1,829,407
Expenses	5				
Cost of sale of goods and rendering of services		3,253,272	2,305,388	1,489,235	1,461,382
Selling expenses		261,544	202,505	109,293	114,070
Administrative expenses	16	308,242	384,506	118,007	101,995
Finance costs		82,218	79,026	26,373	26,214
Total expenses		3,905,276	2,971,425	1,742,908	1,703,661
Share of profit (loss) from investments in associates	7	7,893	-5,233	-	-
Profit before income tax		468,261	265,061	219,285	125,746
Income tax benefit (expense)	17	4,058	-36,159	-30,022	-31,415
Profit for the period		472,319	228,902	189,263	94,331
Other comprehensive income					
Foreign currency translation differences for foreign operations	7	2,894	233	-	-
Other comprehensive income for the period, net of income tax		2,894	233	-	-
Total comprehensive income for the period		475,213	229,135	189,263	94,331

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

KCE Electronics Public Company Limited and its subsidiaries

Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Six month period ended		Six month period ended	
		30 June		30 June	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
Profit attributable to:					
Owners of the Company		469,320	226,732	189,263	94,331
Non-controlling interests		2,999	2,170	-	-
Profit for the period		472,319	228,902	189,263	94,331
Total comprehensive income attributable to:					
Owners of the Company		472,214	226,965	189,263	94,331
Non-controlling interests		2,999	2,170	-	-
Total comprehensive income for the period		475,213	229,135	189,263	94,331
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	18	1.02	0.49	0.41	0.20
Diluted earnings per share <i>(in Baht)</i>	18	1.00	0.49	0.41	0.20

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		Separate financial	
	statements		statements	
	Six month period ended		Six month period ended	
	30 June		30 June	
2013	2012	2013	2012	
	(Restated)		(Restated)	
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	472,319	228,902	189,263	94,331
<i>Adjustments for</i>				
Share of (profit) loss from investments in associates	(7,893)	5,233	-	-
Depreciation	259,758	224,768	68,941	77,643
Amortisation	5,768	4,819	3,134	2,778
Reversal of allowance for doubtful accounts - trade accounts receivable	(31)	-	-	-
Allowance (reversal) of net realisable value of inventories	14,325	10,466	1,618	(3,553)
Gain on disposals of equipment	(30)	(213)	(7)	(72)
Loss from write-off off equipment	44	672	44	244
Provision for long-term employee benefits	3,875	3,925	1,854	1,744
Unrealised loss (gain) on exchange rate and hedging activities	17,728	107,497	(2,798)	5,546
Share-based payment transactions	-	12,380	-	6,085
Unrealised loss (gain) on revaluation of investments in trading securities	42	(686)	42	(686)
Dividend income from subsidiaries	-	-	(62,554)	(4,410)
Interest expense	78,319	75,780	25,277	25,109
Income tax expense (benefit)	(4,058)	36,159	30,022	31,415
	840,166	709,702	254,836	236,174
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables	(703,662)	(329,704)	(177,896)	44,410
Insurance claim receivable	27,737	514,041	-	(10,000)
Inventories	(145,414)	(143,322)	35,677	83,095
Other current assets	(17,384)	(40,109)	(10,120)	(6,012)
Other non-current assets	(1,941)	408	(361)	420
Trade and other payables	194,012	145,502	91,228	(71,539)
Other current liabilities	(157)	6,828	(308)	62
Employee benefit obligations	(401)	(3,624)	(401)	-
Cash generated from operating activities	192,956	859,722	192,655	276,610
Income tax paid	(3,304)	(3,714)	(1,057)	(644)
Net cash from operating activities	189,652	856,008	191,598	275,966

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KCE Electronics Public Company Limited and its subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six month period ended		Six month period ended	
	30 June		30 June	
	2013	2012	2013	2012
		(Restated)		(Restated)
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Cash paid for additional investments in associate	-	(1,540)	-	(1,540)
Cash paid for additional investments in other company	(430)	-	(430)	-
Proceeds from disposals of equipment	57	457	1,823	273
Purchases of equipment	(502,167)	(483,537)	(78,431)	(14,683)
Purchases of computer software	(11,268)	(18,438)	(4,873)	(13,381)
Dividend received from subsidiaries company	-	-	62,554	-
Net cash used in investing activities	-513,808	-503,058	-19,357	-29,331
<i>Cash flows from financing activities</i>				
Interest paid	(73,889)	(72,394)	(24,426)	(24,944)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	940,916	(472,160)	112,970	(171,080)
Repayment of liabilities under hire-purchase and finance lease agreements	(15,855)	(30,662)	(12,295)	(25,365)
Proceed from long-term loans	13,970	300,000	13,970	-
Repayment of long-term loans	(508,320)	(214,188)	(152,740)	(54,451)
Proceed from capital increase and warrants exercised	18,192	-	18,192	-
Dividend paid	(162,003)	-50,994	-161,342	-46,404
Net cash from (used in) financing activities	213,011	-540,398	-205,671	-322,244
Net decrease in cash and cash equivalents	-111,145	-187,448	-33,430	-75,609
Cash and cash equivalents at 1 January	397,178	535,535	94,975	142,492
Cash and cash equivalents at 30 June	286,033	348,087	61,545	66,883

Non-cash transactions

1) Non-cash related transactions for investing activities

Net decrease (increase) in other receivable from disposals of machinery and equipment	-	-	3,071	(393)
Net increase (decrease) in trust receipts from purchases of machinery and equipment	(82,504)	757,574	(11,223)	-
Net increase (decrease) in other account payable from purchases of machinery and equipment	74,460	(146,190)	(20,233)	(1,023)

2) Non-cash related transaction for financing activities

Assets acquired under hire-purchase and finance lease agreements	-	4,628	-	-
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The accompanying notes are an integral part of these financial statements.

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	<u>Retained earnings</u>			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>														
Six month period ended 30 June 2012														
Balance at 31 December 2011 - as reported														
		472,224	(70,050)	1,107,753	-	50,000	70,050	942,275	(13,516)	(38,558)	(52,074)	2,520,178	(11,986)	2,508,192
Impact of changes in accounting policies	4	-	-	-	-	-	-	74,739	-	-	-	74,739	32	74,771
Balance at 31 December 2011 - restated and 1 January 2012														
		472,224	(70,050)	1,107,753	-	50,000	70,050	1,017,014	(13,516)	(38,558)	(52,074)	2,594,917	(11,954)	2,582,963
Transactions with owners, recorded directly in equity														
<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
Dividend	19	-	-	-	-	-	-	(46,403)	-	-	-	(46,403)	-4,590	-50,993
Total contributions by and distributions to owners of the Company														
		(8,170)	70,050	(61,880)	12,380	-	(70,050)	23,647	-	-	-	(34,023)	-4,590	(38,613)
Comprehensive income for the period														
Profit or loss		-	-	-	-	-	-	226,732	-	-	-	226,732	2,170	228,902
Other comprehensive income		-	-	-	-	-	-	-	233	-	233	233	-	233
Total comprehensive income for the period														
		-	-	-	-	-	-	226,732	233	-	233	226,965	2,170	229,135
Balance at 30 June 2012														
		464,054	-	1,045,873	12,380	50,000	-	1,267,393	(13,283)	(38,558)	(51,841)	2,787,859	(14,374)	2,773,485

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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						
<i>(in thousand Baht)</i>														
Six month period ended 30 June 2013														
Balance at 31 December 2012 - as reported														
		472,601	(105,582)	1,110,753	4,009	50,000	105,582	1,481,908	(16,894)	(38,558)	(55,452)	3,063,819	13,409	3,077,228
Impact of changes in accounting policies	4	-	-	-	-	-	-	5,684	-	-	-	5,684	-737	4,947
Balance at 31 December 2012 - restated and 1 January 2013														
		472,601	(105,582)	1,110,753	4,009	50,000	105,582	1,487,592	(16,894)	(38,558)	(55,452)	3,069,503	12,672	3,082,175
Transactions with owners, recorded directly in equity														
<i>Contributions by and distributions to owners of the Company</i>														
Reduction of ordinary shares	13	(14,000)	105,582	(91,582)	-	-	(105,582)	105,582	-	-	-	-	-	-
Issue of ordinary shares	13	2,395	-	18,093	-	-	-	-	-	-	-	20,488	-	20,488
Share-based payment transactions	13	-	-	-	(2,953)	-	-	-	-	-	-	-2,953	-	-2,953
Dividend	19	-	-	-	-	-	-	(161,342)	-	-	-	-161,342	-660	-162,002
<i>Total contributions by and distributions to owners of the Company</i>														
		(11,605)	105,582	(73,489)	(2,953)	-	(105,582)	(55,760)	-	-	-	(143,807)	(660)	(144,467)
Comprehensive income for the period														
Profit or loss		-	-	-	-	-	-	469,320	-	-	-	469,320	2,999	472,319
Other comprehensive income		-	-	-	-	-	-	-	2,894	-	2,894	2,894	-	2,894
Total comprehensive income for the period														
		-	-	-	-	-	-	469,320	2,894	-	2,894	472,214	2,999	475,213
Balance at 30 June 2013														
		460,996	-	1,037,264	1,056	50,000	-	1,901,152	(14,000)	(38,558)	(52,558)	3,397,910	15,011	3,412,921

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

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>									
Six month period ended 30 June 2012									
Balance at 31 December 2011 - as reported		472,224	(70,050)	1,107,753	-	50,000	70,050	937,919	2,567,896
Impact of changes in accounting policies	4	-	-	-	-	-	-	55,064	55,064
Balance at 31 December 2011 - restated and 1 January 2012		472,224	(70,050)	1,107,753	-	50,000	70,050	992,983	2,622,960
Transactions with owners, recorded directly in equity									
<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
Dividend	19	-	-	-	-	-	-	(46,403)	(46,403)
Total contributions by and distributions to owners of the Company		(8,170)	70,050	(61,880)	12,380	-	(70,050)	23,647	(34,023)
Comprehensive income for the period									
Profit or loss		-	-	-	-	-	-	94,331	94,331
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	94,331	94,331
Balance at 30 June 2012		464,054	-	1,045,873	12,380	50,000	-	1,110,961	2,683,268

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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>									
Six month period ended 30 June 2013									
Balance at 31 December 2012 - as reported		472,601	(105,582)	1,110,753	4,009	50,000	105,582	1,087,412	2,724,775
Impact of changes in accounting policies	4	-	-	-	-	-	-	(9,938)	(9,938)
Balance at 31 December 2012 - restated and 1 January 2013		472,601	-105,582	1,110,753	4,009	50,000	105,582	1,077,474	2,714,837
Transactions with owners, recorded directly in equity									
<i>Contributions by and distributions to owners of the Company</i>									
Reduction of ordinary shares	13	(14,000)	105,582	(91,582)	-	-	(105,582)	105,582	-
Issue of ordinary shares	13	2,395	-	18,093	-	-	-	-	20,488
Share-based payment transactions	13	-	-	-	(2,953)	-	-	-	(2,953)
Dividend	19	-	-	-	-	-	-	(161,342)	(161,342)
Total contributions by and distributions to owners of the Company		-11,605	105,582	-73,489	-2,953	-	-105,582	-55,760	-143,807
Comprehensive income for the period									
Profit or loss		-	-	-	-	-	-	189,263	189,263
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	189,263	189,263
Balance at 30 June 2013		460,996	-	1,037,264	1,056	50,000	-	1,210,977	2,760,293

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