

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2013 (Unaudited)	31 December 2012 (Restated)	30 September 2013 (Unaudited)	31 December 2012 (Restated)
<i>(in thousand Baht)</i>					
Assets					
<i>Current assets</i>					
Cash and cash equivalents		252,098	397,178	69,772	94,975
Short-term investments in trading securities		3,003	3,319	3,003	3,319
Trade and other receivables	6	3,421,253	2,214,827	1,374,842	1,032,410
Inventories		1,459,823	1,240,204	405,504	443,995
Insurance claim receivable	3	709,093	762,222	10,000	10,000
Other current assets		93,800	77,379	19,873	11,209
Total current assets		5,939,070	4,695,129	1,882,994	1,595,908
<i>Non-current assets</i>					
Investments in associates	7	95,717	77,674	3,962	3,962
Investments in subsidiaries	8	-	-	2,397,008	2,396,121
Other long-term investments		1,629	1,199	1,000	570
Property, plant and equipment	9	5,497,071	5,237,038	1,063,851	1,116,776
Goodwill		79,793	79,793	-	-
Intangible assets		164,697	160,682	72,270	70,689
Deferred tax assets	10	54,403	16,774	-	-
Other non-current assets		9,136	4,052	1,802	3,571
Total non-current assets		5,902,446	5,577,212	3,539,893	3,591,689
Total assets		11,841,516	10,272,341	5,422,887	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 September 2013 (Unaudited)	31 December 2012 (Restated)	30 September 2013 (Unaudited)	31 December 2012 (Restated)
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	11	4,083,637	2,811,806	845,754	709,522
Trade and other payables	12	1,939,532	1,566,475	926,489	781,345
Current portion of long-term loans	11	1,153,584	1,373,025	308,809	301,677
Current portion of liabilities under					
hire-purchase and finance lease liabilities	11	6,191	19,700	4,009	14,858
Income tax payable		14,786	11,687	-	-
Other current liabilities		2,629	1,741	2,735	1,637
Total current liabilities		7,200,359	5,784,434	2,087,796	1,809,039
Non-current liabilities					
Long-term loans	11	853,262	1,317,003	402,965	613,578
Liabilities under hire-purchase and					
finance lease agreements	11	4,981	9,601	2,589	5,221
Deferred tax liabilities	10	39,996	11,827	38,132	9,938
Employee benefit obligations		70,830	67,301	35,300	34,984
Total non-current liabilities		969,069	1,405,732	478,986	663,721
Total liabilities		8,169,428	7,190,166	2,566,782	2,472,760

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		30 September 2013 (Unaudited)	31 December 2012 (Restated)	30 September 2013 (Unaudited)	31 December 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		469,271	472,601	469,271	472,601
Treasury shares	14	-	(105,582)	-	(105,582)
Premium on ordinary shares		1,072,615	1,110,753	1,072,615	1,110,753
Share warrants	13	1,918	4,009	1,918	4,009
Retained earnings					
Appropriated					
Legal reserve		50,000	50,000	50,000	50,000
Treasury shares reserve	14	-	105,582	-	105,582
Unappropriated		2,113,232	1,487,592	1,262,301	1,077,474
Other components of equity		-51,590	-55,452	-	-
Equity attributable to owners of the Company		3,655,446	3,069,503	2,856,105	2,714,837
Non-controlling interests		16,642	12,672	-	-
Total equity		3,672,088	3,082,175	2,856,105	2,714,837
Total liabilities and equity		11,841,516	10,272,341	5,422,887	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	
		2013	2012 (Restated)	2013	2012 (Restated)
		<i>(in thousand Baht)</i>			
Income	5				
Revenue from sale of goods and rendering of services		2,539,626	1,757,134	1,024,555	852,521
Compensation from insurance claim	3	-	115,939	-	-
Dividend income from subsidiaries		-	-	64,507	67,398
Other income	16	26,461	104,047	19,722	34,558
Total income		2,566,087	1,977,120	1,108,784	954,477
Expenses	5				
Cost of sale of goods and rendering of services		1,816,029	1,441,185	796,520	707,335
Selling expenses		148,829	113,584	54,558	52,040
Administrative expenses		211,799	134,624	72,951	49,739
Finance costs		45,496	38,489	12,861	11,622
Total expenses		2,222,153	1,727,882	936,890	820,736
Share of profit from investments in associates		6,288	565	-	-
Profit before income tax		350,222	249,803	171,894	133,741
Income tax expense	17	(20,700)	(25,417)	(5,172)	(14,160)
Profit for the period		329,522	224,386	166,722	119,581
Other comprehensive income					
Foreign currency translation differences for foreign operations		968	(3,531)	-	-
Other comprehensive income (loss) for the period, net of income tax		968	(3,531)	-	-
Total comprehensive income for the period		330,490	220,855	166,722	119,581

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 September		30 September	
		2013	2012	2013	2012
			(Restated)		(Restated)
		<i>(in thousand Baht)</i>			
Profit attributable to:					
Owners of the Company		327,478	223,042	166,722	119,581
Non-controlling interests		2,044	1,344	-	-
Profit for the period		329,522	224,386	166,722	119,581
Total comprehensive income attributable to:					
Owners of the Company		328,446	219,511	166,722	119,581
Non-controlling interests		2,044	1,344	-	-
Total comprehensive income for the period		330,490	220,855	166,722	119,581
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	18	0.71	0.49	0.36	0.26
Diluted earnings per share <i>(in Baht)</i>	18	0.60	0.49	0.31	0.26

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	
		Nine month period ended		Nine month period ended	
		30 September		30 September	
		2013	2012	2013	2012
			(Restated)		(Restated)
<i>(in thousand Baht)</i>					
Income	5				
Revenue from sale of goods and rendering of services		6,800,909	4,609,883	2,878,174	2,634,701
Compensation from insurance claim	3	-	448,141	-	10,202
Dividend income from subsidiaries	8	-	-	127,018	71,808
Other income	16	130,822	160,815	65,785	67,173
Total income		6,931,731	5,218,839	3,070,977	2,783,884
Expenses	5				
Cost of sale of goods and rendering of services		5,069,301	3,746,573	2,285,755	2,168,717
Selling expenses		410,373	316,089	163,851	166,110
Administrative expenses		520,041	519,130	190,958	151,734
Finance costs		127,714	117,515	39,234	37,836
Total expenses		6,127,429	4,699,307	2,679,798	2,524,397
Share of profit (loss) from investments in associates	7	14,181	(4,668)	-	-
Profit before income tax		818,483	514,864	391,179	259,487
Income tax expense	17	(16,642)	(61,576)	(35,194)	(45,575)
Profit for the period		801,841	453,288	355,985	213,912
Other comprehensive income					
Foreign currency translation differences for foreign operations	7	3,862	(3,298)	-	-
Other comprehensive income (loss) for the period, net of income tax		3,862	-3,298	-	-
Total comprehensive income for the period		805,703	449,990	355,985	213,912

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	
		Nine month period ended		Nine month period ended	
		30 September		30 September	
	2013	2012	2013	2012	
		(Restated)	(Restated)		
<i>(in thousand Baht)</i>					
Profit attributable to:					
Owners of the Company		796,798	449,774	355,985	213,912
Non-controlling interests		5,043	3,514	-	-
Profit for the period		801,841	453,288	355,985	213,912
Total comprehensive income attributable to:					
Owners of the Company		800,660	446,476	355,985	213,912
Non-controlling interests		5,043	3,514	-	-
Total comprehensive income for the period		805,703	449,990	355,985	213,912
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	18	1.73	0.97	0.77	0.46
Diluted earnings per share <i>(in Baht)</i>	18	1.62	0.97	0.72	0.46

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	
	Nine month period ended		Nine month period ended	
	30 September		30 September	
2013	2012	2013	2012	
	(Restated)		(Restated)	
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	801,841	453,288	355,985	213,912
<i>Adjustments for</i>				
Share of loss (gain) from investments in associates	(14,181)	4,668	-	-
Depreciation	397,648	342,534	100,764	116,569
Amortisation	8,907	7,400	4,842	4,291
Reversal allowance for doubtful accounts - trade accounts receivable	(31)	-	-	-
Allowance (reversal) of net realisable value of inventories	42,593	21,418	6,626	(1,511)
Gain on disposals of equipment	(687)	(248)	(33)	(103)
Loss from write-off of inventories	1,661	-	-	-
Loss from write-off of equipment	298	2,283	55	525
Allowance for impairment on fixed assets	4,000	-	4,000	-
Provision for long-term employee benefits	5,993	5,515	2,780	2,615
Unrealised loss (gain) on exchange rate and hedging activities	45,460	(66,074)	2,024	(19,579)
Share-based payment transactions	1,397	12,380	510	6,085
Unrealised loss (gain) on revaluation of investments in trading securities	316	(1,038)	316	(1,038)
Dividend income from subsidiaries	-	-	(127,018)	(71,808)
Interest expense	121,693	112,414	37,570	36,087
Income tax expense	16,642	61,576	35,194	45,575
	<u>1,433,550</u>	<u>956,116</u>	<u>423,615</u>	<u>331,620</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables	(1,172,335)	(536,090)	(325,715)	13,308
Insurance claim receivable	53,129	608,137	-	(10,000)
Inventories	(263,873)	(229,464)	31,865	30,985
Other current assets	(11,238)	(59,553)	(6,910)	(2,594)
Other non-current assets	(7,536)	449	(380)	480
Trade and other payables	395,064	352,359	161,567	(444)
Other current liabilities	887	1,557	1,097	1,623
Employee benefit obligations	(2,464)	(3,246)	(2,464)	-
Cash generated from operating activities	425,184	1,090,265	282,675	364,978
Income tax paid	-27,918	-10,080	-1,754	-973
Net cash from operating activities	<u>397,266</u>	<u>1,080,185</u>	<u>280,921</u>	<u>364,005</u>

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KCE Electronics Public Company Limited and its subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Nine month period ended		Nine month period ended	
	30 September		30 September	
	2013	2012	2013	2012
		(Restated)		(Restated)
	<i>(in thousand Baht)</i>			
Cash flows from investing activities				
Cash paid for investments in associate	-	(1,540)	-	(1,540)
Cash paid for additional investments in other company	(430)	-	(430)	-
Proceeds from disposals of equipment	704	601	4,597	742
Purchases of equipment	(625,905)	(704,757)	(94,848)	(30,905)
Purchases of computer software	(11,768)	(19,834)	(4,776)	(14,595)
Dividend received from subsidiaries	-	-	127,018	67,398
Net cash from (used in) investing activities	-637,399	-725,530	31,561	21,100
Cash flows from financing activities				
Interest paid	(116,491)	(110,259)	(36,579)	(35,124)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	1,169,235	(29,895)	145,283	(67,486)
Repayment of liabilities under hire-purchase and finance lease agreements	(18,129)	(42,544)	(13,481)	(35,291)
Proceed from long-term loans	13,970	300,000	13,970	-
Repayment of long-term loans	(736,344)	(291,698)	(230,765)	(87,088)
Proceed from capital increase and warrants exercised	60,627	40,050	60,627	40,050
Purchase of treasury shares	-	(78,434)	-	(78,434)
Dividend paid	(277,815)	(141,755)	(276,740)	(137,163)
Net cash from (used in) financing activities	95,053	-354,535	-337,685	-400,536
Net increase (decrease) in cash and cash equivalents	-145,080	120	-25,203	-15,431
Cash and cash equivalents at 1 January	397,178	535,535	94,975	142,492
Cash and cash equivalents at 30 September	252,098	535,655	69,772	127,061
Non-cash transactions				
1) Non-cash related transactions for investing activities				
Net decrease (increase) in other receivable from disposals of machinery and equipment	-	-	939	(560)
Net increase (decrease) in trust receipts from purchases of machinery and equipment	75,992	601,844	(11,223)	11,292
Net increase (decrease) in other account payable from purchases of machinery and equipment	-27,940	-105,758	(26,087)	23,328
2) Non-cash related transaction for financing activities				
Assets acquired under hire-purchase and finance lease agreements	-	4,825	-	-

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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
						Appropriated	Legal reserve	Treasury shares reserve						
(in thousand Baht)														
Nine month period ended 30 September 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														
Contributions by and distributions to owners of the Company														
Reduction of ordinary shares	13	(8,170)	70,050	(61,880)	-	-	-	-	-	-	-	-	-	-
Issue of ordinary shares	13	5,240	-	40,158	-	-	-	-	-	-	-	45,398	-	45,398
Treasury shares purchased		-	(78,434)	-	-	-	-	-	-	-	-	(78,434)	-	(78,434)
Decrease of reserve for treasury shares		-	-	-	-	-	(70,050)	70,050	-	-	-	-	-	-
Increase of reserve for treasury shares		-	-	-	-	-	78,434	(78,434)	-	-	-	-	-	-
Share-based payment transactions	13	-	-	-	7,032	-	-	-	-	-	-	7,032	-	7,032
Dividend	19	-	-	-	-	-	-	(137,163)	-	-	-	(137,163)	-4,592	-141,755
Total contributions by and distributions to owners of the Company														
		(2,930)	(8,384)	(21,722)	7,032	-	8,384	(145,547)	-	-	-	(163,167)	-4,592	(167,759)
Comprehensive income for the period														
Profit or loss		-	-	-	-	-	-	449,774	-	-	-	449,774	3,514	453,288
Other comprehensive income		-	-	-	-	-	-	-	(3,298)	-	(3,298)	(3,298)	-	(3,298)
Total comprehensive income for the period														
		-	-	-	-	-	-	449,774	(3,298)	-	-3,298	446,476	3,514	449,990
Balance at 30 September 2012														
		469,294	(78,434)	1,086,031	7,032	50,000	78,434	1,321,241	(16,814)	(38,558)	(55,372)	2,878,226	(13,032)	2,865,194

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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
						Appropriated	Legal reserve	Treasury shares reserve						
(in thousand Baht)														
Nine month period ended 30 September 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	(14,000)	105,582	(91,582)	-	-	(105,582)	105,582	-	-	-	-	-	-
Issue of ordinary shares	13	10,670	-	53,444	(3,488)	-	-	-	-	-	-	60,626	-	60,626
Share-based payment transactions	13	-	-	-	1,397	-	-	-	-	-	-	1,397	-	1,397
Dividend	19	-	-	-	-	-	-	(276,740)	-	-	-	-276,740	-1,073	-277,813
<i>Total contributions by and distributions to owners of the Company</i>														
		(3,330)	105,582	(38,138)	(2,091)	-	(105,582)	(171,158)	-	-	-	(214,717)	(1,073)	(215,790)
Comprehensive income for the period														
Profit or loss		-	-	-	-	-	-	796,798	-	-	-	796,798	5,043	801,841
Other comprehensive income		-	-	-	-	-	-	-	3,862	-	3,862	3,862	-	3,862
Total comprehensive income for the period														
		-	-	-	-	-	-	796,798	3,862	-	3,862	800,660	5,043	805,703
Balance at 30 September 2013														
		469,271	-	1,072,615	1,918	50,000	-	2,113,232	(13,032)	(38,558)	(51,590)	3,655,446	16,642	3,672,088

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>									
Nine month period ended 30 September 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)	-	-	-	-	-
Issue of ordinary shares	13	5,240	-	40,158	-	-	-	-	45,398
Treasury shares purchased		-	(78,434)	-	-	-	-	-	(78,434)
Decrease of reserve for treasury shares		-	-	-	-	-	(70,050)	70,050	-
Increase of reserve for treasury shares		-	-	-	-	-	78,434	(78,434)	-
Shared-based payment transactions	13	-	-	-	7,032	-	-	-	7,032
Dividend	19	-	-	-	-	-	-	(137,163)	(137,163)
Total contributions by and distributions to owners of the Company		(2,930)	(8,384)	(21,722)	7,032	-	8,384	(145,547)	(163,167)
Comprehensive income for the period									
Profit or loss		-	-	-	-	-	-	213,912	213,912
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	213,912	213,912
Balance at 30 September 2012		469,294	(78,434)	1,086,031	7,032	50,000	78,434	1,061,348	2,673,705

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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>									
Nine month period ended 30 September 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	(14,000)	105,582	(91,582)	-	-	(105,582)	105,582	-
Issue of ordinary shares	13	10,670	-	53,444	(3,488)	-	-	-	60,626
Share-based payment transactions	13	-	-	-	1,397	-	-	-	1,397
Dividend	19	-	-	-	-	-	-	(276,740)	(276,740)
<i>Total contributions by and distributions to owners of the Company</i>		-3,330	105,582	-38,138	-2,091	-	-105,582	-171,158	-214,717
Comprehensive income for the period									
Profit or loss		-	-	-	-	-	-	355,985	355,985
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	355,985	355,985
Balance at 30 September 2013		469,271	-	1,072,615	1,918	50,000	-	1,262,301	2,856,105

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