

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 September 2014 (Unaudited)	31 December 2013	30 September 2014 (Unaudited)	31 December 2013
<i>(in thousand Baht)</i>					
Assets					
<i>Current assets</i>					
Cash and cash equivalents		462,765	402,091	197,072	174,084
Short-term investments					
in trading securities		4,034	2,678	4,034	2,678
Trade and other receivables	5	3,735,683	3,216,210	1,438,979	1,366,000
Inventories		1,546,688	1,345,260	436,036	394,227
Insurance claim receivable	3	-	438,244	-	9,800
Other current assets		73,766	63,698	30,830	33,512
Total current assets		5,822,936	5,468,181	2,106,951	1,980,301
<i>Non-current assets</i>					
Investments in associates	6	113,214	98,795	3,962	3,962
Investments in subsidiaries	7	-	-	2,424,020	2,397,008
Property, plant and equipment	8	7,805,240	5,342,747	3,812,707	1,214,187
Goodwill		79,793	79,793	-	-
Intangible assets		220,372	196,406	98,920	95,712
Deferred tax assets		45,156	73,369	-	-
Other non-current assets		123,622	24,951	74,932	8,596
Total non-current assets		8,387,397	5,816,061	6,414,541	3,719,465
Total assets		14,210,333	11,284,242	8,521,492	5,699,766

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 2014 (Unaudited)	31 December 2013	30 September 2014 (Unaudited)	31 December 2013
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	9	2,648,111	3,219,740	432,195	898,960
Trade and other payables	10	3,580,415	2,172,797	2,411,994	1,064,805
Current portion of liabilities under					
hire-purchase and finance lease agreements	9	26,558	5,720	23,274	3,484
Current portion of long-term loans	9	409,215	843,513	195,707	282,081
Income tax payable		13,220	29,633	-	-
Other current liabilities		2,107	4,027	1,226	830
Total current liabilities		6,679,626	6,275,430	3,064,396	2,250,160
Non-current liabilities					
Liabilities under hire-purchase and					
finance lease agreements	9	36,825	4,223	31,059	1,959
Long-term loans	9	1,592,579	778,632	1,507,106	366,198
Deferred tax liabilities		33,813	39,435	33,813	39,435
Employee benefit obligations		79,540	76,097	32,618	30,199
Total non-current liabilities		1,742,757	898,387	1,604,596	437,791
Total liabilities		8,422,383	7,173,817	4,668,992	2,687,951

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KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		30 September 2014 (Unaudited)	31 December 2013	30 September 2014 (Unaudited)	31 December 2013
Liabilities and equity	<i>Note</i>				
		<i>(in thousand Baht)</i>			
Equity					
Share capital	11				
Authorised share capital		587,427	578,422	587,427	578,422
Issued and paid-up share capital		564,603	480,495	564,603	480,495
Premium on ordinary shares		1,669,650	1,119,692	1,669,650	1,119,692
Share warrants	12	15,443	683	15,443	683
Retained earnings					
Appropriated					
Legal reserve		58,743	57,842	58,743	57,842
Unappropriated		3,510,243	2,479,333	1,544,061	1,353,103
Other components of equity		(53,851)	(47,350)	-	-
Equity attributable to owners of the Company		5,764,831	4,090,695	3,852,500	3,011,815
Non-controlling interests		23,119	19,730	-	-
Total equity		5,787,950	4,110,425	3,852,500	3,011,815
Total liabilities and equity		14,210,333	11,284,242	8,521,492	5,699,766

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	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Income	4				
Revenue from sale of goods and rendering of services		2,999,014	2,539,626	1,082,965	1,024,555
Compensation from insurance claim	3	126,500	-	-	-
Dividend income from subsidiaries	7	-	-	189,371	64,507
Other income	14	29,224	26,461	6,024	19,722
Total income		3,154,738	2,566,087	1,278,360	1,108,784
Expenses	4				
Cost of sale of goods and rendering of services		2,046,621	1,816,029	831,330	796,520
Selling expenses		151,802	148,829	56,121	54,558
Administrative expenses	14	288,807	211,799	124,428	72,951
Finance costs		29,365	45,496	8,210	12,861
Total expenses		2,516,595	2,222,153	1,020,089	936,890
Share of profit from investments in associates		6,714	6,288	-	-
Profit before income tax		644,857	350,222	258,271	171,894
Income tax benefit (expense)		(30,423)	(20,700)	1,523	(5,172)
Profit for the period		614,434	329,522	259,794	166,722
Other comprehensive income					
Foreign currency translation differences for foreign operations		(4,179)	968	-	-
Other comprehensive income (loss) for the period, net of income tax		(4,179)	968	-	-
Total comprehensive income for the period		610,255	330,490	259,794	166,722

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KCE Electronics Public Company Limited and its subsidiaries
Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three month period ended		Three month period ended	
	30 September		30 September	
<i>Note</i>	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Profit attributable to:				
Owners of the Company	611,144	327,478	259,794	166,722
Non-controlling interests	3,290	2,044	-	-
Profit for the period	614,434	329,522	259,794	166,722
Total comprehensive income attributable to:				
Owners of the Company	606,965	328,446	259,794	166,722
Non-controlling interests	3,290	2,044	-	-
Total comprehensive income for the period	610,255	330,490	259,794	166,722
Earnings per share				
Basic earnings per share <i>(in Baht)</i>	15	1.09	0.71	0.46
Diluted earnings per share <i>(in Baht)</i>	15	1.06	0.60	0.31

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KCE Electronics Public Company Limited and its subsidiaries
Statement of comprehensive income (Unaudited)

		Consolidated financial statements		Separate financial statements	
		Nine month period ended		Nine month period ended	
		30 September		30 September	
<i>Note</i>		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
<i>Income</i>	4				
Revenue from sale of goods and rendering of services		8,582,723	6,800,909	3,196,418	2,878,174
Compensation from insurance claim	3	126,500	-	-	-
Dividend income from subsidiaries	7	-	-	406,408	127,018
Dividend income from associate	6	-	-	4,216	-
Other income	14	123,308	130,822	41,884	65,785
Total income		8,832,531	6,931,731	3,648,926	3,070,977
<i>Expenses</i>	4				
Cost of sale of goods and rendering of services		5,871,875	5,069,301	2,440,865	2,285,755
Selling expenses		458,679	410,373	165,700	163,851
Administrative expenses		841,733	520,041	328,719	190,958
Finance costs		95,804	127,714	29,598	39,234
Total expenses		7,268,091	6,127,429	2,964,882	2,679,798
Share of profit from investments in associates	6	27,168	14,181	-	-
Profit before income tax		1,591,608	818,483	684,044	391,179
Income tax benefit (expense)		(51,512)	(16,642)	5,487	(35,194)
Profit for the period		1,540,096	801,841	689,531	355,985
Other comprehensive income					
Foreign currency translation differences for foreign operations	6	(8,533)	3,862	-	-
Other comprehensive income (loss) for the period, net of income tax		-8,533	3,862	-	-
Total comprehensive income for the period		1,531,563	805,703	689,531	355,985

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

KCE Electronics Public Company Limited and its subsidiaries
Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Nine month period ended 30 September		Nine month period ended 30 September	
<i>Note</i>	2014	2013 (Restated)	2014	2013 (Restated)
	<i>(in thousand Baht)</i>			
Profit attributable to:				
Owners of the Company	1,529,483	796,798	689,531	355,985
Non-controlling interests	10,613	5,043	-	-
Profit for the period	1,540,096	801,841	689,531	355,985
Total comprehensive income attributable to:				
Owners of the Company	1,520,950	800,660	689,531	355,985
Non-controlling interests	10,613	5,043	-	-
Total comprehensive income for the period	1,531,563	805,703	689,531	355,985
Earnings per share				
Basic earnings per share <i>(in Baht)</i>	15	2.86	1.73	1.29
Diluted earnings per share <i>(in Baht)</i>	15	2.68	1.62	1.21

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	
	Nine month period ended 30 September		Nine month period ended 30 September	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Cash flows from operating activities				
Profit for the period	1,540,096	801,841	689,531	355,985
<i>Adjustments for</i>				
Share of gain from investments in associates	(27,168)	(14,181)	-	-
Depreciation	411,352	397,648	93,401	100,764
Amortisation	14,156	8,907	6,960	4,842
Reversal allowance for doubtful accounts - trade accounts receivable	-	(31)	-	-
Gain from sale of investment in subsidiary	-	-	(600)	-
Allowance (reversal) of net realisable value of inventories	(1,509)	42,593	(10,242)	6,626
Loss (gain) on disposals of equipment	4,329	(687)	(1,088)	(33)
Loss from write-off of inventories	13,705	1,661	-	-
Loss from write-off of equipment	15,536	298	5,844	55
Allowance for impairment on fixed assets	61,317	4,000	6,944	4,000
Provision for long-term employee benefit:	6,888	5,993	2,796	2,780
Unrealised loss (gain) on exchange rate and hedging activities	(5,283)	45,460	6,262	2,024
Share-based payment transactions	70,518	1,397	37,505	510
Unrealised loss (gain) on revaluation of investments in trading securities	(1,356)	316	(1,356)	316
Dividend received from subsidiaries	-	-	(406,408)	(127,018)
Dividend received from associate	-	-	(4,216)	-
Interest expense	88,135	121,693	27,540	37,570
Income tax expense (benefit)	51,512	16,642	(5,487)	35,194
	<u>2,242,228</u>	<u>1,433,550</u>	<u>447,386</u>	<u>423,615</u>
Changes in operating assets and liabilities				
Trade and other receivables	(489,601)	(1,172,335)	(53,683)	(325,715)
Insurance claim receivable	438,244	53,129	9,800	-
Inventories	(213,624)	(263,873)	(31,567)	31,865
Other current assets	(5,305)	(11,238)	3,789	(6,910)
Other non-current assets	(35,865)	(7,536)	(3,890)	(380)
Trade and other payables	444,184	395,064	232,917	161,567
Other current liabilities	(1,921)	887	396	1,097
Employee benefit obligations	(3,446)	(2,464)	(377)	(2,464)
Cash generated from operating activities	<u>2,374,894</u>	<u>425,184</u>	<u>604,771</u>	<u>282,675</u>
Income tax paid	<u>-50,874</u>	<u>-27,918</u>	<u>-1,108</u>	<u>-1,754</u>
Net cash from operating activities	<u>2,324,020</u>	<u>397,266</u>	<u>603,663</u>	<u>280,921</u>

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	
	Nine month period ended 30 September		Nine month period ended 30 September	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Cash paid for additional investments in other company	-	(430)	-	(430)
Proceeds from disposals of equipment	73,096	704	85,627	4,597
Purchases of equipment	(2,098,376)	(625,905)	(1,724,221)	(94,848)
Purchases of computer software	(35,542)	(11,768)	(7,589)	(4,776)
Dividend received from associate	4,216	-	4,216	-
Dividend received from subsidiaries	-	-	406,408	127,018
Net cash from (used in) investing activities	-2,056,606	-637,399	-1,235,559	31,561
<i>Cash flows from financing activities</i>				
Interest paid	(104,714)	(116,491)	(38,940)	(36,579)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(599,520)	1,169,235	(489,545)	145,283
Proceeds from liabilities under hire-purchase and finance lease agreements	54,875	-	54,875	-
Repayment of liabilities under hire-purchase and finance lease agreements	(16,924)	(18,129)	(14,224)	(13,481)
Proceed from long-term loans	1,287,499	13,970	1,287,499	13,970
Repayment of long-term loans	(903,401)	(736,344)	(232,018)	(230,765)
Cash received from investments in subsidiaries without a change in control	6,600	-	6,600	-
Proceeds from capital increase and warrants exercised	578,309	60,627	578,309	60,627
Dividend paid	(509,464)	(277,815)	(497,672)	(276,740)
Net cash from (used in) financing activities	-206,740	95,053	654,884	-337,685
Net increase (decrease) in cash and cash equivalents	60,674	-145,080	22,988	-25,203
Cash and cash equivalents at 1 January	402,091	397,178	174,084	94,975
Cash and cash equivalents at 30 September	462,765	252,098	197,072	69,772
Non-cash transactions				
1) Non-cash related transactions for investing activities				
Net decrease (increase) in other receivable from disposals of machinery and equipment	30	-	(877)	939
Net increase (decrease) in trust receipts from purchases of machinery and equipment	27,885	75,992	20,485	(11,223)
Net increase (decrease) in other account payable from purchases of machinery and equipment	978,355	-27,940	1,126,630	(26,087)
2) Non-cash related transaction for financing activities				
Assets acquired under hire-purchase and finance lease agreements	15,489	-	8,240	-

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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	Premium on ordinary shares	Share warrants	Retained earnings			Other components of equity		Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity	
						Legal reserve	Treasury shares reserve	Unappropriated	Translation adjustments	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					Change in percentage of holding in subsidiaries
<i>(in thousand Baht)</i>															
Nine month period ended 30 September 2013															
Balance at 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	11	(14,000)	105,582	(91,582)	-	-	(105,582)	105,582	-	-	-	-	-	-	-
Issue of ordinary shares	11, 12	10,670	-	53,444	(3,488)	-	-	-	-	-	-	-	60,626	-	60,626
Share-based payment transactions	12	-	-	-	1,397	-	-	-	-	-	-	-	1,397	-	1,397
Dividends		-	-	-	-	-	-	(276,740)	-	-	-	-	(276,740)	(-1,073)	(-277,813)
Total contributions by and distributions to owners of the Company		(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

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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	Premium on ordinary shares	Share warrants	Retained earnings			Translation adjustments	Other components of equity		Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
						Legal reserve	Treasury shares reserve	Unappropriated		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	Change in percentage of holding in subsidiaries				
Nine month period ended 30 September 2014															
Balance at 1 January 2014		480,495	-	1,119,692	683	57,842	-	2,479,333	(8,791)	(38,559)	-	(47,350)	4,090,695	19,730	4,110,425
Transactions with owners, recorded directly in equity															
Contributions by and distributions to owners of the Company															
Issue of ordinary shares	11, 12	84,108	-	549,958	(55,109)	-	-	-	-	-	-	-	578,957	-	578,957
Share-based payment transactions	12	-	-	-	70,518	-	-	-	-	-	-	-	70,518	-	70,518
Cancellation of share warrants	12	-	-	-	(649)	-	-	-	-	-	-	-	(649)	-	(649)
Dividends	16	-	-	-	-	-	-	(497,672)	-	-	-	-	(497,672)	(11,792)	(509,464)
Total contributions by and distributions to owners of the Company		84,108	-	549,958	14,760	-	-	(497,672)	-	-	-	-	151,154	(11,792)	139,362
Changes in ownership interests in subsidiaries															
Increase of non-controlling interests without a change in control	7	-	-	-	-	-	-	-	-	-	2,032	2,032	2,032	4,568	6,600
Total transactions with owners, recorded directly in equity		84,108	-	549,958	14,760	-	-	(497,672)	-	-	2,032	2,032	153,186	(7,224)	145,962
Comprehensive income for the period															
Profit or loss		-	-	-	-	-	-	1,529,483	-	-	-	-	1,529,483	10,613	1,540,096
Other comprehensive income		-	-	-	-	-	-	-	(8,533)	-	-	(8,533)	(8,533)	-	(8,533)
Total comprehensive income for the period		-	-	-	-	-	-	1,529,483	(8,533)	-	-	(8,533)	1,520,950	10,613	1,531,563
Transfer to legal reserve		-	-	-	901	-	-	(901)	-	-	-	-	-	-	-
Balance at 30 September 2014		564,603	-	1,669,650	15,443	58,743	-	3,510,243	(17,324)	(38,559)	2,032	(53,851)	5,764,831	23,119	5,787,950

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)

	Note	Separate financial statements						Total equity	
		Issued and paid-up share capital	Treasury shares	Premium on ordinary shares	Share warrants	Retained earnings			
						Legal reserve	Treasury shares reserve		Unappropriated
<i>(in thousand Baht)</i>									
Nine month period ended 30 September 2013									
Balance at 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	11	(14,000)	105,582	(91,582)	-	-	(105,582)	105,582	-
Issue of ordinary shares	11, 12	10,670	-	53,444	(3,488)	-	-	-	60,626
Share-based payment transactions	12	-	-	-	1,397	-	-	-	1,397
Dividends		-	-	-	-	-	-	(276,740)	(276,740)
Total contributions by and distributions to owners of the Company		-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

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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	Premium on ordinary shares	Share warrants	Retained earnings			
						Legal reserve	Treasury shares reserve		Unappropriated
<i>(in thousand Baht)</i>									
Nine month period ended 30 September 2014									
Balance at 31 December 2013		480,495	-	1,119,692	683	57,842	-	1,353,103	3,011,815
Transactions with owners, recorded directly in equity									
<i>Contributions by and distributions to owners of the Company</i>									
Issue of ordinary shares	11, 12	84,108	-	549,958	(55,109)	-	-	-	578,957
Share-based payment transactions	12	-	-	-	70,518	-	-	-	70,518
Cancellation of share warrants	12	-	-	-	(649)	-	-	-	(649)
Dividends	16	-	-	-	-	-	-	(497,672)	(497,672)
Total contributions by and distributions to owners of the Company		84,108	-	549,958	14,760	-	-	-497,672	151,154
Comprehensive income for the period									
Profit or loss		-	-	-	-	-	-	689,531	689,531
Other comprehensive income		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	-	-	689,531	689,531
Transfer to legal reserve		-	-	-	-	901	-	(901)	-
Balance at 30 September 2014		564,603	-	1,669,650	15,443	58,743	-	1,544,061	3,852,500

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