

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		30 September 2016 (Unaudited)	31 December 2015	30 September 2016 (Unaudited)	31 December 2015
Assets	<i>Note</i>				
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		816,516	673,483	232,219	179,909
Short-term investments					
in trading securities		-	2,583	-	2,583
Trade and other receivables	4	4,493,193	4,539,768	2,578,535	2,126,639
Inventories	5	1,981,652	1,683,943	878,924	701,071
Other current assets		72,385	36,109	26,147	10,703
Total current assets		7,363,746	6,935,886	3,715,825	3,020,905
Non-current assets					
Investments in associates	6	114,014	105,178	1,862	1,862
Investments in subsidiaries	7	-	-	2,629,013	2,603,542
Property, plant and equipment	8	9,055,740	9,216,119	4,953,155	5,037,921
Goodwill		117,498	117,498	-	-
Intangible assets		333,959	354,181	119,555	127,360
Deferred tax assets		48,402	35,890	-	-
Other non-current assets		118,696	65,317	87,699	27,128
Total non-current assets		9,788,309	9,894,183	7,791,284	7,797,813
Total assets		17,152,055	16,830,069	11,507,109	10,818,718

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 2016 (Unaudited)	31 December 2015	30 September 2016 (Unaudited)	31 December 2015
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	9	1,400,925	2,139,362	734,205	1,028,269
Trade and other payables	10	2,561,855	2,215,299	1,766,322	1,466,599
Current portion of liabilities under hire-purchase and finance lease agreements	9	22,569	34,095	19,784	31,384
Current portion of long-term loans	9	655,905	584,901	557,408	541,204
Income tax payable		23,863	50,562	-	-
Other current liabilities		1,985	1,584	609	-
Total current liabilities		4,667,102	5,025,803	3,078,328	3,067,456
Non-current liabilities					
Liabilities under hire-purchase and finance lease agreements	9	8,721	15,814	2,793	13,278
Long-term loans	9	2,948,485	3,538,459	2,908,928	3,191,612
Deferred tax liabilities		52,182	62,689	11,922	20,499
Employee benefit obligations	11	152,096	87,097	62,997	33,159
Total non-current liabilities		3,161,484	3,704,059	2,986,640	3,258,548
Total liabilities		7,828,586	8,729,862	6,064,968	6,326,004

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KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		30 September 2016 (Unaudited)	31 December 2015	30 September 2016 (Unaudited)	31 December 2015
Liabilities and equity	<i>Note</i>				
		<i>(in thousand Baht)</i>			
Equity					
Share capital	12				
Authorised share capital		587,427	587,427	587,427	587,427
Issued and paid-up share capital		586,105	574,763	586,105	574,763
Premium on ordinary shares		1,894,710	1,810,410	1,894,710	1,810,410
Share warrants	13	1,203	8,783	1,203	8,783
Retained earnings					
Appropriated					
Legal reserve		58,742	58,742	58,742	58,742
Unappropriated		6,787,817	5,647,479	2,901,381	2,040,016
Other components of equity		(37,789)	(26,847)	-	-
Equity attributable to owners of the Company		9,290,788	8,073,330	5,442,141	4,492,714
Non-controlling interests		32,681	26,877	-	-
Total equity		9,323,469	8,100,207	5,442,141	4,492,714
Total liabilities and equity		17,152,055	16,830,069	11,507,109	10,818,718

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 periods ended		Three-month periods ended	
		2016	2015	2016	2015
		<i>(in thousand Baht)</i>			
Income	3				
Revenue from sale of goods and rendering of services		3,515,167	3,300,892	1,781,332	1,349,168
Dividend income from subsidiaries	7	-	-	603,036	280,637
Other income	15	42,508	8,141	33,620	4,956
Total income		3,557,675	3,309,033	2,417,988	1,634,761
Expenses	3				
Cost of sale of goods and rendering of services		2,251,033	2,243,371	1,285,751	1,084,649
Selling expenses		151,458	151,536	80,429	71,501
Administrative expenses	15	285,492	282,606	118,602	174,478
Finance costs		42,433	48,732	35,490	34,159
Total expenses		2,730,416	2,726,245	1,520,272	1,364,787
Share of profit from investments in associates		9,539	10,273	-	-
Profit before income tax		836,798	593,061	897,716	269,974
Income tax benefit (expense)	16	(47,143)	(16,596)	1,847	2,880
Profit for the period		789,655	576,465	899,563	272,854
Other comprehensive income					
<i>Item that will never be reclassified to profit or loss</i>					
Defined benefit plan actuarial losses	11	-	-	-	-
Income tax on other comprehensive income		-	-	-	-
		-	-	-	-
Other comprehensive income					
<i>Item that are or maybe reclassified to profit or loss</i>					
Foreign currency translation differences for foreign operations		(1,764)	15,382	-	-
		(1,764)	15,382	-	-
Other comprehensive income (loss) for the period, net of income tax		(1,764)	15,382	-	-
Total comprehensive income (loss) for the period		787,891	591,847	899,563	272,854

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

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Three-month periods ended		Three-month periods ended	
		30 September		30 September	
		2016	2015	2016	2015
<i>(in thousand Baht)</i>					
Profit attributable to:					
Owners of the Company		786,033	573,424	899,563	272,854
Non-controlling interests		3,622	3,041	-	-
Profit for the period		789,655	576,465	899,563	272,854
Total comprehensive income attributable to:					
Owners of the Company		784,269	588,806	899,563	272,854
Non-controlling interests		3,622	3,041	-	-
Total comprehensive income for the period		787,891	591,847	899,563	272,854
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	17	1.34	1.00	1.54	0.48
Diluted earnings per share <i>(in Baht)</i>	17	1.34	0.98	1.53	0.47

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

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Nine-month periods ended		Nine-month periods ended	
		30 September		30 September	
		2016	2015	2016	2015
<i>(in thousand Baht)</i>					
<i>Income</i>	3				
Revenue from sale of goods and rendering of services		10,623,002	9,230,352	5,131,905	3,735,867
Dividend income from subsidiaries	7	-	-	1,163,810	649,469
Dividend income from associate	6	-	-	10,630	10,429
Other income	15	135,260	38,396	105,118	15,431
Total income		10,758,262	9,268,748	6,411,463	4,411,196
<i>Expenses</i>	3				
Cost of sale of goods and rendering of services		6,890,836	6,403,712	3,670,892	3,035,850
Selling expenses		438,350	411,029	228,209	194,576
Administrative expenses	15	875,984	709,879	360,948	347,974
Finance costs		134,620	105,230	109,612	61,993
Total expenses		8,339,790	7,629,850	4,369,661	3,640,393
Share of profit from investments in associates	6	22,495	19,036	-	-
Profit before income tax		2,440,967	1,657,934	2,041,802	770,803
Income tax benefit (expense)	16	(77,319)	(73,438)	3,222	9,382
Profit for the period		2,363,648	1,584,496	2,045,024	780,185
Other comprehensive income					
<i>Item that will never be reclassified to profit or loss</i>					
Defined benefit plan actuarial losses	11	(57,870)	-	(26,775)	-
Income tax on other comprehensive income		11,574	-	5,355	-
		(46,296)	-	(21,420)	-
Other comprehensive income					
<i>Item that are or maybe reclassified to profit or loss</i>					
Foreign currency translation differences for foreign operations		(10,942)	31,429	-	-
		(10,942)	31,429	-	-
Other comprehensive income (loss) for the period, net of income tax		(57,238)	31,429	(21,420)	-
Total comprehensive income (loss) for the period		2,306,410	1,615,925	2,023,604	780,185

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

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Nine-month periods ended		Nine-month periods ended	
		30 September		30 September	
		2016	2015	2016	2015
<i>(in thousand Baht)</i>					
Profit attributable to:					
Owners of the Company		2,348,873	1,574,706	2,045,024	780,185
Non-controlling interests		14,775	9,790	-	-
Profit for the period		<u>2,363,648</u>	<u>1,584,496</u>	<u>2,045,024</u>	<u>780,185</u>
Total comprehensive income attributable to:					
Owners of the Company		2,291,635	1,606,135	2,023,604	780,185
Non-controlling interests		14,775	9,790	-	-
Total comprehensive income for the period		<u>2,306,410</u>	<u>1,615,925</u>	<u>2,023,604</u>	<u>780,185</u>
Earnings per share					
Basic earnings per share <i>(in Baht)</i>	17	<u>4.05</u>	<u>2.77</u>	<u>3.53</u>	<u>1.37</u>
Diluted earnings per share <i>(in Baht)</i>	17	<u>4.01</u>	<u>2.70</u>	<u>3.49</u>	<u>1.34</u>

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KCE Electronics Public Company Limited and its subsidiaries
Statement of cash flows (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Nine-month periods ended 30 September		Nine-month periods ended 30 September	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	2,363,648	1,584,496	2,045,024	780,185
<i>Adjustments for</i>				
Share of profit from investments in associates	(22,495)	(19,036)	-	-
Depreciation	630,010	484,633	287,413	159,237
Amortisation	24,703	23,693	9,170	7,800
Allowance (reversal) of net realisable value of inventories	14,708	(11,297)	8,871	10,068
Loss (Gain) on disposals of equipment	(8,146)	6,216	(2,204)	(249)
Loss from write-off of inventories	-	9,733	-	-
Loss from write-off of equipment	44	244	44	134
Allowance for impairment on fixed assets	32,710	306	-	-
Provision for long-term employee benefits	8,535	8,887	3,192	3,029
Unrealised loss (gain) on exchange rate and hedging activities	(52,237)	124,184	(60,986)	160,965
Share-based payment transactions	2,496	11,894	1,006	4,774
Gain on sale of investment in trading securities	(429)	-	(429)	-
Unrealised loss on revaluation of investments in trading securities	-	995	-	995
Dividend received from subsidiaries	-	-	(1,163,810)	(649,469)
Dividend received from associate	-	-	(10,630)	(10,429)
Interest expense	126,505	98,015	106,999	59,835
Income tax expense (benefit)	77,319	73,438	(3,222)	(9,382)
	<u>3,197,371</u>	<u>2,396,401</u>	<u>1,220,438</u>	<u>517,493</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables	12,102	(942,415)	(470,063)	(494,041)
Inventories	(312,417)	(201,658)	(186,725)	(208,097)
Other current assets	(31,865)	(2,951)	(13,843)	23
Other non-current assets	9,712	30,011	(20,089)	5,723
Trade and other payables	339,206	308,862	378,716	306,327
Other current liabilities	401	46	609	(114)
Employee benefit obligations	(1,406)	(2,161)	(129)	(413)
Cash generated from operating activities	<u>3,213,104</u>	<u>1,586,135</u>	<u>908,914</u>	<u>126,901</u>
Income tax paid	<u>(109,699)</u>	<u>(52,937)</u>	<u>(1,601)</u>	<u>(967)</u>
Net cash from used in operating activities	<u>3,103,405</u>	<u>1,533,198</u>	<u>907,313</u>	<u>125,934</u>

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KCE Electronics Public Company Limited and its subsidiaries
Statement of cash flows (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Nine-month periods ended 30 September		Nine-month periods ended 30 September	
	2016	2015	2016	2015
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Proceeds from disposals of equipment	5,839	15,997	5,157	9,127
Purchase of equipment	(537,893)	(1,384,164)	(314,430)	(983,473)
Purchase of computer software	(4,481)	(44,171)	(1,365)	(27,045)
Sale of investment in trading securities	3,012	-	3,012	-
Increase in investment in subsidiary	-	-	(23,980)	-
Dividend received from associate	10,630	10,429	10,630	10,429
Dividend received from subsidiaries	-	-	1,163,810	649,469
Net cash from (used) in investing activities	(522,893)	(1,401,909)	842,834	(341,493)
<i>Cash flows from financing activities</i>				
Interest paid	(131,105)	(135,661)	(109,336)	(96,730)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(741,149)	243,165	(292,057)	600,164
Repayment of liabilities under hire-purchase and finance lease agreements	(27,590)	(26,151)	(23,557)	(23,588)
Proceeds from long-term loans	212,627	691,536	212,627	402,731
Repayment of long-term loans	(656,704)	(312,513)	(408,841)	(168,587)
Proceeds from short-term loans from related parties	-	-	-	130,000
Proceeds from capital increase and warrants exercised	85,566	93,154	85,566	93,154
Dividend paid	(1,171,210)	(694,648)	(1,162,239)	(683,158)
Net cash from (used in) financing activities	(2,429,565)	(141,118)	(1,697,837)	253,986
Net increase (decrease) in cash and cash equivalents	150,947	(9,829)	52,310	38,427
Cash and cash equivalents at 1 January	673,483	463,017	179,909	147,340
Effect of exchange rate changes on balances held in foreign currencies	(7,914)	13,104	-	-
Cash and cash equivalents at 30 September	816,516	466,292	232,219	185,767
Non-cash transactions				
1) Non-cash related transactions for investing activities				
Net (increase) decrease in other receivables from disposals of machinery and equipment	-	(31,249)	308	(31,503)
Net increase (decrease) in trust receipts from purchases of machinery and equipment	4,392	771	(2,723)	1,726
Net increase (decrease) in other accounts payables from purchases of machinery and equipment	9,246	(443,448)	(68,455)	(409,237)
2) Non-cash related transaction for financing activities				
Net increase in assets acquired under hire-purchase and finance lease agreements	8,970	4,141	1,471	3,690

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

	Consolidated financial statements											
	<u>Other components of equity</u>											Total equity
Note	Issued and paid-up share capital	Premium on ordinary shares	Share warrants	<u>Retained earnings</u>		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	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	
				Appropriated Legal reserve	Unappropriated							
<i>(in thousand Baht)</i>												
Nine-month period ended 30 September 2015												
Balance at 1 January 2015	565,628	1,686,459	17,299	58,742	4,090,530	(20,192)	(38,558)	2,031	(56,719)	6,361,939	25,999	6,387,938
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the Company</i>												
Issue of ordinary shares	12, 13 7,227	105,837	(19,910)	-	-	-	-	-	-	93,154	-	93,154
Share-based payment transactions	13 -	-	11,894	-	-	-	-	-	-	11,894	-	11,894
Dividend	19 -	-	-	-	(683,158)	-	-	-	-	(683,158)	(11,490)	(694,648)
Total contributions by and distributions to owners of the Company	7,227	105,837	(8,016)	-	(683,158)	-	-	-	-	(578,110)	(11,490)	(589,600)
Comprehensive income for the period												
Profit or loss	-	-	-	-	1,574,706	-	-	-	-	1,574,706	9,790	1,584,496
Other comprehensive income	-	-	-	-	-	31,429	-	-	31,429	31,429	-	31,429
Total comprehensive income for the period	-	-	-	-	1,574,706	31,429	-	-	31,429	1,606,135	9,790	1,615,925
Balance at 30 September 2015	572,855	1,792,296	9,283	58,742	4,982,078	11,237	(38,558)	2,031	(25,290)	7,389,964	24,299	7,414,263

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

Consolidated financial statements												
<u>Other components of equity</u>												
Note	Issued and paid-up share capital	Premium on ordinary shares	Share warrants	<u>Retained earnings</u>		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 <i>(in thousand Baht)</i>	Change in percentage of holding in subsidiaries	Total other components of equity	Equity attributable to owners of the Company	Non-controlling interests	Total equity
				Appropriated Legal reserve	Unappropriated							
Nine-month period ended 30 September 2016												
Balance at 1 January 2016												
	574,763	1,810,410	8,783	58,742	5,647,479	9,680	(38,558)	2,031	(26,847)	8,073,330	26,877	8,100,207
Transactions with owners, recorded directly in equity												
<i>Contributions by and distributions to owners of the Company</i>												
	11,342	84,300	(10,076)	-	-	-	-	-	-	85,566	-	85,566
<i>12, 13</i>	-	-	2,496	-	-	-	-	-	-	2,496	-	2,496
<i>13</i>	-	-	-	-	(1,162,239)	-	-	-	-	(1,162,239)	(8,971)	(1,171,210)
<i>19</i>	<hr/>											
Total contributions by and distributions to owners of the Company												
	11,342	84,300	(7,580)	-	(1,162,239)	-	-	-	-	(1,074,177)	(8,971)	(1,083,148)
Comprehensive income for the period												
	-	-	-	-	2,348,873	-	-	-	-	2,348,873	14,775	2,363,648
	-	-	-	-	(46,296)	(10,942)	-	-	(10,942)	(57,238)	-	(57,238)
Total comprehensive income for the period												
	-	-	-	-	2,302,577	(10,942)	-	-	(10,942)	2,291,635	14,775	2,306,410
Balance at 30 September 2016												
	586,105	1,894,710	1,203	58,742	6,787,817	(1,262)	(38,558)	2,031	(37,789)	9,290,788	32,681	9,323,469

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

	<i>Note</i>	Issued and paid-up share capital	Premium on ordinary shares	Separate financial statements		Total equity	
				Share warrants <i>(in thousand Baht)</i>	Retained earnings Appropriated Legal reserve		Unappropriated
Nine-month period ended 30 September 2015							
Balance at 1 January 2015		565,628	1,686,459	17,299	58,742	1,778,993	4,107,121
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Issue of ordinary shares	12, 13	7,227	105,837	(19,910)	-	-	93,154
Share-based payment transactions	13	-	-	11,894	-	-	11,894
Dividend	19	-	-	-	-	(683,158)	(683,158)
Total contributions by and distributions to owners of the Company		7,227	105,837	(8,016)	-	(683,158)	(578,110)
Comprehensive income for the period							
Profit or loss		-	-	-	-	780,185	780,185
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	780,185	780,185
Balance at 30 September 2015		572,855	1,792,296	9,283	58,742	1,876,020	4,309,196

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

	<i>Note</i>	Issued and paid-up share capital	Premium on ordinary shares	Separate financial statements		Total equity	
				Share warrants <i>(in thousand Baht)</i>	Retained earnings		
				Appropriated Legal reserve	Unappropriated		
Nine-month period ended 30 September 2016							
Balance at 1 January 2016		574,763	1,810,410	8,783	58,742	2,040,016	4,492,714
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the Company</i>							
Issue of ordinary shares	12, 13	11,342	84,300	(10,076)	-	-	85,566
Share-based payment transactions	13	-	-	2,496	-	-	2,496
Dividend	19	-	-	-	-	(1,162,239)	(1,162,239)
Total contributions by and distributions to owners of the Company		11,342	84,300	(7,580)	-	(1,162,239)	(1,074,177)
Comprehensive income for the period							
Profit or loss		-	-	-	-	2,045,024	2,045,024
Other comprehensive income		-	-	-	-	(21,420)	(21,420)
Total comprehensive income for the period		-	-	-	-	2,023,604	2,023,604
Balance at 30 September 2016		586,105	1,894,710	1,203	58,742	2,901,381	5,442,141

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