

KCE Electronics Public Company Limited and its subsidiaries

Statements of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets		2016	2015	2016	2015
		<i>(in Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents	5	891,811,783	673,483,117	270,916,266	179,908,911
Short-term investments					
in trading securities		-	2,582,943	-	2,582,943
Trade and other receivables	6	4,079,692,881	4,539,767,859	2,484,260,335	2,126,639,233
Inventories	7	2,265,165,588	1,683,942,792	1,010,167,800	701,070,556
Other current assets		59,004,852	36,109,175	23,908,405	10,703,327
Total current assets		7,295,675,104	6,935,885,886	3,789,252,806	3,020,904,970
<i>Non-current assets</i>					
Investments in associates	8	122,535,637	105,177,967	1,862,010	1,862,010
Investments in subsidiaries	9	-	-	2,627,822,595	2,603,541,708
Investment properties	10	195,772,672	-	195,772,672	-
Property, plant and equipment	11	9,137,328,293	9,216,118,637	4,965,242,060	5,037,921,460
Goodwill	12	117,497,703	117,497,703	-	-
Intangible assets	13	328,896,982	354,181,631	118,867,354	127,359,873
Deferred tax assets	14	51,684,229	35,889,799	-	-
Other non-current assets		78,294,933	65,316,830	55,143,950	27,127,789
Total non-current assets		10,032,010,449	9,894,182,567	7,964,710,641	7,797,812,840
Total assets		17,327,685,553	16,830,068,453	11,753,963,447	10,818,717,810

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

KCE Electronics Public Company Limited and its subsidiaries

Statements of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2016	2015	2016	2015
		<i>(in Baht)</i>			
<i>Current liabilities</i>					
Bank overdrafts and short-term loans					
from financial institutions	15	1,808,270,238	2,139,362,094	683,684,653	1,028,268,603
Trade and other payables	16	2,520,144,378	2,215,298,751	1,790,134,120	1,466,599,187
Current portion of liabilities under hire-purchase and finance lease agreements	15	14,692,338	34,095,299	12,019,315	31,383,718
Current portion of long-term loans	15	550,440,397	584,900,376	343,304,079	541,204,135
Income tax payable		48,729,264	50,561,681	-	-
Other current liabilities		1,742,861	1,584,158	158,500	-
Total current liabilities		4,944,019,476	5,025,802,359	2,829,300,667	3,067,455,643
<i>Non-current liabilities</i>					
Liabilities under hire-purchase and finance lease agreements	15	7,729,478	15,814,187	2,451,391	13,278,413
Long-term loans	15	2,147,646,402	3,538,459,131	1,969,346,401	3,191,612,453
Deferred tax liabilities	14	48,852,860	62,689,004	9,235,535	20,498,589
Employee benefit obligations	17	151,934,024	87,097,028	64,060,840	33,158,758
Total non-current liabilities		2,356,162,764	3,704,059,350	2,045,094,167	3,258,548,213
Total liabilities		7,300,182,240	8,729,861,709	4,874,394,834	6,326,003,856

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KCE Electronics Public Company Limited and its subsidiaries

Statements of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity		2016	2015	2016	2015
		<i>(in Baht)</i>			
Equity					
Share capital	18				
Authorised share capital		<u>587,426,511</u>	<u>587,426,511</u>	<u>587,426,511</u>	<u>587,426,511</u>
Issued and paid-up share capital		586,104,798	574,763,198	586,104,798	574,763,198
Premium on ordinary shares		1,894,709,665	1,810,409,662	1,894,709,665	1,810,409,662
Share warrants	19	1,203,027	8,782,511	1,203,027	8,782,511
Retained earnings					
Appropriated					
Legal reserve	20	58,742,651	58,742,651	58,742,651	58,742,651
Unappropriated		7,477,691,427	5,647,478,562	4,338,808,472	2,040,015,932
Other components of equity	20	<u>(28,226,002)</u>	<u>(26,846,517)</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the Company		9,990,225,566	8,073,330,067	6,879,568,613	4,492,713,954
Non-controlling interests		<u>37,277,747</u>	<u>26,876,677</u>	<u>-</u>	<u>-</u>
Total equity		<u>10,027,503,313</u>	<u>8,100,206,744</u>	<u>6,879,568,613</u>	<u>4,492,713,954</u>
Total liabilities and equity		<u>17,327,685,553</u>	<u>16,830,068,453</u>	<u>11,753,963,447</u>	<u>10,818,717,810</u>

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

KCE Electronics Public Company Limited and its subsidiaries

Statements of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2016	2015	2016	2015
		<i>(in Baht)</i>			
Income	4				
Revenue from sale of goods and rendering of services	21	13,797,491,995	12,448,750,695	6,805,465,929	5,126,176,108
Dividend income from subsidiaries	4, 9	-	-	2,363,388,914	649,469,204
Dividend income from associate	4, 8	-	-	10,629,560	10,428,706
Other income	22	180,586,622	82,407,060	112,398,311	21,695,752
Total income		13,978,078,617	12,531,157,755	9,291,882,714	5,807,769,770
Expenses	4				
Cost of sale of goods and rendering of services		8,984,980,450	8,535,052,480	4,902,759,724	4,092,635,207
Selling expenses	23	567,829,736	551,949,243	306,756,581	258,167,440
Administrative expenses	22, 24	1,127,067,702	968,464,754	466,914,966	427,187,865
Finance costs	27	171,488,388	153,299,796	138,908,664	97,538,260
Total expenses		10,851,366,276	10,208,766,273	5,815,339,935	4,875,528,772
Share of profit from investments in associates	8	28,498,887	21,185,121	-	-
Profit before income tax expense		3,155,211,228	2,343,576,603	3,476,542,779	932,240,998
Income tax (expense) benefit	28	(98,260,495)	(90,982,365)	5,908,171	11,940,218
Profit for the year		3,056,950,733	2,252,594,238	3,482,450,950	944,181,216
Other comprehensive income					
<i>Item that will never be reclassified to profit or loss</i>					
Defined benefit plan actuarial losses	17	(57,869,598)	-	(26,774,417)	-
Income tax on other comprehensive income	14	11,573,920	-	5,354,883	-
		(46,295,678)	-	(21,419,534)	-
<i>Item that are maybe reclassified to profit or loss</i>					
Foreign currency translation differences for foreign operations		(1,379,485)	29,872,620	-	-
		(1,379,485)	29,872,620	-	-
Other comprehensive income (loss) for the year, net of income tax		(47,675,163)	29,872,620	(21,419,534)	-
Total comprehensive income (loss) for the year		3,009,275,570	2,282,466,858	3,461,031,416	944,181,216

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

KCE Electronics Public Company Limited and its subsidiaries

Statements of comprehensive income

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2016	2015	2016	2015
<i>(in Baht)</i>					
Profit attributable to:					
Owners of the Company		3,038,747,419	2,240,105,857	3,482,450,950	944,181,216
Non-controlling interests		18,203,314	12,488,381	-	-
Profit for the year		<u>3,056,950,733</u>	<u>2,252,594,238</u>	<u>3,482,450,950</u>	<u>944,181,216</u>
Total comprehensive income attributable to:					
Owners of the Company		2,991,072,256	2,269,978,477	3,461,031,416	944,181,216
Non-controlling interests		18,203,314	12,488,381	-	-
Total comprehensive income for the year		<u>3,009,275,570</u>	<u>2,282,466,858</u>	<u>3,461,031,416</u>	<u>944,181,216</u>
Earnings per share					
Basic earnings per share	30	<u>5.23</u>	<u>3.93</u>	<u>5.99</u>	<u>1.66</u>
Diluted earnings per share	30	<u>5.18</u>	<u>3.83</u>	<u>5.94</u>	<u>1.62</u>

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

KCE Electronics Public Company Limited and its subsidiaries
Statements of changes in equity

Consolidated financial statements

	Note	Other components of equity											
		Issued and paid-up share capital	Premium on ordinary shares	Share warrants	Retained earnings		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	Total equity
				Appropriated Legal reserve	Unappropriated		(in Baht)						
Year ended 31 December 2015													
Balance at 1 January 2015		565,628,244	1,686,458,592	17,298,624	58,742,651	4,090,530,498	(20,192,158)	(38,558,460)	2,031,481	(56,719,137)	6,361,939,472	25,999,289	6,387,938,761
Transactions with owners, recorded directly in equity													
<i>Contributions by and distributions to owners of the Company</i>													
Issue of ordinary shares	18, 19	9,134,954	123,951,070	(22,621,760)	-	-	-	-	-	-	110,464,264	-	110,464,264
Share-based payment transactions	19	-	-	14,105,647	-	-	-	-	-	-	14,105,647	-	14,105,647
Dividends	31	-	-	-	-	(683,157,793)	-	-	-	-	(683,157,793)	(11,610,993)	(694,768,786)
Total contributions by and distributions to owners of the Company		9,134,954	123,951,070	(8,516,113)	-	(683,157,793)	-	-	-	-	(558,587,882)	(11,610,993)	(570,198,875)
Comprehensive income for the year													
Profit or loss		-	-	-	-	2,240,105,857	-	-	-	-	2,240,105,857	12,488,381	2,252,594,238
Other comprehensive income		-	-	-	-	-	29,872,620	-	-	29,872,620	29,872,620	-	29,872,620
Total comprehensive income for the year		-	-	-	-	2,240,105,857	29,872,620	-	-	29,872,620	2,269,978,477	12,488,381	2,282,466,858
Balance at 31 December 2015		574,763,198	1,810,409,662	8,782,511	58,742,651	5,647,478,562	9,680,462	(38,558,460)	2,031,481	(26,846,517)	8,073,330,067	26,876,677	8,100,206,744

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KCE Electronics Public Company Limited and its subsidiaries
Statements of changes in equity

Consolidated financial statements													
Other components of equity													
Note	Issued and paid-up share capital	Premium on ordinary shares	Share warrants	Retained earnings		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	Total equity	
				Appropriated	Unappropriated								
				Legal reserve									
Year ended 31 December 2016													
Balance at 1 January 2016	574,763,198	1,810,409,662	8,782,511	58,742,651	5,647,478,562	9,680,462	(38,558,460)	2,031,481	(26,846,517)	8,073,330,067	26,876,677	8,100,206,744	
Transactions with owners, recorded directly in equity													
<i>Contributions by and distributions to owners of the Company</i>													
Issue of ordinary shares	18, 19	11,341,600	84,300,003	(10,075,895)	-	-	-	-	-	85,565,708	-	85,565,708	
Share-based payment transactions	19	-	-	2,496,411	-	-	-	-	-	2,496,411	-	2,496,411	
Dividends	31	-	-	-	(1,162,238,876)	-	-	-	-	(1,162,238,876)	(9,012,244)	(1,171,251,120)	
Total contributions by and distributions to owners of the Company		11,341,600	84,300,003	(7,579,484)	-	(1,162,238,876)	-	-	-	(1,074,176,757)	(9,012,244)	(1,083,189,001)	
<i>Changes in ownership interests in subsidiaries</i>													
Increase of non-controlling interests without a change in control		-	-	-	-	-	-	-	-	-	1,210,000	1,210,000	
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	-	-	1,210,000	1,210,000	
Total transactions with owners, recorded directly in equity		11,341,600	84,300,003	(7,579,484)	-	(1,162,238,876)	-	-	-	(1,074,176,757)	(7,802,244)	(1,081,979,001)	
Comprehensive income for the year													
Profit or loss		-	-	-	-	3,038,747,419	-	-	-	3,038,747,419	18,203,314	3,056,950,733	
Other comprehensive income		-	-	-	-	(46,295,678)	(1,379,485)	-	(1,379,485)	(47,675,163)	-	(47,675,163)	
Total comprehensive income for the year		-	-	-	-	2,992,451,741	(1,379,485)	-	(1,379,485)	2,991,072,256	18,203,314	3,009,275,570	
Balance at 31 December 2016		586,104,798	1,894,709,665	1,203,027	58,742,651	7,477,691,427	8,300,977	(38,558,460)	2,031,481	(28,226,002)	9,990,225,566	37,277,747	10,027,503,313

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

KCE Electronics Public Company Limited and its subsidiaries

Statement of changes in equity

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Share warrants	Retained earnings		
					Appropriated Legal reserve	Unappropriated	
<i>(in Baht)</i>							
Year ended 31 December 2015							
Balance at 1 January 2015		565,628,244	1,686,458,592	17,298,624	58,742,651	1,778,992,509	4,107,120,620
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners of the Company							
Issue of ordinary shares	18, 19	9,134,954	123,951,070	(22,621,760)	-	-	110,464,264
Share-based payment transactions	19	-	-	14,105,647	-	-	14,105,647
Dividends	31	-	-	-	-	(683,157,793)	(683,157,793)
Total contributions by and distributions to owners of the Company		9,134,954	123,951,070	(8,516,113)	-	(683,157,793)	(558,587,882)
Comprehensive income for the year							
Profit or loss		-	-	-	-	944,181,216	944,181,216
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	944,181,216	944,181,216
Balance at 31 December 2015		574,763,198	1,810,409,662	8,782,511	58,742,651	2,040,015,932	4,492,713,954

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KCE Electronics Public Company Limited and its subsidiaries

Statement of changes in equity

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Share warrants	Retained earnings		
					Appropriated Legal reserve	Unappropriated	
<i>(in Baht)</i>							
Year ended 31 December 2016							
Balance at 1 January 2016		574,763,198	1,810,409,662	8,782,511	58,742,651	2,040,015,932	4,492,713,954
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owners of the Company							
Issue of ordinary shares	18, 19	11,341,600	84,300,003	(10,075,895)	-	-	85,565,708
Share-based payment transactions	19	-	-	2,496,411	-	-	2,496,411
Dividends	31	-	-	-	-	(1,162,238,876)	(1,162,238,876)
Total contributions by and distributions to owners of the Company		11,341,600	84,300,003	(7,579,484)	-	(1,162,238,876)	(1,074,176,757)
Comprehensive income for the year							
Profit or loss		-	-	-	-	3,482,450,950	3,482,450,950
Other comprehensive income		-	-	-	-	(21,419,534)	(21,419,534)
Total comprehensive income for the year		-	-	-	-	3,461,031,416	3,461,031,416
Balance at 31 December 2016		586,104,798	1,894,709,665	1,203,027	58,742,651	4,338,808,472	6,879,568,613

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

KCE Electronics Public Company Limited and its subsidiaries
Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2016	2015	2016	2015
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	3,056,950,733	2,252,594,238	3,482,450,950	944,181,216
<i>Adjustments for</i>				
Share of profit from investments in associates	(28,498,887)	(21,185,121)	-	-
Depreciation	849,140,866	683,705,417	389,966,271	243,603,436
Amortisation	32,843,831	32,281,381	12,250,542	10,894,060
Allowance (reversal) of net realisable value of inventories	21,680,821	(59,152,181)	5,675,424	(11,288,365)
Loss (gain) on disposals of equipment	(8,460,498)	5,836,027	(2,343,702)	(348,383)
Loss from write-off of inventories	12,482,471	36,665,665	7,350,323	13,126,402
Loss from write-off of equipment	13,569,121	18,408,309	166,981	143,212
Allowance (reversal) for impairment on fixed assets	57,440,615	(8,179,485)	-	-
Provision for long-term employee benefits	11,382,732	12,488,181	4,256,925	4,038,924
Unrealised loss (gain) on exchange rate and hedging activities	(26,850,205)	171,868,179	(27,346,165)	167,083,286
Share-based payment transactions	2,496,411	14,105,648	1,005,523	5,622,633
Gain on sale of investment in trading securities	(428,685)	-	(428,685)	-
Unrealised loss on revaluation of investments in trading securities	-	1,347,690	-	1,347,690
Dividends income from subsidiaries	-	-	(2,363,388,914)	(649,469,204)
Dividend income from associate	-	-	(10,629,560)	(10,428,706)
Interest expense	161,619,612	144,479,302	135,377,610	94,798,456
Income tax expense (benefit)	98,260,495	90,982,365	(5,908,171)	(11,940,218)
	<u>4,253,629,433</u>	<u>3,376,245,615</u>	<u>1,628,455,352</u>	<u>801,364,439</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other receivables	509,253,110	(852,419,042)	(323,908,383)	(627,395,484)
Inventories	(615,386,089)	(123,105,908)	(322,122,991)	(269,858,215)
Other current assets	(16,973,678)	23,553,511	(10,774,759)	8,646,088
Other non-current assets	9,721,833	30,797,289	9,881,169	5,781,866
Trade and other payables	348,986,877	196,186,646	416,415,122	318,243,296
Other current liabilities	158,705	(280,283)	158,500	(277,049)
Employee benefit obligations	(4,415,334)	(6,463,738)	(129,260)	(3,482,441)
Cash generated from operating activities	<u>4,484,974,857</u>	<u>2,644,514,090</u>	<u>1,397,974,750</u>	<u>233,022,500</u>
Income tax paid	<u>(111,390,353)</u>	<u>(54,423,273)</u>	<u>(2,430,295)</u>	<u>(1,240,362)</u>
Net cash from operating activities	<u>4,373,584,504</u>	<u>2,590,090,817</u>	<u>1,395,544,455</u>	<u>231,782,138</u>

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

KCE Electronics Public Company Limited and its subsidiaries

Cash flow statements

	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	31 December		31 December	
	2016	2015	2016	2015
	(in Baht)			
Cash flows from investing activities				
Proceeds from disposals of equipment	10,131,237	16,528,507	5,322,307	15,924,978
Purchases of equipment	(852,592,210)	(1,778,956,702)	(464,154,870)	(1,180,496,078)
Purchases of computer software	(7,559,182)	(55,898,961)	(3,758,023)	(33,663,223)
Purchases of investment properties	(195,960,486)	-	(195,960,486)	-
Sale of investment in trading securities	3,011,605	-	3,011,605	-
Increase in investment in subsidiaries	-	-	(23,980,000)	-
Dividend received from associate	10,629,560	10,428,706	10,629,560	10,428,706
Dividend received from subsidiaries	-	-	2,363,388,914	649,469,204
Net cash from (used in) investing activities	(1,032,339,476)	(1,807,898,450)	1,694,499,007	(538,336,413)
Cash flows from financing activities				
Interest paid	(165,798,603)	(182,705,443)	(138,388,402)	(129,108,205)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(411,987,349)	(528,914,322)	(338,632,464)	446,490,011
Repayment of liabilities under hire-purchase and finance lease agreements	(40,603,358)	(34,791,241)	(31,662,827)	(31,347,207)
Proceed from long-term loans	782,727,770	1,128,952,479	532,727,770	840,147,995
Repayment of long-term loans	(2,201,911,581)	(382,113,212)	(1,947,617,016)	(214,365,654)
Net cash inflow on disposal of investment in subsidiaries without a change in control	1,210,000	-	1,210,000	-
Proceed from capital increase and warrants exercised	85,565,708	110,464,265	85,565,708	110,464,265
Dividend paid	(1,171,251,120)	(694,768,786)	(1,162,238,876)	(683,157,794)
Net cash from (used in) financing activities	(3,122,048,533)	(583,876,260)	(2,999,036,107)	339,123,411
Net increase in cash and cash equivalents	219,196,495	198,316,107	91,007,355	32,569,136
Cash and cash equivalents at 1 January	673,483,117	463,016,990	179,908,911	147,339,775
Effect of exchange rate changes on balances held in foreign currencies	(867,829)	12,150,020	-	-
Cash and cash equivalents at 31 December	891,811,783	673,483,117	270,916,266	179,908,911
Non-cash transactions				
1) Non-cash related transactions for investing activities				
Net decrease in other receivable from disposals of machinery and equipment	95,000	31,249,062	98,309	31,551,200
Net increase (decrease) in trust receipts from purchases of machinery and equipment	(2,722,088)	9,449,929	2,218,763	5,329,309
Net decrease in other account payable from purchases of machinery and equipment	(71,523,398)	(627,075,049)	(111,565,743)	(596,735,334)
2) Non-cash related transaction for financing activities				
Net increase in assets acquired under hire-purchase and finance lease agreements	13,115,687	4,140,520	1,471,402	3,689,720

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