

March 21, 2007

Re : Resolutions of the Board of Directors Meeting No. 3/2007

To : The President  
The Stock Exchange of Thailand

The Meeting of the Board of Directors of KCE Electronics Public Company Limited (the “**Company**”) No. 3/2007, which was held on March 20, 2007, has passed the resolutions as follows:

1. The Annual General Meeting of Shareholders No. 24/2007 will be held on Monday, 30 April 2007 at 3.00 p.m. at Montientip Room, the Montien Hotel, Surawongse Road, Bangkok, to consider the following agenda:-

- (1) To consider and certify the minutes of the Annual General Meeting of Shareholders No. 23/2006 held on April 27, 2006;
- (2) To consider and acknowledge the report of the Board of Directors on the performance results of the Company for the year 2006;
- (3) To consider and approve the audited balance sheet and profit and loss statement for the year ending December 31, 2006

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the balance sheet and profit and loss statement of the Company for the year ending December 31, 2006, which have already been audited by the auditor and reviewed by the Audit Committee;

- (4) To consider and approve the allocation of the net profit as legal reserve and refraining from payment of dividend for the year 2006

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve not allocating the net profit as legal reserve as the Company has already reserved such funds in the amount as specified by law, and passed a resolution to recommend to the Shareholders Meeting not paying a dividend for the year 2006;

- (5) To consider and approve the election of new directors to replace the directors who retired by rotation

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the following directors who would retire by rotation to be re-elected for another term:

1. Mr. Bancha Ongkosit Chairman/Managing Director

- |    |                              |  |
|----|------------------------------|--|
| 2. | Dr. Thongdee Shaipanich      | Chairman of Audit Committee/<br>Independent Director                           |
| 3. | Lt.Gen.Dr.Suprija Mokkhavesa | Chairman of Compensation<br>Committee/ Audit<br>Committee/Independent Director |

- (6) To consider and approve the determination of the remuneration and meeting allowance of directors and the remuneration for the audit committee for the year 2007

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the remuneration and meeting allowance for directors and the remuneration for the audit committee for the year 2007 with the following details:

1. Remuneration: for the Chairman of the Board of Directors Baht 800,000 per year and for each director Baht 400,000 per year, totaling Baht 3,600,000 per year.
2. Meeting Allowance: for the Chairman of the Board of Directors Baht 20,000 per meeting and for each director Baht 15,000 per meeting.
3. Remuneration of Audit Committee: for each audit committee member Baht 180,000 per year, totaling Baht 540,000.

- (7) To consider and approve the appointment of the auditors for the year 2007 and determination of auditing fee

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve appointing Mrs. Saifon Inkaew, Certified Public Accountant No. 4434, and/or Miss Ratana Jala, Certified Public Accountant No. 3734 and/or Miss Vissuta Jariyathanakorn, Certified Public Accountant No. 3853 from Ernst & Young Office Limited to be the auditor of the Company for the year 2007 and to determine the auditing fee in the amount of Baht 3,050,000 as suggested by the Audit Committee.

- (8) To consider and approve the cancellation of the resolution of the Annual General Meeting of Shareholders no. 23/2006 held on April 27, 2006, agenda item 9 in relation to the approval of the issuance and offer for sale of convertible debentures of the Company and allocation of the newly issued shares to accommodate the exercise of the convertible debentures

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the cancellation of the resolution of the Annual General Meeting of Shareholders no. 23/2006 held on April 27, 2006, agenda item 9 in relation to the approval of the issuance and offer for sale of convertible debentures and allocation of the shares to accommodate the exercise of the convertible debentures by cancellation of the offer for sale of the convertible debentures and cancellation of the allocation of the newly

issued shares to accommodate for the exercise of the convertible debentures in the number of 90,000,000 shares

- (9) To consider and approve the reduction of the registered capital of the Company from Baht 450,000,000 to Baht 317,930,000 by canceling 132,070,000 authorized but unissued shares at the par value of Baht 1 per share

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the reduction of the registered capital of the Company from Baht 450,000,000 to Baht 317,930,000 by canceling 132,070,000 authorized but unissued shares at the par value of Baht 1 per share (by not including the shares issued to reserve the exercise of the warrants as per the minutes of the Annual General Meeting of Shareholders no. 23/2006 held on 27 April 2006)

- (10) To consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be consistent with the reduction of the registered capital

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be consistent with the reduction of the registered capital as follows:

Clause 4 Registered capital	Baht 317,930,000	(Baht Three Hundred Seventeen Million Nine Hundred Thirty Thousand)
Divided into	317,930,000 shares	(Three Hundred Seventeen Million Nine Hundred Thirty Thousand shares)
At par value of	Baht 1	(Baht one)
	Consisting of	
Ordinary shares	317,930,000 shares	(Three Hundred Seventeen Million Nine Hundred Thirty Thousand shares)
Preferred shares	- shares	- shares

- (11) To consider and approve the increase of the registered capital of the Company from Baht 317,930,000 to Baht 500,000,000 by issuing the newly issued shares in the number of 182,070,000 shares at the par value of Baht 1 per share

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the increase of the registered capital of the Company from Baht 317,930,000 to Baht 500,000,000 by issuing the newly issued shares in the number of 182,070,000 shares at the par value of Baht 1 per share.

- (12) To consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be consistent with the increase of the registered capital

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the amendment to Clause 4 of the Memorandum of Association of the Company to be consistent with the increase of the registered capital as follows:

Clause 4 Registered capital	Baht 500,000,000	(Baht Five Hundred Million)
Divided into	500,000,000 shares	(Five Hundred Million shares)
At par value of	Baht 1	(Baht one)
	Consisting of	
Ordinary shares	500,000,000 shares	(Five Hundred Million shares)
Preferred shares	- shares	- shares

- (13) To consider and approve the offer for sale of warrants to purchase ordinary shares in the number of 3,000,000 units to not more than 35 employees of the Company and/or the subsidiary companies

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the offer for sale of warrants to purchase ordinary shares in the number of 3,000,000 units to not more than 35 employees of the Company and/or the subsidiary companies and allocate the newly-issued shares of the Company, the details of which are attached.

- (14) To consider and approve the allocation of newly issued shares of the Company

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the allocation of 182,070,000 shares as per details as follows:

- (1) 3,000,000 shares to be allocated for the accommodation of the exercise of warrants to purchase the ordinary shares by the employees of the Company and/ or the subsidiary companies as approved under item (13)

In the case that there are shares remaining from the unexercise of such warrants, the Board of Directors will consider to offer such shares to the existing shareholders, the general public or specific persons and propose this matter for further consideration by the shareholders.

- (2) 157,465,000 shares to be offered to the existing shareholders of the Company whose names appear on the shares register book on April 9, 2007 at 12.00 hours, under the right offering basis. For each 2 existing shares such shareholders will have the right to subscribe for one share, at the offering price of Baht one per share. The timing of the subscription period and payment will be June 4-8, 2007. In the case that there are shares remaining from the subscription of shares by the

existing shareholders, the shares will be allotted to the existing shareholders who subscribed to shares in excess of their right on a pro rata basis until all remaining shares have been subscribed by the subscribers.

- (3) 21,605,000 shares to be offered to the general public or specific investors or institutional investors and propose this matter for further consideration by the shareholders.
- (15) To consider and approve the amendment of the objectives of the Company by adding clause 33 and amendment of the Memorandum of Association item 3 in accordance with the amendment of the objectives of the Company

The Board of Directors passed a resolution to recommend that the Shareholders Meeting consider and approve the amendment of the objectives of the Company by adding clause 33 as follows:

“To operate the business regarding and relating to the Competence of the Testing and Calibration Laboratories”

and approve the amendment of the Memorandum of Association item 3 as follows:

“The Objective of the Company has 33 items as detail attached in form Bor Mor Jor. 002.”

In this regard, the closing date of the share register book for the right to attend the Annual General Meeting of Shareholders and exercising their votes in the Annual General Meeting of Shareholders No. 24/2007 is from 12.00 hours of April 9, 2007, until the Annual General Meeting of Shareholders is adjourned.

The notice of the Board of Directors’ Resolutions and the notice of the Annual General Meeting of Shareholders No. 24/2007 will be posted on the website of the Company ([www.kcethai.in.th](http://www.kcethai.in.th)) under Investor Relations topic from March 26, 2007. The Notice of the Annual General Meeting of Shareholders No. 24/2007, the Annual Report, and the proxy form will be sent by registered mail to shareholders whose names are appear on closing of the share register book on April 9, 2007.

Please be informed accordingly.

Sincerely Yours,

KCE Electronics Public Company Limited



(Mrs. Voraluksana Ongkosit)

Executive Director