

March 18, 2014

Subject: Resolutions of the Meeting of the Board of Directors No. 3/2014

To: President
The Stock Exchange of Thailand

Enclosure: 1. Preliminary details of the Warrants to purchase ordinary shares of KCE Electronics Public Company Limited to be allocated to the Directors and employees of the Company and its subsidiaries (ESOP-W5)

2. Capital Increase Report Form (F 53-4)

Pursuant to the meeting of the Board of Directors No. 3/2014 held by KCE Electronics Public Company Limited (the “**Company**”) on 18 March 2014, the Board of Directors has passed its resolutions concerning agenda of the Annual General Meeting of Shareholders No. 31/2014 (the “**AGM**”) as follows:

1. Approved to propose to the 2014 AGM to consider and certify the Minutes of the Annual General Meeting of Shareholders of the year 2013, held on April 29, 2013.
2. Approved to propose to the 2014 AGM to consider and acknowledge the results of the Company’s operation for the fiscal year 2013.
3. Approved to propose to the 2014 AGM to consider and approve the Company’s statement of financial position and the statement of comprehensive income for the fiscal year ended December 31, 2013 which was reviewed by the Audit Committee and the Board of Directors, and the independent auditor expressed an unconditional opinion.
4. Approved to propose to the 2014 AGM to consider and approve the dividend payment for the operating results of July to December 2013 (**Net Profit**), at the rate of 0.50 Baht per share (fifty Satang per share) to the shareholders. The record date for the right to receive dividend will be on Tuesday April 1, 2014, and the shareholders’ names would be gathered under the section 225 of the Securities and Exchange Act, B.E. 2535 (amended) by the closing of the Share Register Book on Wednesday April 2, 2014. The dividend payment will be made on Thursday May 15, 2014. However, the right to receive dividend is subject to the approval of Shareholders at the 2014 AGM.
5. The Board agreed with the Nomination and Remuneration Committee’s proposal and approved to propose to the 2014 AGM to consider and approve the election of the following directors who shall retire by rotation in 2014 to resume their positions as Directors for another term.

- 1) Mr. Panja Senadisai Non-executive Director
- 2) Dr. Chantima Ongkosit Non-executive Director
- 3) Mrs. Voraluksana Ongkosit Executive Director

6. The Board agreed with the Nomination and Remuneration Committee's proposal and approved to propose to the 2014 AGM to consider and approve the appointment of a new Director, Mr. Pitharn Ongkosit (Executive Director), and approved the amendment to the Authorized Director to become "Mr. Bancha Ongkosit, Mr. Panja Senadisai, Dr. Chantima Ongkosit, Mrs. Voraluksana Ongkosit, Mrs. Siriphan Santanaphan, Mr. Pitharn Ongkosit, any two of six directors jointly sign with the Company seal affixed"

7. The Board agreed with the Nomination and Remuneration Committee's proposal and approved to propose to the 2014 AGM to consider and approve the determination of the remuneration and meeting allowance of the Directors and the remuneration of the Audit Committee for the year 2014 as follows;

Remuneration and Meeting Allowance	Year		
	2014	2013	2012
<u>Director Remuneration (Baht/Person/Year)</u>			
- Chairman	1,400,000	1,400,000	1,250,000
- Director	700,000	700,000	600,000
<u>Meeting Allowance (Baht/Person/Time)</u>			
- Chairman	35,000	35,000	30,000
- Director	30,000	30,000	25,000
<u>Audit Committee Remuneration (Baht/Person/Year)</u>			
- Chairman	500,000	500,000	400,000
- Director	400,000	400,000	300,000

8. The Board agreed with the Audit Committee's proposal and approved to propose to the 2014 AGM to consider and approve the appointment of;

- 1) Mr. Veerachai Ratanajaratkul CPA Registration No. 4323 and/or
- 2) Ms. Bongkot Amsageam CPA Registration No. 3684 and/or
- 3) Mr. Thanit Osathalert CPA Registration No. 5155

from KPMG Poomchai Audit Limited, that anyone of the above serve as the auditor and express opinion on the Company's and its subsidiaries' financial statements for fiscal year 2014 and approve the auditor's remuneration for 2014 at the amount totaling to Baht 3,165,500.- (Three million one hundred sixty five thousand and five hundred Baht only)

	Year		
	2014	2013	2012
Audit fee – The Company only	970,000	930,000	930,000
Audit fee – All Subsidiaries	2,195,500	2,139,000	2,090,000
Total Audit fee	3,165,500	3,069,000	3,020,000

9. Approved to propose to the 2014 AGM to consider and acknowledge the amendment to the expiration period of the ESOP-W4 project, which was issued and allocated to directors and employees for the amount of 10,000,000 units on March 12, 2012 and the last exercise date shall be on March 10, 2017. However, the employees who hold the remaining warrants already resigned from the company; therefore those warrant holders can not exercise their rights. The Board considered and approved the amendment to the expiration period of the ESOP-W4 project to be on March 31, 2014.

10. Approved to propose to the 2014 AGM to consider and approve the reduction of the Company's registered capital in the amount of Baht 995,071 from the current registered capital of Baht 578,421,582 to the new registered capital of Baht 577,426,511 by cancelling 995,071 unissued ordinary shares at the par value of Baht 1 per share, and to consider and approve the amendment to Article 4 of the Company's Memorandum of Association regarding the registered capital to reflect the reduction of the Company's registered capital, due to the warrants to purchase the ordinary shares of ESOP-W3 and ESOP-W4 project have expired.

11. Approved to propose to the 2014 AGM to consider and approve the issuance and offering of the warrants to purchase ordinary shares of the Company (ESOP-W5) in the amount of not exceeding 10,000,000 units to employees, managements and directors of the Company and its subsidiaries at the ratio of 1 ordinary share to 1 unit of warrant, and at the exercise price of the weighted average of the company's share price, trading in the Stock Exchange of Thailand, during 15 consecutive business days before the date of the Shareholder's meeting with no discount. In this regard, the detailed information of the issuance and offering of the Warrant above (ESOP-W5) is disclosed in the Enclosure No. 1.

12. Approved to propose to the 2014 AGM to consider and approve the increase of the Company's registered capital in the amount of Baht 10,000,000 from the current registered capital of Baht 577,426,511 to the new registered capital of Baht 587,426,511 by issuing 10,000,000 new ordinary shares at the par value of Baht 1 per share, and to consider and approve the amendment to Article 4 of the Company's Memorandum of Association regarding the registered capital to reflect the increase of the Company's registered capital.

13. Approved to propose to the 2014 AGM to consider and approve the allocation of the newly issued ordinary shares of the Company in the amount of not exceeding 10,000,000 shares as par value of Baht 1 per share to reserve for the exercise of Warrants to purchase ordinary shares of the Company (ESOP-W5).

14. Approved to propose to the 2014 AGM to consider and approve to authorize the Board of Directors and/or the person appointed by the Board of Directors to consider, determine or amend the terms, conditions and other relevant details which are necessary and relevant to the issuance and offering of Warrants including the issuance and allocation of the ordinary shares to reserve for the exercise of Warrants and rights adjustments, as necessary and appropriate pursuant to relevant laws as well as to perform any acts, including registration of the ordinary shares resulted from ESOP-W5 on the SET.

15. Approved to convene the Annual General Meeting of Shareholders No. 31/2014, by determine the names of the eligible shareholders for the 2014 AGM and dividend payment on Tuesday April 1, 2014 (Record date) and the shareholders' names would be gathered in pursuant to Section 225 of the Securities and Exchange Act B.E. 2535 (as amended) by the closing of the Share Register Book on Wednesday April 2, 2014. The 2014AGM will be held on Tuesday April 29, 2014 at 15.00 hrs., at Ballroom, 3rd floor, the Grand FourWings Convention Hotel, 333 Srinakarin Road, Huamark, Bangkok, with the following agenda:

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| Agenda 1 | To certify the Minutes of the Annual General Meeting of Shareholders of the year 2013 held on April 29, 2013 |
| Agenda 2 | To acknowledge the results of the Company's operation for the fiscal year 2013 |
| Agenda 3 | To consider and approve the Company's statement of financial position and the statement of comprehensive income for the fiscal year ended December 31, 2013 |
| Agenda 4 | To consider and approve the allocation of the net profit to serve as a legal reserve and dividend payment for the operating results of 2013. |
| Agenda 5 | To consider and approve the election of the Directors to replace those who retired by rotation for the year 2014 |
| Agenda 6 | To consider and approve the appointment of a new Director and the amendment to the Authorized Director |
| Agenda 7 | To consider and approve the determination of the remuneration of the Directors and the remuneration of the Audit Committee for the year 2014 |
| Agenda 8 | To consider and approve the appointment of the auditor of the Company and its subsidiaries and approve the auditor's remuneration for the fiscal year 2014 |
| Agenda 9 | To acknowledge the amendment to the expiration period of the ESOP-W4 project |
| Agenda 10 | To consider and approve the reduction of the Company's registered capital in the amount of Baht 995,071 from the current registered capital of Baht 578,421,582 to the new registered capital of Baht 577,426,511 by cancelling 995,071 unissued ordinary shares at the par value of Baht 1 per share, and to consider and approve the amendment to Article 4 of the |

Company's Memorandum of Association regarding the registered capital to reflect the reduction of the Company's registered capital, due to the warrants to purchase the ordinary share of ESOP-W3 and ESOP-W4 project have been expired

- Agenda 11 To consider and approve the issuance and offering of the warrants to purchase ordinary shares of the Company (ESOP-W5) in the amount of not exceeding 10,000,000 units to employees, managements and directors of the Company and its subsidiaries
- Agenda 12 To consider and approve the increase of the Company's registered capital in the amount of Baht 10,000,000 from the current registered capital of Baht 577,426,511 to the new registered capital of Baht 587,426,511 by issuing 10,000,000 new ordinary shares at the par value of Baht 1 per share, and to consider and approve the amendment to Article 4 of the Company's Memorandum of Association regarding the registered capital to reflect the increase of the Company's registered capital.
- Agenda 13 To consider and approve the allocation of the newly issued ordinary shares of the Company in the amount of not exceeding 10,000,000 shares as par value of Baht 1 per share to reserve for the exercise of Warrants to purchase ordinary shares of the Company (ESOP-W5)
- Agenda 14 To consider other matters (if any)

The Company provided the minor shareholders with an opportunity to propose in advance agenda items for the 2014 annual shareholders' meeting and qualified candidates to be nominated for election of the Board of Directors between October 31, 2013 and January 15, 2014 as announced on the Company's website (www.kcethai.in.th) and SET's news and information system. However, there was no shareholders' proposal submitted for the agenda items and candidates to be nominated for election of the Board of Directors.

The Company will disclose the details of the Annual General Meeting of Shareholders of the year 2014 and its agenda items prior to the meeting on the Company's website (www.kcethai.in.th).

Please be informed accordingly.

Yours sincerely,



(Mrs. Voraluksana Ongkosit)

Executive Vice Chairperson



(F 53-4)

Capital Increase Report Form
KCE Electronics Public Company Limited
March 18, 2014

We, KCE Electronics Public Company Limited (“the Company”) would like to submit the resolution of the Board of Directors’ Meeting No. 3/2014 held on Tuesday, March 18, 2014 at 18.00 hrs, in respect of the change in the Company’s registered capital / shares allotments as follows:

1. Capital increase:

The board meeting passed a resolution approving the decrease and increase of the company’s registered capital as follows:

- To decrease of the registered capital from THB 578,421,582 to THB 577,426,511 by canceling the registered capital 995,071 unissued ordinary shares with the par value of THB 1 per share and
- To increase of the registered capital from THB 577,426,511 to THB 587,426,511 by issuing 10,000,000 ordinary shares with a par value of THB 1 each, totaling THB 10,000,000. Details of each type of capital increase are:-

Type of capital increase	Type of share	Number of shares (shares)	Par value (THB/share)	Total (THB)
<input checked="" type="checkbox"/> Specifying the purpose of utilizing proceeds	Ordinary	10,000,000	1	10,000,000
	Preferred	-	-	-
<input type="checkbox"/> General mandate	Ordinary	-	-	-
	Preferred	-	-	-

2. Allotment of new shares:

2.1 Specifying the purpose of utilizing proceeds

Allotted to	Number of shares (shares)	Ratio (old : new)	Sale price (THB/share)	Subscription and payment period	Note
Existing shareholders	-	-	-	-	-
General public	-	-	-	-	-
Other persons	-	-	-	-	-

(specify)					
Reserve for the exercise of the ESOP-W5, that will be allotted to the directors, management and/or employees of the Company and its subsidiaries	10,000,000	-	<ul style="list-style-type: none"> - Free warrant - Exercise price : the weighted average of company's share price, trading in SET, during 15 consecutive business days before the date of the shareholder meeting with no discount (at a conversion ratio of 1 unit of ESOP-W5 : 1 new ordinary share) 	Details of ESOP-W5 are in the attachment	-

2.1.1 The company's plan in case where there is a fraction of shares remaining

In the case that the exercise of ESOP-W5 creates any fraction of shares less than the board lot as determined by the Stock Exchange of Thailand ("the SET"), such fraction of shares shall be exercisable during the last exercisable period.

2.2 In case of General Mandate

- None -

3. Schedule for Shareholders' Meeting to approve the capital increase/allotment

The Annual General Shareholders' Meeting No. 31/2014 will be held on Tuesday April 29, 2014 at 15.00 hrs., at Ballroom, 3rd floor, the Grand Four Wings Convention Hotel, 333 Srinakarin Road, Huamark, Bangkok, Bangkok.

☐ The share register will be closed to share transfers in order to determine the right to attend this meeting from _____ until the meeting has been duly convened.

- ☒ The share register will be recorded for share transfer in order to determine the right to attend this meeting on Tuesday, April 1, 2014. Also, Wednesday April 2, 2014 will be the book-closing date on which the shareholder list as specified in section 225 of the Security Act shall be complied.

4. Approval of the capital increase/share allotment by relevant governmental agency and conditions thereto (if any)

- Approval from the Annual General Shareholders' Meeting No. 31/2014
- The Company shall register the capital increase with Ministry of Commerce.
- Approval from the SET for the listing of the new ordinary shares resulted from the exercise of the ESOP-W5.

5. Objective of the capital increase and plans to utilize the proceeds received from the capital increase

- To use as reserved shares for the exercise of ESOP-W5 offering to the Company's directors, management and/or employees.
- To utilize the fund rising proceeds from the exercise of the ESOP-W5 as the Company's working capital for the Company's business.

6. Benefits that the Company will receive from the capital increase/share allotments

- To increase the Company's stock liquidity.
- The Company will have capital for its current operation and future expansion.
- To reward the Company's directors, management and/or employees for their dedication and contribution to the Company's success as well as to maintain experienced management and employees in order to sustain the competitive advantage of the Company.

7. Benefits that the shareholders will receive from the capital increase/share allotments

The issuance and offering of the ESOP-W5 will impel and motivate the determination of the Company's directors, management and/or employees in order to stimulate sustainable development and maximize long-term growth to the Company, which in turn will benefit the shareholders.

8. Any other necessary details for shareholders to consider for approval the capital increase/share allotment

- None –

9. Schedule of actions where the Board of Directors of the Company passes the resolution to approve the capital increase or allotment of new shares

No.	Procedures of the capital increase	Date/Month/Year
1	The date of the Board of Directors' Meeting	18 March 2014
2	The Record Date to determine the list of eligible shareholders to attend the Annual General Shareholders' Meeting No. 31/2014	1 April 2014
3	The closing date of share register book to collect the list of eligible shareholders to attend the Annual General Shareholders' Meeting No. 31/2014	2 April 2014
4	The date of the Annual General Shareholders' Meeting No. 31/2014	29 April 2014
5	Registration of the resolution of the shareholders' meeting approving the increase the registered capital with Department of Business Development, Ministry of Commerce	Within 14 days after the date of approval from the shareholders' meeting
6	Issuance and offering of ESOP-Warrants to the directors, management and/or employees of the Company	The Board of Directors or the authorized person(s) by the Board of Directors, will determine the issuing date after obtaining an approval from the shareholders' meeting.

The Company hereby certifies that the information contained in this report form is true and complete in all respects.



Mr. Bancha Ongkosit

Authorized Director




Mrs. Voraluksana Ongkosit

Authorized Director