

**KCE Electronics Public Company Limited
and its subsidiaries**

Condensed interim financial statements
for the three-month period ended
31 March 2023
and
Independent auditor's review report

Independent auditor's report on review of interim financial information

To the Board of Directors of KCE Electronics Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of KCE Electronics Public Company Limited and its subsidiaries, and of KCE Electronics Public Company Limited, respectively, as at 31 March 2023, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2023; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Sumate Jangsamsee)
Certified Public Accountant
Registration No. 9362

KPMG Phoomchai Audit Ltd.
Bangkok
9 May 2023

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

		Consolidated financial		Separate financial	
		statements		statements	
		31 March	31 December	31 March	31 December
Assets	Note	2023	2022	2023	2022
		(Unaudited)		(Unaudited)	
<i>(in thousand Baht)</i>					
<i>Current assets</i>					
Cash and cash equivalents		1,772,863	1,144,528	205,171	188,569
Trade and other current receivables	3	4,420,642	4,900,150	3,338,782	3,661,120
Inventories	4	4,990,412	4,907,619	2,716,931	2,655,987
Other current financial assets	9	2,320	8,370	-	-
Other current assets		108,736	118,530	41,906	43,041
Total current assets		11,294,973	11,079,197	6,302,790	6,548,717
<i>Non-current assets</i>					
Investment in associate	5	40,044	35,764	1,642	1,642
Investments in subsidiaries	5	-	-	2,849,476	2,849,397
Contract costs assets	7	377,922	384,229	360,879	365,046
Investment properties		156,219	154,712	180,826	180,497
Property, plant and equipment	6	8,679,856	8,864,068	5,404,512	5,512,632
Right-of-use assets		12,950	14,135	12,950	14,135
Goodwill		153,517	153,517	-	-
Intangible assets		162,692	169,630	68,321	69,508
Deferred tax assets		106,185	110,334	28,674	29,930
Other non-current assets		13,630	27,897	7,686	18,238
Total non-current assets		9,703,015	9,914,286	8,914,966	9,041,025
Total assets		20,997,988	20,993,483	15,217,756	15,589,742

The accompanying notes form an integral part of the interim financial statements.

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	(Unaudited)		(Unaudited)	
	(in thousand Baht)			
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term borrowings from financial institutions	1,878,868	2,172,507	1,385,237	1,516,882
Trade and other current payables	3,423,041	3,248,752	2,502,013	2,617,210
Current portion of long-term borrowings	649,327	738,423	441,093	538,000
Current portion of lease liabilities	3,959	4,159	3,959	4,159
Corporate income tax payable	97,041	79,718	8,220	8,220
Total current liabilities	6,052,236	6,243,559	4,340,522	4,684,471
Non-current liabilities				
Long-term borrowings	774,133	903,533	576,827	648,080
Lease liabilities	4,970	6,108	4,970	6,108
Deferred tax liabilities	46,941	47,842	-	-
Non-current provisions for employee benefits	322,838	347,132	163,822	172,224
Total non-current liabilities	1,148,882	1,304,615	745,619	826,412
Total liabilities	7,201,118	7,548,174	5,086,141	5,510,883

KCE Electronics Public Company Limited and its subsidiaries

Statement of financial position

	Consolidated financial statements		Separate financial statements	
	31 March 2023 (Unaudited)	31 December 2022	31 March 2023 (Unaudited)	31 December 2022
	<i>(in thousand Baht)</i>			
Liabilities and equity				
<i>Equity</i>				
Share capital				
Authorised share capital	591,397	591,397	591,397	591,397
Issued and paid-up share capital	591,044	590,983	591,044	590,983
Share premium	2,160,859	2,156,723	2,160,859	2,156,723
Warrants	-	739	-	739
Retained earnings				
Appropriated				
Legal reserve	59,140	59,140	59,140	59,140
Unappropriated	10,961,052	10,615,583	7,319,571	7,270,273
Other components of equity	(37,241)	(33,694)	1,001	1,001
Equity attributable to owners of the Company	13,734,854	13,389,474	10,131,615	10,078,859
Non-controlling interests	62,016	55,835	-	-
Total equity	13,796,870	13,445,309	10,131,615	10,078,859
Total liabilities and equity	20,997,988	20,993,483	15,217,756	15,589,742

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	
		31 March		31 March	
	<i>Note</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
Income					
Revenues from sale of goods and rendering of services	7	4,024,851	4,532,552	2,293,473	2,476,775
Other income		86,820	115,288	54,807	63,714
Total income		4,111,671	4,647,840	2,348,280	2,540,489
Expenses					
Cost of sale of goods and rendering of services		3,235,513	3,497,510	1,995,042	1,988,327
Distribution costs		149,890	155,216	129,854	129,977
Administrative expenses		330,546	353,583	155,098	159,800
Total expenses		3,715,949	4,006,309	2,279,994	2,278,104
Profit from operating activities		395,722	641,531	68,286	262,385
Finance costs		(23,534)	(11,805)	(17,632)	(8,557)
Share of profit of investments in associate		4,500	4,945	-	-
Profit before income tax expense		376,688	634,671	50,654	253,828
Tax expense		(25,038)	(34,976)	(1,356)	(2,036)
Profit for the period		351,650	599,695	49,298	251,792
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements		(3,547)	(1,838)	-	-
Other comprehensive expense for the period, net of tax		(3,547)	(1,838)	-	-
Total comprehensive income for the period		348,103	597,857	49,298	251,792

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	
		31 March		31 March	
	<i>Note</i>	2023	2022	2023	2022
		<i>(in thousand Baht)</i>			
Profit attributable to:					
Owners of the Company		345,469	589,771	49,298	251,792
Non-controlling interests		6,181	9,924	-	-
Profit for the period		351,650	599,695	49,298	251,792
Total comprehensive income attributable to:					
Owners of the Company		341,922	587,933	49,298	251,792
Non-controlling interests		6,181	9,924	-	-
Total comprehensive income for the period		348,103	597,857	49,298	251,792
Earnings per share <i>(in Baht)</i>					
Basic earnings per share	8	0.29	0.50	0.04	0.21
Diluted earning per share	8	0.29	0.50	0.04	0.21

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

	Consolidated financial statements											
	Other components of equity											
	Issued and paid-up share capital	Share premium	Warrants	Retained earnings Legal reserve	Unappropriated	Translation financial statements	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
<i>(in thousand Baht)</i>												
Three-month period ended 31 March 2022												
Balance at 1 January 2022	590,795	2,146,465	(26)	59,140	10,620,715	(155)	(38,558)	2,031	(36,682)	13,380,407	61,683	13,442,090
Transactions with owners, recorded directly in equity												
<i>Contributions by owners</i>												
Issue of ordinary shares	95	5,197	(248)	-	-	-	-	-	-	5,044	-	5,044
Share-based payment transactions	-	-	476	-	-	-	-	-	-	476	-	476
<i>Total contributions by owners</i>	95	5,197	228	-	-	-	-	-	-	5,520	-	5,520
Total transactions with owners, recorded directly in equity	95	5,197	228	-	-	-	-	-	-	5,520	-	5,520
Comprehensive income for the period												
Profit or loss	-	-	-	-	589,771	-	-	-	-	589,771	9,924	599,695
Other comprehensive income	-	-	-	-	-	(1,838)	-	-	(1,838)	(1,838)	-	(1,838)
Total comprehensive income for the period	-	-	-	-	589,771	(1,838)	-	-	(1,838)	587,933	9,924	597,857
Balance at 31 March 2022	590,890	2,151,662	202	59,140	11,210,486	(1,993)	(38,558)	2,031	(38,520)	13,973,860	71,607	14,045,467

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

	Consolidated financial statements											
	Other components of equity											
	Issued and paid-up share capital	Share premium	Warrants	Legal reserve	Retained earnings Unappropriated	Translation financial statements	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
<i>(in thousand Baht)</i>												
Three-month period ended 31 March 2023												
Balance at 1 January 2023	590,983	2,156,723	739	59,140	10,615,583	2,833	(38,558)	2,031	(33,694)	13,389,474	55,835	13,445,309
Transactions with owners, recorded directly in equity												
<i>Contributions by owners</i>												
Issue of ordinary shares	61	3,355	(160)	-	-	-	-	-	-	3,256	-	3,256
Share-based payment transactions	-	781	(579)	-	-	-	-	-	-	202	-	202
<i>Total contributions by owners</i>	61	4,136	(739)	-	-	-	-	-	-	3,458	-	3,458
Total transactions with owners, recorded directly in equity	61	4,136	(739)	-	-	-	-	-	-	3,458	-	3,458
Comprehensive income for the period												
Profit or loss	-	-	-	-	345,469	-	-	-	-	345,469	6,181	351,650
Other comprehensive income	-	-	-	-	-	(3,547)	-	-	(3,547)	(3,547)	-	(3,547)
Total comprehensive income for the period	-	-	-	-	345,469	(3,547)	-	-	(3,547)	341,922	6,181	348,103
Balance at 31 March 2023	591,044	2,160,859	-	59,140	10,961,052	(714)	(38,558)	2,031	(37,241)	13,734,854	62,016	13,796,870

The accompanying notes form an integral part of the interim financial statements.

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

	Separate financial statements					Other components	Total equity
	Issued and paid-up share capital	Share premium	Warrants	Retained earnings		of equity	
				Legal reserve (in thousand Baht)	Unappropriated	Change in	
						percentage of holding in subsidiaries	
Three-month period ended 31 March 2022							
Balance at 1 January 2022	590,795	2,146,465	(26)	59,140	6,935,406	1,001	9,732,781
Transactions with owners, recorded directly in equity							
Contributions by owners							
Issue of ordinary shares	95	5,197	(248)	-	-	-	5,044
Share-based payment transactions	-	-	476	-	-	-	476
Total contributions by owners	95	5,197	228	-	-	-	5,520
Total transactions with owners, recorded directly in equity	95	5,197	228	-	-	-	5,520
Comprehensive income for the period							
Profit or loss	-	-	-	-	251,792	-	251,792
Total comprehensive income for the period	-	-	-	-	251,792	-	251,792
Balance at 31 March 2022	590,890	2,151,662	202	59,140	7,187,198	1,001	9,990,093

The accompanying notes form an integral part of the interim financial statements.

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

	Separate financial statements					Other components	Total equity
	Issued and paid-up share capital	Share premium	Warrants	Retained earnings		of equity	
				Legal reserve	Unappropriated	Change in percentage of holding in subsidiaries	
				<i>(in thousand Baht)</i>			
Three-month period ended 31 March 2023							
Balance at 1 January 2023	590,983	2,156,723	739	59,140	7,270,273	1,001	10,078,859
Transactions with owners, recorded directly in equity							
<i>Contributions by owners</i>							
Issue of ordinary shares	61	3,355	(160)	-	-	-	3,256
Share-based payment transactions	-	781	(579)	-	-	-	202
<i>Total contributions by owners</i>	61	4,136	(739)	-	-	-	3,458
Total transactions with owners, recorded directly in equity	61	4,136	(739)	-	-	-	3,458
Comprehensive income for the period							
Profit or loss	-	-	-	-	49,298	-	49,298
Total comprehensive income for the period	-	-	-	-	49,298	-	49,298
Balance at 31 March 2023	591,044	2,160,859	-	59,140	7,319,571	1,001	10,131,615

The accompanying notes form an integral part of the interim financial statements.

KCE Electronics Public Company Limited and its subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three-month period ended		Three-month period ended	
	31 March		31 March	
	2023	2022	2023	2022
	(in thousand Baht)			
<i>Cash flows from operating activities</i>				
Profit for the period	351,650	599,695	49,298	251,792
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	25,038	34,976	1,356	2,036
Share of profit of associate accounted for using equity method, net of tax	(4,500)	(4,945)	-	-
Depreciation and amortisation	272,303	259,196	153,855	144,894
Amortisation on contract costs assets	6,640	6,473	4,500	4,500
Reversal of expected credit loss	(3)	-	-	-
(Reversal of) loss on for inventories devaluation	(8,049)	7,838	(3,873)	4,554
Loss on fair value adjustment of unit trust	-	22,334	-	-
Loss on sale of unit trust	-	7,551	-	-
Loss (gain) on disposal of machinery and equipment	897	(955)	-	-
Loss from write-off of equipment	468	1,323	8	10
Loss from write-off inventories	10,386	-	-	-
Provision for employee benefit	7,752	7,683	3,670	3,004
Unrealised loss (gain) on exchange rate and changes in fair value of derivatives	(18,226)	(7,775)	(4,367)	1,235
Share-based payment transactions	202	476	123	252
Interest expense	21,618	9,513	16,673	7,854
	666,176	943,383	221,243	420,131
<i>Changes in operating assets and liabilities</i>				
Trade and other current receivables	484,958	(485,791)	325,723	(185,880)
Inventories	(85,130)	22,255	(57,071)	(123,707)
Other current financial assets	8,316	-	-	-
Other current assets	11,579	14,420	1,635	8,490
Contract costs assets	(333)	(334)	(333)	(334)
Other non-current assets	379	20,101	2,739	(7,785)
Trade and other current payables	233,790	(289,224)	(79,288)	(53,185)
Other current financial liabilities	-	(2,452)	-	-
Employee benefit paid	(32,046)	(20,695)	(12,072)	(9,672)
Net cash generated from operations	1,287,689	201,663	402,576	48,058
Taxes paid	(1,785)	(2,586)	(500)	(592)
Net cash from operating activities	1,285,904	199,077	402,076	47,466

The accompanying notes form an integral part of the interim financial statements.

KCE Electronics Public Company Limited and its subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three-month period ended		Three-month period ended	
	31 March		31 March	
	2023	2022	2023	2022
	(in thousand Baht)			
<i>Cash flows from investing activities</i>				
Proceeds from disposals of machinery and equipment	989	1,380	644	-
Acquisition of property, plant and equipment and investment properties	(123,731)	(394,923)	(66,078)	(170,332)
Acquisition of intangible assets	(3,645)	(231)	(3,198)	-
Net cash used in investing activities	(126,387)	(393,774)	(68,632)	(170,332)
<i>Cash flows from financing activities</i>				
Interest paid	(24,946)	(13,527)	(19,607)	(9,728)
Increase (decrease) in bank overdrafts and short-term borrowings from financial institutions	(300,083)	(39,913)	(139,335)	124,830
Payment of lease liabilities	(1,339)	(1,674)	(1,339)	(1,674)
Proceeds from long-term borrowings	-	144,476	-	144,476
Repayment of long-term borrowings	(204,593)	(134,031)	(159,818)	(93,186)
Proceeds from capital increase and warrants exercised	3,257	5,044	3,257	5,044
Net cash from (used in) financing activities	(527,704)	(39,625)	(316,842)	169,762
Net increase (decrease) in cash and cash equivalents before effect of exchange rate	631,813	(234,322)	16,602	46,896
Effect of exchange rate changes on balances held in foreign currencies	(3,478)	(445)	-	-
Net increase (decrease) in cash and cash equivalents	628,335	(234,767)	16,602	46,896
Cash and cash equivalents at 1 January	1,144,528	1,965,782	188,569	232,584
Cash and cash equivalents at 31 March	1,772,863	1,731,015	205,171	279,480
Supplemental disclosure of cash flows information				
1) Net decrease in other current receivables from disposal of machinery and equipment	-	-	644	-
2) Net increase (decrease) in other current payables from purchases of machinery and equipment	(58,958)	66,021	(35,553)	(63,359)
3) Net increase (decrease) in right-of-use assets	2,384	3,727	(1,185)	(1,594)
4) Borrowing costs relating to the acquisition of assets	5,027	4,267	3,632	2,121

KCE Electronics Public Company Limited and its subsidiaries
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2023 (Unaudited)

Note	Contents
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KCE Electronics Public Company Limited and its subsidiaries
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2023 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 9 May 2023.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2022.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2022.

2 Related parties

<i>Significant transactions with related parties</i> <i>For three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	286,825	395,912
Rendering of service	-	-	35,550	20,536
Rental income	-	-	1,417	1,675
Other income	-	-	3,931	7,193
Purchases of goods	-	-	748,228	846,792
Purchases of property, plant and equipment	-	-	142	934
Commission expense	-	-	43,017	47,773
Other expenses	-	-	13,812	27,741
Associate				
Purchases of raw materials	26,016	28,016	18,392	18,522
Purchases of property, plant and equipment	1,358	428	1,358	428
Other expenses	736	1,318	714	752
Other income	685	695	685	695
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	40,115	33,467	13,364	12,038
Retirement benefits obligations	615	463	301	127
Total key management personnel compensation	<u>40,730</u>	<u>33,930</u>	<u>13,665</u>	<u>12,165</u>

KCE Electronics Public Company Limited and its subsidiaries
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2023 (Unaudited)

Balances as at 31 March 2023 and 31 December 2022 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<i>Trade receivables</i>				
				(in thousand Baht)
Subsidiaries	-	-	472,880	572,937
Total	-	-	472,880	572,937
Less allowance for expected credit loss	-	-	-	-
Net	-	-	472,880	572,937
<i>Other current receivables</i>				
Subsidiaries	-	-	24,251	19,911
Associate	-	-	713	-
Total	-	-	24,964	19,911
<i>Expected credit losses for the three-month period ended 31 March</i>				
Trade receivables	-	-	-	-
<i>Trade payables</i>				
Subsidiaries	-	-	1,086,793	1,212,999
Associate	27,212	23,814	18,852	15,116
Total	27,212	23,814	1,105,645	1,228,115
<i>Other payables for purchase of machineries and equipment</i>				
Subsidiaries	-	-	1,907	9,865
Associate	1,297	1,505	1,297	1,505
Total	1,297	1,505	3,204	11,370
<i>Other current payables</i>				
Subsidiaries	-	-	1,178	86
Total	-	-	1,178	86

KCE Electronics Public Company Limited and its subsidiaries
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2023 (Unaudited)

3 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	<i>(in thousand Baht)</i>			
Within credit terms	3,492,004	3,600,397	2,643,543	2,764,226
Overdue:				
Less than 3 months	839,490	1,116,857	641,477	782,308
3 - 6 months	12,515	74,362	12,018	73,538
6 - 12 months	4,696	6,596	3,474	5,358
Over 12 months	571	574	-	-
Total	4,349,276	4,798,786	3,300,512	3,625,430
Less allowance for expected credit loss	(571)	(574)	-	-
Net	4,348,705	4,798,212	3,300,512	3,625,430

The normal credit terms granted by the Group range from 60 days to 160 days.

4 Inventories

Inventories as at 31 March 2023 included finished goods (made to order) of Baht 947 million (31 December 2022: Baht 975 million) in the consolidated financial statements and Baht 580 million (31 December 2022: Baht 597 million) in the separate financial statements, which had been delivered to the customers' warehouses but the title of the inventory shall remain with the Group until the customers' requisition to their production process. The Group will receive the payment for these inventories after the customers' requisition to their production process, and following conditions within the periods specified in the agreements.

As at 31 March 2023, the allowance for decline in value in inventory of the Group and the Company amounting to Baht 120.3 million and Baht 61.0 million, respectively (31 December 2022: Baht 128.3 million and Baht 64.9 million, respectively).

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5 Investments in subsidiaries and associate

	Consolidated financial statements Equity Method		Separate financial statements Cost Method	
<i>For the three-month period ended 31 March</i>	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Subsidiaries				
At 1 January	-	-	2,849,397	2,848,807
Warrant granted to subsidiaries's directors and employees	-	-	79	224
At 31 March	-	-	2,849,476	2,849,031
Associate				
At 1 January	35,764	38,291	1,642	1,642
Share of profit from investments in associate using equity method	4,500	4,945	-	-
Foreign currency translation differences for foreign operations	(220)	(1,451)	-	-
At 31 March	40,044	41,785	1,642	1,642

6 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month period ended 31 March 2023 and 2022 were as follows:

	Consolidated financial statements		Separate financial statements	
<i>For the three-month period ended 31 March</i>	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Net book value at 1 January	8,864,068	8,978,707	5,512,632	5,734,062
Acquisitions during the period -cost	81,029	501,333	39,544	147,029
Disposals/write-off during the period - net book value at the disposal/write-off date	(3,289)	(10,528)	(8)	(1,454)
Depreciation for the period	(261,085)	(246,389)	(147,656)	(138,258)
Difference from changes in foreign currency exchange rate	(867)	(202)	-	-
Net book value at 31 March	8,679,856	9,222,921	5,404,512	5,741,379

Mortgage and pledge

- 6.1 The Company and its two subsidiaries, K.C.E. International Co., Ltd. and Thai Laminate Manufacturer Co., Ltd., entered into negative pledge memorandums which are part of bank overdrafts and loan facility. Under these memorandums, the Company and its subsidiaries are not allowed to dispose of, transfer, mortgage or provide any lien on their assets, as stipulated in such memorandums.

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6.2 The subsidiaries have mortgaged and pledged the following property, plant and equipment.

- 6.2.1 KCE Singapore Pte., Ltd. has mortgaged its office building with a total net book value as at 31 March 2023 of Baht 137 million (*31 December 2022: Baht 138 million*), as collateral for loans from banks.
- 6.2.2 Chemtronic Products Co., Ltd. has mortgaged its construction thereon and pledged its machinery and equipment with a total net book value as at 31 March 2023 of Baht 202 million (*31 December 2022: Baht 196 million*), as collateral for loans from banks.
- 6.2.3 KCE America Partner Co., Ltd has mortgaged its land and construction with a total net book value as at 31 March 2023 of Baht 136 million (*31 December 2022: Baht 137 million*), as collateral for loans from banks.

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7 Segment information and disaggregation of revenue

The Company and its subsidiaries' operations mainly involve business segments in manufacture and sale of prepreg and laminate, printed circuit board, and chemical products with production facilities in Thailand and operate in both local and overseas markets. Financial information of the Company and its subsidiaries by business for the three-month period ended 31 March 2023 and 2022 is as follows:

<i>For the three-month period ended</i>	Consolidated financial statements															
	Segments															
	Prepreg and Laminate		Printed Circuit Board business								Chemical business		Eliminating entries		Total	
	Business		America		Europe		Asia		Total							
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	<i>(in thousand Baht)</i>															
Information about reportable segments																
Revenues from external customers	211,457	373,688	576,894	696,545	1,585,060	1,657,314	1,474,252	1,612,612	3,636,206	3,966,471	177,188	192,393	-	-	4,024,851	4,532,552
Inter-segment revenues	656,521	799,155	173,087	285,659	-	-	693,347	814,466	866,434	1,100,125	87,990	101,757	(1,610,945)	(2,001,037)	-	-
Total revenues	867,978	1,172,843	749,981	982,204	1,585,060	1,657,314	2,167,599	2,427,078	4,502,640	5,066,596	265,178	294,150	(1,610,945)	(2,001,037)	4,024,851	4,532,552
Disaggregation of revenue																
Revenues from sales	864,569	1,171,677	749,981	982,204	1,585,060	1,657,314	2,110,310	2,346,757	4,445,351	4,986,275	265,178	294,150	(1,550,247)	(1,919,550)	4,024,851	4,532,552
Revenues from rendering of services	3,409	1,166	-	-	-	-	57,289	80,321	57,289	80,321	-	-	(60,698)	(81,487)	-	-
Total revenues	867,978	1,172,843	749,981	982,204	1,585,060	1,657,314	2,167,599	2,427,078	4,502,640	5,066,596	265,178	294,150	(1,610,945)	(2,001,037)	4,024,851	4,532,552
Timing of revenue recognition																
At a point in time	867,978	1,172,843	749,981	982,204	1,585,060	1,657,314	2,167,599	2,427,078	4,502,640	5,066,596	265,178	294,150	(1,610,945)	(2,001,037)	4,024,851	4,532,552
Total	867,978	1,172,843	749,981	982,204	1,585,060	1,657,314	2,167,599	2,427,078	4,502,640	5,066,596	265,178	294,150	(1,610,945)	(2,001,037)	4,024,851	4,532,552

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Consolidated financial statements																	
For the three-month period ended 31 March 2023 and 2022																	
	Prepreg and Laminate business		Printed Circuit Board business								Chemical business		Eliminating entries		Total		
	2023	2022	America		Europe		Asia		Total		2023	2022	2023	2022	2023	2022	
			2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
	(in thousand Baht)																
Segment operating profit	166,325	129,117							628,682	916,295	71,605	85,395	(77,274)	(95,765)	789,338	1,035,042	
Unallocated profit and expenses:																	
Other income															86,820	115,288	
Distribution costs															(149,890)	(155,216)	
Administrative expenses															(330,546)	(353,583)	
Finance costs															(23,534)	(11,805)	
Share of profit from investments in associate															4,500	4,945	
Income tax expense															(25,038)	(34,976)	
Profit for the period															351,650	599,695	
Segment assets																	
as at 31 March 2023/ 31 December 2022	2,748,132	2,645,789							25,934,805	25,997,275	711,832	650,220	(8,396,781)	(8,299,803)	20,997,988	20,993,481	
Segment liabilities																	
as at 31 March 2023/ 31 December 2022	1,050,016	1,075,648							8,184,277	8,718,908	152,454	143,594	(2,185,629)	(2,389,976)	7,201,118	7,548,174	

For the three-month period ended 31 March 2023, the Group had total revenues which were converted to US dollar amounted of US dollar 119 million (2022: US dollar 138 million).

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	Separate financial statements							
	Reportable segment							
	Printed Circuit Board business							
	America		Europe		Asia		Total	
	2023	2022	2023	2022	2023	2022	2023	2022
	(in thousand Baht)							
<i>For the three-month period ended 31 March</i>								
Disaggregation of revenue	482,197	509,263	1,294,485	1,346,324	516,791	621,188	2,293,473	2,476,775
Revenues from sales	482,197	509,263	1,294,485	1,346,324	481,241	600,653	2,257,923	2,456,240
Revenues from rendering of services	-	-	-	-	35,550	20,535	35,550	20,535
Total	482,197	509,263	1,294,485	1,346,324	516,791	621,188	2,293,473	2,476,775
Timing of revenue recognition								
At a point in time	482,197	509,263	1,294,485	1,346,324	516,791	621,188	2,293,473	2,476,775
Total	482,197	509,263	1,294,485	1,346,324	516,791	621,188	2,293,473	2,476,775

For the three-month period ended 31 March 2023(Unaudited)

Contract Balances

The following table provides information about receivable and contract assets from contracts with customer.

	Consolidated		Separate	
	financial statements		financial statements	
	31March	31	31March	31
	2023	December20	2023	December20
		22		22
	(in thousand Baht)			
Trade accounts receivable - net	4,348,705	4,798,212	3,300,512	3,625,430
Contract costs assets	377,922	384,229	360,879	365,046

The amount of amortisation which is included in the consolidated statement of comprehensive income for the three-month period ended 31 March 2023 were Baht 6.6 million (2022: *Baht 6.5 million*) and the separate statement of comprehensive income for the three-month period then ended were Baht 4.5 million (2022: *Baht 4.5 million*). There was no impairment loss recognised from the said assets.

8 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the three-month periods ended 31 March 2023 and 2022 were based on the profit for the period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period as follows:

	Consolidated financial statements		Separate financial statements	
<i>Three-month period ended</i> 31 March	2023	2022	2023	2022
	<i>(in thousand Baht/ thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>345,469</u>	<u>589,771</u>	<u>49,298</u>	<u>251,792</u>
Number of ordinary shares outstanding at 1 January	1,181,965	1,181,590	1,181,965	1,181,590
Effect from ordinary shares issued during the period	<u>25</u>	<u>36</u>	<u>25</u>	<u>36</u>
Weighted average number of ordinary shares outstanding (basic)	<u>1,181,990</u>	<u>1,181,626</u>	<u>1,181,990</u>	<u>1,181,626</u>
Earnings per share (basic) <i>(in Baht)</i>	0.29	0.50	0.04	0.21

Diluted earnings per share

The calculations of diluted earnings per share for the three-month periods ended 31 March 2023 and 2022 were based on the profit for the period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period after adjusting for the effects of all diluted potential ordinary shares as follows:

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<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	<i>(in thousand Baht/ thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company	<u>345,469</u>	<u>589,771</u>	<u>49,298</u>	<u>251,792</u>
Weighted average number of ordinary shares outstanding (basic)	1,181,990	1,181,626	1,181,990	1,181,626
Effect of share warrants	-	716	-	716
Weighted average number of ordinary shares outstanding (diluted)	<u>1,181,990</u>	<u>1,182,342</u>	<u>1,181,990</u>	<u>1,182,342</u>
Earnings per share (diluted) (in Baht)	<u>0.29</u>	<u>0.50</u>	<u>0.04</u>	<u>0.21</u>

9 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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		Carrying amount		Consolidated financial statements				Fair value	
	Note	Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total	
<i>(in thousand Baht)</i>									
At 31 March 2023									
Financial assets									
Other financial assets:									
Forward currency exchange contracts	10	2,320	-	2,320	-	2,320	-	2,320	
Total other financial assets		2,320	-	2,320					
At 31 December 2022									
Financial assets									
Other financial assets:									
Forward currency exchange contracts	10	8,370	-	8,370	-	8,370	-	8,370	
Total other financial assets		8,370	-	8,370					

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As at 31 March 2023 and 31 December 2022, the Company had no financial assets and liabilities measured at fair value.

The following table presents valuation technique of financial instruments measured at fair value in statement of financial position.

Type	Valuation technique
Forward exchange contracts	The fair value of foreign currency forward contracts determined the price from an agreement announced by financial institutions.

10 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(in thousand Baht)			
Capital commitments				
Buildings and other constructions	36,572	43,082	36,572	43,082
Machinery and equipment	72,695	57,273	35,820	39,774
Total	109,267	100,355	72,392	82,856
Future minimum lease payments under non-cancellable services contracts				
Within one year	76,708	57,406	47,245	36,956
After one year but within five years	44,192	55,418	24,561	31,908
Total	120,900	112,824	71,806	68,864
Other commitments				
Unrecognized purchase orders for raw materials	954,498	986,306	225,496	203,102
Bank guarantees	50,139	50,139	45,939	45,939
Total	1,004,637	1,036,445	271,435	249,041

Forward exchange contracts

As at 31 March 2023, the Group had outstanding forward exchange contracts as follows:

	Consolidated financial statements		
Currency	Amount (Thousand)	Maturity date	Contract exchange rate (Per unit of foreign currency)
<i>Selling contract</i>			
US dollar	4,285	3 April – 2 May 2023	34.1694–35.0800

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As at 31 December 2022, the Group had outstanding forward exchange contracts as follows:

Consolidated financial statements			
Currency	Amount (Thousand)	Maturity date	Contract exchange rate (Per unit of foreign currency)
<i>Selling contract</i>			
US dollar	2,341	23–25 January 2023	37.8150 – 38.1600

As at 31 March 2023 and 31 December 2022, the Company had no outstanding forward exchange contracts.

11 Events after the reporting period

On 27 April 2023, the meeting of the Company's Annual General Meeting of Shareholders approved dividend payment to the ordinary shareholders at Baht 0.60 per share. The dividend will be paid on 12 May 2023 and recognized dividend payment in the second quarter of the current year.