

8 May 2013

Subject : To Inform the Adjustment of the Terms and Conditions of the Warrants to Purchase Ordinary Shares of the Company allocated to directors and employees of the Company and/or its subsidiaries under ESOP-W3 and ESOP-W4

Attn : President  
The Stock Exchange of Thailand

The Annual General Shareholders' Meeting Year 2013 No.30/2013 of KCE Electronics Public Company Limited ("the Company") held on April 29, 2013, had approved the issuance and offering of the warrants to purchase ordinary shares of the Company No.2 to existing shareholders in proportion to their shareholdings (Right Offering). In this regards, net offering price for the new ordinary shares reserved for the exercise of the warrants is lower than 90.00% of the market price of the Company's shares. Therefore, to be in accordance with the terms and conditions of ESOP-W3 and ESOP-W4, the Company would like to inform the adjustment of exercise price and conversion ratio as follows:

Details of the exercise price and ratio after adjustment and calculation methods are presented as follows:

ESOP-W3

	Prior to the Adjustment	Following the Adjustment
Exercise Price	6.860	5.904
Exercise Ratio	1 unit : 1 share	1 unit : 1.16199 shares

ESOP-W4

	Prior to the Adjustment	Following the Adjustment
Exercise Price	7.810	6.721
Exercise Ratio	1 unit : 1 share	1 unit : 1.16199 shares

1. The adjustment of ESOP-W3 for the issuance and offering of warrants to existing shareholders of the Company at lower than 90% of market price

The adjustment of exercise price is

$$\begin{aligned}
\text{Price 1} &= \frac{\text{Price 0} \times [(A \times \text{MP}) + \text{BX}]}{[\text{MP} \times (A+B)]} \\
&= \frac{6.86 \times [(474,995,769 \times 17.47) + 575,794,710]}{[17.47 \times (474,995,769 + 115,248,942)]} \\
&= 5.904
\end{aligned}$$

The adjustment of conversion ratio is

$$\begin{aligned}
\text{Ratio 1} &= \frac{\text{Ratio 0} \times [\text{MP} \times (A + B)]}{[(A \times \text{MP}) + \text{BX}]} \\
&= \frac{1.00 \times [17.47 \times (474,995,769 + 115,248,942)]}{[(474,995,769 \times 17.47) + 575,794,710]} \\
&= 1.16199
\end{aligned}$$

Whereas

Price 1	is	the new exercise price
Price 0	is	the existing exercise price (THB 6.86 per share)
Ratio 1	is	the new exercise ratio
Ratio 0	is	the existing exercise ratio (1 unit of warrant : 1 new ordinary share)
MP	is	the market price of the Company's shares, which is the total value of the Company's shares divided by the number of shares trading during 5 business days prior to XW date (THB 17.47 per share)
A	is	the number of paid-up shares prior to the book closing date for the allotment of warrants (474,995,769 shares)
B	is	the number of newly issued ordinary shares reserved for the exercise of warrants (115,248,942 shares)
BX	is	the total proceeds received, net of expenses (if any), from the issuance and offering of warrants (THB 575,794,710)

2. The adjustment of ESOP-W4 for the issuance and offering of warrants to existing shareholders of the Company at lower than 90% of market price

The adjustment of exercise price is

$$\begin{aligned}
\text{Price 1} &= \frac{\text{Price 0} \times [(A \times \text{MP}) + \text{BX}]}{[\text{MP} \times (A+B)]} \\
&= \frac{7.81 \times [(474,995,769 \times 17.47) + 575,794,710]}{[17.47 \times (474,995,769 + 115,248,942)]} \\
&= 6.721
\end{aligned}$$

The adjustment of conversion ratio is

$$\begin{aligned}
\text{Ratio 1} &= \frac{\text{Ratio 0} \times [\text{MP} \times (A + B)]}{[(A \times \text{MP}) + \text{BX}]} \\
&= \frac{1.00 \times [17.47 \times (474,995,769 + 115,248,942)]}{[(474,995,769 \times 17.47) + 575,794,710]} \\
&= 1.16199
\end{aligned}$$

Whereas

Price 1	is	the new exercise price
Price 0	is	the existing exercise price (THB 7.81 per share)
Ratio 1	is	the new exercise ratio
Ratio 0	is	the existing exercise ratio (1 unit of warrant : 1 new ordinary share)
MP	is	the market price of the Company's shares, which is the total value of the Company's shares divided by the number of shares trading during 5 business days prior to XW date (THB 17.47 per share)
A	is	the number of paid-up shares prior to the book closing date for the allotment of warrants (474,995,769 shares)
B	is	the number of newly issued ordinary shares reserved for the exercise of warrants (115,248,942 shares)
BX	is	the total proceeds received, net of expenses (if any), from the issuance and offering of warrants (THB 575,794,710)

Please be informed accordingly,

Sincerely yours,

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(Mrs.Voraluksana Ongkosit)

Executive Director