

October 14, 2014

Subject Acquisition of Assets

To The Director and Manager
The Stock Exchange of Thailand

The Board of Directors meeting of KCE Electronics Public Company Limited ("the Company") number 10/2014 held on October 14, 2014, passed a resolution approving the Company entering into a transaction of the Acquisition of Assets, which is the purchase of 255,000 ordinary shares of KCE Singapore PTE LTD ("KCES"), (its associate company), with a par value of SGD 1 per share, representing a proportion of 51% of the total issued and paid up shares, totaling value of not exceeding USD 5.1 million from the former shareholders, who has no relationship and/or any connection with the directors, managements, major shareholders or any controlling person of the Company. When the share acquisition completed, KCES will become a subsidiary of the Company.

The details pertaining to the transaction of the Acquisition of Assets are as follows:

1. Transaction Date

KCE Electronics Public Company Limited will enter the transaction after the Board passed a resolution approving the acquisition of assets in the Company's Board of Directors' Meeting No. 10/2014 on October 14, 2014.

2. The parties involved and the relationship with the Company

Buyer : KCE Electronics Public Company Limited

Seller : Mr. Goh Kok Kian and Ms. Chan Chor Ting Claudine

The shareholders of KCES consist of the following:

List of shareholder	Number of share	Proportion
1. Mr. Goh Kok Kian	200,000	40.00%
2. KCE Electronics PCL	122,500	24.50%
3. KCE International Co., Ltd.	122,500	24.50%
4. Ms. Chan Chore Ting Claudine	55,000	11.00%

Relationship between Buyer and Seller: None

3. The general characteristic and the size of transaction

The general characteristic: KCE Electronics Public Company Limited shall acquire 255,000 ordinary shares of KCE Singapore PTE LTD (KCES), with a par value of SGD 1 per share, at a proportion of 51% of the total issued and paid up shares, from 2 former shareholders, totaling value of not exceeding USD 5.1 million.

Following the transaction, the shareholders of KCES will consist of the following:

List of shareholder	Number of share	Proportion
1. KCE Electronics PCL	377,500	75.50%
2. KCE International Co., Ltd.	122,500	24.50%

Size of transaction : This transaction is deemed an Acquisition of Assets according to the Notification of the Capital Market Supervisory Board No. Tor. Chor. 20/2551 Re: Rules on Entering into Material Transaction deemed as Acquisition or Disposal of Assets, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies concerning the acquisition and disposition of Assets B.E. 2547 (2004) (the "Notification of the Acquisition or Disposition of Assets"). Calculation results of the transaction size according to each method are as follows:

1. Basis of the Net Asset Value: the transaction size is valued at 1.13%
2. Basis of the Net Profit: the transaction size is valued at 0.57%
3. Basis of the Total Value of Consideration: the transaction size is valued at 1.31%

From the calculation, the highest transaction size accounts for 1.31% of total assets of the Company and its Subsidiaries as at June 30, 2014 in accordance with the Total Value of Consideration basis, and there was no other transactions in the past 6 months prior to this transaction date. As the total value of the transaction size is less than 15%, therefore the transaction is not categorized as Type "1-4", in pursuant to the Notification of the Acquisition or Disposition of Assets.

4. Details of the acquired assets

Asset characteristic : 255,000 ordinary shares of KCE Singapore PTE LTD, with a par value of SGD 1 per share, at a proportion of 51% of the total issued and paid up shares

Company registration Number : 198903886D
Business characteristic : The overseas Sale Representative (Asia region)
Company address : 1 Sims Lane #05-11 Singapore
Registered Capital : SGD 500,000 divided into 500,000 ordinary shares
at SGD 1 per share, fully paid-up
Company Directors : 1 Mr. Goh Kok Kian
2. Mr. Bancha Ongkosit
3. Mrs. Voraluksana Ongkosit
4. Mrs. Ho Wee Peng

Summary of Financial Information of KCE Singapore PTE LTD :

Audited Financial Statements as at December 31, 2013

Total asset	US\$	3,971,664
Total liability		2,362,459
Shareholder's Equity		1,609,205
Total Revenue		6,370,548
Net Profit		232,166
Book Value (US\$/ Share)		\$ 3.22

5. Total Value of Consideration

The Company will acquire 255,000 ordinary shares of KCE Singapore PTE LTD, with a par value of SGD 1 per share, at a proportion of 51% of the total issued and paid up shares. The total value of consideration used for the calculation of the transaction size, includes tangible and intangible asset, liability and all obligations of KCES.

6. Value of assets acquired

The acquired asset from the transaction is 255,000 ordinary shares of KCE Singapore PTE LTD at a proportion of 51% of the total issued and paid up shares, which the book value is USD 821,100 as at December 31, 2013.

7. Basis used to determine the value of the consideration

The value of the acquired share is the agreed upon price between the parties, the buyer and the seller, considering the return on investment as the importance factor, whereby the fair value of Assets is determined and potential profitability in the future is evaluated, using the appropriated financial valuation methodology. The valuation results have been reviewed by the Audit Committee and the Board.

8. Expected benefits of the investment

- Improve the alignment of policy and marketing strategy to the group's objectives, which will enhance the business growth and sustainability
- Increase share of profit from investment and assets in the consolidated financial statement, which will result in a stronger financial position for the group

9. Source of fund

The Company will acquire fund from both internal and external sources, the cash from operation and Long-term loan from a financial institute.

10. Board of Directors' opinion regarding entering the transaction

The Board of Directors has passed a resolution approving the entering into a transaction for the Acquisition of KCES's ordinary shares, with an opinion that the transaction is appropriated and highly beneficial to the Company and shareholders.

11. Opinion of the Audit Committee and/or directors of the Company that is different from the Board's in item No. 10.

- None -

The above mentioned information is not within the term of related transaction under the regulations of Capital Market Supervisory Board and The Stock Exchange of Thailand.

Please be informed accordingly.



Sincerely yours,



(Mrs. Voraluksana Ongkosit)

Executive Vice Chairperson