



SET Ticker : CCET  
TWSE Ticker : 9105

Annual Report 2013



## Annual Report 2013



**Cal-Comp Electronics (Thailand)  
Public Company Limited**

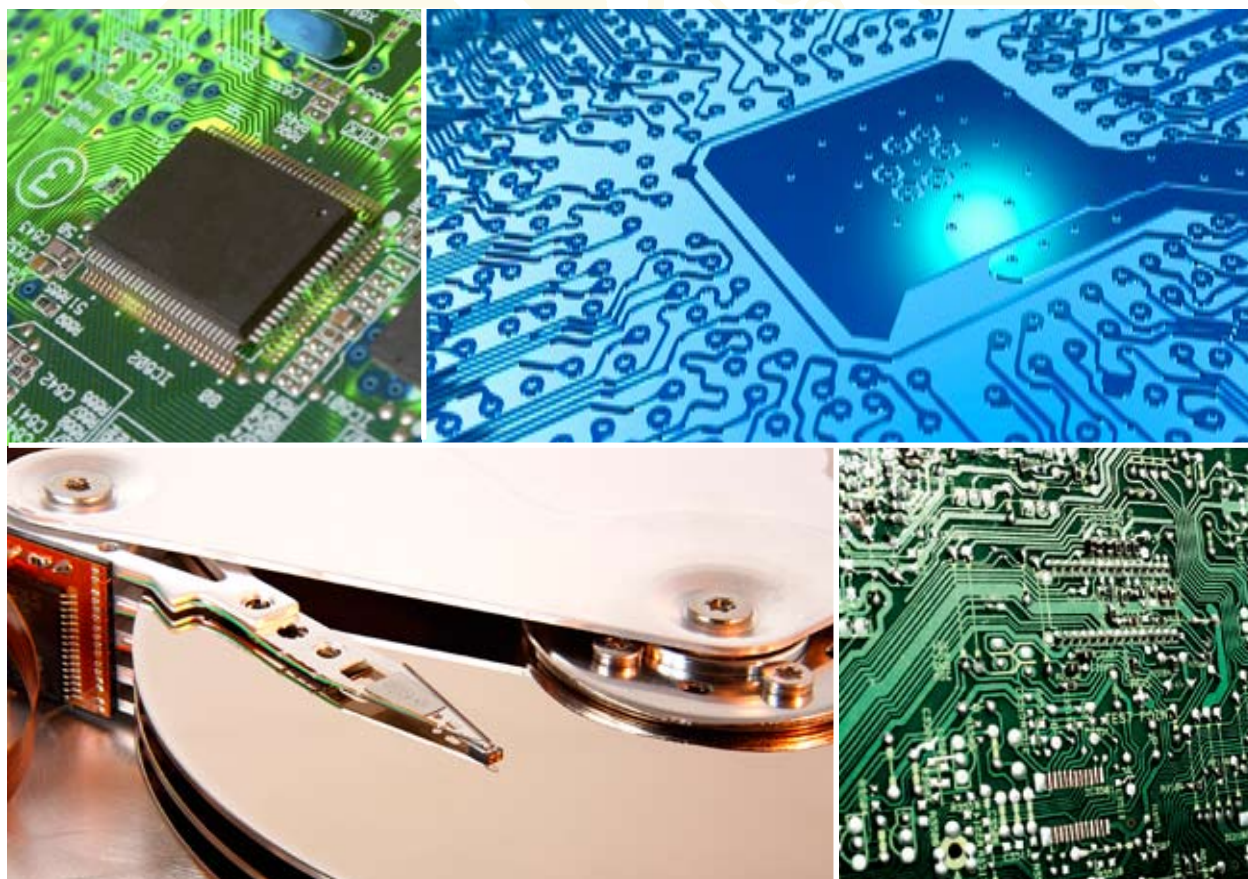
### Head Office

191/54, 191/57, 18<sup>th</sup> Floor, CTI Tower, Ratchadapisek Road, Klongtoey, Bangkok 10110 Thailand  
Tel : (662) 261-5033-37, 661-9381-83 Fax : (662) 661-9396

● <http://www.calcomp.co.th>

Cal-Comp Electronics (Thailand) Public Company Limited

# CONTENTS



<b>01</b>	FINANCIAL HIGHLIGHTS	<b>29</b>	MANAGEMENT STRUCTURE
<b>02</b>	2013 MESSAGE FROM THE BOARD OF DIRECTORS	<b>34</b>	CORPORATE GOVERNANCE
<b>09</b>	BOARD OF DIRECTORS	<b>41</b>	RELATED PARTY TRANSACTIONS
<b>13</b>	GENERAL INFORMATION	<b>51</b>	AUDIT COMMITTEE REPORT – 2013
<b>14</b>	SHAREHOLDING STRUCTURE AND MANAGEMENT	<b>52</b>	INTERNAL CONTROL
<b>15</b>	CAPITAL STRUCTURE	<b>53</b>	DIRECTORS' REPORTING
<b>18</b>	THE GROUP STRUCTURE OF THE COMPANY	<b>54</b>	SOCIAL AND ENVIRONMENT RESPONSIBILITIES
<b>20</b>	NATURE OF BUSINESS OPERATION	<b>57</b>	MANAGEMENT DISCUSSION AND ANALYSIS
<b>23</b>	INDUSTRY AND MARKET COMPETITION	<b>61</b>	INDEPENDENT AUDITOR'S REPORT
<b>27</b>	RISK FACTOR	<b>62</b>	FINANCIAL STATEMENT
		<b>70</b>	NOTE TO CONSOLIDATED FINANCIAL STATEMENT

## FINANCIAL HIGHLIGHTS



BALANCE SHEET SUMMARY	2013	2012	2011
Balance Sheet Summary	2013	2012	2011
Cash and cash equivalents	3,525,442,745	1,840,184,429	1,975,170,219
Trade and other receivables	25,615,836,170	26,803,583,982	26,703,764,983
Inventories	14,069,133,240	11,742,091,078	14,053,377,145
Total current assets	44,936,451,952	41,851,707,452	44,613,551,977
Investment	452,718,938	162,768,341	197,712,637
Property, plant and equipment	16,578,852,262	14,928,285,983	10,996,877,401
Total assets	62,434,550,974	57,505,351,361	56,412,322,092
Short-term loan from financial institutions	20,089,175,416	15,799,177,871	15,362,429,740
Trade and other payables	23,712,847,365	24,160,305,239	24,666,329,780
Total current liabilities	46,137,763,440	41,275,657,101	41,770,409,660
Non-current liabilities	181,985,736	948,025,171	73,034,847
Total liabilities	46,319,749,176	42,223,682,272	41,843,444,507
Registered capital	4,277,556,192	4,277,556,192	4,277,556,192
Paid-up capital	4,085,278,192	4,077,556,192	4,077,556,192
Retained earnings	9,236,620,221	9,422,632,952	8,898,215,995
Total shareholders' equity	16,114,801,798	15,281,669,089	14,568,877,585
PROFIT & LOSS STATEMENT SUMMARY	2013	2012	2011
Sales	121,535,155,180	140,193,019,630	131,978,901,783
Total revenues	121,856,924,837	141,754,927,078	132,850,613,700
Cost of sales	116,277,733,834	135,642,813,604	127,915,409,340
Selling and administrative expenses	4,388,585,181	3,994,321,114	3,498,776,251
Total expense	120,998,306,698	140,059,060,903	131,414,185,591
Net profit	461,489,037	1,198,985,352	1,087,157,150
KEY FINANCIAL RATIOS	2013	2012	2011
<b>Liquidity Ratios</b>			
Current Ratio (times)	0.97	1.01	1.07
Quick ratio (times)	0.66	0.73	0.73
Collection period (days)	78	69	76
Inventory turnover (days)	40	34	34
Payment period (days)	74	65	72
Cash cycle (days)	43	38	37
<b>Profitability Ratios</b>			
Gross profit margin (%)	4.33	3.25	3.08
Operating profit margin (%)	0.71	0.40	0.43
Net profit margin (%)	0.38	0.85	0.82
Return on equity (%)	2.94	8.03	7.69
<b>Efficiency Ratios</b>			
Return on total assets (%)	0.77	2.11	1.96
Return on fixed assets (%)	15.40	21.29	24.55
Total assets turnover (times)	2.03	2.46	2.38
<b>Leverage Ratios</b>			
Total liabilities / Total equity	2.87	2.76	2.87
Interest coverage Ratio (times)	2.75	4.42	5.75
<b>Information on Shares (Baht)</b>			
Book value per share	3.94	3.75	3.57
Earnings per share	0.11	0.29	0.27
Dividend per share	0.12	0.16	0.16



## 2013 MESSAGE FROM THE BOARD OF DIRECTORS



The continuous global economic downturn in 2012 has extended to the first half year of 2013, which was cut down to 3.3% growth rate from 3.5% in the beginning of year 2013 according to the IMF report. Major markets like America, Euro zone, and China all have slightly downgraded its growth forecast to 1.7%, -0.6%, and 7.8% respectively in 2013. The amendment of these figures meant the global economy has yet been able to recover over the past two years. However, signs of strengthened economics activities do start seem in the second half of year 2013 in considering the slowdown of recession rate in Euro zone, the improved unemployment rate in US, and increasingly global export activities and else.

In year 2013, the foreseen issues such as labor shortage, progressive increase of labor cost, natural disaster, political situation, and resources shortage and else all have impact the global economics trend and was in line with the Company's expectations. On the other hand, in consider of the manufacturing sector, the annual growth was declined as in responded to the down demand in consumer products; particularly in PC







industry, which estimated overall of 12% and more declined as compared to previous year. Nonetheless, despite of all kinds of unconstructive impacts, the Company has managed to achieve sales revenue of USD 4 billion in 2013.

After years of global implementation and restlessly effort in automation technology development to maximize the sufficiency for the production, although the world economic does not yet seem recover from global recession since 2008, the Company is still be able to manage minimizing the downturns due to the global factors and works restlessly toward its target goal.

Overlook 2014, in spite of the ongoing factory expansion worldwide since 2010, the Company has continuously acquiring more new world known class customers and is well prepared for the incoming demands in the upcoming year. In addition, the Company has proudly launched its new ODM products including external HDD, NAS, LED, Bio Technology, and 3D printer product which according to the media has ranked as one of the Top 10 tech trend in recent year. Indeed, the new ODM product of 3D printer which designed by the Company's subsidiary XYZprinting, Inc. has successfully launched in the market since 3rd quarter and is awarded as winner of CES Editor's Choice Award in US in beginning of 2014.

The Company still has continuously improving at a constant speed after 25 years, and as a global corporation with well implemented global networking system as well as service, the Company strongly believes we can still provide more corporate value than a traditional manufacture to our valuable customers. Together, we are looking forward marching toward our goal to achieve the next milestone!

On behalf of the Board, we would like to send our highest appreciation to the management team and all the staffs for their eager devotion and unremitting effort! We would also like to once again extend our grateful gratitude to all valuable customers, suppliers, partners, banks, government authorities and shareholders for their ongoing faith and thoughtful support. We believe the Company will continuously succeed both externally and internally to generate maximum value for all of us in 2014 and onward, and we are honored to serve as the Board of the Company.

**MR. HSU, SHENG-HSIUNG**  
Chairman

**MR. SHEN, SHYH-YONG**  
Vice Chairman





# CEREMONY OF GRAND OPENING NEW FACTORY







# GLOBAL MANUFACTURING BASE

CAL-COMP ELECTRONICS (THAILAND) PLC.

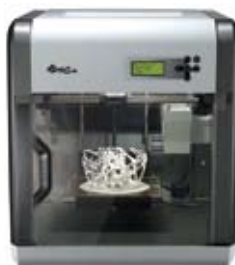






# PRODUCT DIVERSITY

CAL-COMP ELECTRONICS (THAILAND) PLC.







# BOARD OF DIRECTORS

## Mr. Hsu, Sheng-Hsiung

<b>Position</b>	: Chairman
<b>Education</b>	: Bachelor of Chinese, National Taiwan Normal University, Taiwan
<b>Work Experience</b>	: <ul style="list-style-type: none"> <li>1989-Present • Chairman of Cal-Comp Electronics (Thailand) Plc.</li> <li>1992-Present • Chairman of Kinpo Electronics, Inc.</li> <li>1994-Present • Chairman of Compal Electronics Inc.</li> <li>2002-Present • Chairman of Cal-Comp Electronics (Suzhou) Co., Ltd.</li> <li>2003-Present • Director of Cal-Comp Optical Electronics (Suzhou) Co., Ltd.</li> <li>2004-Present • Chairman of Cal-Comp Electronics and Communication Co., Ltd.</li> <li>2008-Present • Director of Cal-Comp Technology (Suzhou) Co., Ltd.</li> <li>2008-Present • Director of Cal-Comp Electronics and Communication (Suzhou) Co., Ltd.</li> </ul>

### Securities holding (As of December 31, 2013) :

Mr. Hsu, Sheng-Hsiung holds 16,950,000 shares and his spouse Mrs. Hsu, Tsai Li-Chu holds 14,660,000 shares.

### IOD Program :

Not attend the course from Thai Institution of directors yet.

## Mr. Shen, Shyh-Yong

<b>Position</b>	: Vice Chairman
<b>Education</b>	: <ul style="list-style-type: none"> <li>Doctor of Law, Whittier Law School , USA</li> <li>Master of Business Administration, Southern California University, USA</li> <li>Bachelor of Public Administration, National Chengchi University, Taiwan</li> </ul>
<b>Work Experience</b>	: <ul style="list-style-type: none"> <li>2004-2008 • Assistant Vice President of Cal-Comp Electronics (Thailand) Plc</li> <li>2008-Present • Managing Director of Kinpo Electronics Inc.</li> <li>2008-Present • Vice Chairman of Cal-Comp Electronics (Thailand) Plc.</li> <li>2008-Present • Director and Managing Director of Cal-Comp Electronics and Communication Co., Ltd.</li> <li>2008-Present • Chairman and Managing Director of Cal-Comp Optical Electronics (Suzhou) Co., Ltd.</li> <li>2008-Present • Chairman and Managing Director of Cal-Comp (Technology) (Suzhou) Co., Ltd.</li> <li>2008-Present • Chairman and Managing Director of Cal-Comp Electronics and Communication (Suzhou) Co., Ltd.</li> <li>2008-Present • Chairman and Managing Director of Cal-Comp Electronics (Suzhou) Co., Ltd.</li> <li>2010-Present • Director of Kinpo Electronics Inc.</li> <li>2010-Present • Chairman of Cal Comp (Malaysia) SDN. BHD.</li> <li>2010-Present • Chairman of Cal-Comp Precision (Singapore) Ltd.</li> <li>2010-Present • Chairman of Cal-Comp Precision (Malaysia) Sdn. Bhd.</li> <li>2010-Present • Chairman of Cal-Comp Precision (Thailand) Ltd.</li> <li>2010-Present • Chairman and Managing Director of Avaplas Precision Plastics (Shanghai) Co., Ltd.</li> <li>2010-Present • Chairman of Cal-Comp Precision (Dongguan) Ltd.</li> <li>2010-Present • Chairman of Cal-Comp Precision (Wujiang) Ltd.</li> <li>2010-Present • Chairman of Cal-Comp Electronics (USA) Co., Ltd.</li> <li>2011-Present • Chairman of Cal-Comp USA (Indiana), Inc.</li> <li>2011-Present • Chairman of Cal-Comp USA (San Diego), Inc.</li> <li>2011-Present • Chairman of Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.</li> <li>2011-Present • Chairman of Cal-Comp Electronics de México Co., S.A. de C.V.</li> </ul>

- |              |  |
|--------------|--|
| 2012-Present | • Chairman of Cal-Comp Technology (Philippines), Inc. (Former name : New Kinpo Group Technology (Philippines), Inc.) |
| 2012-Present | • Director of Compal Electronics, Inc.   |
| 2013-Present | • Chairman of XYZprinting, Inc.  |

#### Securities holding (As of December 31, 2013) :

Mr. Shen, Shyh-Yong holds 12,819,900 shares, his spouse Mrs. Hsu, Yung-Hsu holds 1,269,300 shares, minor child Hsu, Hsin-Yu and Shen, Pei-Chi each hold TDR for 30,000 shares.

#### IOD Program :

Not attend the course from Thai Institution of directors yet.

## Mr. Khongsit Choukitcharoen

**Position** : Managing Director

**Education** : Master of Business Administration, Pacific Western University, Thailand  
Bachelor of Engineering, Feng Chia University, Taiwan

**Work Experience** :

2006-Present	• Managing Director of Cal-Comp Electronics (Thailand) Plc.
2009-Present	• Director of Cal-Comp Optical Electronics (Suzhou) Co., Ltd.
2009-Present	• Director of Cal-Comp Electronics (Suzhou) Co., Ltd.
2009-Present	• Director of Cal-Comp Electronics and Communications (Suzhou) Co., Ltd
2009-Present	• Director of Cal-Comp Technology (Suzhou) Co., Ltd.
2010-Present	• Director and Managing Director of Cal Comp (Malaysia) SDN. BHD.
2010-Present	• Director of Cal-Comp Precision (Singapore) Ltd.
2010-Present	• Director of Cal-Comp Precision (Malaysia) Sdn. Bhd.
2011-Present	• Managing Director of Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.
2011-Present	• Director of Cal-Comp Electronics and Communication Co., Ltd.
2012-Present	• Director of Cal-Comp Precision (Thailand) Co., Ltd
2012-Present	• Director of Cal-Comp Technology (Philippines), Inc. (Former name New Kinpo Group Technology (Philippines), Inc.)
2013-Present	• Director of XYZprinting, Inc.

#### Securities holding (As of December 31, 2013) :

1,400,000 shares.

#### IOD Program :

Attended the Director Certification Program (DCP), class 47/2004

## Mr. Hsu, Sheng-Chieh

**Position** : Director

**Education** : Bachelor of Engineering, Tamkang University, Taiwan

**Work Experience** :

1989-Present	• Director of Cal-Comp Electronics (Thailand) Plc.
1994-Present	• Director of Kinpo Electronics, Inc.
1994-Present	• Supervisor of Compal Electronics, Inc.
2002-Present	• Director of Cal-Comp Electronics (Suzhou) Co., Ltd.
2004-Present	• Director of Cal-Comp Electronics and Communication Co., Ltd.

#### Securities holding (As of December 31, 2013) :

5,560,000 shares.

#### IOD Program :

Not attend the course from Thai Institution of directors yet.





## Mr. Chang, Zuei-Wei

<b>Position</b>	: Director
<b>Education</b>	: Master of Business Administration, Pacific Western University
<b>Work Experience</b>	: 2008-2011 • Vice President of Kinpo Electronics, Inc. 2011-2012 • Vice President of Cal-Comp Electronics and Communication Co., Ltd. 2010-Present • Director of Cal Comp (Malaysia) SDN. BHD. 2011-Present • Director of Cal-Comp Precision (Singapore) Ltd. 2012-Present • Director of Cal-Comp Electronics (Thailand) Plc. 2012-Present • Senior Vice President of Cal-Comp Electronics and Communication Co., Ltd.

### Securities holding (As of December 31, 2013) :

None.

### IOD Program :

Not attend the course from Thai Institution of directors yet.

## Mr. Wang, Ho-Shun

<b>Position</b>	: Director
<b>Education</b>	: Bachelor of Science and Technology, China University of Science and Technology
<b>Work Experience</b>	: 2007-2008 • Vice President of Cal-Comp Electronics and Communication Co., Ltd. 2009-2012 • Vice President of Kinpo Electronics, Inc. 2011-Present • Director and Managing Director of Dongguan Kaipo Co., Ltd. 2012-Present • Senior Vice President of Kinpo Electronics, Inc. 2012-Present • Director and Managing Director of Cal-Comp Precision (Wujiang) Ltd. 2012-Present • Director and Managing Director of Cal-Comp Precision (Dongguan) Ltd. 2013-Present • Director of Cal-Comp Precision (Malasia) SDN. BHD. 2013-Present • Director of Cal-Comp Precision (Thailand) Ltd. 2013-Present • Director of XYZprinting, Inc.

### Securities holding (As of December 31, 2013) :

None.

### IOD Program :

Not attend the course from Thai Institution of directors yet.

## Mr. Alan Kam

<b>Position</b>	: Independent Director and Chairman of Audit Committee
<b>Education</b>	: Master of Business Administration, University of Denver, USA Bachelor of Business Administration, University of Denver, USA
<b>Work Experience</b>	: 2000-Present • Independent Director and Chairman of Audit Committee of Cal-Comp Electronics (Thailand) Plc. 2008-Present • Principal of Libertas Company Limited 2012-Present • Independent Director & Audit Committee Member of Thai Re Life Assurance Public Company Limited 2012-Present • Chairman of the Board of Directors of Krungsri Asset Management Company Limited 2013-Present • Executive Director of Mahaphant Fibre Cement Public Company Limited 2013-Present • Independent Director and Chairman of the Audit Committee for Mega LifeScience Public Company Limited

### Securities holding (As of December 31, 2013) :

None.

### IOD Program :

- Director Certification Program DCP 39/2004
- Fellow Member & Chartered Director
- Attended the IOD-Corporate Social Responsibility Program (CSR 1/2006)
- Attended the Chartered Director Class (CDC 2/2008)



## Mr. William Hang Man Chao

<b>Position</b>	: Independent Director and Audit Committee												
<b>Education</b>	: Master of Business Administration Major in Finance and Marketing University of Chicago, USA Bachelor of Science Major in Finance, Indiana University, USA												
<b>Work Experience</b>	: <table border="0"> <tr> <td>1998-2010</td><td>• Managing Director of Wing Wah Advisory (Thailand) Limited</td></tr> <tr> <td>1999-Present</td><td>• Director of Bangkok Garden Property Fund</td></tr> <tr> <td>2000-Present</td><td>• Independent Director and Audit Committee of Cal-Comp Electronics (Thailand) Plc.</td></tr> <tr> <td>2000-Present</td><td>• Director of City Realty Co., Ltd.</td></tr> <tr> <td>2009-2012</td><td>• Director of Libertas Co., Ltd</td></tr> <tr> <td>2010-Present</td><td>• Chairman of ADPV Technology Limited</td></tr> </table>	1998-2010	• Managing Director of Wing Wah Advisory (Thailand) Limited	1999-Present	• Director of Bangkok Garden Property Fund	2000-Present	• Independent Director and Audit Committee of Cal-Comp Electronics (Thailand) Plc.	2000-Present	• Director of City Realty Co., Ltd.	2009-2012	• Director of Libertas Co., Ltd	2010-Present	• Chairman of ADPV Technology Limited
1998-2010	• Managing Director of Wing Wah Advisory (Thailand) Limited												
1999-Present	• Director of Bangkok Garden Property Fund												
2000-Present	• Independent Director and Audit Committee of Cal-Comp Electronics (Thailand) Plc.												
2000-Present	• Director of City Realty Co., Ltd.												
2009-2012	• Director of Libertas Co., Ltd												
2010-Present	• Chairman of ADPV Technology Limited												

### Securities holding (As of December 31, 2013) :

None.

### IOD Program :

- Attended DAP Program of IOD, Class 74/2008.
- Attended Director Certification Program (DCP), class 112/2009

## Mr. Thanasak Chanyapoon

<b>Position</b>	: Independent Director and Audit Committee																						
<b>Education</b>	: Master degree in laws (LL.M. (Commercial laws)), University of Cambridge, UK Master degree in laws (LL.M.), Chulalongkorn University, Thailand Certificate on American and International Laws, Dallas, USA Bachelor degree in laws (LL.B. (Hons)), Chulalongkorn University, Thailand																						
<b>Work Experience</b>	: <table border="0"> <tr> <td>2001 - 2003</td><td>• Managing Associate of Linklaters (Thailand) Co., Ltd, Bangkok</td></tr> <tr> <td>2003 - 2004</td><td>• Senior Associate of LawAlliance Limited</td></tr> <tr> <td>2004 - 2006</td><td>• Director of LawAlliance Limited</td></tr> <tr> <td>2006 - Present</td><td>• Managing Director of LawAlliance Limited</td></tr> <tr> <td>2008 - Present</td><td>• Director of Khao Soon Tungsten Mining Co., Ltd.</td></tr> <tr> <td>2008 - Present</td><td>• Director of Cal-Comp Electronics (Thailand) Plc</td></tr> <tr> <td>2009 - Present</td><td>• Lecturer of Faculty of Law, Chulalongkorn University and Faculty of Business Administration, Kasetsart University</td></tr> <tr> <td>2010 - Present</td><td>• Executive Director of Hillcrest Development (Samui) Company Limited</td></tr> <tr> <td>2011 - Present</td><td>• Executive Director of Hillcrest Resort (Samui) Company Limited</td></tr> <tr> <td>2011 - Present</td><td>• Independent Director and Audit Committee of Cal-Comp Electronics (Thailand) Plc</td></tr> <tr> <td>2013 - Present</td><td>• Supervisor of XYZprinting, Inc.</td></tr> </table>	2001 - 2003	• Managing Associate of Linklaters (Thailand) Co., Ltd, Bangkok	2003 - 2004	• Senior Associate of LawAlliance Limited	2004 - 2006	• Director of LawAlliance Limited	2006 - Present	• Managing Director of LawAlliance Limited	2008 - Present	• Director of Khao Soon Tungsten Mining Co., Ltd.	2008 - Present	• Director of Cal-Comp Electronics (Thailand) Plc	2009 - Present	• Lecturer of Faculty of Law, Chulalongkorn University and Faculty of Business Administration, Kasetsart University	2010 - Present	• Executive Director of Hillcrest Development (Samui) Company Limited	2011 - Present	• Executive Director of Hillcrest Resort (Samui) Company Limited	2011 - Present	• Independent Director and Audit Committee of Cal-Comp Electronics (Thailand) Plc	2013 - Present	• Supervisor of XYZprinting, Inc.
2001 - 2003	• Managing Associate of Linklaters (Thailand) Co., Ltd, Bangkok																						
2003 - 2004	• Senior Associate of LawAlliance Limited																						
2004 - 2006	• Director of LawAlliance Limited																						
2006 - Present	• Managing Director of LawAlliance Limited																						
2008 - Present	• Director of Khao Soon Tungsten Mining Co., Ltd.																						
2008 - Present	• Director of Cal-Comp Electronics (Thailand) Plc																						
2009 - Present	• Lecturer of Faculty of Law, Chulalongkorn University and Faculty of Business Administration, Kasetsart University																						
2010 - Present	• Executive Director of Hillcrest Development (Samui) Company Limited																						
2011 - Present	• Executive Director of Hillcrest Resort (Samui) Company Limited																						
2011 - Present	• Independent Director and Audit Committee of Cal-Comp Electronics (Thailand) Plc																						
2013 - Present	• Supervisor of XYZprinting, Inc.																						

### Securities holding (As of December 31, 2013) :

None.

### IOD Program :

- Attended DAP Program of IOD, Class 73/2008





## GENERAL INFORMATION OF THE COMPANY

<b>Industry/Sector</b>	: Technology / Electronic Components
<b>Company</b>	: Cal-Comp Electronics (Thailand) Public Company Limited
<b>Business</b>	: Manufacturer for electronics products. Main products are computer peripheral and telecommunication products.
<b>Security Code</b>	-SET Ticker: CCET TB -TWSE Ticker: 9105 TT
<b>Head office</b>	: 191/54, 191/57 18th Fl., CTI Tower, Rachadapisek Road, Klongtoey, Bangkok 10110
<b>Telephone</b>	: 02-261-5033-37, 02-661-9381-83
<b>Fax</b>	: 02-661-9396
<b>Home page</b>	: <a href="http://www.calcomp.co.th">http://www.calcomp.co.th</a>
<b>Registered number</b>	: 0107543000023
<b>Authorized Capital</b>	: 4,277,556,192 Baht
<b>Paid-up Capital</b>	: 4,085,278,192 Baht as at Dec 31, 2013 4,086,378,192 Baht as at Jan 22, 2014
<b>Par value</b>	: 1 Baht
<b>Dividend Policy</b>	: The Company has the dividend policy to pay not less than 30% of its Company only net profit of each fiscal year after legal reserve. Provided that the rate of dividend payment will be subject to cash flows and investment plans of the Company and its subsidiaries, as well as regulatory restrictions and other requirements.
<b>CCET location in Thailand</b>	: (1) <b>Samuthsakorn Factory</b> 60 Moo 8, Sethakij Road, Tambol Klong Maduea, Ampur Kratoom Bean, Samuthsakorn, 74110, Thailand (2) <b>Petchaburi Factory</b> 138 Moo 4, Petchkasem, Tambol Sapang, Ampur Koaw-Yoi, Petchaburi, 76140, Thailand (3) <b>Branch at Nakhonratsima Province</b> 44/4 Moo 9, Tumbol Sungnoen, Amphur Sungnoen, Nakhonratsima 30170, Thailand (4) <b>Branch at Petchaburi Province</b> 91 Moo 4, Tambol Sapang, Ampur Koaw-Yoi, Petchaburi, 76140, Thailand

Note: Investors can find additional information of the company from F56-1 on [www.sec.or.th](http://www.sec.or.th)

# SHAREHOLDING STRUCTURE AND MANAGEMENT

## LIST OF TOP 10 SHAREHOLDERS AS OF DECEMBER 31, 2013

Group of shareholders	Nature of business	No. of shares	% of paid up capital
1. KINPO ELECTRONICS, INC. <sup>(1)</sup>	Manufacture of electronic products	1,691,871,970	41.41
2. FAR EASTERN INTERNATIONAL BANK <sup>(2)</sup>	Depository of TDR	773,030,653	18.92
3. KINGBOLT INTERNATIONAL (SINGAPORE) PTE LTD. <sup>(1)</sup>	-	276,644,500	6.77
4. COMPAL ELECTRONICS, INC. <sup>(3)</sup>	-	220,396,300	5.39
5. MR. CHERN KUAN-JAN	-	146,551,800	3.59
6. THAI NVDR COMPANY LIMITED	-	123,229,771	3.02
7. RAFFLES NOMINEES (PTE) LIMITED	-	49,095,519	1.20
8. STATE STREET BANK EUROPE LIMITED	-	29,284,300	0.72
9. EAST FOURTEEN LIMITED-DIMENSIONAL EMER MKTS VALUE FD	-	25,618,400	0.63
10. NORTRUST NOMINEE LTD.	-	18,753,900	0.46
<b>Total</b>		<b>3,354,477,113</b>	<b>82.11</b>

**Notes:** <sup>(1)</sup> Kinpo Electronics, Inc. and its 100% owned subsidiary, Kingbolt International (Singapore) Pte Ltd., hold totally 1,968,516,470 shares or 48.19%.

<sup>(2)</sup> The depository of underlying share of Taiwan Depository Receipts (TDR).

<sup>(3)</sup> As of December 31, 2013, Compal Electronics has holding the common share through Raffles Nominees(Pte)







## SECURITIES OF THE COMPANY

### 1. ORDINARY SHARES

The registered and paid-up capital as at December 31, 2013:

The registered capital: Baht 4,277,556,192, comprising 4,277,556,192 ordinary shares with the par value per share of Baht 1.

The paid-up capital: Baht 4,085,278,192, comprising 4,085,278,192 ordinary shares with the par value per share of Baht 1.

### 2. TAIWAN DEPOSITORY RECEIPTS (TDRS)

As of December 31, 2013, there are 773,030,653 units of Taiwan Depository Receipts (TDRs) underlying 773,030,653 ordinary shares or 18.92% of total paid up capital. The TDRs have been listed in Taiwan Stock Exchange with the code of 9105.TT. Depository of TDRs for the underlying shares is Far Eastern International Bank. The redemption rate is 1 TDR for 1 ordinary share. The right to redeem can be used every day without expiry. TDRs are entitled the same rights as ordinary shares such as the rights to attend the meeting, rights to vote, rights to receive the dividend and right to subscribe the RO, etc. As of December 31, 2013, TDR holders have redeemed their TDR to be the common stock of 4,000 units.

### 3. WARRANT

#### CCET-WA

The Company issued the Employee Stock Option Plan (ESOP) by allotting the 200,000,000 units of 3 years warrants for the rights to buy ordinary shares to the selected employees of the Company and/or its subsidiaries since April 2, 2012 with the code of CCET-WA. The warrants can be exercised on the 10th of every 3 months after the first exercise date throughout the Term of the Warrants for 3 years and the first exercise date will be start on April 2, 2013.

As of January 10, 2014 the warrentholders (CCET-WA) exercised the warrants of 8,822,000 unit and purchase the ordinary share of 8,822,000 shares. Therefore, the balance of warrants as of January 10, 2014 is 191,178,000 units.

### 4. NVDR

As at December 31, 2013, there are 123,229,771 units of NVDRs of the Company, equivalent to 3.02% of the paid-up capital, underlying the same shares of ordinary share. The NVDR holders are entitled to the same rights of the underlying shares, but do not have the right to vote in the shareholders' meeting except in case of delisting. The ordinary shares will be used as the underlying for issuance of NVDRs. Consequently, the number of voting shares will decrease. Even the number of NVDRs is quite small; there may be some changes that the Company is not able to control.

## INVESTMENTS

The name list of the company that CCET has invested more than 10% as the following:

#### 1. Cal-Comp Electronics (Suzhou) Company Limited

Cal-Comp Electronics (Suzhou) Company Limited has a paid-up capital of USD 27.18 million, operating as a manufacturer of electronics products. The products cover telecommunication sector and its operation runs in China. This subsidiary is 100% owned by the Company. The registered address is No.2288, Jiangxing East Road, Wujiang Economic Development Zone, Jiangsu, China.

#### 2. Cal-Comp Optical Electronics (Suzhou) Company Limited

Cal-Comp Optical Electronics (Suzhou) Company Limited has a paid-up capital of USD 41.30 million, operating as a manufacturer of electronics. The products cover computers sector and its operation runs in China. This subsidiary is 100% owned by the Company. The registered address is No.2288, Jiangxing East Road, Wujiang Economic Development Zone, Jiangsu, China.

#### 3. Cal-Comp Electronics and Communication (Suzhou) Co., Ltd.

Cal-Comp Electronics and Communication (Suzhou) Co., Ltd. has paid-up capital of USD 35 million, operating as a manufacturer of electronics products. The products cover computer peripheral and telecommunication sector and its operation runs in China. This subsidiary is 100% owned by the Company. The registered address is Wujiang Export Processing Zone, No. 688, Pangjin Road, Wujiang Economic Development Zone, Jiangsu Province, China.

#### 4. Cal-Comp Technology (Suzhou) Co., Ltd.

Cal-Comp Technology (Suzhou) Co., Ltd. has paid-up capital of USD 10 million, operating as a manufacturer of electronics products. The products cover computer peripheral sector and its operation runs in China. This subsidiary is 100% owned by the Company. The registered address is Genway Factory, No 288, Shengpu Road, Export Processing Zone B, Suzhou Industrial Park, Jiangsu Province, China.

#### 5. Cal-Comp Electronics and Communications Co., Ltd.

Cal-Comp Electronics and Communications Co., Ltd. has a paid-up capital of NTD 69,920,780, operating as a centre for R&D, sales, marketing, procurement, finance and business planning. This subsidiary is owned 100% by the Company. The registered address is 3F., No.99, Sec.5, Nanjing E. Rd., Songshan District, Taipei City 105, Taiwan

#### 6. Logistar International Holding Company Limited

Logistar International Holding Company Limited has a paid-up capital of USD 30,050,000, operating as a holding company to support investment in foreign countries and to make out of the full potential for business operation and also to be a distributor of the products. Logistar International Holding Company Limited is owned 100% by the Company. The registered address is situated at Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands.

#### 7. Cal Comp (Malaysia) SDN. BHD.

Cal Comp (Malaysia) SDN. BHD. has a paid-up capital of MYR 28.04 million, operating as a manufacturer of electronics products. The products cover computer peripheral sector and its operation runs in Malaysia. This subsidiary is 100% owned by the Company. The registered address is situated at Lot 711, Jalan Batu Tiga Lama, Sungai Rasa, Seksyen 16, 40200 Shah Alam, Selagor Darul Ehsan, Malaysia.

#### 8. Cal-Comp Electronics (USA) Co., Ltd.

Cal-Comp Electronics (USA) Co., Ltd. has a paid-up capital of USD 19,818,637, operating as a holding company. This subsidiary is 100% owned by the Company. The registered address is situated at 9877 Waples Street, San Diego, USA.

#### 9. Cal-Comp USA (San Diego), Inc.

Cal-Comp USA (San Diego), Inc. has a paid-up capital of USD 858,608 operating as a manufacturer of printed circuit board assemblies and running the business in America. The Company owns 100% of Cal-Comp USA (San Diego), Inc. indirectly through Cal-Comp Electronics (USA) Co., Ltd. The registered address is situated at 9877, Waples Street, San Diego, CA, USA.

#### 10. Cal-Comp USA (Indiana), Inc.

Cal-Comp USA (Indiana), Inc. has a paid-up capital of USD 5,399,506 operating as a manufacturer of printed circuit board assemblies and running the business in America. The Company owns 100% of Cal-Comp USA (Indiana), Inc. indirectly through Cal-Comp Electronics (USA) Co., Ltd. The registered address is situated at 1 Technology Way, Logansport, IN, USA.

#### 11. Cal-Comp Precision (Singapore) Ltd.

Cal-Comp Precision (Singapore) Ltd. has a paid-up capital of SGD 20.81 million, operating as mould and plastic injection and running the business in Singapore. This subsidiary is 100% owned by the Company. The registered address is situated at 19 Changi South Street 1, Changi South Industrial Estate Singapore 486779.

#### 12. Cal-Comp Precision (Thailand) Limited

Cal-Comp Precision (Thailand) Limited has a paid-up capital of Baht 622.12 million, operating as mould and plastic injection and running the business in Thailand. The Company owns 100% of Cal-Comp Precision (Thailand) Limited indirectly through Cal-Comp Precision (Singapore) Ltd. The registered address is situated at 130 Moo 1 Tombon Banklen Ambhor Bankpa-in Pranakhonsirayudthaya Province 13160.

#### 13. Avaplas Precision Plastics (Shanghai) Co., Ltd.

Avaplas Precision Plastics (Shanghai) Co., Ltd. has a paid-up capital of USD 983,100, operating as mould and plastic injection and running the business in China. The Company owns 100% of Avaplas Precision Plastics (Shanghai) Co., Ltd. indirectly through Cal-Comp Precision (Singapore) Ltd. The registered address is situated at No. 273, #57 De Bao Road, Wai Gao Qiao Free Trade Zone, Shanghai 200131, China.

#### 14. Cal-Comp Precision (Malaysia) Sdn. Bhd

Cal-Comp Precision (Malaysia) Sdn. Bhd has a paid-up capital of MYR 11.97 million, operating as mould and plastic injection and running the business in Malaysia. The Company owns 100% of Cal-Comp Precision (Malaysia) Sdn. Bhd indirectly through Cal-Comp Precision (Singapore) Ltd. The registered address is situated at PTD 37441, Jalan Perindustrian 3, Kawasan Perindustrian Fasa 2, 81400 Senai, Johor, Malaysia.

#### 15. Cal-Comp Precision (Dongguan) Co., Ltd.

Cal-Comp Precision (Dongguan) Co., Ltd. has a paid-up capital of USD 7,200,000, operating as mould and plastic injection and running the business in China. The Company owns 100% of Cal-Comp Precision (Dongguan) Co., Ltd indirectly through Cal-Comp Precision (Singapore) Ltd. The registered address is situated at No. 417 Bldg 5, Zhenan Central Road, Shatou Village, Changan Town, Dongguan City, Guangdong, China.



#### 16. Cal-Comp Precision (Wujiang) Co., Ltd.

Cal-Comp Precision (Wujiang) Co., Ltd. has a paid-up capital of USD 5 million, operating as mould and plastic injection and running the business in China. The Company owns 100% of Cal-Comp Precision (Wujiang) Co., Ltd. indirectly through Cal-Comp Precision (Singapore) Ltd. The registered address is situated at 2288, Jiangxing East Road, Wujiang Economic Development Zone, Jiangsu, China.

#### 17. CAL-COMP INDÚSTRIA E COMÉRCIO DE ELETRÔNICOS E INFORMÁTICA LTDA

CAL-COMP INDÚSTRIA E COMÉRCIO DE ELETRÔNICOS E INFORMÁTICA LTDA has a paid-up capital of R\$ 68.57 million, operating as electronic manufacturing and running the business in Brazil. The Company owns 100% of this Company. The registered address is situated at Rua Aracai, 143, Flores, CEP.: 69048-810, on the city of Manaus, Amazonas, Brazil.

#### 18. Cal-Comp Electronics de México Co. SA de CV

Cal-Comp Electronics de Mexico Co. SA de CV has a paid-up capital of USD 5 million operating as electronic manufacturing and running the business in Mexico. The Company owns 100% of this Company. The registered address is situated at De Los Encinos 1080 Sin Number Paque Industrial Villa Florida Tamaulipas 88730.

#### 19. Cal-Comp Technology (Philippines), Inc.

Cal-Comp Technology (Philippines), Inc. has a paid-up capital of PHP 212,712,000 operating as electronic manufacturing and running the business in Philippines. The Company owns 100% of this Company. The registered address is situated at No. 2 River Valley Road (Lot C3-13) Carmelray Industrial Park II Brgy. Punta, Calamba City, Laguna 4027, Philippines.

#### 20. Wise Sigma International Holding Company Limited

Wise Sigma International Holding Company Limited has a paid-up capital of USD 5 million, operating as a holding company. The Company owns 44.55% of Wise Sigma International Holding Company Limited indirectly through Logistar International Holding Company Limited. The registered address is situated at Beaufort House, P.O. Box 438, Road Town, Tortola, British Virgin Islands.

#### 21. A-Ten Technology Co., Ltd

A-Ten Technology Co., Ltd. has paid up capital of NTD 30 million. The main business activities are a research house and distribution for telecommunication products such as mobile phones, pagers. The Company owns 34.33% of A-Ten Technology Co., Ltd indirectly through Logistar International Holding Company Limited. The registered address is situated at 4F., No.442, Sec. 2, Jhongshan Rd., Jhonghe Dist, New Taipei City 235, Taiwan ,R.O.C.

#### 22. Daviscomms (S) Pte Ltd.

Daviscomms (S) Pte Ltd. has paid up capital of SGD 3,084,109, operating as a design, manufacturing and distribution of telecommunication related products and running the business in Singapore. The Company owns 20% of Daviscomms (S) Pte Ltd. indirectly through Cal-Comp Precision (Singapore) Ltd. The registered address is situated at Block 70, Ubi Crescent, Ubi Techpark, #01-07, Singapore 408570.

#### 23. Metal Component Engineering Limited ("MCE")

Metal Component Engineering Limited is listed in Singapore Stock Exchange (SGX-ST) has a paid up capital SGD 364,812,000 and running business in Singapore. The Company has invested in MCE in order to improve management efficiency and vertical integration. The Company owns 16.45% of paid up capital of MCE and the registered address is situated at 10, Ang Mo Kio Street 65, Techpoint, #04-02, Singapore 569059.

#### 24. Kinpo Group Management Service Co., Ltd.

Kinpo Group Management Service Co., Ltd. has a paid-up capital of NTD 8 million, operating as a consultant company. The Company owns 25% of paid up capital indirectly through Cal-Comp Electronics and Communication Co., Ltd. and the registered address is situated at 10F., No.99, Sec.5, Nanjing E. Rd., Songshan District, Taipei City 105, Taiwan

#### 25. Inx Japan International, Inc.

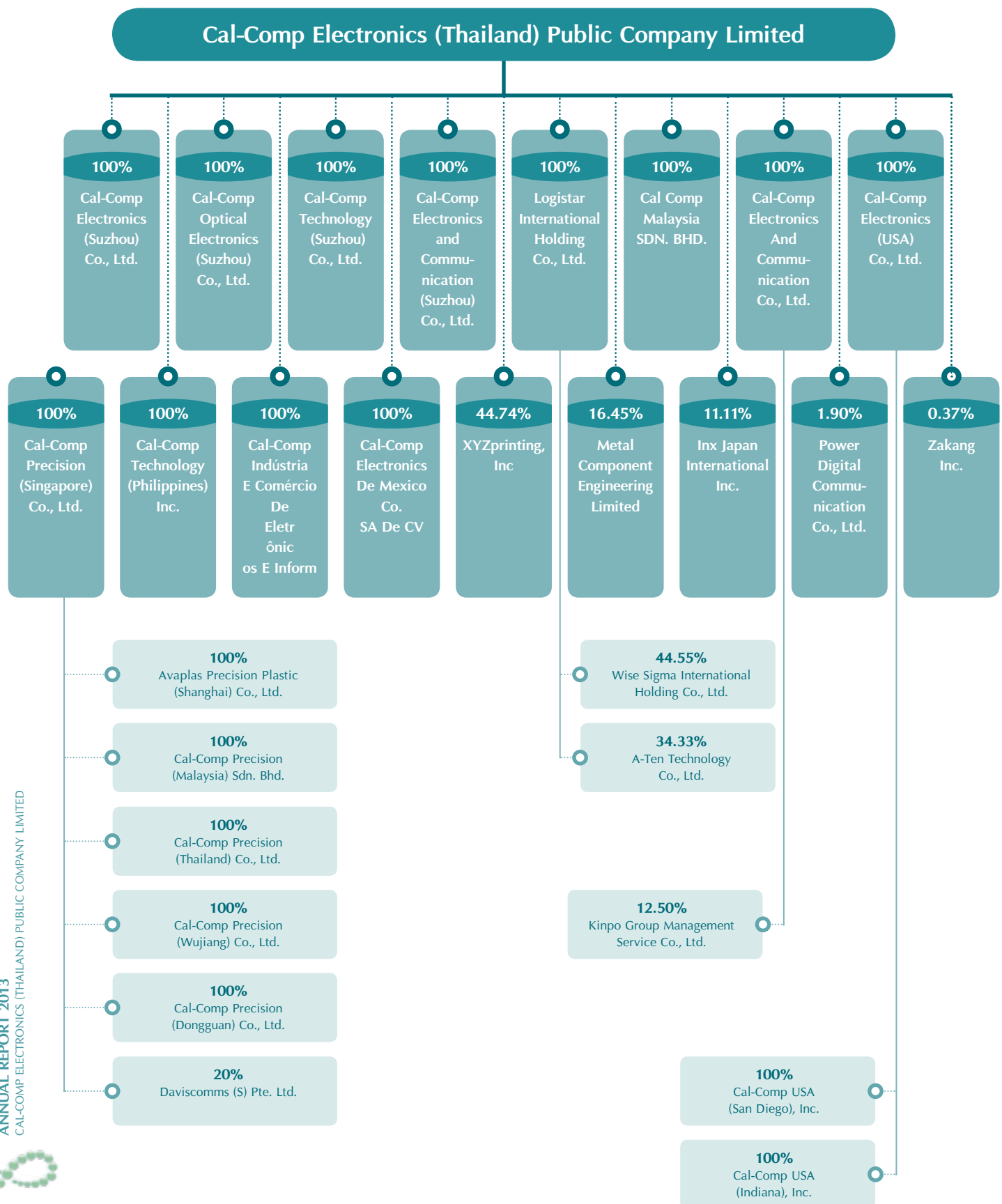
Inx Japan International, Inc. has a paid-up capital of ¥90,000,001, operating as a distributor of computers products and management of copyrights for products designed under the name "Inx Japan". The Company owned 11.11% and the registered address is situated at 2 Fl., Akasaka Long Beach Bldg., Akasaka 3-21-20, Minato-Ku, Tokyo, Japan.

#### 26. XYZprinting, Inc.

XYZprinting, Inc. has a paid-up capital of NTD 600 million, operating as a provider of 3D printing products and services. The Company owned 44.74% of paid up capital of XYZprinting, Inc. and the registered address is situated at 10F., No.99, Sec.5, Nanjing E. Rd., Songshan District, Taipei City 105, Taiwan

# THE GROUP STRUCTURE OF THE COMPANY

The group structure of the company As of 31 December 2013







## INVESTMENT POLICY AND BENEFITS DERIVED FROM INVESTMENT IN ANY ASSOCIATED COMPANY AND OTHER COMPANIES

In an attempt to make investments in any subsidiary company, associated company and other companies, the Company will particularly take into account the possibility of generating proceeds and benefits to be obtained by the Company. The company has established manufacturing facilities in China since 2003 as well as established manufacturing facilities in Malaysia and acquired new business in Singapore, Malaysia, USA, Brazil, Mexico and Philippines in 2010-2013 to leverage the low cost production can keep the Company competitive and be able to address customer's need as well as the improving of vertical integration. As a result, the Company has expanded its customer base and operation scale to a world class EMS.

## OTHER REFERENCE PARTIES

### Shares and Warrants Registrar

: Thailand Securities Depository Co., Ltd.  
 62 The Stock Exchange of Thailand Building  
 Rachadapisek Road, Klongtoey, Bangkok 10110  
 Tel: (662) 229-2800  
 Fax: (662) 359-1259

### Taiwan Depository Receipts (TDRs) Depository

: Far Eastern International Bank  
 5 F, No. 1, Hsiang Yang Rd., Taipei,  
 Taiwan, R.O.C.  
 Tel : 886-2-2312-3636  
 Fax : 886-2-2388-8278

### Auditor

: Mr. Sophon Permsirivallop  
 Certified Public Accountant (Thailand) No. 3182  
 Ernst & Young Office Limited  
 193/136-137, Lake Rajada Office Complex,  
 Rachadapisek Road, Klongtoey, Bangkok 10110  
 Tel: (662) 264-0777  
 Fax: (662) 264-0789-90

# NATURE OF BUSINESS OPERATION

## NATURE OF BUSINESS OPERATION

Cal-Comp Electronics (Thailand) Public Company Limited ("The Company") was found with initial capital of Baht 125 million on 4 December 1989 in order to embark on electronics manufacturing services (EMS) business. At present, the Company has registered capital of Baht 4,277,556,192 and paid-up capital of Baht 4,085,278,192 Baht

The Company is in Electronics Manufacturing Services (EMS) business, producing electronics products for major brands world-wide; for instance, Western Digital, Seagate, Hitachi, Advance Digital Broadcast, Technicolor, Pace, Hewlett Packard, Panasonic, Nikon and else. The Company's products can mainly categorize into 2 groups as follows:

- Computer peripherals such as ink-jet printers, laser printers, multi-function printers, 3D printers, large format printer, main board, external hard disk drive and PCBA for hard disk drive, PCBA for TV, PCBA for digital camera, SSD and LED lightening
- Telecommunication products such as Set Top Box.

As of 31 December 2013, the Company has employees 18,707 globally, 3,990 in China, 9,978 in Thailand, 986 in Taiwan, 625 in Malaysia, 1,610 in Brazil, 822 in Mexico, 361 in USA, 68 in Singapore and 267 in Philippines

The Company was awarded investment tax privileges type 5.4, 5.5, 5.6 and 5.7 for manufacturing electronics products and electronics components from Board of Investment (BOI) in which provided 8 tax incentive projects. Beside, Cal-Comp Precision (Thailand) Limited was awarded investment tax privileges for Plastic components of electronics products from BOI in which provided 3 tax incentive project as well.

## INCOME STRUCTURE

Divisions	2011		2012		2013	
	Million Baht	Million Baht	Million Baht	%	Million Baht	%
Computer Peripheral	114,013	85.82	113,480	80.05	94,078	77.21
Telecommunication Products	17,966	13.52	26,713	18.85	27,457	22.53
<b>Total sales</b>	<b>131,979</b>	<b>99.34</b>	<b>140,193</b>	<b>98.90</b>	<b>121,535</b>	<b>99.74</b>
Other revenue	872	0.66	1,562	1.10	322	0.26
<b>Total revenue</b>	<b>132,851</b>	<b>100.00</b>	<b>141,755</b>	<b>100.00</b>	<b>121,857</b>	<b>100.00</b>

## PRODUCTION VOLUME

(Unit : Thousand Units)

Description	2011		2012		2013	
	Number	%	Number	%	Number	%
<b>Production volume</b>						
- Computer Peripheral	254,688	95.13	314,315	94.60	271,091	94.37
- Telecommunication Products	13,042	4.87	17,931	5.40	16,161	5.63
<b>Total</b>	<b>267,730</b>	<b>100.00</b>	<b>332,246</b>	<b>100.00</b>	<b>287,252</b>	<b>100.00</b>

The production of the Company and its subsidiaries utilizes labor for 1 round per day (8 hours per round). Overall, the Company averagely utilizes 90%, 95% and 85% of the full capacity for year 2011, 2012 and 2013, respectively.

In order to improve the Company's manufacturing efficiency while maintain its existing competitiveness, the Company developed a series of system to monitoring the operation routine on daily basis. Four systems including production direct control system, manufacture



on time systems, B2B procurement system, and digital center server system have formed a fine network to provide the Company and its customers most updated information in order to track and analyze potential issues.

Details of purchasing of local and foreign raw materials during 2011-2013

The Company has purchased raw materials through local and overseas suppliers. Below is the Company's consolidated purchase amount in million baht during 2011-2013

Order	2011		2012		2013	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic raw materials	24,515.72	20.84	15,048.82	12.94	13,018.37	11.05
Imported raw materials	93,134.58	79.16	101,275.08	87.06	104,767.31	88.95
<b>Total</b>	<b>117,650.30</b>	<b>100.00</b>	<b>116,323.90</b>	<b>100.0</b>	<b>117,785.68</b>	<b>100.00</b>

## TYPES AND SOURCES OF ESSENTIAL MATERIALS

### Materials for internal components

Material	Description	Source of supply
Radio Components	Antenna, Balun and Bandpass filter, Transceiver, Tuner, Power amplifier, Resonator, Crystal	Taiwan, Korea and China
Chip IC series	MCP, DSP, Audio amplifier, Memory, LCM driver, Power management, Media IC.	Singapore, Japan, Korea and the U.S.
Key Component	CPU, HD, Pens, LCM, Printer heads, Modulator	Thailand, Taiwan, China, Singapore and Japan
Other Components	Capacitor, Bead inductor, Vibration Motor, Speaker, Receiver, Microphone, Metal Dome, Switch, Connector, FPC, LED, Discrete, PCB, Res	Thailand, Taiwan, China, Singapore, Japan, and the U.S.

### Materials for external components

Materials for external components are primarily the case of the products and other outside components as follows:

Material	Description	Source of supply
Adapter and Cables	Electric cable and adaptors	Thailand, Malaysia, China
Case	Plastics and plastic components	Thailand, Singapore, Malaysia and China
Packaging	Paper box, Poly foam, Plastic bags, Plastic tapes and Tag.	Thailand and China

## MATERIAL SUPPLIERS

Key components will be procured according to customer's specification. The major shareholders and affiliates may be also CCET's customers as well. The Company implements random sampling to investigate each raw material types and uses Vendor Quality Assurance system to certify the qualified suppliers. The Company will only place order to the qualified suppliers.

Moreover, there are 3 raw material suppliers established their manufacturing facilities inside the Company's productions zone which is called Value-Chain Partnership. This partnership allows CCET to control raw materials quality in real time and to reduce inventory spaces and to lower transportation costs. Those three suppliers do not hold shares of the Company, nor do them related to management of the Company. The aforementioned suppliers are as follows:

Suppliers	Raw material
1. Ever Jet Co., Ltd.	Plastic components
2. Jet Industries (Thailand) Co., Ltd.	Plastic components
3. MCT (Thailand) Co., Ltd.	Metal sheet

## PURCHASING POLICY

The Company's purchasing policy is based upon the comparison of prices of raw materials quoted by each supplier, and punctual delivery of the supplier to each shipment and taking into account the maximum benefits to be obtained by the Company. In the purchasing process, the sales department and the production department will cooperate in planning the purchase of raw materials so as to ascertain the demands for each period and maintain the inventory at an appropriate level from time to time.

## MATERIAL CHANGES IN 2013

- On April 2, 2012, the Company has allotted the Warrants to Purchase New Ordinary Shares Cal-Comp Electronics (Thailand) Public Company Limited 2011 (CCET-WA) in the amount of 200,000,000 units contributed employees of the Company and/or its subsidiaries. The offering price is 0 Baht, and the term is 3 years after offering date which expired on April 2, 2015. The exercise price is 2.80 Baht/share and the exercise ratio 1 ordinary share for 1 warrant and this warrant is non-listed warrant. As of December 31, 2013, the Warrantholders has exercised total 7,722,000 units during the year.
- On February 21, 2013, the Company's subsidiaries in Philippines has changed its name from New Kinpo Group Technology (Philippines), Inc. to Cal-Comp Technology (Philippines), Inc..
- On July 12, 2013, the Company has jointly invested in a new associated company in Taiwan named XYZprinting, Inc. which principally engaged in conducting product research and development for manufacturing and marketing of the new technology in new 3D printing industry. The Company has invested USD 9 million in the associate company.



# INDUSTRY AND MARKET COMPETITION

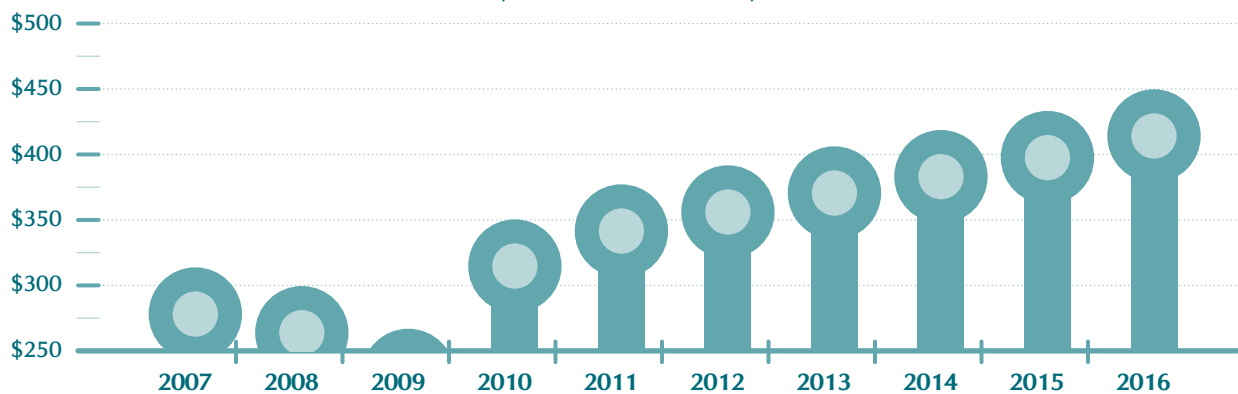


## EMS INDUSTRY OVERVIEW

Despite lingering weakness in the global economy and continuing uncertainty in technology markets, the outsourced manufacturing industry has expected to post at moderate revenue growth in 2013 as original electronic manufacturers increase their outsourcing activities to capitalize on opportunities for expansion across multiple industries including consumer electronics, industrial electronics and automotive electronics.

Revenue in 2013 for the worldwide outsourced manufacturing industry is forecasted to reach \$404.5 billion, up 4.5% from \$387 billion last year, according to the research of IHS.

Worldwide Outsourced Manufacturing Revenue Forecast  
(Billions of US Dollars)



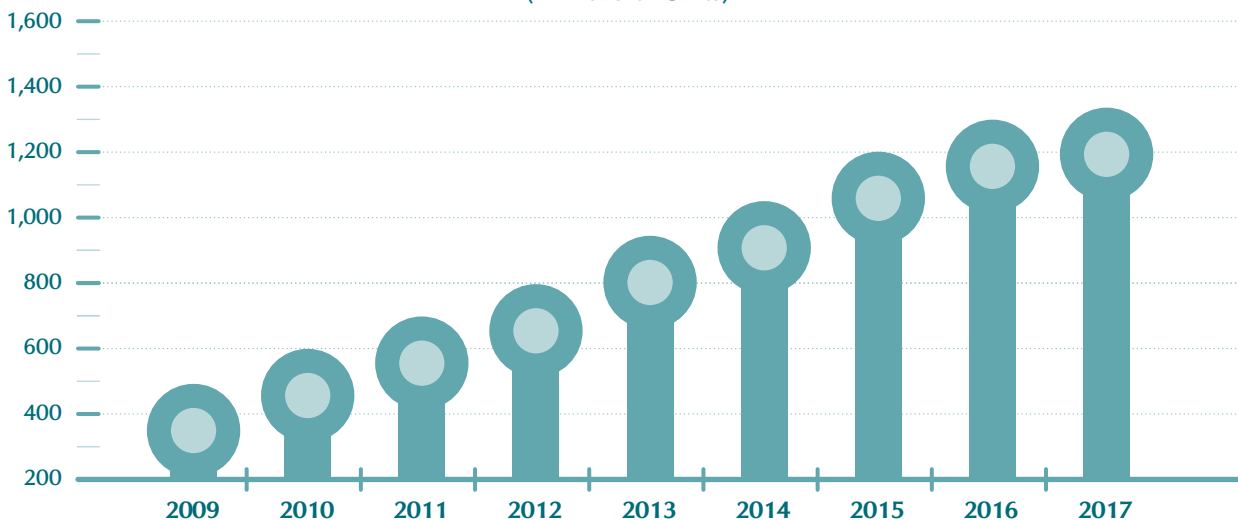
Source: IHS iSuppli Research, February 2013

## STB INDUSTRY OVERVIEW

The global installed base of conditional access (CA) clients in set-top boxes (STB) in 2013 is projected at around 965 million units, up from 15% in 2012. It is expected to exceed 1 billion units for the first time in 2014 as growth is driven by expanding demand in the emerging regions of Latin America, India, and China.

The installed base of CA STB clients is expected to rise to 1.1 billion units in 2014, up from 14% in 2013, and more than double the growth as compared to five years earlier back in 2009. The forecast of 9 year trend up till 2017 for the global installed base of CA STB clients is as below;

Global Set-top Box Conditional Access Client Installed Base Forecast  
(Millions of Units)



Source: IHS Inc. October 2013



In STBs, CA clients come in a variety of implementations, including software that is either embedded into the STB or separate in the form of smartcards or subscriber identification modules. As television services continue to expand their reach into new regions, the installed base of STBs keeps rising. In parallel with the expansion of the STB business, there has been growing demand for CA technology in cable, satellite and Internet protocol television (IPTV). Because of this, emerging markets continue to increase their demand for STB CA clients, even as established markets see slowing and declined in annual growth.

For regions with well-established TV markets including North America and Japan are set to experience declining demand for STB CA clients in 2013 and 2014, particularly in Japan in 2013 as demand slowed down following a surge in sales driven by government subsidies for digital terrestrial television (DTT) STBs.

In contrast, most of the expansion of the installed base in CA clients will be spurred by the emerging markets of China, Latin America, India and Eastern Europe.

China cable set-top box shipments in particular have exploded, initiating the rise of a series of local specialist conditional access vendors, such as China Digital TV, Sumavision and Digital Video Networks. Growth is being further boosted by demand for free satellite, driven by the government's TV project.

The Latin American region's growth is primarily being stimulated by cable digitization and consumer uptake of pay satellite, particularly in Brazil and Mexico. Furthermore, Mexico's encrypted DTT platform is also an important driver for CA growth in the region.

India's growth, meanwhile, is propelled by the vigorous expansion of the country's cable market. And for the Eastern European markets of Romania, Russia and Ukraine, growth is a result of cable digitization, which is pushing overall CA expansion.

## HARD-DISK-DRIVE INDUSTRY OVERVIEW

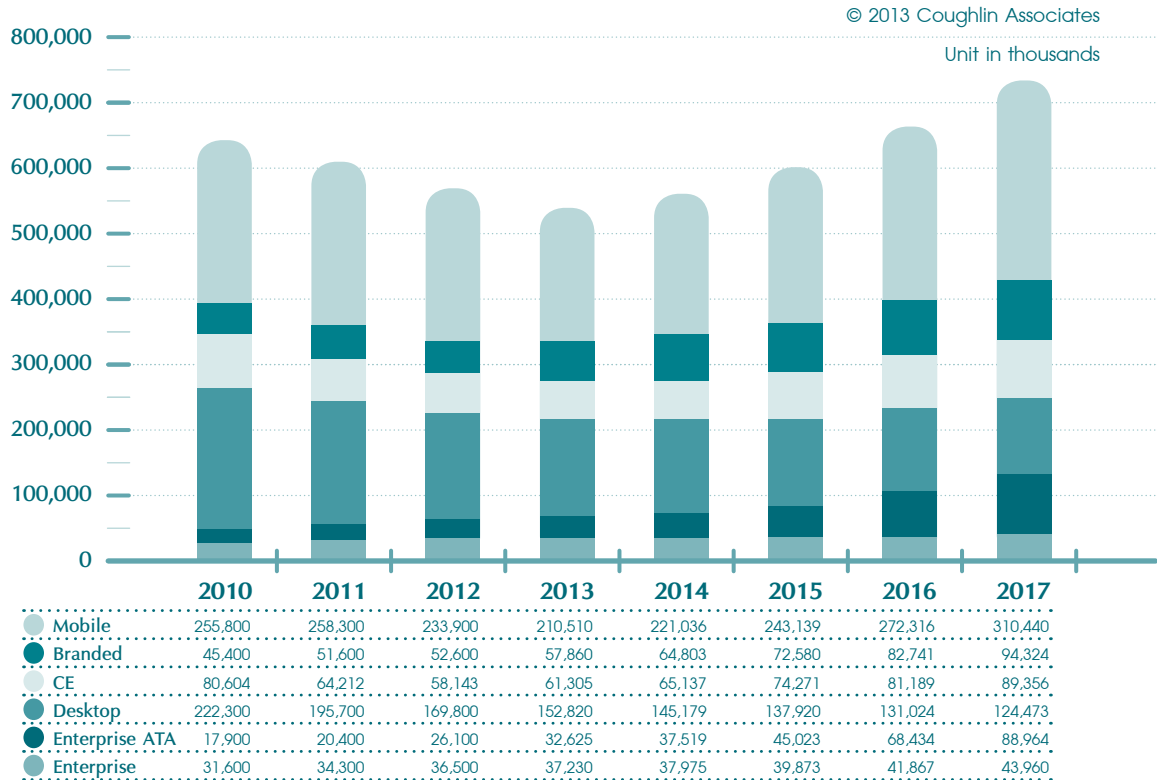
The hard disk drive (HDD) industry is continuing to experience lower annual growth in 2013 as compared to previous year. Worldwide revenues for HDDs shipments expected to reach \$33 billion in 2013, down 12% from \$37.8 billion in 2012.

The continuously declined HDD shipments in 2013 is believed due to longer refresh cycles for PCs (although the decline in PC HDD shipments in Q1 2013 was only about 1% compared to PC shipment declines of about 14% in the quarter—possible due to replacement of HDDs in older PCs rather than purchase of new PCs), consumer preference to purchase tablet computers rather than traditional PCs and the lack of popularity of Windows 8 PCs.

Shipments of HDDs for enterprise applications, particularly the large HDDs used for content storage in large data centers (the cloud), is robust in 2013. It is expected that external storage devices (branded products) as well as consumer electronics HDDs will show continuous growth through the following year. A new generation of ultra-thin notebook PCs using hybrid HDDs is expected to help with the recovery of PC HDDs in 2013 onward and desktop HDDs is projected to show continuous decline. In brief, the long-term growth prospects for HDDs shall depend upon cloud storage, ultra-thin notebook computers, external storage products and consumer electronic storage.

In 2013, the 3 major key players Western Digital remarked for 42–45% market share, Seagate remarked for 40–43% market share and Toshiba remarked for 13–16% market share. The changing trends in storage technology toward data centers where greater storage utilization is expected and is expected to have a slower growth of storage systems and devices than would otherwise have been likely.





Source: Digital Storage Technology Newsletter, May issue.

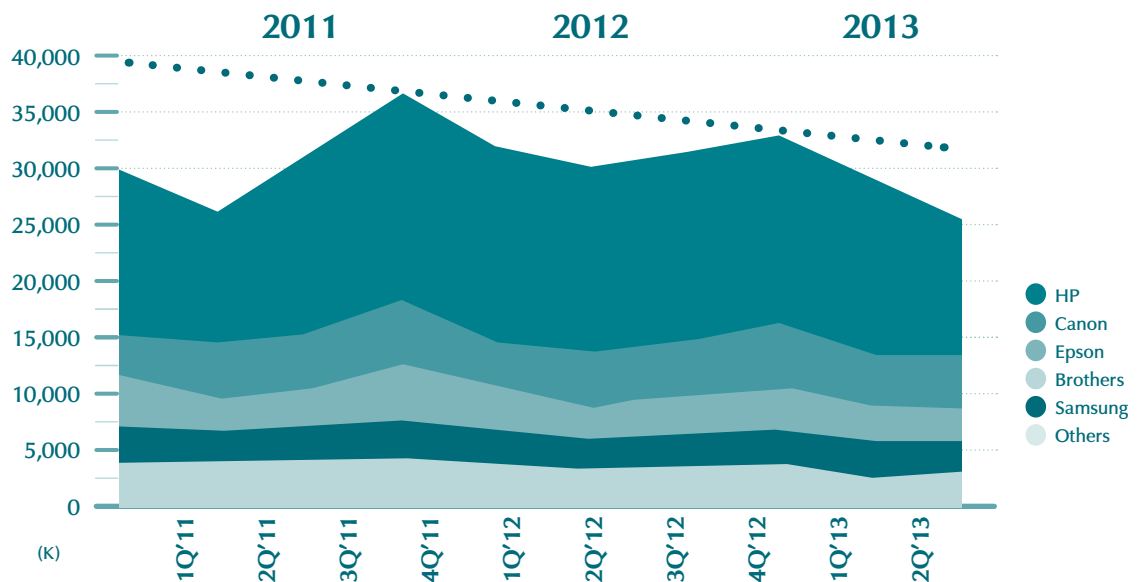
## PRINTER INDUSTRY OVERVIEW

The worldwide hardcopy peripherals market grew 2.6% year over year with 28.1 million units shipped in the third quarter of 2013 (3Q'13) based on IDC. Research. Most significantly, this quarter's market growth marks the first time since the first quarter of 2011 where both inkjet and laser segments achieved year-over-year unit shipment growth. These growth figures were 0.4% for inkjet and 5.9% for laser.

Contributing to the overall growth were positive year-over-year results from all major markets with Asia/Pacific (excluding Japan)(APeJ) leading the pack at 5.2%, followed by Western Europe and the United State with growth of 3.5% and 0.5%, respectively.

IDC market analysis experts anticipate that initiatives such as managed print services and wider availability of digitally-based content will continue to gradually shift hardcopy peripheral devices away from the desktop and toward more shared and centralized machines. As such, vendors who concentrate on these opportunities should find the best payback for future hardcopy peripheral unit and value shipments.

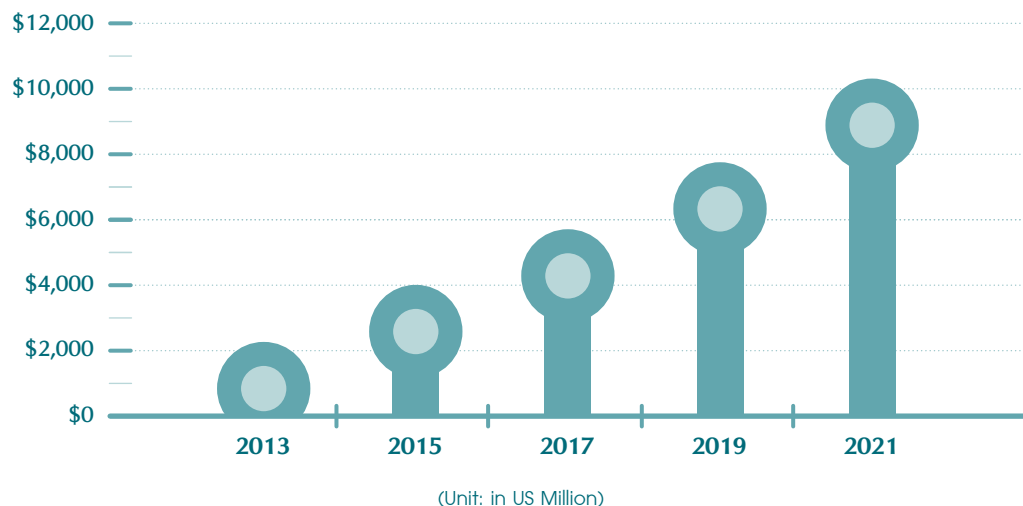
## GLOBAL SALES TREND OF PRINTERS:



Source: IDC Worldwide Quarterly Hardcopy Peripherals Tracker, November 2013

In addition to the traditional printing technology, the new launched 3D printing technology in recent years is considered as a technology breakthrough in the printing industry. In fact, it has marked as top 10 tech trend in 2013 and is expected to have significant growth in 2014 and reach US 10.8 Billion globally.

### 3D PRINTER GLOBAL MARKET VALUE



Source: Wohlers report 2013

### LED LIGHTING INDUSTRY OVERVIEW

Based on LEDinside's research, the increased global shipments of LED lighting product was due to replacement tide as well the fall in LED product prices. With replacement lamp being the most obvious, bulbs and tubes are the most popular ones in the market, which account for 38% and 24% of LED lighting product demanded in 2013 respectively. More, it is expected that the demand for LED luminaries will gradually rise in the future, especially that the products combined with intelligent system will draw greater attention from the market. As a result the proportion of LED luminaries is expected to increase year by year.

According to the data from LEDinside, the growth rate of LED lighting market demand volume in North America is expected to reach 72% in 2014.

Furthermore, in Latin American countries like Brazil, LED lighting market is also growing rapidly, especially in the LED commercial lighting market and the growth rate of LED lighting market demand volume is expected to reach 64% in 2014.

For the matured market like Europe which does not have massive subsidies, its high electricity price and the lighting culture differences market the demand of commercial lighting and architectural lighting market to continue. As the ban of incandescent lamp is being implemented in the next few years, it is estimated that the market will continue to show steady growth trend. The growth rate of LED lighting market demand volume in Europe is expected to reach 69% in 2014.

On the other hand, the fact that the China government act as an important role to promote the LED industry development through subsidy policies has continuously taken effect which believed that the growth rate of LED lighting market demand volume in China shall reach 86% in 2014.

In North America, it is expected to soon completely eliminate incandescent bulbs with LED lightings. Roughly, the LED lighting market is anticipated to grow 45% per year through 2019 and sale reach \$42 billion by 2019.

Overall, the main reason would be the declined price as well as the increased interest among the public. In brief, the LEDs has becomes the best solution in lighting industry, therefore the continuous phase out of incandescent lights is still expected in the follow years and the onset of LED command of the market is upon us!

Source: ReportsnReports.com, October , 2013





CCET is committed in developing a comprehensive risk management system dedicated to the financial operation, economic condition, environment, and personnel criteria. Risks may affect our business operations are listed as below. However, this may not be an exhaustive list and unforeseen risks outside of our control may also impact the business operations.

## 1. RISK ASSOCIATED WITH OPERATION

### 1.1 RISKS FROM OBSOLETE INVENTORY

The procurement and production plans are made based on customers' forecast and may subject to change in order to correspond to the sale conditions. CCET has selective teams and systems to constantly monitoring the demand and inventory level in order to respond customer's need efficiently.

Meanwhile, the Company has adopted make-to-order method as the manufacturing policy. The sales from OEM customers contributed the majority of CCET's sales and have limited risk of obsolete inventory. The obsolete ratio is at 1.41% as end of December 2013 which decreased from 1.44% as at end of December 2012. On the other hand, ODM sale bear the inventory risk but is at lesser degree of impact since the revenue from ODM are minimal.

Additionally, the raw materials and obsolete inventories are re-valued by the auditors from time to time and recorded according to accounting standard under market-to-market method in order to reflect on time update condition. Further, the Company write off inventories that not be used for 2 year.

### 1.2 RISKS FROM DEPENDENCY UPON MAJOR CUSTOMERS

CCET has established long term relationship with its customers by providing quality technical service and working closely as a team to continuously create competitive advantages for both. Meanwhile, the Company has also committed in expending new customer base to mitigate the dependency on particular customer. At the same time, the Company has continued to develop new products as well broaden its market base by embarking on new industry in order to reduce the risk from dependency upon major customers.

### 1.3 RISKS FROM INFLUENCE OF MAJOR SHAREHOLDERS TOWARD MANAGEMENT POLICY

At the present, the board of director of the Company has 4 directors, nominated by the major shareholder Kinpo Electronics., Inc. Nonetheless, Kinpo could not control a majority voting at the shareholder meeting that requires at least 75% of the majority vote in regards of the nomination of directors or other issues that require majority vote, except issues that the law or the memorandum of association of the Company has specified. As such, a minority shareholder is to be able to accumulate votes, to check and to balance the voting power of the major shareholder.

### 1.4 RISKS FROM CONCENTRATION OF PURCHASE AND RAW MATERIAL QUALITY

The Company has established procurement centre to ensure stability of shipping schedule among qualified suppliers while minimize risks bore by concentrate on particular supplier. Meanwhile, the Company has set up Quality Assurance Centre strictly examines the quality prior the production in order to secure CCET's profound quality reputation. In addition, materials which consigned by the customers will also following the company qualification procedure to minimize the burden occurred later in the manufacturing process.

### 1.5 RISK FROM THE ADEQUACY OF WORKING CAPITAL

Working capital is one important factor needed to be considered for business operations and company expansion since it will have direct impact on the Company's performance. The Company's working capitals came from operation, short-term and long-term loans from financial institutions. As of December 31, 2013, the Company had total borrowed through short-term and long-term loan of Baht 21,322.97 million which accounted of 50.50% of total liabilities. As at December 31, 2013, the credit facilities and long-term loan of the Company and its subsidiaries with have not been drawn down amounted to USD 663 million or approximately Baht 21,281.57 million. The Company believes this is sufficient to meet future business growth. However, the working capital needed in the future will be depend on the business expansion and M&A opportunity.

## **2. RISK ASSOCIATED WITH ECONOMIC CONDITION AND FINANCIAL MARKET**

### **2.1 RISKS FROM INTEREST RATE FLUCTUATION**

The Company exposure to potential risks in interest rate primarily through its cash at banks and borrowings. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, therefore the interest rate risk is expected to be minimal. Current interest rate is at 1.0% to 3.9%. Meanwhile, the Company had both long term and short term loan from financial institutions to secure company's regular operation.

### **2.2 RISKS FROM FOREIGN EXCHANGE VOLATILITY**

The Company exposure to foreign currency risks mainly arise from trading transactions and borrowings that are denominated in foreign currencies. Consequently, the fluctuation in US dollar may adversely distress the financial performance. Nevertheless, the Company had managed the risks by using natural hedge method when it considers appropriate to minimize possible loss.

CCET is continuously monitoring the global economic and market movements with regards to the exchange rates with the aim of preventing potential loss.

## **3. RISK FROM NATURAL DISASTER**

The Company sees potential risk and impact in relate to nature disaster incidents, and has set up prevention plan as well the employee emergency training on a regular basis. In addition to that, the Company's global manufacture facilities are well planned and be able to provide immediate support to the affected facility which not only counting for continuously customer support but also be able to minimize potential business loss due to natural disasters.





# MANAGEMENT STRUCTURE



## EXECUTIVE COMMITTEE

The Company has two executive committees, the Board of Directors and the Audit Committee.

## BOARD OF DIRECTORS

As of 31st December 2013, the Company's Board of Directors consists of the following members.

- |    |                             |  |
|----|-----------------------------|--|
| 1. | Mr. Hsu, Sheng-Hsiung       | Chairman   |
| 2. | Mr. Shen, Shyh-Yong         | Vice Chairman  |
| 3. | Mr. Khongsit Choukitcharoen | Managing Director                                    |
| 4. | Mr. Hsu, Sheng-Chieh        | Director   |
| 5. | Mr. Chang, Zuei-Wei         | Director   |
| 6. | Mr. Wang, Ho-Shun           | Director   |
| 7. | Mr. Alan Kam                | Independent Director and Chairman of Audit Committee |
| 8. | Mr. William Hang Man Chao   | Independent Director and Audit Committee             |
| 9. | Mr. Thanasak Chanyapoon     | Independent Director and Audit Committee             |

### Remark:

1. Mr. Alan Kam and Mr. William Hang Man Chao have the knowledge to review the financial statement.
2. Mrs. Sunadda Jaypong is the Corporate Secretary

## AUTHORIZED DIRECTORS

The authorized directors are Mr. Hsu, Sheng-Hsiung and Mr. Shen, Shyh-Yong and Mr. Khongsit Choukitcharoen. Either one of signature of authorized directors is authorized to sign on behalf of the Company with the Company's seal affixed.

## Scope of authorities and duties of the Board of Directors

### 1. Duties of the Board of Directors

The Board of Directors has applied its knowledge, ability and experience to carefully perform its duties in the Company's interests in accordance with the Company's objectives, regulations and resolutions made to shareholders with the strong commitment to a practice of honest, straight-forwardness and carefulness toward a maximum extent of effort to maintain both the Company and shareholders' benefits.

### 2. Duties on the accountability to shareholders

The Board of Directors has to have consistently accountability to shareholders, protect the interests of shareholders and transparently disclose clear information to investors.

### 3. Review and approval of financial reports and changes in accounting policy

The Board of Directors is responsible for approving the financial reports that have been audited and/or reviewed by the auditor and the Audit Committee, and any changes in accounting policy.

### 4. Review and approval on appropriateness of business policies

The Board of Directors is responsible for reviewing and approving any appropriate policy, budget and direction of the Company's business operation and plans as proposed by the Management.

### 5. Supervision of Management

The Board of Directors is responsible for supervising the Management to efficiently perform in the line with the policy set and for informing the Management in preparing any material reports on the Company's business operation and other related party transactions in accordance with the rules and regulations of the Office of Security and Exchange Commission and the Stock Exchange of Thailand.

In cases of necessity, the Board of Directors will set third parties to give professional or technical advice on any matter, which may materially affect the Company's business.

## 6. Pursuance of internal control and audit system

The Board of Directors has to set up and maintain effective internal control system designed to provide the Management with reasonable assurance that transactions are recorded properly and accurately enough to ensure that the assets are safeguarded and that material frauds and malpractice are precluded. The Board of Directors also appointed the Audit Committee and the internal audit unit to examine the adequacy and the suitability of the internal control system of the Company.

## 7. Independent performance of non-management directors

The independent directors have their own discretion to make decision on any strategy, administration, appointment of directors and any other material matter affecting the benefits of the Company, including the sufficient and appropriate access to information technology concerning financial and business matters on the interest of the Company.

## 8. Ethics and etiquette

The Board of Directors prepares a compliance manual in relation to the ethics and etiquette of the Management and staff as guidelines for good and proper practice within the Company.

All aforementioned responsibilities can be enforced and approved by the Board of Directors except for the following items, which require shareholders' approval.

- In compliance with the law, requiring a shareholders' resolution
- Connected transactions as set out in SEC or by laws

The transactions in which any director has a material interest, directly or indirectly, or has a conflict of interest, the director(s) has no voting right on such transactions.

## AUDIT COMMITTEE AND INDEPENDENT DIRECTOR

Definition of "Audit Committee" as the following:

1. Holding not more than 1% of the shares entitled to vote of the Company, subsidiary companies and its affiliated companies or conflicting juristic persons, shares held by related persons to be included in the calculation.
2. Not being a director who take part in the management; an employee; a staff; an advisor who receives a regular salary and is not in a position to exert control over the Company, its subsidiaries or fellow-subidiaries or on any entity likely to give rise to a conflict of interest (at present, and in the two years prior to his appointment)
3. Does not have business dealings with the Company:
  - 3.1 Is not an auditor of the Company
  - 3.2 Does not provide other professional services to the Company such as legal or financial consultancy or appraisal worth more than Baht 2 million per year.
  - 3.3 Does not have habitual related party transaction by way of rent or lease, whether as lesser or lessee, or real estate, or concerning assets/services or the receipt or provision of financial assistance with a value exceeding Baht 20 million or 3% of NTA, whichever is the lower, including transactions carried out in the one year prior to carrying out of any given transaction.

He must not have business relations as defined in 3.1 to 3.3 above at present, nor in the two years prior to his appointment except where there is necessary and proper reason and in any case not continuously or constantly. An





Independent Director or Audit Committee Member may have relations that go beyond those stipulated while performing his office, but only after obtaining the unanimous prior approval of the Company's Board of Director and subject to the relationship being disclosed per Form 56-1, in the annual report and in the letter of invitation to the Shareholder's Meeting in the event that the Shareholders' Meeting is to be asked to renew the term of office of the Independent Director or Audit Committee Member concerned.

4. Not being a person related by blood or by registration under laws as father, mother, spouse, sibling or child of or the spouse of a child of an Administrator, major shareholder or other person in a position of authority or candidate as Administrator or person in a position of authority of the Company or any of its subsidiaries.
5. Has not been appointed to represent a Director or major shareholder or other shareholder that is a related party to a major shareholder.
6. Does not have any other characteristic limiting his independence.
7. An Independent Director having the characteristics set out in points 1 to 6 above may be given powers by the Board of Directors to decide on matters involving the Company, its subsidiaries, its joint ventures or fellow-subsidiaries or entities likely to have a conflict of interest on a collective decision basis.

### Scope of authorities and duties of the Audit Committee

- (1) To review the Company's financial reporting process to ensure that it is accurate and adequate.
- (2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine and internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.
- (3) To review the Company's compliance with the law on securities and exchange, the Exchange's regulation, and the law relating to the Company's business.
- (4) To consider, select and nominate an independent person to be the Company's auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.
- (5) To review the Connected Transactions or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable, and are reasonable and for highest benefit of the Company.
- (6) To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:
  - (a) An opinion on the accuracy, completeness and creditability of the Company's financial report.
  - (b) An opinion on the adequacy of the Company's internal control system.
  - (c) An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
  - (d) An opinion on the suitability of an auditor.
  - (e) An opinion on the transactions that may lead to conflicts of interests.
  - (f) The number of the audit committee meetings, and the attendance of such meetings by each committee member.
  - (g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
  - (h) Other truncations which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned the Company's board of directors.
- (7) To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee.

## MANAGEMENT

As of December 31, 2013, the management comprises of 6 persons, as follows:

- |    |                             |  |
|----|-----------------------------|--|
| 1. | Mr. Khongsit Choukitcharoen | Managing Director                                    |
| 2. | Ms. Vipada Uadulyatham      | Vice President Administration                        |
| 3. | Mr. Huang, Ko-Wei           | Vice President Manufacturing                         |
| 4. | Mr. Wang, Wei-Chao          | Vice President Manufacturing                         |
| 5. | Mr. Suphot Thaikong         | Vice President Manufacturing                         |
| 6. | Mr. Zhang, Ming-Cha         | Assistant Vice President of Financial and Accounting |

### Scope of authorities and duties of the Managing Director

1. Make a decision on important matters, set duties, objectives and direction of the Company's business policy including supervising overall operation performance, customer relation and marketing for businesses in foreign countries and being responsible to the Board of Directors.

The financial transactions such as guarantee debt and lending, the Managing Director do not have the authority to do so but should depend on the Board of Director's approval.

2. Approve annual budget of the Company
3. Approve credit limit given to customers, payment period, and product sales contracts including changes in trade conditions, making guarantee contracts and obsolete inventory management.
4. Have authorities to purchase permanent assets with the investment of no more than Baht 20 million.
5. Have authorities to invest in a new project with the investment of no more than Baht 20 million.
6. Set and approve standard of personnel management and of employees' salary adjustment.
7. Approve consultant appointment that is necessary to business operation
8. Perform any other duties related to the Company's general operation, not including operation of inter-related transactions and any transaction regarding purchase or disposal of material assets of the listed company according to the rules and regulations of the Stock Exchange of Thailand.

The above authorities, entitled to the Managing Director, have to follow the laws and bylaws of the Company. In case of any transaction, which affects or may affect on interest of the Managing Director or connected persons, Managing Director has no authority to approve it and has to propose the issue to the Board of Directors for consideration.

Besides, in case that the transactions incurred are inter-related or relate to purchase or disposal of material assets of the Company or its subsidiaries, these transactions are required to have approval from shareholders and/or to comply with the rules, conditions and procedures in the relevant regulations of the Stock Exchange of Thailand regarding these particular matters.

## SELECTION OF DIRECTORS AND EXECUTIVES

The Company does not have any nomination committee to appoint the directors. However, according to the Company's guideline, the directors are selected by the Board of Directors by concerning on experience, vision, abilities and characteristics.

### THE BOARD OF DIRECTORS

At annual General shareholders' meeting, the directors should resign from the Board at least one-third of the total number of directors. If the number of directors cannot be divided into exactly three parts, they should be retired by the number closest to one-third. And in case that any retired director is re-elected, a resolution of the shareholders' meeting will be required. At the time of candidate's nomination for the Board of Directors, the Company will prepare a list of details and information about such candidates for the shareholders' consideration, which have to follow the rules and procedures below.







1. One shareholder is entitled to one vote per share.
2. Each shareholder will exercise the right under item no.1 to elect one or more persons to be member of the Board of Directors, but cannot divide up his or her votes and allocate such vote for any one candidate.
3. The candidates obtaining the highest numbers of votes should be appointed directors, until all vacancies are filled. Should be a tied vote, the Chairman of the meeting shall have a casting vote.

In the event that the position of the Board of Directors is vacant whatever the reason is except when the term of the position is completed, the Board of Directors has to elect person(s) having proper qualifications and being not illegal according to the laws of public company. The vacant position will be filled in the next BOD's meeting, except the remaining term is less than 2 months. The elected person will be in the position for the rest of the term of the retired director. The resolution of the Board of Directors should get the voting of not less than three-fourth of the total number of the existing directors.

## AUDIT COMMITTEE AND INDEPENDENT DIRECTORS

Shareholder will be able to appoint the Audit Committee and independent directors during shareholder's meeting. The term of the appointment is 3 years and can be re-elect after the term expired. The qualifications of the Audit Committee member and independent director are specified in the definition of "Audit Committee".

## MANAGEMENT'S REMUNERATION

### Directors' remuneration for year 2013

Name	Remuneration	
	Bonus	Meeting Allowance
Mr. Hsu, Sheng-Hsiung	6,000,000	480,000
Mr. Shen, Shyh-Yong	8,000,000	360,000
Mr. Khongsit Choukitcharoen	1,200,000	180,000
Mr. Ko Charng Chyi*	200,000	30,000
Mr. Hsu, Sheng-Chieh	1,200,000	180,000
Mr. Chang, Zuei-Wei	1,200,000	180,000
Mr. Wang Ho-Shun*	1,000,000	150,000
Mr. Alan Kam	1,200,000	180,000
Mr. William Hang Man Chao	1,200,000	180,000
Mr. Thanasak Chanyapoon	1,200,000	180,000
<b>Total</b>	<b>22,400,000</b>	<b>2,100,000</b>

Remark: \*Mr. Wang, Ho-Shun has appointed to be the Company's Board of Director since April 11, 2013. And Mr. Ko, Charng - Chyi had resigned from the Company's Board of Director since February 21, 2013

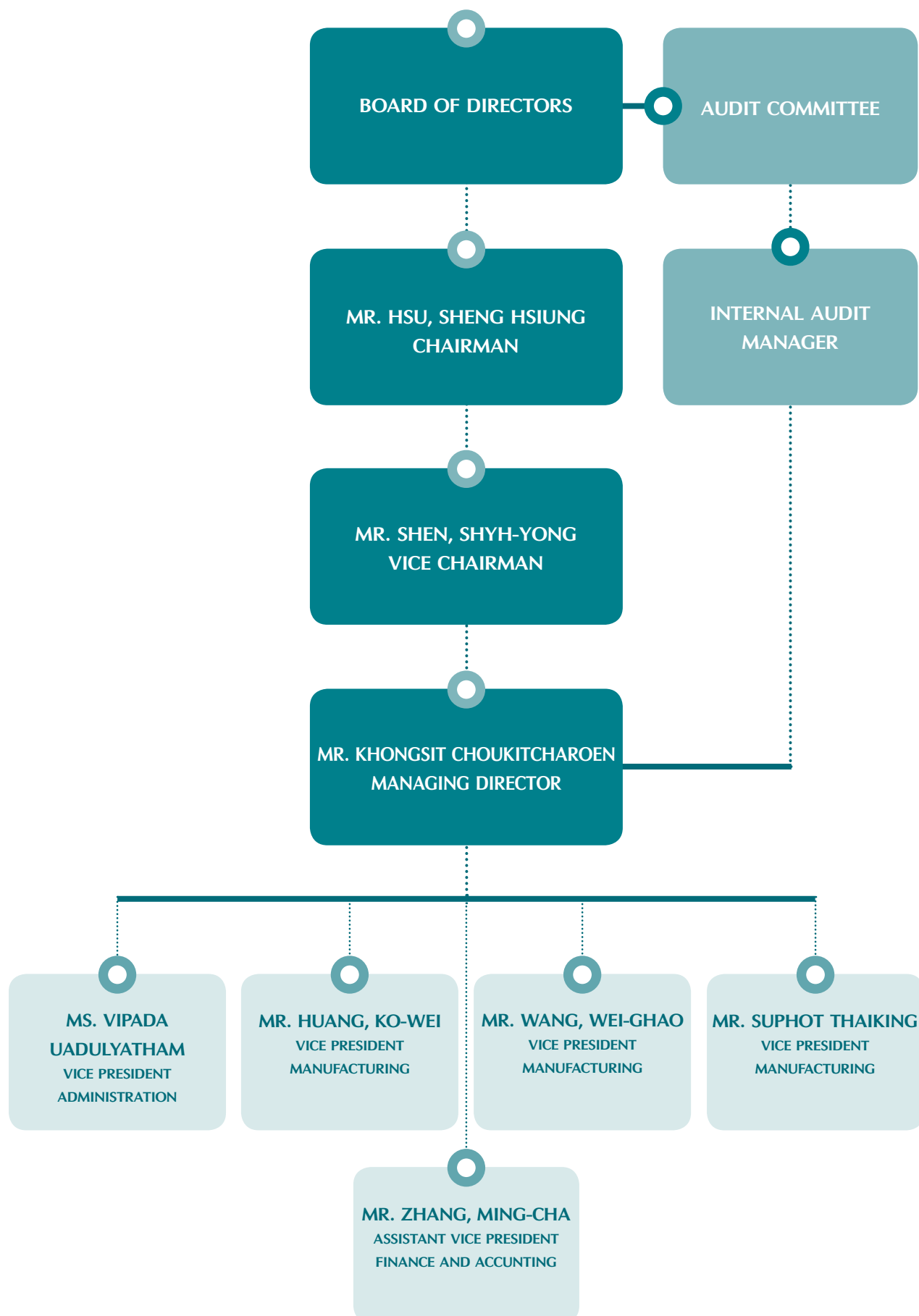
### Remuneration of the Management

Remuneration of total 7 management members including salary and bonus is at total amount Baht 15.08 million in 2013. However, one management has retired in July during the year, therefore there are total 6 management members as at Dec. 31, 2013.

### Other benefits

The Company has issued the Warrants to Purchase New Ordinary Shares of Cal-Comp Electronics (Thailand) Public Company Limited 2011 (CCET-WA) to the Company's employees, and total amount of 1,900,000 units has allocated to the Managements of the Company through 1st year allotment in 2012 and 2,700,000 units through 2nd year allotment in 2013.

## MANAGEMENT STRUCTURE





The Company has initiated policies conforming to the Code of Best Practices of the directors of listed companies according to the procedures of the Stock Exchange of Thailand. The Company values the principle of good corporate governance, considering all stakeholders and society as a whole.

The Company has set the good corporate governance policy that has been approved by The Board of Directors as follows:

- Issued policy for the Rights and Equitable Treatment Shareholders and various groups of stakeholders.
- Managed through absolute responsibility and oversaw any conflict of interests by the Board of Directors.
- Verified financial statement and connected transaction with related parties through proper control and internal audit, which include business operation and risk management.
- Operated business with transparency and disclosure of information in an adequate, reliable and punctual manner.
- Performed under Code of Ethics by Directors and employees.

The following lists corporate governance policy reported in 5 separate categories, as mandated by the Stock Exchange of Thailand.

## 1. THE RIGHTS OF SHAREHOLDERS

Basic shareholder rights are rights to buy/sell or transfer shares, share in the profit of the Company, obtain relevant and adequate information on the Company in a timely manner and on a regular basis, participate and vote in the shareholder meetings to elect or remove members of the board, appoint external auditor, and make decisions on any transactions that affect the Company such as dividend payment, amendment to the Company's articles of association or the Company's memorandum of association, capital increases or decreases, the approval of extraordinary transaction and approval on important transactions influencing directions of the Company.

In year 2013, besides the above-mentioned rights of the shareholders, the Company proceeded to carry out the necessary work which encourages shareholders to use their rights as the following:

1. In year 2013, the Company held Annual General Shareholders' Meeting on April 11, 2013 at Samuthsakorn Factory, the Conference Room of R&D Building 5th Floor, 60 Moo 8, Sethakij Road, Tambol Klong Maduea, Ampur Kratoom Ban, Samuthsakorn which has the voting according to the minutes. The Company delivered an invitation letter, the agenda of each meeting as well as supplementary documents to the shareholders no less than 14 days prior to the meeting date according to the laws through the Company's shares registrar.
2. Release the detailed information on agendas of the shareholders' meeting and post on the Company's website ([www.calcomp.co.th](http://www.calcomp.co.th)) 30 days before the meeting date, these information is same with the documents that the Company distributed to shareholders. Moreover, the Company informed clarifying all shareholders to attend the meeting and the rights to vote on resolutions via SCP client of The Stock Exchange of Thailand.
3. Provide shareholders full rights to vote and in case of the shareholders who unable to attend the meetings are entitled to appoint a representative to attend the meeting.
4. The Company used the Barcode System in the Annual Shareholders' Meeting for shareholder registration and voting process in order to demonstrate voting transparency.
5. The Company held the meeting at a convenience location and set up a suitable meeting room for the shareholders. The Company also gave an opportunity to shareholders to express their question with the Company's Investor Relations Department before the meeting.

## 2. THE EQUITABLE TREATMENT OF SHAREHOLDERS

The Company gives the importance in the equitable treatment of shareholders to all shareholders.

1. The Company invited all shareholders of the Company to propose any matter that they deem significant to be

included in an agenda of the Annual General Shareholders' Meeting 2013. The Company made announcement on the Company's website and the SCP Client of Stock Exchange of Thailand. Proposed agendas can be sent to the Company via Investor Relations Department's e-mail address at [ir@calcomp.co.th](mailto:ir@calcomp.co.th) or postal within specific period. For the Annual General Shareholders' Meeting 2013, no any agendas was proposed by shareholders.

2. The Company invited the shareholders to propose a qualified candidate for directorship for the Annual General Shareholders' Meeting 2013, the shareholders must be the Company's shareholder holding continuously minimum shares in an amount 0.05 percent of the total shares either by one or several shareholders combined. And, Shareholders must have held those shares continuously for at least 12 months by the date the shareholder nominates a qualified candidate. The Company had announced the qualification of candidate, the regulation and the support documents by posted on the Company's website for shareholders to study the detail information. The proposed a qualified candidate and supporting documents can be sent to the Company via Investor Relations Department's e-mail address at [ir@calcomp.co.th](mailto:ir@calcomp.co.th) or postal within specific period. For the Annual General Shareholders's Meeting 2013, no any candidate was proposed by shareholder.
3. In case of the shareholders who are unable to attend the meetings are entitled to appoint representative e.g. Independent Director or a person to attend the meeting to act as their proxy by using proxy form sent to them along with the invitation of the meeting. The proxy forms can be downloaded from the Company's website.
4. On the shareholders' meeting, the chairman gives an opportunity to shareholders in auditing the Company's business operation, questioning, showing their opinions and giving advices and also uses this opportunity to clarify the performance, future outlook to make the shareholders better understand the Company's business. There is no limitation of late shareholders to attend the meeting and no other any agenda added without notifying shareholders.
5. In appointment director agenda, the Company gives the chance to the shareholders in voting by person in order to be transparent and more independent for election.
6. Allocate the rights to vote at the meetings according to the number of shares owned by each shareholder, allowing one share one vote and using the voting card on every agenda.
7. In the AGM meeting, the Company has completely recorded by writing the minutes of the meeting by separate voting point to Agreed, Disagreed and abstained of each agenda, attendant and absent list of director, voting process and Q&A in the meeting and also video recorded the entire meeting. The completed minutes of the meeting were post on the Company's website within 14 days after the meeting.
8. Established measures to control the usage and prevent the misuse of internal information (insider trading) for benefit of a person concerned by prohibit them from trading the Company securities for 30 days before financial statements released and at least 24 hours after the information is widely spread out to the public. The Company will remind directors, managements and person concerned before releasing financial statements. In case any directors and management staff sell or buy the Company securities, they are required to report the shareholdings to SEC within a 3-business day period for public disclosure.

### 3. ROLE OF STAKEHOLDERS

The Company pays attention to every stakeholder as stated in the following details:

#### 1. Shareholders and Investors

The Company operates the business to for the benefit to all stakeholders. Moreover, the Company also set up policies to give rights to all shareholders and investors in acquiring the Company's information transparently and reliably.

#### 2. Employee

The Company views the employees as a major asset and treats all employees fairly in welfare, benefit, environment, safety in working and health care for employees as follows:

- Provide lunch meal and dinner for the overtime employee.







- Give the incentive reward to the employees who come to work on time everyday.
- Provide the Provident Fund to the employees.
- Create environmental campaign in the factory and the office.
- Arrange the Annual Physical Check up to the employees.
- Provide the Nurse room in every factory to assure the emergency case for every employee.
- Operate the morning meeting to ensure the understanding in solving and increase the knowledge to the employees to do the right job at the first time. Moreover, the Company also has the inbound and outbound training to develop the working skill continuously.

Moreover, access to senior management is granted and expressed on the Employee Handbook.. "Whistle Blowers" will be properly protected and rewarded if their allegations are found to be true.

### 3. Customer

Customer information is treated as strictly confidential according to the Business Ethics in order to build the good and long standing relationship between the Company and the customers.

### 4. Supplier

The Company treats all suppliers as business partners, and works with all in building a long-term relationship.

### 5. Creditor

The Company conducts business according to the business agreement and gives accurate and factual information to all creditors.

### 6. Business Competitor

The Company commits to doing business in a fair and equitable manner.

### 7. Society

The Company realizes the safety of social and environment and the quality of life in society where the Company located, thus CCET intends to follow the law and regulation strictly and continuously supporting corporate Social Responsibilities Program.

### 8. Environment

The Company has set the environmental policy and everyday at CCET is regarded as worldwide environment day. Moreover, the Company also establishes the environment committee to reinforce the ideal of the employees participating in environmental perseverance both inside and outside the factory.

## 4. DISCLOSURE AND TRANSPARENCY

The Company ensures that all-important information relevant to the Company, both financial and non-financial, is disclosed correctly, accurately, on a timely basis and transparently through easy to access channels that are fair and trustworthy. The Company shall disclose the following information

1. Disclose duties and responsibilities of the Board of Directors and also reveal the attendance records and the report of the Board of Director. The Board of Directors is responsible for the Company's consolidated financial reports and financial information appearing in the annual reports. The financial statements are prepared based on the accounting standards generally accepted in Thailand by using the appropriate accounting policy.
2. The Company disclosed information on remuneration of all directors. The Company has established remuneration to the directors in a precise and transparent manner and submitted to the Annual General Shareholders' meeting for approval. The remuneration to the management must conform to the procedures and policies set by the Board of Directors, which must also coincide with the Company's performance and the performance of each management.
3. Disclose the policy environmental of the Company.
4. Disclose the policy on corporate governance complied with the policy.

5. The Company set up the Investor Relations. As a result, the Company emphasizes on disclosing information that is adequate, accurate, trustworthy, consistent, and punctual. Regarding the investor relations, the Company has designated an investor relation department to communicate with the shareholders, institutional investors, individual investors and financial analysts including the interested parties.

The Investor Relations representatives:

Ms. Jenny Chou

Investor Relations Manager

Tel. 0-2261-5033-37 Fax. 0-2661-9396

E-mail : yichunchou@calcomp.co.th Website : www.calcomp.co.th

Mrs. Sunadda Jaypong

Corporate Secretary

Tel. 0-2261-5033-37 Fax. 0-2661-9396

E-mail : sunadda@calcomp.co.th Website :www.calcomp.co.th

6. Disclose up-to-date information in both Thai and English version on the Company's website.

## 5. THE RESPONSIBILITIES OF THE BOARD

The Board of Directors plays an important role in corporate governance for the best interest of the Company. The Board is accountable to shareholders and independent of management. The number of directors is currently limited to nine members and divided to 2 committees, the Company's directors consist of 1 Executive Directors and 8 Non-Executive Directors.

The Chairman of the Company is not the same one as the Managing Director, and the duties and authorities of the Board of Directors and of the Managing Director are clearly separated. The Company has 3 independent directors who provide check and balance, independence and represent all minority shareholders.

The Board of Directors has appointed the Audit Committee to assist in the corporate governance of the Company. Name list, duties and authorities of the Audit Committee are as what mentioned in Management Structure part. The Audit Committee will arrange one meeting every 3 months.

## BOARD OF DIRECTORS' MEETING

The Board of Directors arranges a meeting for every 3 months to consider the results of operation and the financial statements. Besides, the Board sets visions, goals, strategies, and provides policies to the Company, supervises and controls operation. Special meeting may be arranged if necessary, and an invitation letter with specific agenda will be sent to the Board of Directors 7 days prior to the meeting to give the Board of Directors an appropriate time period in investigation.

In 2013, the Company had arranged a total of 5 meetings comprised of 4 regular meetings and 1 special meeting. In each meeting, at least half of the directors must participate according to the Company's article. The Company's Board of Directors consists of the following members and meeting attendance.





## Board Meeting

Name	Position	Meeting Attendance
Mr. Hsu, Sheng-Hsiung	Chairman	3/5
Mr. Shen, Shyh-Yong	Vice Chairman	3/5
Mr. Khongsit Choukitcharoen	Managing Director	5/5
Mr. Ko Charng Chyi**	Director	1/1
Mr. Hsu, Sheng-Chieh	Director	2/5
Mr. Chang, Zuei-Wei	Director	4/5
Mr. Wang Ho-Shun*	Director	4/4
Mr. Alan Kam	Independent Director and Chairman of Audit Committee	5/5
Mr. William Hang Man Chao	Independent Director and Audit Committee	3/5
Mr. Thanasak Chanyapoon	Independent Director and Audit Committee	5/5

Remark: \* Mr. Wang, Ho-Shun has appointed to be director of the Company since April 11, 2013 through AGM 2013.

\*\* Mr. Ko, Charng - Chyi had resigned from the Company's Board of Director since February 21, 2013.

## Audit Committee Meeting

Name	Position	Meeting Attendance
1. Mr. Alan Kam	Independent Director and Chairman of Audit Committee	4/4
2. Mr. William Hang Man Cha	Independent Director and Audit Committee	3/4
3. Mr. Thanasak Chanyapoon	Independent Director and Audit Committee	4/4

When considering the matters presented to the Board, all member of the Board are allowed to express their opinions freely, resolutions are passed by majority vote, providing that one director is eligible for one vote. After the meeting, the secretary of the Board is responsible for preparing the minutes and certified the correctly by Chairman and Vice Chairman. The minutes must than be approved by next board meeting.

## LEADERSHIP AND VISION

The Company has set the vision to be the leader in Electronics Manufacturing Services (EMS) and provided the best service and total solution to the customers all over the world. The Board of Directors has participated in the set up of the Company's vision, mission, strategies, objectives business plan and budgets and also in supervising the Management to achieve the Company's goals within the budget.

## CONFLICT OF INTERESTS

In case of the conflict of interests or the relevant topic, the Board of Directors and the Audit Committee will reasonably consider in that topic in according to the relevant rules and regulations of The Stock Exchange of Thailand. The price and conditions should be similar to Arm's Length Basis and has disclosed details, transaction value, and reason/necessity in connected transaction report.

## BUSINESS ETHICS

The Company has set rules on business ethics in the way that SET gave as a guideline for executives to perform. And these rules guide the executives and employees of the Company to follow carefully and regularly. The Company has employee handbook so as to set a standard for work, quality and practice.

### **Remuneration for Directors and Management**

The Company has established remuneration to the directors in a precise and transparent manner and should be approved by shareholders' meeting.

### **Internal Control System**

The Company recognizes the importance of internal control system at both the executive level and the operational level. The Company has proper guidelines and operation manuals for all its employee. The Company has an internal control system regarding the financial system to propose the financial reports to the supervisors.

### **Risk Management**

The Audit Committee is responsible for considering the risk factor report of the Company by quarterly review and reporting to the Board of Directors in order to manage the risk factor that will impact to the Company.

### **Knowledge Development**

The Company encourages the Board of Directors to attend seminars for knowledge development and continuously presents up-to-date information including SET, SEC and relevant organization newsletter to all levels of staff.





# RELATED PARTY TRANSACTIONS

The relationship between the Company and the related parties are summarized below.

Name of related parties	Relationship with the Company
Kinpo Electronics, Inc.	Major shareholders
Logistar International Holding Co., Ltd.	Subsidiary
Cal-Comp Electronics (Suzhou) Co., Ltd.	Subsidiary
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Subsidiary
Cal-Comp Electronics & Communications Co., Ltd.	Subsidiary
Cal-Comp Technology (Suzhou) Co., Ltd.	Subsidiary
Cal-Comp Electronics and Communication (Suzhou) Co., Ltd.	Subsidiary
Cal Comp (Malaysia) SDN. BHD.	Subsidiary
Cal-Comp Precision (Singapore) Limited	Subsidiary
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Subsidiary
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Subsidiary
Cal-Comp Electronics (USA) Co., Ltd.	Subsidiary
Cal-Comp Technology (Philippines), Inc.	Subsidiary
(Formerly know as "New Kinpo Group Technology (Philippines), Inc.")	
Avaplas Precision Plastic (Shanghai) Co., Ltd.	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Malaysia) Sdn Bhd	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Thailand) Limited	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Dongguan) Limited	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Wujiang) Limited	Subsidiary (held by a subsidiary)
Cal-Comp USA (Indiana), Inc.	Subsidiary (held by a subsidiary)
Cal-Comp USA (San Diego), Inc.	Subsidiary (held by a subsidiary)
XYZprinting, Inc.	Associate
A-Ten Technology Co., Ltd.	Associate (held by a subsidiary)
Wise Sigma International Holding Co., Ltd.	Associate (held by a subsidiary)
Daviscomms (S) Pte Ltd.	Associate (held by a subsidiary)
inx Japan International Inc.	Shareholding by the Company
Zakang Inc.	Shareholding by the Company
Metal Component Engineering Limited	Shareholding by the Company
Kinpo Group Management Service Co., Ltd.	Shareholding by the subsidiary
Kinpo Electronics (China) Co., Ltd.	Subsidiary of the major shareholder
Kinpo Electronics (Beijing) Co., Ltd.	Subsidiary of the major shareholder
Kinpo Electronics (Shanghai) Co., Ltd.	Subsidiary of the major shareholder
SaveCom International, Inc.	Subsidiary of the major shareholder
Kinpo International Ltd.	Common shareholders
Vibo Telecom Co., Ltd.	Common shareholders
Acbel Polytech Inc.	Common shareholders
Crownpo Technology, Inc.	Common shareholders
Dongguan Kaipo Electronics Co., Ltd.	Common shareholders

Ramark: Kinpo Electronics Inc. holding 100.00% in Kinpo International Co., Ltd.  
 Kinpo Electronics Inc. holding 49.50% in Vibo Telecom Co., Ltd.  
 Compal Electronics Inc. holding 49.28% in Vibo Telecom Co., Ltd.  
 Kinpo Electronics Inc. holding 22.63% in Acbel Polytech Inc.  
 Kinpo Electronics Inc. holding 51.61% in Crownpo Technology, Inc.



## The amount and outstanding balance of the related party transactions

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2013 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
1. Kinpo Electronics, Inc.	Major shareholder, holding 41.41% in the Company. It also has the common directors with the Company as follows: 1. Mr. Hsu, Sheng-Hsiung 2. Mr. Hsu, Sheng-Chieh 3. Mr. Shen, Shyh-Yong	(1) The Company - Sales -A/R and Other A/R	1.00 0.75	The Company sold the products to Kinpo Electronics, Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		(2) Logistar International Holding Co.,Ltd. - Sales -A/R and Other A/R	204.00 29.91	Logistar International Holding Co., Ltd. sold products to Kinpo Electronics, Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		- Purchase - A/P and Other A/P	7,153.44 543.92	Logistar International Holding Co. Ltd. purchased raw materials from Kinpo Electronics, Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		(3) Cal-Comp Electronics and Communication Co., Ltd. - Other expenses - A/P and Other A/P	100.61 9.89	Cal-Comp Electronics and Communication Co., Ltd. uses ERP system of Kinpo Electronics, Inc. to manage the material control, paid office rental fee and also use the project plan from Kinpo Electronics, Inc.	The pricing will be contract price and the actual charge will be subject to the employee headcount and actual expense. The conditions were in line with the normal business practice.	The Transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2013 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
2. Wise Sigma International Holding Co., Ltd.	Affiliate Company, 44.55% holding by Logistar International Co., Ltd.	(4) Cal-Comp Precision (Singapore) Ltd - A/P and Other A/P	8.55	The outstanding amount from year 2012 that Tung-Wan Kai-Bao Co., Ltd (the Subsidiary of Kinpo Electronics Inc.) has support Cal-Comp Precision (Dongguan) Co., Ltd. (the Subsidiary of Cal-Comp Precision (Singapore) Ltd.) to acquire new plastic injection machines in terms of better payment term from its suppliers for amount of approximately Baht 146.38 million in 2011.	Book value	Reasonable
		(1) Logistar International Holding Co., Ltd. -Short-term loan	64.98	Logistar International Holding Co., Ltd. has lent the short-term loan to Wise Sigma International Holding Co., Ltd., which is the research and development company in high technology products which support the sales for Logistar, so Logistar has supported the finance to Wise Sigma to use as working capital in USD currency. In early of 2013, the outstanding amount was 64.98 MB. As of 31 December 2013, the accrued interest was 0.81 MB and foreign exchange translation was 4.27MB, total outstanding was 64.98 MB. The Company has booking allowance doubtful Account for 64.98 MB. to cover all outstanding amount.	The interest rate is 2% per annum, which is close to the short-term loan rate at the time of transaction. The payback agreement will depend on the necessity and mutual agreement between both companies. However, Wise Sigma International Holding Co., Ltd. have negotiated to extend the payback period with the Company	The Company should follow the debt closely.



PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2013 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
3. Kinpo International Ltd.	A subsidiary of Kinpo Electronics Inc. it also has the common directors with the Company as the follows: 1. Mr. Hsu, Sheng-Hsiung 2. Mr. Hsu, Sheng-Chieh 3. Mr. Shen, Shyh-Yong	(1) The Company - Sales - A/R and Other A/R	371.69 185.29	The company sold product to Kinpo International Co., Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		- Purchase - A/P and Other A/P	217.32 100.77	The Company purchased raw material from Kinpo International Ltd	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		(2) Logistar International Holding Co., Ltd. - Sales - A/R and Other A/R	186.56 69.80	Logistar International Holding Co., Ltd. sold product to Kinpo International Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		- Purchase - A/P and Other A/P	1.46 0.72	Logistar International Holding Co., Ltd. purchased raw material from Kinpo International Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice	The Transaction is normal business practice
		(3) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. - Purchase - A/P and Other A/P	3.00 0.26	Cal-Comp Optical Electronics (Suzhou) Co., Ltd purchased raw material from Kinpo International Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2013 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
4. Acbel Polytech Inc.	Common shareholders, Kinpo Electronics Inc. holding 22.63 % in Acbel Polytech Inc. It also has the common directors with the Company, - Mr. Hsu, Sheng-Hsiung - Mr. Shen, Shyh-Yong	(4) Cal-Comp Electronics (Suzhou) Co., Ltd. - Sale - A/R and Other A/R	0.02 0.02	Cal-Comp Electronics (Suzhou) Co., Ltd sold product to Kinpo International Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		- Purchase	99.29	Cal-Comp Electronics (Suzhou) Co., Ltd purchased raw material from Kinpo International Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		(5) Cal-Comp Precision (Singapore) Ltd. - Sales	0.74	Cal-Comp Precision (Singapore) Ltd. sold product to Kinpo International Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		(6) Cal Comp (Malaysia) SDN.BHD - Sales of fixed assets	13.06	Cal Comp (Malaysia) SDN.BHD sold fixed assets to Kinpo International Ltd.	The price of the transaction was the book value plus margin	Reasonable
		(1) The Company - Purchase - A/P and Other A/P	123.05 56.46	The Company purchased raw material from Acbel Polytech Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice



PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2013 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
5. Kinpo Electronics (China) Co., Ltd.	The subsidiary company of Kinpo Electronics, Inc. It also has the common directors with the Company, - Mr. Hsu, Sheng-Hsiung - Mr. Hsu, Sheng-Chieh - Mr. Shen, Shyh-Yong	(1) The Company - Sale - A/R and Other A/R	242.00 1.34	The Company sold product to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		- Purchase of fixed assets	9.00	The Company purchased fixed asset from Kinpo Electronics (China) Co., Ltd. under customer owner	The price of the transaction was the cost of fixed assets due to customer is owner of asset.	The Transaction is normal business practice
		(2) Logistar International Holding Co., Ltd. - Purchase - A/P and Other A/P	159.49 170.44	Logistar International Holding Co., Ltd. purchased raw material from Kinpo Electronics (China) Co., Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		(3) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. - Sale - A/R and Other A/R	4.30 4.36	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. sold product to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
(4) Cal-Comp Electronics (Suzhou) Co., Ltd.	- Sale - A/R and Other A/R	- Sales of fixed assets	24.73	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. sold fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was the book value plus margin	Reasonable
			4.09 1.67	Cal-Comp Electronics (Suzhou) Co., Ltd. sold product to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2013 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
6. Kinpo Group Management Service Co., Ltd	Held by Cal-Comp Electronics and Communication Co., Ltd. 12.50 %. It also has the common directors with the Company, - Mr. Hsu, Sheng-Hsiung - Mr. Shen, Shyh-Yong	- Sales of fixed assets	34.31	Cal-Comp Electronics (Suzhou) Co., Ltd. sold fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was the book value plus margin	Reasonable
		(5) Cal-Comp Precision (Singapore) Ltd. - Sale - A/R and Other A/R	461.03 326.01	Cal-Comp Precision (Singapore) Ltd. sold product to Kinpo Electronics (China) Co., Ltd	The price of the transaction was close to the market price and the conditions were in line with the normal business practice.	The Transaction is normal business practice
		(1) Cal-Comp Electronics and Communication Co., Ltd. - Other expense	3.00	Cal-Comp Electronics and Communication Co., Ltd. paid consultant fees to Kinpo Group Management Service Co., Ltd.	Contact price	The Transaction is normal business practice
7. Save Com International, Inc.	The subsidiary company of Kinpo Electronics, Inc.	(1) Cal-Comp Electronics and Communication Co., Ltd. - Other expense - A/P and Other A/P	2.55 0.23	Cal-Comp Electronics and Communication Co., Ltd. paid for telephone system to Save Com International, Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The Transaction is normal business practice





PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2013 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
8. Vibo Telecom Co., Ltd.	Common shareholders, Kinpo Electronics Inc. holding 49.50 % in Vibo Telecom Co., Ltd. It also has the common directors with the Company, - Mr. Hsu, Sheng-Hsiung - Mr. Hsu, Sheng-Chieh - Mr. Ko, Chang-Chyi - Mr. Shen, Shyh-Yong	(1) Cal-Comp Electronics and Communication Co., Ltd. - Other expense	0.17	Cal-Comp Electronics and Communication Co., Ltd. paid for telephone system to Vibo Telecom Co., Ltd.	The price is depending on actual price and conditions were in line with the normal business practice.	The Transaction is normal business practice
9. A-Ten Technology Co., Ltd.	34% held by Logistar International Holding Co., Ltd.	(1) Logistar International Holding Co., Ltd - Short term loans	70.29	Logistar International Holding Co., Ltd sold products to A-Ten in year 2006 and there is outstanding A/R for 70.29 MB. As this A/R was overdue for more than 1 year, then auditor of Logistar has adjusted this A/R to short term loans by follows the accounting standard of Taiwan. The Company has booking the allowance doubtful account for 70.29 MB to cover all outstanding amount	No interest between the parties due to this transaction is occurred from A/R	The Company should follow the debt closely.



## SUPPLY/MANUFACTURING AGREEMENT

Parties concerned	:	Cal-Comp Electronics (Thailand) Public Company Limited and Kinpo Electronics, Inc. (a company incorporated under the laws of Taiwan).
Execution date	:	1st April 2004
Material subject	:	The term of the agreement applies to each purchase by Kinpo to Cal-Comp of the goods and services as specifies in the Purchase Order and <ol style="list-style-type: none"> <li>1. Cal-Comp shall notify Kinpo in advance and in writing of any proposed change in method of producing or testing, subcontractors for producing, processing and testing, site of manufacture and labeling.</li> <li>2. All products shall meet the specifications and shall be subjected to quality control inspection by Cal-Comp in accordance with Cal-Comp's quality control standards. Cal-Comp shall permit Kinpo to review periodically Cal-Comp's production and quality control procedures and records and to visit Cal-Comp's facilities.</li> </ol>
Expiry date	:	The Agreement shall continue in full force and effect for one year. The agreement shall be renewed and effective for another one year if there is no objection before the end of the above effective period.

## AGREEMENT FOR SHARING MIS SYSTEM (MANAGEMENT INFORMATION SYSTEM)

Parties concerned	:	Cal-Comp Electronics and Communication Co., Ltd. And Kinpo Electronics, Inc.
Execution date	:	January 1, 2014
Material subject	:	Cal-Comp Electronics and communication Co., Ltd shared MIS resource and system from Kinpo Electronics Inc. to support operation and reporting system.
Expiry date	:	December 31, 2014

## AGREEMENT FOR PROFESSIONAL SERVICES

Parties concerned	:	Cal-Comp Electronics and Communication Co., Ltd. and Kinpo Group Management Service Co., Ltd.
Execution date	:	December 1, 2006
Material subject	:	Kinpo Group Management Service Co., Ltd. provides Consultant Service for accounting, finance and tax planning to Cal-Comp Electronics and communication Co., Ltd
Expiry date	:	The Agreement shall continue in full force if there is no objection before the end of the above effective period.

## AGREEMENT FOR OFFICE LEASING

Parties concerned	:	Cal-Comp Electronics and Communication Co., Ltd. and Kinpo Electronics Inc.
Execution date	:	September 1, 2013
Material subject	:	Cal-Comp Electronics and Communication Co., Ltd. has leasing office space from Kinpo Electronics Inc.
Expiry date	:	August 31, 2014

## CRITERIA OR STEPS IN APPROVING RELATED COMPANY TRANSACTIONS

The Board of Directors has appointed the Managing Director the authority to approve transactions with related parties under normal business conditions, which must conform to the regulation of Securities and Exchange Act and rules, notifications, and notice of the Stock Exchange of Thailand including the rules regarding the disclosures of related transactions, the acquisition or disposition of the material assets of the Company or its subsidiary company according to the generally accepted accounting standards in Thailand.

The assigned authority must conform to the laws and the Company's bylaws. In case that there is any transaction which has or may have the conflict of interests of Managing Director or related persons, the Managing Director has no rights to approve such transaction and has to propose such transaction to the Board of Directors for consideration.

Moreover, the related company transaction or the transaction related to the acquisition or disposition of the material assets of the Company or the subsidiary company, as the case may be, has to be approved by the shareholders' meeting and/or any action under the related regulations or methods to conform to the notifications of the SET.

## **POLICY AND TREND OF FUTURE RELATED COMPANY TRANSACTIONS**

The Company's policy is to operate business for utmost benefits of the Company and its subsidiary companies. Under normal business operation, the Company and its subsidiary companies must incur into sales or service transactions with related companies. Therefore, the Company and its subsidiary companies will continue to have the related company transactions under the normal business conditions with the fair or market price, which is able to compare to the transaction with others.

## **METHOD TO PROTECT INVESTORS**

To protect investors, if there is any related company transactions between the Company or the subsidiary company and the affiliate company, and the related parties in the future, these transactions must be considered by the Board of Directors, which has the Audit Committee giving the opinion for the necessity and the appropriateness of the transactions. Directors who have an interest in said transactions have no rights to vote on such matters. In the event that the Audit Committee doesn't have an expertise in the matter of such transactions, the Company will provide an independent expert or the Company's auditor to provide an opinion as to the necessity, reasons and decision by the Board of Directors or shareholders in making the transactions, as the case may be. The Company will also disclose the transactions in the notes of the Company's audited financial statements.

## **THE AUDIT COMMITTEE'S OPINION**

The Audit Committee has considered the past and recently related company transactions of the Company, the subsidiary companies or the related parties and has the opinion that the Company has disclosed the information correctly and completely. Such transactions were under the normal business conditions with either the market price or close to the market price.





# AUDIT COMMITTEE REPORT – 2013

## CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED (CCET)

The members of the Audit Committee at CCET were responsible in the monitoring of the financial well being of the Company and the internal audit functions of the company.

The Audit Committee has 3 independent directors. They are:

- |                          |                                 |
|--------------------------|---------------------------------|
| 1. Alan Kam              | Chairman & Independent Director |
| 2. William Hang Man Chao | Independent Director            |
| 3. Thanasak Chanyapoon   | Independent Director            |

The Audit Committee had 4 meetings in 2013 plus various other meetings with external auditors, management and internal auditors. The Audit Committee performed the following duties in the 2013 financial year:

**Financial Statement** - The Audit Committee reviewed the Reviewed and Audited statements of the company on a regular basis before submitting to the Board of Directors for approval. Consultations were made with management of the company on various occasions to assure that committee members are satisfied with the reporting of the statements. The Committee also reviewed the statements of its subsidiaries and affiliates. The Committee is satisfied that the financial presentation is accurate and they are in conformity with the regulations of the Stock Exchange of Thailand and Securities Exchange Commission of Thailand.

**Internal Audit** - Aside from approving the annual audit plan of the Internal Audit Department, the committee also hold regular meetings with the Internal Audit Department to discuss any outstanding issues related to the department's function. Internal Audit teams in Thailand and China showed independence and diligence in reviewing various audit issues of the company. The committee is satisfied with the work of the Internal Audit Department.

**External Auditors** - The Audit Committee met with Ernst & Young, the company's external auditor on the Reviewed and Audited financial statements regularly. The committee also discussed the annual audit plan, matters of concern with external auditors. We are satisfied with the work of the External Auditors and are pleased to recommend to the board and shareholders of their continuing engagement as External Auditors with Cal-Comp.

**Risk Management** - The Company continue to remain risk adverse while maintaining a policy of growth. The Audit Committee has ensured that senior and middle management continue to have sound financial practice in managing foreign currency exposure given the vast geographical business operation of the company, capital budgeting, material cost control, labor issues as well as safety standards.

**Related Party Transaction** - The Audit Committee has reviewed the connected party transactions of the Company, its subsidiaries and affiliates. It is satisfied that transactions are reasonable in the normal course of business.

**Corporate Social Responsibilities** - Cal-Comp has been at the forefront of practicing CSR in the past years. Celebrating its 7th new plant in the Petchburi factory, Cal-Comp awarded numerous scholarships to students in the local province. The Cal-Comp University program continue to award MBA training for its middle management employees. It continues to take proactive measures in ensuring proper energy savings and waste management control in all of its factories operation in the US, Mexico, Brazil, China and the Philippines.

The Audit Committee members have over the course of the 2013 year visited the company's factories in Mahachai and Petchburi. In addition, Audit Committee members also visited the new Calamba plant in the Philippines in July 2013. The Audit Committee is pleased with the setup of the new factory, quality of management, operation systems including those of safety standards, administration and financial management. The Audit Committee also followed up teething issues concerning the new Brazilian factory visit back in December 2012. Our continuing dialogue with management in Brazil has provided us with confidence that the company's goal of continuous automation via our in house Manufacturing Execution System (MES) and floor robotics have greatly reduced risk of downtime and improved operation efficiency. The Audit Committee is satisfied that all its new businesses have been working hard to maintain the high standard of production, administration and financial discipline as its headquarters in Thailand.

Finally, The Audit Committee like to thank the management team, internal audit staff and external auditors for their support in making the Committee's job pleasant and efficient throughout the 2013 year.

**ALAN KAM**

Independent Director  
Chairman of the Audit Committee

# INTERNAL CONTROL

The Board of Directors perceives that the internal control system of the Company and its subsidiaries is enough to retain the assets of the Company and its subsidiaries, concerning that the internal information will not be used on the executive's own benefits. Through the past, there was no flaw in the internal control system used.

## ORGANIZATION AND ENVIRONMENT

The Company set the clear achievable and measurable goals, revised the operational goals, considered the possibility of the goal set along, and analyzed the reasonableness of incentives and employee compensation. The operation policy and procedures were written as a document precisely and able to prevent the dishonesty.

## RISK MANAGEMENT

The important risk factors assessed by the Company are such as exchange rate risk, risk of reliance on a major customer, risk of working capital shortage. The Company specified the standard to follow the events perceived as the causes of risk. The following strategy will be applied every month to closely monitor the performance.

## MANAGEMENT CONTROL

The Company clearly set the limits on authorities and authorities on cash approval of the executives in each level and the rules were written as a document such as the authorities of managing director specified in item 9, management.

## INFORMATION TECHNOLOGY AND COMMUNICATION SYSTEM

The Company provided enough significant information to the Board of Directors, and also submitted an invitation letter or necessary document for the meeting for consideration prior to the meeting. The directors' meeting reports were recorded, and if there is any dispute on the resolution against the majority, the directors' opinion memos will be recorded as well. The document for accounting records were arranged and kept properly and there was no report of faults from the Auditor in the document arrangement.

## FOLLOW-UP SYSTEM

If the operating results of the Company are different from the target goals, the Company will solve them within an appropriate period of time and will provide the investigation on operation, which is conformable to the internal control system. In this regard, the Audit Committee of the Company will observe on any difference every quarter of each year.

The Company has arranged the quarterly Audit Committee Meeting to approve the financial statements, internal audit control and related party transaction. The latest meeting was held on February 26, 2014, approved the financial statements, internal audit control and connected transaction for year 2013. The Audit Committee had considered that the internal control of the Company is on standard and the related party transactions is reasonable, the conditions were in line with the normal business practice and the price of the transaction was close to the market price.



# DIRECTORS' REPORTING

053



The Board of Directors is responsible for the accuracy and completeness of the Company and its subsidiary's financial statements. Accounting principles used and financial statements are in compliance with accounting standards and disclosed.

In order to ensure the effectiveness of internal control and audit system, the Audit Committee will regularly review the financial statement and internal control system. The Audit Committee report had already disclosed in annual report.

The Audit committee had clarified on internal audit with good management that can be confident for the financial statements of the Company and its subsidiaries as of 31 December 2013.

MR. HSU, SHENG-HSIUNG

Chairman

MR. SHEN, SHYH- YONG

Vice Chairman

MR. KHONGSIT CHOUKITCHAROEN

Managing Director



# SOCIAL AND ENVIRONMENT RESPONSIBILITIES



The Company believes its environment, safety and pollution management practices should be complied with regulations in consideration that CCET is committed to prevent pollution, efficiently use the resources and continuously improve employee safety training. Furthermore, CCET realizes the success of the Company is not only measuring by operation results but also the responsibility to society and environment, therefore, the Company has determined to continue further contribution in year 2013 as the following:

## SOCIAL

### GREEN EARTH

The Company realizes the importance of green environment and has joined the Green Project by Custom Department to protect the mangrove forest, a natural resources and the living of sea life. On December 2, 2013, the Company's employees have participated with the Customs Department to afforest at Jaosamran beach, Petchaburi. The objective is to promote the private and Government sectors altogether to uplift their awareness on environmental protection and values of natural habitat in hoping to broadening a healthy marine ecological system along coastal areas.

### DONATION TO KING RAMA II FOUNDATION

The Company sees the importance and necessity to maintain Thai culture and support the public welfare program, therefore the Company has donated THB 100,000 to the King Rama II foundation intentioned to support public welfare in accordance with His royal discretion. The Directors of the Company was granted an audience by H.R.M. Princess Sirindhorn on February 2, 2013 for the donation ceremony.

### DONATION TO CHILDREN AT RATCHABURI SCHOOLS

The Company sees the importance of youth education therefore has arranged and donated stationeries, supplies, and food allowance to support the students in rural areas for Ratchaburi schools.

## DEVELOPMENT POTENTIAL OF HUMANITY

The Company has launched a new project for developing Skill, Technology & Innovation ("STI"), that has been supported by The Board of Investment of Thailand ("BOI") and it will be starting from 2008 to 2014. The budget of this project is approximately Baht 150 million and there are 3 projects under this master plan, the details of each project summarize as the following:

### 1<sup>ST</sup> PROJECT

The Company has established a Research and Development Center for designing computer peripheral products in Thailand to upgrade local Engineer's capability on to international standard, and to produce better quality of the products and to meet the demand of the market.



## 2<sup>nd</sup> PROJECT

The Company has coordinated with the education institutes such as King Mongkut's Institute of Technology Ladkrabang, Mahanakorn University of Technology, and NECTEC for the research on the Electronics and New Technology project. The project aims at supporting institute for proper technology and equipment development in order to enhance local engineer's professional knowledge as well as improvement in production efficiency

In addition, the Company offers scholarships to aforementioned institutes in the department of engineering in Bachelor and Master Degree to support potential local students who are enthusiasm in the said field.

## 3<sup>RD</sup> PROJECT

The Company has cooperated with institute and organized High Technology Training Program to assist local engineers the opportunity to train and to practice in the said field overseas. Such program aims to provide potential students with global learning environment.

## ENVIRONMENT

Regarding the environment, the Company realizes the importance of the environment and the responsibility for the environment and the effect of the environment that may harm the neighbor and the employees. The Company has the Environmental Policy as:

We, Cal-Comp, commit to the worldwide environmental policy, which state "The environment protection is the responsibility of human being" and everyday at Cal-Comp is the worldwide environment day. Moreover, we have the additional policy as following:

1. Correcting and preventing the pollution, as well as, decreasing, treating and monitoring the waste of factories as state period time to conform to the legal and regulation are our commitment.
2. Energy saving is the must by recycle and energy consumable reduction to prevent the pollution.
3. Awareness training and environment knowledge training are given to the employees for efficient protection of environment.
4. Monitoring and improving the energy consumption continuously to optimize the benefit from energy is our mission of energy guard ness.
5. Eliminate and reduce the hazard materials to environment as customer requirement is our commitment.

The above environment policy is our commitment and also the awareness throughout the Company by using several methods to achieve our policy and company's mission.

The Company has been committing to the policy and also training the employees to ensure the understanding and practical to commit of this policy.

The Company also appointed the environment committee to take responsibility in control, look after and service. Their responsibilities are as follows:

1. Establish the environment policy
2. Environment evaluation
3. Review environment evaluation result
4. Legal and other requirement selection
5. Establish the environment programs
6. Establish objectives and targets
7. Effectiveness of environment communication
8. Review environment management system

The committee set up the crucial point in environment management as:

- On behave of Environment committee; all relevant functions must identify the aspect of air, wastewater and garbage to conforming to legal and regulation impacting to the interest parties before developing the environment system.
- Every function shall report the environment evaluation result for all aspects.

- Environment committee shall implement the risk assessment results from the past, present and future.
- The priority of correction shall prioritize as per the impact results from the risk assessment, as well as, the cost control and technique control.
- The advanced planning for the compliance activities and maintained when to implementing these activities. All aspects shall be reviewed every 4 months.

The Company also realizes the importance in communication about the environment to customers, employees, suppliers and relevant persons to inform the change of the rules and regulations. Moreover, the Company also has the environment training for the employees to work effectively and smoothly. The Company also has the evaluation for the effect of the environment by dividing every work in the factory to build the standard in control the trend that can harm the environment, checking the quality of the environment such as water, air, and sound according to the laws, arranging the emergency plan and also have the training to reduce the environmental harm. The Company also coordinates with the government to reduce the environmental effect by the Company received ISO 14001 certification from AFAQ & Bestcert (Thailand) Co., Ltd., France which result from the successful in implementing the ISO 14001 standard for Environmental Management System (EMS) at both Mahachai and Petchaburi plants.

## REMUNERATION FOR AUDITOR

### 1. AUDIT FEE

For year 2013 the Company has paid the audit fee of 3,700,000 Baht to Ernst & Young Office Limited, Certified Public Accountant No.3182 Mr. Sophon Permsirivallop. The Audit fee for the period of year 2013 had been approved by the shareholder meeting, the remuneration of not exceeding Baht 3,700,000 per annum.

### 2. OTHER FEE

-None-





# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL STATEMENT SUMMARY

(Unit: MB)

Items	Audited		Audited		Audited	
	2011		2012		2013	
	Amount	%	Amount	%	Amount	%
<b>Assets</b>						
Cash and cash equivalents	1,975.17	3.50	1,840.19	3.20	3,525.44	5.65
Current investments	527.82	0.94	110.93	0.19	131.53	0.21
Trade and other receivables	26,703.76	47.34	26,803.58	46.61	25,615.84	41.03
Inventories	14,053.38	24.91	11,742.09	20.42	14,069.13	22.53
Advances payment for raw materials	387.15	0.69	340.28	0.59	566.65	0.91
Other current assets	966.27	1.71	1,014.64	1.77	1,027.86	1.65
<b>Total current assets</b>	<b>44,613.55</b>	<b>79.09</b>	<b>41,851.71</b>	<b>72.78</b>	<b>44,936.45</b>	<b>71.97</b>
Property, plant and equipment	10,996.88	19.49	14,928.29	25.96	16,578.85	26.55
Investments	197.71	0.35	162.77	0.28	452.72	0.73
Other non-current assets	604.18	1.07	562.58	0.98	466.53	0.75
<b>Total non-current assets</b>	<b>11,798.77</b>	<b>20.91</b>	<b>15,653.64</b>	<b>27.22</b>	<b>17,498.10</b>	<b>28.03</b>
<b>Total assets</b>	<b>56,412.32</b>	<b>100.00</b>	<b>57,505.35</b>	<b>100.00</b>	<b>62,434.55</b>	<b>100.00</b>
<b>Liabilities and shareholders' equity</b>						
Short-term loans from financial institutions	15,362.43	27.23	15,799.18	27.47	20,089.18	32.18
Trade and other payables	24,666.33	43.73	24,160.30	42.01	23,712.85	37.98
Other current liabilities	1,741.65	3.09	1,316.18	2.29	2,335.74	3.74
<b>Total current liabilities</b>	<b>41,770.41</b>	<b>74.05</b>	<b>41,275.66</b>	<b>71.77</b>	<b>46,137.77</b>	<b>73.90</b>
Provision for long-term employee benefits	64.39	0.11	112.24	0.20	91.20	0.15
Deferred tax liabilities	8.65	0.02	51.61	0.09	90.79	0.15
Other non-current liabilities	-	-	784.17	1.36	0.00	0.00
<b>Total non-current liabilities</b>	<b>73.04</b>	<b>0.13</b>	<b>948.02</b>	<b>1.65</b>	<b>181.99</b>	<b>0.29</b>
<b>Total liabilities</b>	<b>41,843.45</b>	<b>74.18</b>	<b>42,223.68</b>	<b>73.42</b>	<b>46,319.76</b>	<b>74.19</b>
<b>Shareholders' equity</b>						
Issued and paid up share capital	4,077.56	7.23	4,077.56	7.09	4,085.28	6.54
Share premium	3,144.54	5.57	3,144.54	5.47	3,161.46	5.06
Capital reserve for share-based payment transactions	-	-	16.94	0.03	39.59	0.06
Retained earnings	8,898.21	15.77	9,422.63	16.39	9,236.62	14.79
Other components for shareholders' equity	(1,551.44)	(2.75)	(1,380.00)	(2.40)	(408.15)	(0.65)
<b>Total shareholders' equity</b>	<b>14,568.87</b>	<b>25.82</b>	<b>15,281.67</b>	<b>26.58</b>	<b>16,114.80</b>	<b>25.81</b>
<b>Total liabilities and shareholders' equity</b>	<b>56,412.32</b>	<b>100.00</b>	<b>57,505.35</b>	<b>100.00</b>	<b>62,434.56</b>	<b>100.00</b>

## FINANCIAL STATEMENT SUMMARY (CONT.)

(Unit: MB)

Items	Audited		Audited		Audited	
	2011		2012		2013	
	Amount	%	Amount	%	Amount	%
<b>Revenues</b>						
Sales	131,978.90	99.34	140,193.02	98.90	121,535.16	99.74
Exchange gain	90.72	0.07	0.00	-	0.00	0.00
Gain on financial derivatives	516.81	0.39	1,048.74	0.74	0.00	0.00
Other income	264.18	0.20	513.17	0.36	321.77	0.26
<b>Total revenues</b>	<b>132,850.61</b>	<b>100.00</b>	<b>141,754.93</b>	<b>100.00</b>	<b>121,856.93</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of sales	127,915.41	96.29	135,642.81	96.76	116,277.73	95.42
Selling and administrative expenses	3,498.78	2.31	3,994.32	2.82	4,388.59	3.60
Exchange loss	-	-	421.93	0.30	331.99	0.27
<b>Total expenses</b>	<b>131,414.19</b>	<b>98.60</b>	<b>140,059.06</b>	<b>99.88</b>	<b>120,998.31</b>	<b>99.30</b>
Share of profit (loss) from investments in associates	7.14	0.01	(0.05)	(0.00)	(10.14)	(0.01)
Profit before finance cost and income tax expenses	1,443.56	1.09	1,695.82	1.20	848.48	0.70
Finance cost	251.00	0.19	383.87	0.27	307.99	0.25
Income tax expenses	105.41	0.08	112.96	0.08	79.00	0.06
<b>Profit for the year</b>	<b>1,087.15</b>	<b>0.82</b>	<b>1,198.99</b>	<b>0.85</b>	<b>461.49</b>	<b>0.38</b>
Earnings per share		0.27		0.29		0.11
Net cash from (used in) operation activities		(3,995.18)		350.49		2,692.47
Net cash used in investing activities		(3,084.41)		(3,637.50)		(3,102.99)
Net cash from financing activities		2,302.49		1,563.93		3,033.68
Net decrease in cash and cash equivalents		(3,290.44)		(551.88)		1,637.39





## FINANCIAL RATIOS

Items	2011	2012	2013
<b>1. Liquidity ratio</b>			
Current ratio (times)	1.07	1.01	0.97
Quick ratio (times)	0.73	0.73	0.66
Account receivable turnover (times)	4.74	5.24	4.64
Days receivable (days)	75.99	68.70	77.64
Inventory turnover (times)	10.67	10.52	9.01
Average selling period (days)	33.72	34.23	39.96
Account payable turnover (times)	4.97	5.56	4.86
Days payable (days)	72.45	64.79	74.11
Cash Cycle (days)	37.26	38.14	43.48
<b>2. Profitability ratio</b>			
Gross profit margin (%)	3.08	3.25	4.33
Operating profit margin (%)	0.43	0.40	0.71
Net profit margin (%)	0.82	0.85	0.38
Return on equity (%)	7.69	8.03	2.94
<b>3. Efficiency ratio</b>			
Return on assets (%)	1.96	2.11	0.77
Return on fixed assets (%)	24.55	21.29	15.40
Asset turnover (times)	2.38	2.46	2.03
<b>4. Financial ratio</b>			
Debt to equity ratio (times)	2.87	2.76	2.87
Interest coverage ratio (times)	5.75	4.42	2.75
Dividend payout ratio (%)	43.00	34.02	68.47
<b>5. Per share data</b>			
Book value per share (Baht)	3.57	3.75	3.94

## ANALYSIS OF PERFORMANCE

## Overall past performance

In 2013, the Company still focuses on the expansion the operation base both in Thailand and oversea, at the present, the Company has the subsidiaries in Thailand, China, Taiwan, Malaysia, Singapore, USA, Mexico, Brazil and Philippines. All the operation bases are set up to support the business growth as well as the high demand from our customer and also to reduce the cost in order to maintain its cost competitiveness among other competitors.

The summary of the performance of year 2011-2013 are as follows:

## 1. Sale revenues

The Company's sale revenue in 2011-2013 was at Baht 131,978.90 million, Baht 140,193.02 million and Baht 121,535.16 million respectively. In 2013, the Company's sale revenues was decreased 13.31% from last year. The decrease of sales was mainly in related to the continuous weakened global demand in PC industry

## 2. Cost of sales

The Company's cost of sales in 2011-2013 was at Baht 127,915.41 million, Baht 135,642.81 million and Baht 116,277.73 million which equivalent to 96.92%, 96.75% and 95.67% of sale revenues respectively. The Company's gross profit margin was at 3.08%, 3.25% and 4.33% respectively. The increase of gross profit margin is mainly due to differences in product mix to more in high margin products.



### 3. Selling and administrative expenses (SG&A)

The Company's SG&A in 2011-2013 was at Baht 3,498.78 million, Baht 3,994.32 million and Baht 4,388.59 million which equivalent to 2.65%, 2.85% and 3.61% of sale revenue respectively. The increased of SG&A was mainly in related to the consolidated expense of supporting overseas subsidiaries as well as marketing and managing expense to support existing customers.

### 4. Profit

The Company's operating profit margin of 2011-2013 was at 0.43%, 0.40% and 0.71% respectively. The operating profit margin increased in 2013 mainly in related to the differences in products mix to more in high margin products as compared to previous year.. During 2011-2013, the Company had net profit margin of Baht 1,087.15 million, Baht 1,198.99 million and Baht 461.49 million which representing a net profit margin of 0.82%, 0.85% and 0.38% respectively. The Company's net profit decreased by 61.51% from year 2012 due to a result of weakened economic and demand worldwide. In addition, the Company is under the process of facility expansion in considering the incoming demand in the following year therefore may as well impact the overall net profit in the current year as compared.

## ANALYSIS OF FINANCIAL STATUS

### ASSETS

The Company's total asset in 2011-2013 was at Baht 56,412.32 million, Baht 57,505.35 million and Baht 62,434.55 million respectively. The increased Baht 4,929.20 million or 8.57% in year 2013 which was mainly come from the increased in long-term investments by 178.14% since the Company has expanded the operation base both in Thailand and overseas in year 2013.

#### 1. Current assets

The Company's current asset in 2011-2013 was at Baht 44,613.55 million, Baht 41,851.71 million and Baht 44,936.45 million which equivalent to 79.09%, 72.78% and 71.97% of total assets respectively. In 2013, the Company's current asset increased by Baht 3,084.74 million or 7.37% was mainly due to the increased in cash and cash equivalent of Baht 1,685.26 million and inventories of Baht 2,327.04 million respectively.

##### 1.1 Trade and other accounts receivable

The Company's trade and other accounts receivable in 2011-2013 was at Baht 26,703.76 million, Baht 26,803.58 million and Baht 25,615.84 million respectively. In 2013, the trade and other accounts receivable decreased by Baht 1,187.75 million or 4.43% which is quite similar level with year 2012.

##### 1.2 Inventory

The Company's inventory in 2011-2013 was at Baht 14,053.38 million, Baht 11,742.09 million and Baht 14,069.13 million respectively. In 2013, the inventory increased by Baht 2,327.04 million or 19.82% compared to previous year. The raw material was at Baht 11,015.26 million, Baht 7,837.11 million and Baht 11,073.64 million respectively. In 2013, the raw material increased by 41.30% from 2012 and the major portion in the inventory sector is come from the raw materials which accounted 78.71% of the inventory and is considered reasonable proportion following CCET's inventory policy

#### 2. Non-current assets

As at 31 December 2011-2013 the Company had total non-current assets of Baht 11,798.77 million, Baht 15,653.64 million and Baht 17,498.10 million which represent 20.91%, 27.22% and 28.03% of total assets respectively. In 2013, the Company's non-current assets has increased by 11.78% compared to 2012 as a result of increased long-term investments by 178.14% and increased property, plant, and equipment by 11.06 % for the company expansion both in Thailand and oversea.

## Source of capital

### LIABILITIES

As at 31 December 2011-2013, the Company had total liabilities of Baht 41,843.45 million, Baht 42,223.68 million and Baht 46,319.75 million, respectively. In 2013, the Company's total liabilities increased by 9.70% from 2012 mainly due to the increased in short-term loans of Baht 4,290.00 million and long-term loans, net of current portion for Baht 572.71 million to support the Company and its subsidiaries operation.

### EQUITY

As at 31 December 2011-2013, the Company had total equity of Baht 14,568.87 million, Baht 15,281.67 million and Baht 16,114.80 million respectively. In 2013, the Company's equity increased by Baht 833.13 million or 5.45% compared to 2012 due to the increased in capital reserve for the warrant CCET-WA of Baht 22.65 million and decreased in other components of shareholders equity of Baht 971.86 million compared to the same period last year.





# INDEPENDENT AUDITOR'S REPORT

## TO THE SHAREHOLDERS OF CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED

I have audited the accompanying consolidated financial statements of Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2013, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of Cal-Comp Electronics (Thailand) Public Company Limited for the same period.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## OPINION

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries and of Cal-Comp Electronics (Thailand) Public Company Limited as at 31 December 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

## EMPHASIS OF MATTER

I draw attention to Note 8 to the financial statements regarding the Company having substantial product sale and raw material purchase transactions with its subsidiaries and related companies. My opinion is not qualified in respect of this matter.

## OTHER MATTER

The consolidated statement of financial position of Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries, and the separate statement of financial position of Cal-Comp Electronics (Thailand) Public Company Limited as at 31 December 2012, presented herein as comparative information, were audited by another auditor of our firm who expressed an unqualified opinion on those statements, under her report dated 21 February 2013, while drawing attention to the Company having substantial product sale and raw material purchase transactions with its subsidiaries and related companies and the Company and its subsidiaries changing their accounting policies on deferred tax, functional currency and the recording of financial derivatives at fair value. In 2012, the Company and its subsidiaries early adopted TAS 12 Income tax and TAS 21 (revised 2009) The Effects of Changes in Foreign Exchange Rates, and began the recording of financial derivatives at fair value.

**SOPHON PERMSIRIVALLOP**

Certified Public Accountant (Thailand) No. 3182

Ernst & Young Office Limited

Bangkok: 26 February 2014

# STATEMENT OF FINANCIAL POSITION

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT 31 DECEMBER 2013

(Unit: Baht)

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2013	2012	2013	2012
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	3,525,442,745	1,840,184,429	209,616,067	172,290,595
Current investments	6, 7				
Term deposits at financial institutions		63,064,904	110,929,975	658,170	110,684,922
Investment in trading securities		68,463,083	-	-	-
Trade and other receivables	8, 9	25,615,836,170	26,803,583,982	21,255,597,543	19,718,198,016
Short-term loans to related parties	8	-	-	328,136,000	-
Current portion of long-term loans					
to related parties	8	-	-	1,099,255,600	-
Inventories	10	14,069,133,240	11,742,091,078	5,942,320,927	5,051,162,719
Advances payment for raw materials	11	566,647,383	340,275,957	332,284,519	109,101,109
Other current assets	12	1,027,864,427	1,014,642,031	163,919,595	61,038,595
<b>Total current assets</b>		<b>44,936,451,952</b>	<b>41,851,707,452</b>	<b>29,331,788,421</b>	<b>25,222,475,956</b>
<b>Non-current assets</b>					
Long-term loans to related parties, net					
of current portion	8	-	-	-	1,026,158,600
Restricted bank deposits	13	27,983,438	8,056,111	-	-
Investments in associates	14	379,979,479	109,967,558	293,941,189	-
Investments in subsidiaries	15	-	-	6,421,954,389	5,808,760,537
Other long-term investments	16	72,739,459	52,800,783	71,742,286	31,435,877
Property, plant and equipment	17	16,578,852,262	14,928,285,983	7,092,694,535	5,615,594,564
Goodwill		145,539,870	131,328,455	-	-
Other intangible assets	18	19,541,647	97,642,485	-	-
Deferred tax assets	28	2,090,883	35,013,561	-	19,317,592
Other non-current assets	19				
Land occupancy rights		104,582,259	99,214,650	-	-
Others		166,789,725	191,334,323	1,716,881	1,123,844
<b>Total non-current assets</b>		<b>17,498,099,022</b>	<b>15,653,643,909</b>	<b>13,882,049,280</b>	<b>12,502,391,014</b>
<b>Total assets</b>		<b>62,434,550,974</b>	<b>57,505,351,361</b>	<b>43,213,837,701</b>	<b>37,724,866,970</b>

The accompanying notes are an integral part of the financial statements.





# STATEMENT OF FINANCIAL POSITION (CONTINUED)

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT 31 DECEMBER 2013

(Unit: Baht)

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2013	2012	2013	2012
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	20	20,089,175,416	15,799,177,871	13,999,536,798	9,814,890,167
Trade and other payables	8, 21	23,712,847,365	24,160,305,239	11,306,829,680	11,361,393,917
Current portion of long-term loans	23	1,233,791,360	784,168,960	-	-
Income tax payable		16,653,332	19,418,112	3,348,796	1,573,193
Other current liabilities	22	1,085,295,967	512,586,919	211,311,467	154,158,097
<b>Total current liabilities</b>		<b>46,137,763,440</b>	<b>41,275,657,101</b>	<b>25,521,026,741</b>	<b>21,332,015,374</b>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits	24	91,199,715	112,241,751	85,561,846	76,648,129
Deferred tax liabilities	28	90,786,021	51,614,460	14,363,147	-
Long-term loans, net of current portion	23	-	784,168,960	-	-
<b>Total non-current liabilities</b>		<b>181,985,736</b>	<b>948,025,171</b>	<b>99,924,993</b>	<b>76,648,129</b>
<b>Total liabilities</b>		<b>46,319,749,176</b>	<b>42,223,682,272</b>	<b>25,620,951,734</b>	<b>21,408,663,503</b>
<b>Shareholders' equity</b>					
Share capital					
Registered					
4,277,556,192 ordinary shares of Baht 1 each		4,277,556,192	4,277,556,192	4,277,556,192	4,277,556,192
Issued and paid up share capital					
4,085,278,192 ordinary shares of Baht 1 each					
(31 December 2012: 4,077,556,192 ordinary shares of Baht 1 each)		4,085,278,192	4,077,556,192	4,085,278,192	4,077,556,192
Share premium		3,161,455,137	3,144,543,957	3,161,455,137	3,144,543,957
Capital reserve for share-based payment transactions	25	39,594,965	16,943,063	39,594,965	16,943,063
Retained earnings					
Appropriated - statutory reserve	26	511,111,587	511,111,587	511,111,587	511,111,587
Unappropriated		8,725,508,634	8,911,521,365	9,389,582,535	9,321,060,269
Other components of shareholders' equity		(408,146,717)	(1,380,007,075)	405,863,551	(755,011,601)
<b>Total shareholders' equity</b>		<b>16,114,801,798</b>	<b>15,281,669,089</b>	<b>17,592,885,967</b>	<b>16,316,203,467</b>
<b>Total liabilities and shareholders' equity</b>		<b>62,434,550,974</b>	<b>57,505,351,361</b>	<b>43,213,837,701</b>	<b>37,724,866,970</b>

The accompanying notes are an integral part of the financial statements.

# INCOME STATEMENT

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED 31 DECEMBER 2013

(Unit: Baht)

	NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2013	2012	2013	2012
<b>Revenues</b>					
Sales	8	121,535,155,180	140,193,019,630	59,298,619,283	66,222,847,921
Exchange gain		-	-	96,722,865	50,755,513
Gain on financial derivatives		-	1,048,743,691	-	-
Other income	8	321,769,657	513,163,757	47,131,030	42,898,526
<b>Total revenues</b>		<b>121,856,924,837</b>	<b>141,754,927,078</b>	<b>59,442,473,178</b>	<b>66,316,501,960</b>
<b>Expenses</b>					
Cost of sales	8	116,277,733,834	135,642,813,604	57,692,735,827	63,988,519,766
Selling expenses		374,181,749	602,487,181	40,966,978	55,466,416
Administrative expenses	8	4,014,403,432	3,391,833,933	807,889,464	198,686,232
Exchange loss		330,368,152	421,926,185	-	-
Loss on financial derivatives		1,619,531	-	1,187,305	-
<b>Total expenses</b>		<b>120,998,306,698</b>	<b>140,059,060,903</b>	<b>58,542,779,574</b>	<b>64,242,672,414</b>
Profit before share of loss from investments in associates, finance cost and income tax expenses		858,618,139	1,695,866,175	899,693,604	2,073,829,546
Share of loss from investments in associates		(10,139,820)	(50,549)	-	-
Profit before finance cost and income tax expenses		848,478,319	1,695,815,626	899,693,604	2,073,829,546
Finance cost		(307,987,853)	(383,868,704)	(180,216,324)	(154,298,940)
Profit before income tax expenses		540,490,466	1,311,946,922	719,477,280	1,919,530,606
Income tax expenses	28	(79,001,429)	(112,961,570)	(3,453,246)	(1,923,713)
<b>Profit for the year</b>		<b>461,489,037</b>	<b>1,198,985,352</b>	<b>716,024,034</b>	<b>1,917,606,893</b>
<b>Earnings per share</b>	30				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.11	0.29	0.18	0.47
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.11	0.29	0.17	0.47

The accompanying notes are an integral part of the financial statements.





# STATEMENT OF COMPREHENSIVE INCOME

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED 31 DECEMBER 2013

(Unit: Baht)

NOTE	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Profit for the year</b>	461,489,037	1,198,985,352	716,024,034	1,917,606,893
<b>Other comprehensive income:</b>				
Actuarial gain (loss)	4,800,206	(22,159,404)	4,800,206	(22,159,404)
Exchange differences on translation of financial statements in foreign currency	976,818,785	159,980,557	1,165,833,579	372,817,073
Gain on changes in value of available-for-sale investments	33,850,770	-	33,850,770	-
Income tax effect	(38,097,060)	11,450,927	(38,097,060)	11,450,927
<b>Other comprehensive income for the year</b>	977,372,701	149,272,080	1,166,387,495	362,108,596
<b>Total comprehensive income for the year</b>	1,438,861,738	1,348,257,432	1,882,411,529	2,279,715,489

The accompanying notes are an integral part of the financial statements.



## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED 31 DECEMBER 2013

(Unit: Baht)

	CONSOLIDATED FINANCIAL STATEMENTS									
	ISSUED AND FULLY PAID-UP SHARE CAPITAL	SHARE PREMIUM	CAPITAL RESERVE FOR SHARE-BASED PAYMENT TRANSACTIONS	RETAINED EARNINGS APPROPRIATED	UNAPPROPRIATED	OTHER COMPONENTS OF EQUITY				
						EXCHANGE DIFFERENCES ON TRANSLATION OF FINANCIAL STATEMENTS IN FOREIGN CURRENCY	SURPLUS (DEFICIT) ON CHANGES IN VALUE OF AVAILABLE -FOR-SALE INVESTMENTS	SHARE DEFICIT IS INCURRED DUE TO SHARE PURCHASE FROM THE NON- CONTROLLING INTERESTS OF THE SUBSIDIARIES WITHOUT LOSING THE CONTROLLING INTEREST	TOTAL OTHER COMPONENTS OF SHAREHOLDERS' EQUITY	TOTAL SHAREHOLDERS' EQUITY
<b>Balance as at 1 January 2012</b>	4,077,556,192	3,144,543,957	-	511,111,587	8,387,104,408	(1,512,339,599)	(21,471,262)	(17,627,698)	(1,551,438,559)	14,568,877,585
Dividend paid (Note 33)	-	-	-	-	(652,408,991)	-	-	-	-	(652,408,991)
Share-based payment transactions (Note 25)	-	-	16,943,063	-	-	-	-	-	-	16,943,063
Total comprehensive income for the year	-	-	-	-	1,176,825,948	171,431,484	-	-	171,431,484	1,348,257,432
<b>Balance as at 31 December 2012</b>	4,077,556,192	3,144,543,957	16,943,063	511,111,587	8,911,521,365	(1,340,908,115)	(21,471,262)	(17,627,698)	(1,380,007,075)	15,281,669,089
<b>Balance as at 1 January 2013</b>	4,077,556,192	3,144,543,957	16,943,063	511,111,587	8,911,521,365	(1,340,908,115)	(21,471,262)	(17,627,698)	(1,380,007,075)	15,281,669,089
Capital increase due to convert warrants to shares (Note 25)	7,722,000	16,911,180	-	-	-	-	-	-	-	24,633,180
Dividend paid (Note 33)	-	-	-	-	(653,014,111)	-	-	-	-	(653,014,111)
Share-based payment transactions (Note 25)	-	-	22,651,902	-	-	-	-	-	-	22,651,902
Total comprehensive income for the year	-	-	-	-	467,001,380	940,492,286	31,368,072	-	971,860,358	1,438,861,738
<b>Balance as at 31 December 2013</b>	4,085,278,192	3,161,455,137	39,594,965	511,111,587	8,725,508,634	(400,415,829)	9,896,810	(17,627,698)	(408,146,717)	16,114,801,798

The accompanying notes are an integral part of the financial statements.

# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED 31 DECEMBER 2013

(Unit: Baht)

	SEPARATE FINANCIAL STATEMENTS								
	ISSUED AND FULLY PAID-UP SHARE CAPITAL	SHARE PREMIUM	CAPITAL RESERVE FOR SHARE-BASED PAYMENT TRANSACTIONS	RETAINED EARNINGS		OTHER COMPONENTS OF EQUITY			
				APPROPRIATED	UNAPPROPRIATED	OTHER COMPREHENSIVE INCOME			
						EXCHANGE DIFFERENCES ON TRANSLATION OF FINANCIAL STATEMENTS IN FOREIGN CURRENCY	SURPLUS (DEFICIT) ON CHANGES IN VALUE OF AVAILABLE -FOR-SALE INVESTMENTS	TOTAL OTHER COMPONENTS OF SHAREHOLDERS' EQUITY	
<b>Balance as at 1 January 2012</b>	4,077,556,192	3,144,543,957	-	511,111,587	8,078,021,771	(1,117,808,339)	(21,471,262)	(1,139,279,601)	14,671,953,906
Dividend paid (Note 33)	-	-	-	-	(652,408,991)	-	-	-	(652,408,991)
Share-based payment transactions (Note 25)	-	-	16,943,063	-	-	-	-	-	16,943,063
Total comprehensive income for the year	-	-	-	-	1,895,447,489	384,268,000	-	-	2,279,715,489
<b>Balance as at 31 December 2012</b>	4,077,556,192	3,144,543,957	16,943,063	511,111,587	9,321,060,269	(733,540,339)	(21,471,262)	(755,011,601)	16,316,203,467
<b>Balance as at 1 January 2013</b>	4,077,556,192	3,144,543,957	16,943,063	511,111,587	9,321,060,269	(733,540,339)	(21,471,262)	(755,011,601)	16,316,203,467
Capital increase due to convert warrants to shares (Note 25)	7,722,000	16,911,180	-	-	-	-	-	-	24,633,180
Dividend paid (Note 33)	-	-	-	-	(653,014,111)	-	-	-	(653,014,111)
Share-based payment transactions (Note 25)	-	-	22,651,902	-	-	-	-	-	22,651,902
Total comprehensive income for the year	-	-	-	-	721,536,377	1,129,507,080	31,368,072	1,160,875,152	1,882,411,529
<b>Balance as at 31 December 2013</b>	4,085,278,192	3,161,455,137	39,594,965	511,111,587	9,389,582,535	395,966,741	9,896,810	405,863,551	17,592,885,967

The accompanying notes are an integral part of the financial statements.



# STATEMENT OF CASH FLOWS

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED 31 DECEMBER 2013

(Unit: Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Cash flows from operating activities</b>				
Profit before tax	540,490,466	1,311,946,922	719,477,280	1,919,530,606
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	2,092,038,077	1,979,215,092	870,632,060	777,200,111
Loss from bad debts	398,425,444	-	-	-
Allowance for doubtful accounts (reversal)	3,635,260	359,307,684	(6,147,859)	3,010,861
Reduction of inventory to net realisable value (reversal)	28,821,510	46,911,831	(1,171,031)	32,775,770
Loss (gain) on disposal of property, plant and equipment	(8,432,092)	10,034,464	(26,161,560)	(9,486,313)
Impairment loss of assets	24,335,244	16,567,675	649,688,449	5,631,233
Share of loss from investments in associates	10,139,820	50,549	-	-
Loss on disposal of investment in associate and other long-term investment	3,313,194	14,142,833	-	-
Long-term employee benefits expenses	57,781,917	27,399,036	13,833,696	11,773,149
Share-based payment transactions	22,651,902	16,943,063	5,938,776	3,189,128
Loss (gain) on financial derivatives	1,619,531	(1,048,743,691)	1,187,305	-
Unrealised exchange gain	(28,991,919)	(12,653,195)	(33,834,544)	(8,084,058)
Interest income	(8,990,635)	(18,254,492)	(99,513)	(4,905,269)
Interest expense	295,710,150	366,296,373	173,228,319	145,016,328
<b>Profit from operating activities before changes in operating assets and liabilities</b>	<b>3,432,547,869</b>	<b>3,069,164,144</b>	<b>2,366,571,378</b>	<b>2,875,651,546</b>
<b>Operating assets (increase) decrease</b>				
<b>Trade and other receivables</b>	<b>2,299,164,025</b>	<b>(1,359,323,443)</b>	<b>(706,810,131)</b>	<b>(7,489,001,474)</b>
Inventories	(1,452,749,262)	1,891,595,712	(469,890,291)	1,876,709,531
Advances payment for raw materials	(184,012,148)	36,748,169	(207,214,641)	7,157,961
Other current assets	(20,925,506)	(117,981,558)	(123,048,188)	169,702,434
<b>Operating liabilities increase (decrease)</b>				
<b>Trade and other payables</b>	<b>(1,812,961,163)</b>	<b>(2,986,677,245)</b>	<b>(851,740,353)</b>	<b>1,584,608,546</b>
Other current liabilities and other non-current liabilities	509,127,016	(120,569,058)	103,637,648	(156,363,419)
Provision for long-term employee benefits	(22,789,601)	-	-	-
<b>Cash flows from (used in) operating activities</b>	<b>2,747,401,230</b>	<b>412,956,721</b>	<b>111,505,422</b>	<b>(1,131,534,875)</b>
Cash paid for corporate income tax	(54,930,099)	(62,469,725)	(3,652,886)	(3,445,850)
<b>Net cash from (used in) operating activities</b>	<b>2,692,471,131</b>	<b>350,486,996</b>	<b>107,852,536</b>	<b>(1,134,980,725)</b>

The accompanying notes are an integral part of the financial statements



# STATEMENT OF CASH FLOWS (CONTINUED)

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED 31 DECEMBER 2013

(Unit: Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(19,180,502)	(8,056,111)	-	-
Increase in investments in a subsidiaries	-	-	-	(208,300,908)
Increase in investment in an associate	(293,941,189)	-	(293,941,189)	-
Increase in loans to related parties	-	-	(293,085,000)	(1,064,593,000)
Increase in other long-term investments	-	(7,486,280)	-	(7,486,280)
Increase in property, plant and equipment	(2,862,685,539)	(4,002,512,313)	(2,052,390,626)	(2,339,217,146)
Interest income	8,990,635	18,254,492	99,513	4,905,269
Proceeds from sales of an investment in associate	17,902,904	-	-	-
Proceeds from sales of equipment	15,623,763	445,086,935	32,442,072	327,953,205
Decrease (increase) in other non-current assets	30,302,849	(82,786,490)	(461,843)	(30,007)
<b>Net cash used in investing activities</b>	<b>(3,102,987,079)</b>	<b>(3,637,499,767)</b>	<b>(2,607,337,073)</b>	<b>(3,286,768,867)</b>
<b>Cash flows from financing activities</b>				
Increase in short-term loans from financial institutions	4,289,997,545	2,874,593,191	4,184,646,631	4,163,012,074
Cash receipt from long-term loans	-	629,676,000	-	-
Repayment of long-term loans	(334,546,560)	(883,419,840)	-	-
Cash receipt from exercise of warrants	24,633,180	-	24,633,180	-
Interest expense	(293,393,762)	(404,512,957)	(167,443,880)	(142,434,121)
Dividend paid	(653,014,111)	(652,408,991)	(653,014,111)	(652,408,991)
<b>Net cash flow from financing activities</b>	<b>3,033,676,292</b>	<b>1,563,927,403</b>	<b>3,388,821,820</b>	<b>3,368,168,962</b>
Increase (decrease) in translation adjustment	(985,767,099)	1,171,204,646	(962,038,563)	913,808,372
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,637,393,245</b>	<b>(551,880,722)</b>	<b>(72,701,280)</b>	<b>(139,772,258)</b>
Cash and cash equivalents at beginning of year	1,951,114,404	2,502,995,126	282,975,517	422,747,775
<b>Cash and cash equivalents at end of year (Note 6)</b>	<b>3,588,507,649</b>	<b>1,951,114,404</b>	<b>210,274,237</b>	<b>282,975,517</b>
<b>Supplemental cash flows information:</b>				
Non-cash items consist of: -				
Account receivable paid by transferring its ordinary shares and warrants	68,463,083	-	-	-
Purchase of plant and equipment that has not yet been paid	93,199,984	3,238,211,284	123,432,017	358,044,302
Sale of plant and equipment that has not yet been received	38,569,223	96,523,788	281,515,333	31,211,405
Transfer short-term loans to long-term loans	-	1,822,081,760	-	-

The accompanying notes are an integral part of the financial statements.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

CAL-COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED 31 DECEMBER 2013

## 1. GENERAL INFORMATION

Cal-Comp Electronics (Thailand) Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its major shareholder is Kinpo Electronics, Inc., which was incorporated in Taiwan. The Company is principally engaged in the manufacture of electronic products, such as computer and computer peripheral, telecommunication equipment and automation equipment. The registered of the Company is 191/54, 191/57 18th Floor, CTI Tower, Rachadapisek Road, Kwang Klongtoey, Khet Klongtoey, Bangkok 10110. The Company has 4 branches in Thailand and is located at Samutsakorn, Petchaburi and Nakhonratsima.

## 2. BASIS OF PREPARATION

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

These financial statements are presented in Thai Baht which is different from the functional currency of the Company, which is USD. The presentation is in Thai Baht in accordance with the regulatory requirements in Thailand.

The USD functional currency financial statements are translated into the Thai Baht presentation currency financial statements at the rate of exchange prevailing at the end of reporting period in respect of assets and liabilities, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses, differences being recorded as "Exchange differences on translation of financial statements in foreign currency" in other comprehensive income, which is a part of other components of shareholders' equity.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

### 2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Cal-Comp Electronics (Thailand) Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries").





COMPANY’S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	PERCENTAGE OF SHAREHOLDING	
			2013 PERCENT	2012 PERCENT
Audited by other auditors				
Logistar International Holding Co., Ltd.	Group company’s distributor	British Virgin Island	100	100
Cal-Comp Electronics (Suzhou) Co., Ltd.	Manufacture of electronic products	The People’s Republic of China	100	100
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Manufacture of electronic products	The People’s Republic of China	100	100
Cal-Comp Electronics & Communications Co., Ltd.	Purchasing material and research and development	Taiwan	100	100
Cal-Comp Technology (Suzhou) Co., Ltd.	Manufacture of electronic products	The People’s Republic of China	100	100
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	Manufacture of electronic products	The People’s Republic of China	100	100
Cal-Comp Electronics (USA) Co., Ltd. and its subsidiaries	Manufacture of electronic products	United States of America	100	100
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Manufacture of electronic products	Brazil	100	100
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Manufacture of electronic products	Mexico	100	100
Audited by other auditors of the same firm				
Cal-Comp Precision (Singapore) Limited and its subsidiaries	Manufacture and distributor of plastic components	Singapore	100	100
Cal Comp (Malaysia) SDN. BHD.	Manufacture of electronic products	Malaysia	100	100
Cal-Comp Technology (Philippines), Inc. (Formerly known as “New Kinpo Group Technology (Philippines), Inc.”)	Manufacture of electronic products	Philippines	100	100

The financial statements of the subsidiaries were prepared by the management of the subsidiaries and audited by their overseas auditors.

Revenues of Logistar International Holding Co., Ltd. are mainly from sales of goods, which have been purchased from the Company and its subsidiaries, to third parties.

The subsidiaries which the Company owns through Cal-Comp Precision (Singapore) Limited are as follows:

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	PERCENTAGE OF INDIRECT SHAREHOLDING	
			2013 PERCENT	2012 PERCENT
Avaplas Precision Plastic (Shanghai) Co., Ltd.	Precision engineering plastic injection moulding	The People's Republic of China	100	100
Cal-Comp Precision (Malaysia) Sdn. Bhd.	Precision engineering plastic injection moulding	Malaysia	100	100
Cal-Comp Precision (Thailand) Limited	Precision engineering plastic injection moulding	Thailand	100	100
Cal-Comp Precision (Dongguan) Limited	Precision engineering plastic injection moulding	The People's Republic of China	100	100
Cal-Comp Precision (Wujiang) Limited	Precision engineering plastic injection moulding	The People's Republic of China	100	100

The subsidiaries which the Company owns through Cal-Comp Electronics (USA) Co., Ltd. are as follows:

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	PERCENTAGE OF INDIRECT SHAREHOLDING	
			2013 PERCENT	2012 PERCENT
Cal-Comp USA (Indiana), Inc.	Manufacturer of Printed Circuit Board Assembles	United States of America	100	100
Cal-Comp USA (San Diego), Inc.	Manufacturer of Printed Circuit Board Assembles	United States of America	100	100

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The financial statements of all subsidiaries are prepared in their respective functional currencies. Where the functional currency is not USD, the financial statements are translated into USD using the exchange rate prevailing at the end of reporting period in respect of assets and liabilities, and at a rate that approximates the actual rate at the date of the transaction in respect of revenues and expenses. The resultant differences have been shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in other comprehensive income, which is a part of other components of shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

- 2.3 The separate financial statements, which present investments in subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.







### 3. NEW ACCOUNTING STANDARDS

Below is a summary of accounting standards that became effective in the current accounting year and those that will become effective in the future.

#### (a) ACCOUNTING STANDARDS THAT BECAME EFFECTIVE IN THE CURRENT ACCOUNTING YEAR

##### ACCOUNTING STANDARDS:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

##### FINANCIAL REPORTING STANDARD:

IFRS 8	Operating Segments
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##### ACCOUNTING STANDARD INTERPRETATIONS:

TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
	Accounting Treatment Guidance for Transfers of Financial Assets

The Company adopted TAS12 and TAS 21 (revised 2009) in 2012 while the remaining accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements.

#### (b) ACCOUNTING STANDARDS THAT WILL BECOME EFFECTIVE IN THE FUTURE

	EFFECTIVE DATE
<b>ACCOUNTING STANDARDS:</b>	
TAS 1 (revised 2012) Presentation of Financial Statements	1 January 2014
TAS 7 (revised 2012) Statement of Cash Flows	1 January 2014
TAS 12 (revised 2012) Income Taxes	1 January 2014
TAS 17 (revised 2012) Leases	1 January 2014
TAS 18 (revised 2012) Revenue	1 January 2014
TAS 19 (revised 2012) Employee Benefits	1 January 2014
TAS 21 (revised 2012) The Effects of Changes in Foreign Exchange Rates	1 January 2014
TAS 24 (revised 2012) Related Party Disclosures	1 January 2014
TAS 28 (revised 2012) Investments in Associates	1 January 2014
TAS 31 (revised 2012) Interests in Joint Ventures	1 January 2014
TAS 34 (revised 2012) Interim Financial Reporting	1 January 2014
TAS 36 (revised 2012) Impairment of Assets	1 January 2014
TAS 38 (revised 2012) Intangible Assets	1 January 2014
<b>FINANCIAL REPORTING STANDARDS:</b>	
IFRS 2 (revised 2012) Share-based Payment	1 January 2014
IFRS 3 (revised 2012) Business Combinations	1 January 2014
IFRS 4 Insurance Contracts	1 January 2016
IFRS 5 (revised 2012) Non-current Assets Held for Sale and Discontinued Operations	1 January 2014
IFRS 8 (revised 2012) Operating Segments	1 January 2014
<b>ACCOUNTING STANDARD INTERPRETATIONS:</b>	
TSIC 15 Operating Leases - Incentives	1 January 2014
TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29 Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32 Intangible Assets - Web Site Costs	1 January 2014

#### FINANCIAL REPORTING STANDARD INTERPRETATIONS:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies	1 January 2014
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014
TFRIC 17	Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18	Transfers of Assets from Customers	1 January 2014

The management of the Company and its subsidiaries believes that these accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations will not have any significant impact on the financial statements for the year when they are initially applied.

## 4. SIGNIFICANT ACCOUNTING POLICIES

### 4.1 REVENUE AND EXPENSE RECOGNITION

#### SALES OF GOODS

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

#### INTEREST INCOME

Interest income is recognised on an accrual basis based on the effective interest rate.

#### EXPENSES

Expenses are recognised on an accrual basis.

### 4.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

### 4.3 TRADE ACCOUNTS RECEIVABLE, OTHER RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Trade accounts receivable and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

### 4.4 INVENTORIES

Finished goods and work in process are valued at the lower of cost (average method) and net realisable value. The cost includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realised value and are charged to production costs whenever consumed.

### 4.5 INVESTMENTS

- Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- Investments in associates are accounted for in the consolidated financial statements using the equity method.





- e) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

#### 4.6 PROPERTY, PLANT AND EQUIPMENT AND DEPRECIATION

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). Depreciation of plant and equipment is calculated by reference to their costs on a straight-line basis over the following estimated useful lives:

Buildings and building improvements	- 11 - 50 years
Machinery and equipment	- 5 - 10 years
Molds and spare parts	- 1 - 2 years
Office furniture and equipment	- 5 - 11 years
Motor vehicles	- 5 - 10 years
Miscellaneous equipment and research and development equipment	- 1 - 7 years

Depreciation is included in determining income.

No depreciation is provided on land, land improvement, construction in progress and equipment under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.7 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.8 INTANGIBLE ASSETS

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible asset are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows.

	Useful lives
Land occupancy rights	- contract period of 50 years and 75 years
Patents	- 5 years
Customer list	- 7 - 10 years

#### 4.9 GOODWILL

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company and its subsidiaries' cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimate the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

#### **4.10 RELATED PARTY TRANSACTIONS**

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.11 LONG-TERM LEASES**

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

#### **4.12 FOREIGN CURRENCIES**

The Group's financial statements are presented in Thai Baht, which is different from the Group's functional currency of USD. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

##### **a) TRANSACTIONS AND BALANCES**

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency. Foreign currency transactions during a particular month are translated into functional currency at the average exchange rates ruling during the previous transaction month.

Monetary assets and liabilities denominated in foreign currencies are retranslated into functional currency at the exchange rate ruling at the end of reporting period. All differences are taken to profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

##### **b) GROUP COMPANIES**

The assets and liabilities of Group companies whose functional currency is not USD are translated into USD at the exchange rate ruling at the end of reporting period and their income statements and statements of comprehensive income are translated at a rate that approximates the actual rate at the date of the transaction.

The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

#### **4.13 IMPAIRMENT OF ASSETS**

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.



**4.14 EMPLOYEE BENEFITS****SHORT-TERM EMPLOYEE BENEFITS**

Salaries, wages, bonus and contributions to the social security fund are recognised as expenses when incurred.

**POST-EMPLOYMENT BENEFITS**Defined contribution plans

The Company and its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised as income or expenses when the net cumulative unrecognised actuarial gains and losses at the end of the previous reporting period exceed 10% of the defined benefit obligation at that date. These gains or losses are recognised over the expected average remaining working lives of the employee participating in the plan.

The defined benefits liability comprises the present value of the defined benefit obligation, less unrecognised past service cost, unrecognised actuarial gains or losses and the fair value of plan assets out of which the obligations are to be settled. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group.

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in 2011.

**4.15 PROVISIONS**

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

**4.16 INCOME TAX**

Income tax expense for the year comprises current and deferred tax. Income tax of the Company and subsidiary in Thailand is provided for in the accounts based on the taxable income determined in accordance with tax legislation in Thailand. Overseas subsidiaries calculate corporate income tax in accordance with the method and tax rates stipulated by tax laws in those countries.

**CURRENT TAX**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

**DEFERRED TAX**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.17 DERIVATIVES**

The Company and its subsidiaries use derivative financial instruments such as forward currency contracts, cross currency and interest rate swaps and currency option agreements to manage their risks associated with foreign currency and interest rate fluctuations.

Such derivative financial instruments are initially recognised at cost on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivative financial instruments as either assets or liabilities are recognised in the financial position at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

The fair value of forward currency contracts, cross currency and interest rate swap and currency option agreements are their quoted market price at the end of reporting period, being the present value of the quoted interest rate, forward price and option price.

## **5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgments and estimates are as follows:

### **LEASES**

In determining whether a lease is to be classified as an operating lease or finance lease, management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

### **ALLOWANCE FOR DOUBTFUL ACCOUNTS**

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

### **ALLOWANCE FOR DIMINUTION IN VALUE OF INVENTORY**

The determination of allowance for diminution in the value of inventory requires management to exercise judgment in estimating losses on outstanding inventories, based on the selling price expected in the ordinary course of business; minus selling expenses and provision for obsolete, slow-moving and deteriorated inventories, and taking into account the approximate useful life of each type of inventories and current changes in technology.

### **IMPAIRMENT OF EQUITY INVESTMENTS**

The Company and its subsidiaries treat available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

### **PROPERTY, PLANT AND EQUIPMENT/DEPRECIATION**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.





## GOODWILL AND INTANGIBLE ASSETS

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, requires management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

## DEFERRED TAX ASSETS

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which temporary differences and losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## POST-EMPLOYMENT BENEFITS UNDER DEFINED BENEFIT PLAN

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. CASH AND CASH EQUIVALENTS/STATEMENTS OF CASH FLOWS

For the purpose of the statements of cash flows, cash and cash equivalents include cash in hand and at financial institutions with an original maturity of 3 months or less and without restriction.

Cash and cash equivalents as reflected in the statements of cash flows consist of the followings:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Cash	123,860	106,182	395	303
Deposits at financial institutions	3,401,583	1,734,003	209,221	171,988
Cash and cash equivalents	3,525,443	1,840,185	209,616	172,291
Current investments - Term deposits with financial institutions	63,065	110,930	658	110,685
Cash and cash equivalents in statements of cash flows	3,588,508	1,951,115	210,274	282,976

As at 31 December 2013, bank deposits in saving accounts and fixed deposits carried interests between 0.25 and 3.25 percent per annum (2012: between 0.1 and 2.5 percent per annum).

## 7. CURRENT INVESTMENTS

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Trading securities				
Listed securities	48,946	-	-	-
Warrants	19,517	-	-	-
Trading securities - net	68,463	-	-	-
Term deposits with financial institutions	63,065	110,930	658	110,685
Total current investment	131,528	110,930	658	110,685



During the fourth quarter of the current year, a subsidiary received ordinary shares and warrants from an account receivable for debt settlement. In this regard, the subsidiary recorded such ordinary shares and warrants with fair value amounting to USD 2.1 million, or Baht 68.5 million, as current investments and recognised loss from bad debts amounting to USD 12.5 million, or Baht 398.4 million, in profit or loss.

## 8. RELATED PARTY TRANSACTIONS

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

The relationship between the Company and the related parties are summarised below.

NAME OF RELATED PARTIES	RELATIONSHIP WITH THE COMPANY
Kinpo Electronics, Inc.	Major shareholders
Logistar International Holding Co., Ltd.	Subsidiary
Cal-Comp Electronics (Suzhou) Co., Ltd.	Subsidiary
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Subsidiary
Cal-Comp Electronics & Communications Co., Ltd.	Subsidiary
Cal-Comp Technology (Suzhou) Co., Ltd.	Subsidiary
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	Subsidiary
Cal Comp (Malaysia) SDN. BHD.	Subsidiary
Cal-Comp Precision (Singapore) Limited	Subsidiary
Cal-Comp Indústria e Comercio de Electronica e Informatica Ltda.	Subsidiary
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Subsidiary
Cal-Comp Electronics (USA) Co., Ltd.	Subsidiary
Cal-Comp Technology (Philippines), Inc. (Formerly known as "New Kinpo Group Technology (Philippines), Inc.")	Subsidiary
Avaplas Precision Plastic (Shanghai) Co., Ltd.	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Malaysia) Sdn. Bhd.	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Thailand) Limited	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Dongguan) Limited	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Wujiang) Limited	Subsidiary (held by a subsidiary)
Cal-Comp USA (Indiana), Inc.	Subsidiary (held by a subsidiary)
Cal-Comp USA (San Diego), Inc.	Subsidiary (held by a subsidiary)
XYZ - Printing, INC.	Associate
A-Ten Technology Co., Ltd.	Associate (held by a subsidiary)
Wise Sigma International Holding Co., Ltd.	Associate (held by a subsidiary)
Daviscomms (S) Pte Ltd.	Associate (held by a subsidiary)
inx Japan International Inc.	Shareholding by the Company
Zakang Inc.	Shareholding by the Company
Metal Component Engineering Limited	Shareholding by the Company
Kinpo Group Management Service Co., Ltd.	Shareholding by a subsidiary
Kinpo Electronics, Inc. (China) Co., Ltd.	Subsidiary of the major shareholder
Kinpo Electronics (Beijing) Co., Ltd.	Subsidiary of the major shareholder
Kinpo Electronics (Shanghai) Co., Ltd.	Subsidiary of the major shareholder
SaveCom International, Inc.	Subsidiary of the major shareholder
Kinpo International Ltd.	Common shareholders
Vibo Telecom Co., Ltd.	Common shareholders
Acbel Polytech Inc.	Common shareholders
Crownpo Technology, Inc.	Common shareholders
Dongguan Kaipo Electronics Co., Ltd.	Common shareholders





Such significant transactions are summarised below.

(Unit: Million Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		TRANSFER PRICING POLICY
	2013	2012	2013	2012	
<u>Transactions with subsidiaries</u>					
(Eliminated from consolidated financial statements)					
Sales	-	-	14,035	10,774	Near market price
Sales of fixed assets	-	-	198	50	At book value plus margin
Purchases of raw materials	-	-	2,803	2,062	Near market price
Purchase of fixed assets	-	-	9	193	Cost
<u>Transactions with related parties</u>					
Sales					
- Kinpo Electronics, Inc.	205	525	1	125	Near market price
- Kinpo International Ltd.	559	890	372	190	Near market price
- Others	712	-	242	-	Near market price
Sales of fixed assets	72	338	-	13	At book value plus margin
Purchases of raw materials	7,757	11,982	340	136	Near market price
Purchase of fixed assets	9	8	38	-	Cost
Other expenses	106	102	-	-	Contract price

The balances of the accounts as at 31 December 2013 and 2012 between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<u>Trade and other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	11,798,790	7,954,367
Related companies	619,150	593,368	187,379	110,623
Total trade and other receivables - related parties	619,150	593,368	11,986,169	8,064,990
<u>Trade and other payables - related parties (Note 21)</u>				
Subsidiaries	-	-	417,443	620,208
Related companies	891,250	1,953,098	157,569	77,755
Total trade and other payables - related parties	891,250	1,953,098	575,012	697,963

## SHORT-TERM LOANS TO RELATED PARTIES

As at 31 December 2013, the balance of short-term loans between the Company and those related parties and the movement are as follows:

(Unit: Thousand Baht)

SHORT-TERM LOANS	RELATED BY	CONSOLIDATED FINANCIAL STATEMENTS				
		BALANCE AS AT 31 DECEMBER 2012	DECREASE	INTEREST RECEIVABLE	TRANSLATION	BALANCE AS AT 31 DECEMBER 2013
Wise Sigma International Holding Co., Ltd.	Associated company	59,907	-	805	4,267	64,979
A-Ten Technology Co., Ltd.	Associated company	65,613	-	-	4,674	70,287
		125,520	-	805	8,941	135,266
Less: Allowance for doubtful accounts		(125,520)	-	(805)	(8,941)	(135,266)
		-	-	-	-	-

Short-term loans to Wise Sigma International Holding Co., Ltd. were denominated in US dollar currency and interest was charged at the rate of 2 percent per annum.

(Unit: Thousand Baht)

SHORT-TERM LOANS	RELATED BY	SEPARATE FINANCIAL STATEMENTS				
		BALANCE AS AT 31 DECEMBER 2012	INCREASE	INTEREST RECEIVABLE	TRANSLATION	BALANCE AS AT 31 DECEMBER 2013
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Subsidiary	-	293,085	-	35,051	328,136
		-	293,085	-	35,051	328,136

## LONG-TERM LOANS TO RELATED PARTIES

As at 31 December 2013, the balance of long-term loans between the Company and those related parties and the movement are as follows:

(Unit: Thousand Baht)

LONG-TERM LOANS	RELATED BY	SEPARATE FINANCIAL STATEMENTS				
		BALANCE AS AT 31 DECEMBER 2012	INCREASE	INTEREST RECEIVABLE	TRANSLATION	BALANCE AS AT 31 DECEMBER 2013
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Subsidiary	918,948	-	-	65,460	984,408
Cal-Comp Technology (Philippines), Inc. (Formerly known as "New Kinpo Group Technology (Philippines), Inc.")	Subsidiary	107,211	-	-	7,637	114,848
		1,026,159	-	-	73,097	1,099,256





Long-term loans to Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. and Cal-Comp Technology (Philippines), Inc. (Formerly known as "New Kinpo Group Technology (Philippines), Inc.") were denominated in US dollar currency and will due in 2014.

On 26 June 2012, a meeting of the Board of Directors of the Company approved to issue a letter of guarantee for the Company's subsidiary in Brazil in respect of a purchase and service agreement of the subsidiary within transaction amount of not more than USD 150 million. Currently, there is no any progress.

#### DIRECTORS AND MANAGEMENT'S BENEFITS

During the years ended 31 December 2013 and 2012, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Short-term employee benefits	40	52	24	24
Post-employment benefits	-	1	-	1
Total	40	53	24	25

## 9. Trade and other receivables

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	447,764	281,478	7,270,261	3,407,019
Past due				
Less than 1 month	9,664	6,249	1,151,499	604,047
1 - 2 months	2,011	7	731,595	720,770
2 - 3 months	4,490	387	258,833	645,018
3 - 6 months	755	7,266	1,468,725	298,096
6 - 12 months	-	-	265,585	78,670
Over 12 months	-	-	-	323
Total	464,684	295,387	11,146,498	5,753,943
Less: Allowance for doubtful accounts	(2,740)	(8,346)	(8,940)	(8,346)
<u>Total trade receivables - related parties, net</u>	461,944	287,041	11,137,558	5,745,597
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	20,384,707	20,890,502	7,913,524	10,210,497
Past due				
Less than 1 month	3,707,961	2,764,364	1,140,743	1,238,565
1 - 2 months	426,599	232,260	46,452	85,774
2 - 3 months	135,582	92,218	14,822	34,562
3 - 6 months	52,109	109,131	726	1,853
6 - 12 months	16,637	653,929	-	4,104
Over 12 months	692,836	747,446	36,622	31,146
Total	25,416,431	25,489,850	9,152,889	11,606,501
Less: Allowance for doubtful accounts	(723,143)	(766,139)	(34,945)	(39,011)
Total trade receivables - unrelated parties, net	24,693,288	24,723,711	9,117,944	11,567,490
Total trade receivables, net	25,155,232	25,010,752	20,255,502	17,313,087

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<u>Other receivables</u>				
Amount due from related parties	157,206	306,327	848,611	2,319,393
Other receivables - unrelated parties	303,398	1,486,505	151,485	85,718
Total other receivables	460,604	1,792,832	1,000,096	2,405,111
Trade and other receivables, net	25,615,836	26,803,584	21,255,598	19,718,198

The balances of above other receivables - unrelated parties as at 31 December 2013 and 2012 represent suspense accounts receivable set up for the expense can be passed on to customers or vendors and for raw materials which were purchased from suppliers and the inventories to which engineering or component changes have been made. The Company and its subsidiaries set up these suspense accounts while awaiting the return of the raw materials from the creditors.

## 10. INVENTORIES

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS					
	COST		REDUCE COST TO NET REALISABLE VALUE		INVENTORIES - NET	
	2013	2012	2013	2012	2013	2012
Finished goods	2,110,263	3,223,410	(74,182)	(42,622)	2,036,081	3,180,788
Work in process	54,408	62,903	-	-	54,408	62,903
Raw materials	11,200,235	7,966,447	(126,600)	(129,338)	11,073,635	7,837,109
Goods in transit	905,009	661,291	-	-	905,009	661,291
Total	14,269,915	11,914,051	(200,782)	(171,960)	14,069,133	11,742,091

(Unit: Thousand Baht)

	SEPARATE FINANCIAL STATEMENTS					
	COST		REDUCE COST TO NET REALISABLE VALUE		INVENTORIES - NET	
	2013	2012	2013	2012	2013	2012
Finished goods	670,203	508,580	(65,989)	(42,622)	604,214	465,958
Work in process	5,668	2,983	-	-	5,668	2,983
Raw materials	5,167,770	4,658,554	(59,955)	(84,493)	5,107,815	4,574,061
Goods in transit	224,624	8,161	-	-	224,624	8,161
Total	6,068,265	5,178,278	(125,944)	(127,115)	5,942,321	5,051,163

## 11. ADVANCES PAYMENT FOR RAW MATERIALS

The balances as at 31 December 2013 and 2012 mainly consist of: -

- Short-term loans of Baht 64 million provided to local suppliers for use as working capital in agreed production of raw materials, on which interest is charged at the rate of 6.25 percent per annum as at 31 December 2012.
  - Advance payment of Baht 211 million (2012: Baht 105 million).
  - Advance payment of Baht 355 million to suppliers (2012: Baht 170 million) for the purchase of molds and raw materials.
- The remaining balances is to be paid upon the completion of molds (please refer to Note 34.4).



## 12. OTHER CURRENT ASSETS

The balances as at 31 December 2013 and 2012 consist of: -

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Receivable - molds	244,015	149,312	119,410	33,709
Value added tax	516,700	314,688	23,892	19,582
Others	267,149	550,642	20,618	7,748
Total	1,027,864	1,014,642	163,920	61,039

## 13. RESTRICTED BANK DEPOSITS

These represent fixed deposits pledged with the banks to secure letter of guarantees issued by the banks on behalf of the subsidiaries.

## 14. INVESTMENTS IN ASSOCIATES

### 14.1 DETAILS OF ASSOCIATES

(Unit: Thousand Baht)

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	CONSOLIDATED FINANCIAL STATEMENTS					
			SHAREHOLDING PERCENTAGE		COST METHOD		CARRYING AMOUNT BASED ON EQUITY METHOD	
			2013	2012	2013	2012	2013	2012
Wise Sigma International Holding Co., Ltd.*	Holding company	British Virgin Islands	45.00	45.00	69,358	64,746	-	-
A-Ten Technology Co., Ltd.*	Telecommunication research and development	Taiwan	34.00	34.00	10,138	9,464	-	-
Daviscomms (S) Pte Ltd.**	Design and manufacturing of telecommunication products	Singapore	20.00	20.00	96,971	90,523	103,100	88,863
Optosem Technologies( S) Pte Ltd.**	Manufacture of molds, dies and fixtures	Singapore	-	30.00	-	27,256	-	21,105
XYZ - Printing, Inc.	Manufacturing of electronic products	Taiwan	44.74	-	293,941	-	276,879	-
Total					470,408	191,989	379,979	109,968
Less: Allowance for impairment loss					(79,496)	(74,210)		
Net					390,912	117,779		

\* (held by Logistar International Holding Co., Ltd.)

\*\* (held by Cal-Comp Precision (Singapore) Limited)

(Unit: Thousand Baht)

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SEPARATE FINANCIAL STATEMENTS					
			SHAREHOLDING PERCENTAGE		COST METHOD		CARRYING AMOUNT BASED ON COST METHOD - NET	
			2013	2012	2013	2012	2013	2012
XYZ - Printing, Inc.	Manufacturing of electronic products	Taiwan	44.74	-	293,941	-	293,941	-

## 14.2 SUMMARISED FINANCIAL INFORMATION OF ASSOCIATES

Financial information of the associated companies is summarised below.

(Unit: Million Baht)

COMPANY'S NAME	PAID-UP CAPITAL AS AT 31 DECEMBER		TOTAL ASSETS AS AT 31 DECEMBER		TOTAL LIABILITIES AS AT 31 DECEMBER		TOTAL REVENUES FOR THE YEAR ENDED 31 DECEMBER		PROFIT (LOSS) FOR THE YEAR ENDED 31 DECEMBER	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Wise Sigma International Holding Co., Ltd.	USD 5 million	USD 5 million	103	97	69	64	-	-	(1)	(1)
A-Ten Technology Co., Ltd.	TWD 30 million	TWD 30 million	117*	117*	98*	98*	-*	-*	-*	-*
Daviscomms (S) Pte Ltd.	SGD 3 million	SGD 3 million	344	312	97	91	769	615	129	21
Optosem Technologies (S) Pte Ltd.	-	SGD 0.4 million	-	119	-	83	-	135	-	(14)
XYZ - Printing, Inc.	TWD 600 million	-	647	-	29	-	-	-	(39)	-

\* The financial information of A-Ten Technology Co., Ltd. were determined on the basis of lasted financial information (31 December 2011) provided by this associated company's management because the Company can not contact with this associated company. However, the Company has already set up the provision for impairment in full amount.

The change in cost of investments in associates is from the exchange differences on translation of functional currency to presentation currency.

The above financial information were prepared by the management of the associated company, which were unaudited by its auditor.

On 12 July 2013, a meeting of the Board of Directors of the Company approved Cal-Comp Precision (Singapore) Limited, its subsidiary, to dispose of all investments in Optosem Technologies (S) Pte Ltd. During the fourth quarter of the current year, the subsidiary disposed such investment and recognised loss from disposal of investment amounting to Baht 3 million in profit or loss.

On 12 July 2013, a meeting of the Board of Directors of the Company approved an investment in a new associated company in Taiwan, named XYZ-Printing, INC. This company is principally engaged in conducting product research and development for manufacturing and marketing of new printers and other related electronics products to focus on the development of the new technology in new printing industry and to maximise the resource for potential business growth. The Company and Kinpo Electronics, Inc. will jointly invest in such company, with total registered share capital of such company not exceeding USD 20 million, or Baht 620 million. During the current year, the Company partially paid USD 9 million, or Baht 294 million, for investment in an associate.

On 11 November 2013, a meeting of the Board of Directors of the Company approved Logistar International Holding Co., Ltd., its subsidiary, to write off investment in Wise Sigma International Holding Co., Ltd. because it ceased its operation. However, the subsidiary recognised share of losses from investments in an associated company until the value of the investments reached zero. The subsidiary expects to complete this transaction in the first quarter of year 2014.







## 15. INVESTMENTS IN SUBSIDIARIES

Details of investments in subsidiaries as presented in separate financial statements are as follows: -

(Unit: Thousand Baht)

COMPANY'S NAME	PAID UP CAPITAL		SHAREHOLDING PERCENTAGE		COST METHOD	
	2013	2012	2013	2012	2013	2012
			%	%		
Logistar International Holding Co., Ltd.	USD 30.05 million	USD 30.05 million	100	100	986,049	920,480
Cal-Comp Electronics (Suzhou) Co., Ltd.	USD 27.2 million	USD 27.2 million	100	100	892,550	833,194
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	USD 41.3 million	USD 41.3 million	100	100	820,518	765,914
Cal-Comp Electronics & Communications Co., Ltd.	TWD 70 million	TWD 70 million	100	100	105,868	79,777
Cal-Comp Technology (Suzhou) Co., Ltd.	USD 10 million	USD 10 million	100	100	328,165	306,336
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	USD 35 million	USD 35 million	100	100	1,148,492	1,072,117
Cal-Comp Precision (Singapore) Limited	SGD 21 million	SGD 21 million	100	100	661,022	616,798
Cal Comp (Malaysia) SDN. BHD.	MYR 28 million	MYR 28 million	100	100	289,016	269,797
Cal-Comp Electronics (USA) Co., Ltd.	USD 20 million	USD 20 million	100	100	656,272	612,632
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda	BRL 68.6 million	BRL 15.8 million	100	100	1,191,915	322,625
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	USD 5 million	USD 5 million	100	100	164,068	153,158
Cal-Comp Technology (Philippines) Inc.(Formerly known as "New Kinpo Group Technology (Philippines), Inc.")	PHP 215 million	PHP 215 million	100	100	164,068	157,368
<b>Total</b>					7,408,003	6,110,196
Less: Allowance for impairment loss					(986,049)	(301,436)
<b>Net</b>					6,421,954	5,808,760

The change in cost of investments in subsidiaries is from the exchange differences on translation of functional currency to presentation currency.

On 14 May 2012, a meeting of the Board of Directors of the Company approved an additional investment in Cal-Comp Precision (Thailand) Limited, its subsidiary, totaling USD 5 million, for the purpose of business expansion and approved the merger of the Company's subsidiaries in the People's Republic of China, Cal-Comp Electronics (Suzhou) Co., Ltd. and Cal-Comp Optical Electronics (Suzhou) Co., Ltd., and is in the process of operation.

On 26 June 2012, a meeting of the Board of Directors of the Company approved an additional investment in Cal-Comp Industria e Comercio de Electronica e Informatica Ltda., its subsidiary in Brazil, for the purpose of debt reduction. The investment was not more than BRL 58 million. During the first quarter of the current year, the subsidiary registered the increase in share capital from BRL 15.8 million to BRL 68.6 million. The debt had already been converted to equity.

On 22 October 2012, a meeting of the Board of Directors of the Company approved establishment of a new subsidiary company in the Brazil, for the support of sale and marketing. The Company will invest in 100% of the total investment, but not more than USD 38 million and is in the process of operation.

On 21 February 2013, a meeting of the Board of Directors of the Company approved a name change for its subsidiary in Philippines from New Kinpo Group Technology (Philippines), Inc. to Cal-Comp Technology (Philippines), Inc. During the second quarter of the current year, such subsidiary had already changed its name.

## 16. Other long-term investments

(Unit: Thousand Baht)

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING PERCENTAGE		CONSOLIDATED FINANCIAL STATEMENTS			
					INVESTMENTS			
					COST METHOD		FAIR VALUE	
			2013	2012	2013	2012	2013	2012
			%	%				
<u>Investments in other companies</u>								
Zakang Inc.	CDMA	Korea	0.37	0.37	131,254	122,526	-	-
Less: Allowance for loss on impairment					(131,254)	(122,526)		
					-	-		
Metal Component Engineering Limited	Manufacture of electronics products	Singapore	16.45	16.70	59,371	55,423	71,742	28,576
Less: Unrealised gain (loss) on changes in the value of investments					12,371	(26,847)		
					71,742	28,576		
Power Digital Communication Co., Ltd.	Trading of communication apparatus	Taiwan	1.90	1.90	21,890	20,434		
Less: Allowance for loss on impairment					(21,890)	-		
					-	20,434		
inx Japan International Inc.	Distributor of computers products	Japan	11.11	11.11	3,064	2,860		
Less: Allowance for loss on impairment					(3,064)	-		
					-	2,860		
Kinpo Group Management Service Co., Ltd.	Consulting business	Taiwan	12.50	12.50	997	931		
<b>Total other long-term investments</b>					<b>72,739</b>	<b>52,801</b>		





(Unit: Thousand Baht)

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING PERCENTAGE		SEPARATE FINANCIAL STATEMENTS			
					INVESTMENTS			
					COST METHOD		FAIR VALUE	
			2013	2012	2013	2012	2013	2012
			%	%				
<u>Investments in other companies</u>								
Zakang Inc.	CDMA	Korea	0.37	0.37	131,254	122,526	-	-
Less: Allowance for loss on impairment					(131,254)	(122,526)		
					-	-		
Metal Component Engineering Limited	Manufacture of electronics products	Singapore	16.45	16.70	59,371	55,423	71,742	28,576
Less: Unrealised gain (loss) on changes in the value of investments					12,371	(26,847)		
					71,742	28,576		
inx Japan International Inc.	Distributor of computers products	Japan	11.11	11.11	3,064	2,860		
Less: Allowance for loss on impairment					(3,064)	-		
					-	2,860		
<b>Total other long-term investments</b>					<b>71,742</b>	<b>31,436</b>		

The change in cost of other long-term investments is from the exchange differences on translation of functional currency to presentation currency.

On 12 July 2013, a meeting of the Board of Directors of the Company approved an investment in Memoright Memoritech Corporation, a company registered in Cayman Islands, to obtain the transfer of technological know-how in manufacturing Solid State Drives products (SSD) from that company. The Company will invest in 2.7% of the total investment, but not more than USD 1 million. The company is currently in the process of investment and it expects to complete the transaction in 2014.

## 17. PROPERTY, PLANT AND EQUIPMENT

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS							
	LAND AND LAND IMPROVEMENTS	BUILDINGS AND BUILDINGS IMPROVEMENTS	MACHINERY AND EQUIPMENT	MOLDS AND SPARE PARTS	OFFICE FURNITURE AND EQUIPMENT	MOTOR VEHICLES	CONSTRUCTION IN PROGRESS, EQUIPMENT UNDER INSTALLATION AND ASSETS IN TRANSIT	TOTAL
<u>COST</u>								
1 January 2012	302,178	3,707,291	9,405,407	899,426	1,460,013	69,845	867,427	16,711,587
Additions	5,469	818,335	4,301,085	221,497	447,421	6,603	1,440,313	7,240,723
Disposals	-	(256,061)	(1,816,770)	(142,456)	(56,379)	(6,018)	(567)	(2,278,251)
Transfers in (out)	30,082	410,037	523,737	175,913	27,995	-	(1,168,673)	(909)
Translation adjustment	(10,563)	(201,626)	(530,281)	(33,366)	(184,705)	(2,687)	(40,421)	(1,003,649)
31 December 2012	327,166	4,477,976	11,883,178	1,121,014	1,694,345	67,743	1,098,079	20,669,501
Additions	130,496	515,363	282,183	321,654	399,168	45,030	1,261,991	2,955,885

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS							
	LAND AND LAND IMPROVEMENTS	BUILDINGS AND BUILDINGS IMPROVEMENTS	MACHINERY AND EQUIPMENT	MOLDS AND SPARE PARTS	OFFICE FURNITURE AND EQUIPMENT	MOTOR VEHICLES	CONSTRUCTION IN PROGRESS, EQUIPMENT UNDER INSTALLATION AND ASSETS IN TRANSIT	TOTAL
Disposals	-	(6,990)	(516,140)	(284,825)	(137,225)	(2,929)	(519)	(948,628)
Transfers in (out)	-	535,538	665,694	134,921	40,068	-	(1,384,113)	(7,892)
Translation adjustment	31,573	323,878	596,048	90,735	61,390	6,394	69,356	1,179,374
31 December 2013	489,235	5,845,765	12,910,963	1,383,499	2,057,746	116,238	1,044,794	23,848,240
<u>Accumulated depreciation</u>								
1 January 2012	-	829,908	3,501,836	495,589	774,194	28,460	-	5,629,987
Depreciation for the year	-	156,711	1,229,216	300,682	180,514	6,849	-	1,873,972
Depreciation on disposals	-	(122,434)	(1,249,462)	(219,854)	(142,862)	(2,382)	-	(1,736,994)
Translation adjustment	-	(29,303)	(115,802)	54,659	(23,571)	(1,278)	-	(115,295)
31 December 2012	-	834,882	3,365,788	631,076	788,275	31,649	-	5,651,670
Depreciation for the year	-	254,452	1,236,286	267,179	246,473	5,512	-	2,009,902
Depreciation on disposals	-	(2,262)	(584,941)	(240,436)	(72,791)	(2,435)	-	(902,865)
Translation adjustment	-	63,923	241,862	48,554	58,578	1,840	-	414,757
31 December 2013	-	1,150,995	4,258,995	706,373	1,020,535	36,566	-	7,173,464
<u>Allowance for impairment</u>								
<u>loss</u>								
1 January 2012	-	36,588	46,368	94	1,673	-	-	84,723
Increase during the year	-	6,011	3,606	1	3	-	-	9,621
Decrease during the year	-	(10)	(4,010)	(3)	(11)	-	-	(4,034)
Translation adjustment	-	(1,063)	291	6	1	-	-	(765)
31 December 2012	-	41,526	46,255	98	1,666	-	-	89,545
Translation adjustment	-	2,958	3,295	7	119	-	-	6,379
31 December 2013	-	44,484	49,550	105	1,785	-	-	95,924
<u>Net book value</u>								
31 December 2012	327,166	3,601,568	8,471,135	489,840	904,404	36,094	1,098,079	14,928,286
31 December 2013	489,235	4,650,286	8,602,418	677,021	1,035,426	79,672	1,044,794	16,578,852
<u>Depreciation for the year</u>								
2012 (Baht 1,687 million included in manufacturing cost, and the balance in selling and administrative expenses)	1,873,972							
2013 (Baht 1,856 million included in manufacturing cost, and the balance in selling and administrative expenses)	2,009,902							





(Unit: Thousand Baht)

	SEPARATE FINANCIAL STATEMENTS							TOTAL
	LAND AND LAND IMPROVEMENTS	BUILDINGS AND BUILDINGS IMPROVEMENTS	MACHINERY AND EQUIPMENT	MOLDS AND SPARE PARTS	OFFICE FURNITURE AND EQUIPMENT	MOTOR VEHICLES	CONSTRUCTION IN PROGRESS, EQUIPMENT UNDER INSTALLATION AND ASSETS IN TRANSIT	
<u>Cost</u>								
1 January 2012	221,098	1,370,633	3,964,367	658,916	425,173	17,294	340,968	6,998,449
Additions	4,118	164,333	1,813,123	88,615	31,499	-	595,574	2,697,262
Disposals	-	(885)	(826,562)	(91,300)	(8,495)	-	-	(927,242)
Transfers in (out)	-	197,359	107,559	175,913	22,863	-	(503,748)	(54)
Translation adjustment	(7,446)	(50,489)	(146,684)	(24,269)	(14,808)	(578)	(12,586)	(256,860)
31 December 2012	217,770	1,680,951	4,911,803	807,875	456,232	16,716	420,208	8,511,555
Additions	130,496	260,997	224,556	247,875	95,678	3,874	1,212,347	2,175,823
Disposals	-	(2,194)	(631,912)	(20,766)	(4,695)	-	-	(659,567)
Transfers in (out)	-	422,290	123,362	129,482	40	-	(679,660)	(4,486)
Translation adjustment	23,780	162,892	331,893	80,139	38,264	1,436	63,680	702,084
31 December 2013	372,046	2,524,936	4,959,702	1,244,605	585,519	22,026	1,016,575	10,725,409
<u>Accumulated depreciation</u>								
1 January 2012	-	542,578	1,681,814	343,080	186,931	3,376	-	2,757,779
Depreciation for the year	-	40,881	564,220	124,566	45,599	1,934	-	777,200
Depreciation on disposals	-	(821)	(494,271)	(74,347)	(8,124)	-	-	(577,563)
Translation adjustment	-	(18,659)	(57,135)	(12,120)	(6,734)	(138)	-	(94,786)
31 December 2012	-	563,979	1,694,628	381,179	217,672	5,172	-	2,862,630
Depreciation for the year	-	76,314	523,797	210,591	57,807	2,123	-	870,632
Depreciation on disposals	-	(2,194)	(356,331)	(9,118)	(4,129)	-	-	(371,772)
Translation adjustment	-	44,871	131,324	39,917	18,906	502	-	235,520
31 December 2013	-	682,970	1,993,418	622,569	290,256	7,797	-	3,597,010
<u>Allowance for impairment loss</u>								
1 January 2012	-	17,950	10,769	4	9	-	-	28,732
Increase during the year	-	6,011	3,606	1	3	-	-	9,621
Decrease during the year	-	(678)	(355)	-	-	-	-	(1,033)
Translation adjustment	-	-	(3,978)	(3)	(9)	-	-	(3,990)
31 December 2012	-	23,283	10,042	2	3	-	-	33,330
Translation adjustment	-	1,659	715	-	1	-	-	2,375
31 December 2013	-	24,942	10,757	2	4	-	-	35,705
<u>Net book value</u>								
31 December 2012	217,770	1,093,689	3,207,133	426,694	238,557	11,544	420,208	5,615,595
31 December 2013	372,046	1,817,024	2,955,527	622,034	295,259	14,229	1,016,575	7,092,694

Depreciation for the year

2012 (Baht 760 million included in manufacturing cost, and the balance in selling and administrative expenses)	777,200
2013 (Baht 859 million included in manufacturing cost, and the balance in selling and administrative expenses)	870,632

As at 31 December 2013, certain machinery and equipment and office equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 615 million (2012: Baht 803 million) (The Company only: Baht 469 million, 2012: Baht 312 million).

## 18. OTHER INTANGIBLE ASSETS

The carrying amount of other intangible assets as at 31 December 2013 and 2012 are as follows:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		
	PATENTS	CUSTOMER LIST	TOTAL
<b>Cost:</b>			
At 1 January 2012	763,742	109,652	873,394
Translation adjustment	(25,536)	(3,667)	(29,203)
<b>At 31 December 2012</b>	<b>738,206</b>	<b>105,985</b>	<b>844,191</b>
Translation adjustment	52,585	7,550	60,135
<b>At 31 December 2013</b>	<b>790,791</b>	<b>113,535</b>	<b>904,326</b>
<b>Amortisation:</b>			
At 1 January 2012	654,482	11,536	666,018
Amortisation	70,821	32,398	103,219
Translation adjustment	(21,883)	(805)	(22,688)
<b>At 31 December 2012</b>	<b>703,420</b>	<b>43,129</b>	<b>746,549</b>
Amortisation	32,343	47,646	79,989
Translation adjustment	52,156	6,090	58,246
<b>At 31 December 2013</b>	<b>787,919</b>	<b>96,865</b>	<b>884,784</b>
<b>Net book value:</b>			
At 31 December 2012	34,786	62,856	97,642
At 31 December 2013	2,872	16,670	19,542

## 19. OTHER NON-CURRENT ASSETS

### LAND OCCUPANCY RIGHTS

The balance represents the rights to use public property in the People's Republic of China of two subsidiaries and the rights to use public property in the Philippines of another subsidiary. These rights have a period of 50 years and 75 years.

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS	
	2013	2012
<b>Cost</b>	<b>115,440</b>	<b>86,629</b>
Increase during the year	396	28,811
Translation adjustment	4,717	(2,401)
Accumulated amortisation	(15,971)	(13,824)
<b>Net book value</b>	<b>104,582</b>	<b>99,215</b>
Amortisation expenses included in profit or loss for the year	2,147	2,024





## 20. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions of the Company and its subsidiaries consist of loans from both local banks and overseas financial institutions in both local currency and foreign currency. The loans are mainly repayable within 3 months, and carry interest rates of 1.0 - 3.0 percent per annum. Its major shareholders has issued a letter of awareness to a bank for credit facilities.

## 21. TRADE AND OTHER PAYABLES

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Trade payable - related parties	828,614	1,812,145	427,968	633,435
Trade payable - unrelated parties	21,032,040	20,061,049	10,183,301	10,334,066
Advance from related parties	62,636	140,953	147,044	64,528
Accrued interest expenses	21,599	18,470	10,289	4,039
Accrued expenses	900,234	804,492	175,433	171,787
Other payables	867,724	1,323,196	362,795	153,539
Total trade and other payables	23,712,847	24,160,305	11,306,830	11,361,394

The outstanding balance of above accounts payable represents accounts payable suspense for goods sales which there are subject to changes in price, specifications and other components.

## 22. OTHER CURRENT LIABILITIES

The balance as at 31 December 2013 and 2012 consist of: -

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Advances received from customers for purchase of molds	464,522	43,212	163	31,908
Money received from customers pending for clear	269,608	110,504	184,645	56,982
Value added tax payable	58,472	202,089	2,416	51,523
Financial liabilities record at fair value	1,661	-	1,217	-
Others	291,033	156,782	22,870	13,745
Total	1,085,296	512,587	211,311	154,158

## 23. LONG-TERM LOANS

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS	
	2013	2012
Long-term loans from financial institutions	1,233,791	1,568,338
Less: Portion due within one year	(1,233,791)	(784,169)
Long-term loans - net of current portion	-	784,169



On 31 August 2009, a meeting of the Board of Directors of the Company approved the syndicated loan for the Company and Logistar International Holding Co., Ltd., its subsidiary. The loan facility of USD 120 million has a period of three years and is extendable for another two years. The purpose of the loan is to improve the financial structure and increase working capital to support business operations. The loan carries interest at LIBOR plus fixed rate as specified in a loan agreement and is to repaid in every six months. As at 31 December 2013, the subsidiary has fully drawn down the credit facility.

## 24. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Defined benefit obligation at beginning of year</b>	340,662	265,654	76,648	45,010
<b>Fair value of plan assets at the beginning year</b>	(228,420)	(201,271)	-	-
	112,242	64,383	76,648	45,010
Current service cost	44,938	16,994	11,330	9,332
Interest cost	10,036	8,260	3,210	2,441
Benefits paid during the year	(22,790)	(5,367)	-	(645)
Actuarial (gain) loss	(5,292)	22,159	(5,376)	22,159
Past service costs	2,724	2,146	-	-
Translation adjustments	(91,609)	30,816	(250)	(1,649)
<b>Defined benefit obligation at end of year</b>	50,249	139,391	85,562	76,648
<b>Unrecognised past service costs</b>	(20,837)	-	-	-
<b>Increase in fair value of plan assets</b>	61,788	(27,149)	-	-
<b>Provisions for long-term employee benefits at end of year</b>	91,200	112,242	85,562	76,648

Long-term employee benefit expenses included in the profit or loss was as follows:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Current service cost	44,938	16,994	11,330	9,332
Interest cost	10,036	8,260	3,210	2,441
Actuarial loss recognised during the year	84	-	-	-
Past service costs recognised during the year	2,724	2,146	-	-
<b>Total expense recognised in profit or loss</b>	57,782	27,400	14,540	11,773
Line items under which such expenses are included				
in profit or loss				
Cost of sales	28,843	26,945	13,978	11,318
Selling and administrative expenses	28,939	455	562	455





Total actuarial gains and losses recognised in the other comprehensive income of the Company and its subsidiaries as at 31 December 2013 amounted to Baht 5 million (2012: Baht 22 million) (The Company only: Baht 5 million and 2012: Baht 22 million).

The change in the fair value of plan assets is as follows:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS	
	2013	2012
<b>Fair value of plan assets at beginning of year</b>	228,420	201,271
Expected return	3,225	2,264
Contributions	46,393	35,858
Benefits paid during the year	(6,813)	(3,800)
Translation adjustments	18,983	(7,173)
<b>Fair value of plan assets at end of year</b>	<b>290,208</b>	<b>228,420</b>

The above plan asset of an oversea subsidiary is deposits at oversea financial institution.

Principal actuarial assumptions at the valuation date were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	1.8 - 5.7	2.0 - 4.3	4.5	4.3
Future salary increase rate (depending on age)	3.0 - 6.0	3.0 - 6.0	6.0	6.0
Staff turnover rate	1.8 - 7.5	2.0	2.0	2.0

Amounts of defined benefit obligation for the current and previous four periods are as follows:

(Unit: Thousand Baht)

	DEFINED BENEFIT OBLIGATION		EXPERIENCE ADJUSTMENTS ON THE OBLIGATION	
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
Year 2013	91,200	85,562	(1,454)	(1,454)
Year 2012	92,235	56,642	8,154	8,154
Year 2011	64,383	45,010	(56)	(56)
Year 2010	36,736	36,736	8,967	8,967
Year 2009	31,397	31,397	-	-

## 25. WARRANTS

On 2 April 2012, the Company allotted warrants under Employee Stock Option Plan (CCET-WA) to employees of the Company and its subsidiaries for 200,000,000 units. The details are as follows:

No. of securities offered:	200,000,000 units
No. of shares reserved for exercise:	200,000,000 shares
Term:	3 years from the issuance date of warrants
Offering date:	2 April 2012

Expiry date:	2 April 2015
Offering price:	0 Baht
Exercise price:	2.80 Baht per share
Exercise ratio:	1 ordinary share per 1 warrant. The exercise ratio may be changed following the conditions for adjustment of right.
Allotment method:	30% of total issued warrants of 60,000,000 units will be allotted directly to the employees of the Company and its subsidiaries on 2 April 2012, and 70% of total issued warrants of 140,000,000 units will be allotted through intermediary for future allotments in the second and third year upon future performance of each employee.
Lock-up period:	30% of total issued warrants of 60,000,000 units will be allotted directly to employees of the Company and its subsidiaries as at the offering date and shall be subject to 1 year lock-up period after the offering date. The Company will make a written agreement pertaining to the lock-up period with all allotted employees. 70% of total issued warrants of 140,000,000 units allotted through intermediary shall be subject to a 2 year lock-up period after the offering date.

The estimated fair value of each share option granted is Baht 0.39. This was calculated using the Binomial formula. The model inputs were the share price at price determination date of Baht 2.84, exercise price of Baht 2.80, expected volatility of 31.09%, expected dividend yield of 4.71%, life of warrants of 3 years, and a risk-free interest rate of 3.41%.

During the year ended 31 December 2013, the Company and its subsidiaries recorded expenses of the Employee Stock Option Plan (CCET-WA) plan amounting to Baht 23 million (the Company only: Baht 6 million) (2012: Baht 17 million, the Company only: Baht 3 million) as personnel expenses. As at 31 December 2013, the Company has capital reserve for share-based payment was Baht 40 million (2012: Baht 17 million).

During the current year, the warrant holders exercised their rights (CCET-WA) to purchase ordinary shares as follow:

	NUMBERS OF WARRANT UNITS	CASH RECEIPT FROM EXERCISE OF WARRANTS	THE COMPANY'S PAID-UP CAPITAL WHICH INCREASE FROM EXERCISE OF WARRANTS	REGISTRATION DATE OF INCREASE IN PAID-UP CAPITAL WITH THE MINISTRY OF COMMERCE
		(Million Baht)	(Baht)	
Exercise in April 2013	7,508,000	21.02	4,085,064,192	9 April 2013
Exercise in July 2013	56,000	0.16	4,085,120,192	17 July 2013
Exercise in October 2013	158,000	0.44	4,085,278,192	18 October 2013
	7,722,000	21.62		

As at 31 December 2013, there are 69 million warrants remained unallocated (2012: 140 million warrants).

## 26. STATUTORY RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.





## 27. EXPENSES BY NATURE

Significant expenses by nature are as follow:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Salary and wages and other employee benefits	5,064,601	5,660,962	1,467,731	1,308,424
Depreciation	2,009,902	1,873,972	870,632	777,200
Loss on impairment of property, plant and equipment	-	5,587	-	5,631
Amortisation expenses	82,136	105,243	-	-
Loss on impairment of investments	24,335	10,981	649,688	-
Exchange (gain) loss	330,368	421,926	(96,723)	(50,756)
Rental expenses from operating lease agreements	198,060	334,111	748	895
Raw materials and consumables used	96,477,746	108,674,595	55,042,811	61,486,991
Changes in inventories of finished goods and work in progress	1,121,642	(808,121)	(164,308)	207,488

## 28. Income tax/deferred tax assets (liabilities)

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on the taxable profits from the non-promoted activities determined in accordance with tax legislation. Income tax of the overseas subsidiaries is provided for in the accounts based on the taxable profits determined in accordance with tax legislation of their countries. Some subsidiaries are located in tax havens.

Income tax expense of the Company and its subsidiaries for the years ended 31 December 2013 and 2012 are as follows:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Current income tax:</b>				
Current income tax charge	40,853	71,209	7,869	3,678
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	38,148	41,753	(4,416)	(1,754)
<b>Income tax expenses reported in the profit or loss</b>	<b>79,001</b>	<b>112,962</b>	<b>3,453</b>	<b>1,924</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2013 and 2012 are as follows:

(Unit: Million Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Deferred tax relating to exchange differences on translation of financial statements in foreign currency	(31)	11	(31)	11
Deferred tax relating to gain on changes in value of available-for-sale investments	(8)	-	(8)	-
Others	1	-	1	-
	<b>(38)</b>	<b>11</b>	<b>(38)</b>	<b>11</b>

Reconciliation between tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 December 2013 and 2012.

(Unit: Million Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
Accounting profit before corporate income tax	540	1,312	719	1,920
Applicable tax rate	10-30%	10-35%	20%	23%
Accounting profit before tax multiplied by applicable tax rate	164	596	144	442
Tax effect for investment promotion (Note 29)	(178)	(426)	(178)	(426)
Increase in deferred tax assets	38	41	(4)	(2)
Others	55	(98)	41	(12)
Corporate income tax in profit or loss	79	113	3	2

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Deferred tax assets</b>				
Deficit on change in value of available-for-sale investments	-	5,368	-	5,368
Others	9,006	29,645	6,915	13,949
Total	9,006	35,013	6,915	19,317
<b>Deferred tax liabilities</b>				
Surplus on change in value of available-for-sale investments	2,474	-	2,474	-
Accumulated depreciation - Machinery	-	51,614	-	-
Others	95,227	-	18,804	-
Total	97,701	51,614	21,278	-

In October 2011, the cabinet passed a resolution to reduce the corporate income tax rate from 30 percent to 23 percent in 2012, and then to 20 percent from 2013. In addition, in order to comply with the resolution of the cabinet, in December 2011, the decrease in tax rates for 2012 - 2014 were enacted through a royal decree. The Company has reflected the changes in tax rates in its deferred tax calculation, as presented above.

As at 31 December 2013, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 2,387 million (2012: Baht 1,286 million), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe that future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.





## 29. PROMOTIONAL PRIVILEGES

The Company has been granted promotional privileges under the Investment Promotion Act B.E. 2520, for the manufacture of electronics and electronics equipment, by the Board of Investment under certain significant conditions. Significant privileges of the Company are as follow:

Details					
1. Certificate No.	1992(2)/2550	2231(2)/2551	1041(1)/2553	1042(1)/2553	1701(2)/2554
2. The significant privileges are					
2.1 Exemption of corporate income tax for profit from promotional privileges and exemption of income tax on dividends paid from the income of the operations throughout the period in which the corporate income tax is exempted.	8 years	5 years	8 years	8 years	5 and 8 years
2.2 Allowance for 5% of the increment in export income over the preceding year for ten years, providing that the export income of that particular year should not be lower than the average export income over the three preceding years except for the first two years.	Non-granted	Non-granted	Non-granted	Non-granted	Non-granted
2.3 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted
2.4 Exemption of import duty on raw materials and significant supplies used in export production for a period of (year) from the first import date.	Granted (5 years)	Granted (1 year)	Granted (1 year)	Granted (5 years)	Granted (1 year)
2.5 A fifty percent reduction of the normal rate of corporate income tax on profit derived from the promoted activity for a period of five years after the expiration of the above corporate income tax exemption period.	Non-granted	Non-granted	Granted	Granted	Non-granted
2.6 Permission to double deduct the costs of transportation, electricity and water supply for a period of ten years, commencing as from the date of first earning operating income.	Non-granted	Non-granted	Granted	Granted	Non-granted
3. Date of first earning operating income	11 Apr 2008	2 Jan 2009	1 Apr 2011	6 Jan 2012	3 Jan 2013

The Company's operation revenues for the years are below shown divided according to promoted and non-promoted operations.

(Unit: Million Baht)

	PROMOTED OPERATIONS		NON-PROMOTED OPERATIONS		TOTAL	
	2013	2012	2013	2012	2013	2012
<b>Sales</b>						
Domestic sales	11,978	21,292	2,130	105	14,108	21,397
Export sales	38,369	39,998	6,822	4,828	45,191	44,826
Total sales	50,347	61,290	8,952	4,933	59,299	66,223

### 30. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

	CONSOLIDATED FINANCIAL STATEMENTS					
	PROFIT FOR THE YEAR		WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES		EARNINGS PER SHARE	
	2013	2012	2013	2012	2013	2012
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per shares</b>						
Profit attributable to equity holders of the Company	461,489	1,198,985	4,083,255	4,077,556	0.11	0.29
Effect of dilutive potential ordinary shares						
Warrants (CCET-WA)	-	-	25,581	-		
<b>Diluted earnings per shares</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	461,489	1,198,985	4,108,836	4,077,556	0.11	0.29

	SEPARATE FINANCIAL STATEMENTS					
	PROFIT FOR THE YEAR		WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES		EARNINGS PER SHARE	
	2013	2012	2013	2012	2013	2012
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic Earning per share</b>						
Profit attributable to equity holders of the Company	716,024	1,917,607	4,083,255	4,077,556	0.18	0.47
Effect of dilutive potential ordinary shares						
Warrants (CCET-WA)	-	-	25,581	-		
<b>Diluted earnings per shares</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	716,024	1,917,607	4,108,836	4,077,556	0.17	0.47







### 31. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocate of resources to the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and have two reportable segments which are computer peripheral and telecommunication products.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Company's and its subsidiaries' financing activities, which give rise to finance costs and finance income, and income taxes are managed on a Group basis. Therefore, these income and expenses are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2013 and 2012, respectively.

(Unit: Million Baht)

YEAR ENDED 31 DECEMBER 2013	COMPUTER PERIPHERAL	TELECOM- MUNICATION PRODUCTS	TOTAL REPORTABLE SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
<b>Revenue</b>					
Revenues from external customers	93,038	26,993	120,031	-	120,031
Inter-segment revenue	23,024	12,044	35,068	(33,564)	1,504
<b>Total revenue</b>	116,062	39,037	155,099	(33,564)	121,535
<b>Results</b>					
<b>Segment profit</b>	4,221	661	4,882	-	4,882
Interest revenue					18
Other income					304
Loss on financial derivatives					(2)
Depreciation and amortisation					(2,092)
Administrative expenses					(2,228)
Loss on impairment of assets					(24)
Share of loss from investments in associates					(10)
Finance cost					(308)
<b>Profit before income tax expenses</b>					540
Income tax expenses					(79)
<b>Profit for the year</b>					461
Property, plant and equipment	14,674	1,963	16,637	(58)	16,579
Unallocated assets					45,856
<b>Total assets</b>					62,435

(Unit: Million Baht)

YEAR ENDED 31 DECEMBER 2012	COMPUTER PERIPHERAL	TELECOM- MUNICATION PRODUCTS	TOTAL REPORTABLE SEGMENTS	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
<b>Revenue</b>					
Revenue from external customers	111,616	27,162	138,778	-	138,778
Inter-segment revenue	22,942	6,940	29,882	(28,467)	1,415
<b>Total revenue</b>	134,558	34,102	168,660	(28,467)	140,193
<b>Results</b>					
<b>Segment profit</b>	3,534	414	3,948	-	3,948
Interest revenue					30
Other income					484
Gain on financial derivatives					1,049
Depreciation and amortisation					(1,979)
Administrative expenses					(1,819)
Loss on impairment of assets					(17)
Finance cost					(384)
<b>Profit before income tax expenses</b>					1,312
Income tax expenses					(113)
<b>Profit for the year</b>					1,199
Property, plant and equipment	13,625	1,310	14,935	(7)	14,928
Unallocated assets					42,577
<b>Total assets</b>					57,505

## GEOGRAPHIC INFORMATION

Revenue from external customers is based on locations of the Company and its subsidiaries which are summarised as follow:

(Unit: Million Baht)

	2013	2012
Revenue from external customers		
Thailand	45,078	56,583
China	44,105	56,943
Brazil	14,571	13,132
Malaysia	10,975	12,370
Others	6,806	1,165
<b>Total</b>	<b>121,535</b>	<b>140,193</b>

Non-current assets (other than financial instruments, deferred tax assets and net defined benefit assets)

Thailand	7,489	5,694
China	4,044	4,376
Brazil	1,897	1,819
Malaysia	936	1,073
Others	3,017	2,571
<b>Total</b>	<b>17,383</b>	<b>15,533</b>





### MAJOR CUSTOMERS

For the year 2013, the Company and its subsidiaries have revenue from two major customers in amount of Baht 27,796 million and Baht 12,882 million, arising from sales by the computer peripheral and telecommunication products segments (2012: Baht 27,766 million and Baht 12,987 million derived from two major customers, arising from sales by the computer peripheral and telecommunication products segments).

## 32. PROVIDENT FUND

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed to by employees, at the rate of 2 percent of their basic salaries, and by the Company at the same rate. The fund, which is managed by TISCO Securities Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2013, the Company contributed Baht 1 million (2012: Baht 1 million) to the fund.

## 33. DIVIDENDS

DIVIDENDS	APPROVED BY	TOTAL DIVIDENDS	DIVIDEND PER SHARE
		(MILLION BAHT)	(BAHT)
Final dividends for 2011	Annual General Meeting of the shareholders on 20 April 2012	326	0.08
Interim dividends for 2012	Board of Directors' meeting on 10 August 2012	326	0.08
Total for 2012		652	
Final dividends for 2012	Annual General Meeting of the shareholders on 11 April 2013	326	0.08
Interim dividends for 2013	Board of Directors' meeting on 14 August 2013	327	0.08
Total for 2013		653	

## 34. COMMITMENTS AND CONTINGENT LIABILITIES

### 34.1 CAPITAL COMMITMENTS

As at 31 December 2013, the Company had outstanding commitments of Baht 372 million in respect of the construction of factory building and acquisition of machinery (2012: Baht 78 million and USD 1 million).

### 34.2 OPERATING LEASE COMMITMENTS

Future minimum lease payments required under these non-cancellable operating leases contracts of subsidiaries were as follows:

	AS AT 31 DECEMBER	
	2013	2012
Payable:		
In up to 1 year	5	2
In over 1 to 5 years	2	4

(Unit: Million USD)

### 34.3 OTHER COMMITMENTS

As at 31 December 2013 and 2012, the Company had outstanding commitment of TWD 30 million and PHP 2 million in respect of uncalled portion of investments in its two subsidiaries.

### 34.4 AGREEMENTS FOR HIRE OF PRODUCTION OF MOLDS

As at 31 December 2013, the Company had outstanding commitments of Baht 10 million, USD 2 million, TWD 6 million and SGD 3 million with overseas suppliers in respect of agreements for hire of production of molds (2012: Baht 1 million and USD 1 million).

### 34.5 GUARANTEES

As at 31 December 2013, there were outstanding bank guarantees of approximately Baht 268 million and EUR 0.5 million (2012: Baht 240 million and USD 2 million) issued by the banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business. Its major shareholders has issued a letter of awareness to a bank for credit facilities.

## 35. Financial instruments

### 35.1 FINANCIAL RISK MANAGEMENT

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade accounts receivable and other receivable, loans, investments, short-term and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

#### CREDIT RISK

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable, loans, and other receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans, and other receivable as stated in the statement of financial position.

#### INTEREST RATE RISK

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks and borrowings. Most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	AS AT 31 DECEMBER 2013				
	CONSOLIDATED FINANCIAL STATEMENTS				
	FIXED INTEREST RATES		NON- INTEREST BEARING	TOTAL	INTEREST RATE
	WITHIN 1 YEAR	FLOATING INTEREST RATE			(% per annum)
<b>Financial assets</b>					
- Cash and cash equivalents	-	3,402	123	3,525	0.1 - 1.0
- Current investments	63	-	-	63	0.6 - 3.3
- Trade and other receivables	-	-	25,616	25,616	-
- Restricted bank deposits	-	28	-	28	0.35 - 2.25
	63	3,430	25,739	29,232	
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	20,089	-	20,089	0.9 - 3.8
- Trade and other payables	-	-	23,713	23,713	-
- Long-term loans	-	1,234	-	1,234	1.5 - 1.9
	-	21,323	23,713	45,036	





(Unit: Million Baht)

	AS AT 31 DECEMBER 2012				
	CONSOLIDATED FINANCIAL STATEMENTS				
	FIXED INTEREST RATES WITHIN 1 YEAR	FLOATING INTEREST RATE	NON- INTEREST BEARING	TOTAL	INTEREST RATE
					(% per annum)
<b>Financial assets</b>					
- Cash and cash equivalents	-	1,734	106	1,840	0.1 - 3.0
- Current investments	111	-	-	111	2.3 - 2.6
- Trade and other receivables	-	-	26,804	26,804	-
- Restricted bank deposits	-	8	-	8	2.25 - 2.30
	111	1,742	26,910	28,763	
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	15,799	-	15,799	1.0 - 3.9
- Trade and other payables	-	-	24,160	24,160	-
- Long-term loans	-	1,568	-	1,568	1.5 - 1.9
	-	17,367	24,160	41,527	

(Unit: Million Baht)

	AS AT 31 DECEMBER 2013				
	SEPARATE FINANCIAL STATEMENTS				
	FIXED INTEREST RATES WITHIN 1 YEAR	FLOATING INTEREST RATE	NON- INTEREST BEARING	TOTAL	INTEREST RATE
					(% per annum)
<b>Financial assets</b>					
- Cash and cash equivalents	-	210	-	210	0.1 - 1.0
- Current investments	1	-	-	1	0.8 - 1.6
- Trade and other receivables	-	-	21,256	21,256	-
- Short-term loans to related parties	-	-	328	328	-
- Long-term loans to related parties	115	-	984	1,099	0.0 - 1.3
	116	210	22,568	22,894	
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	14,000	-	14,000	1.4 - 3.4
- Trade and other payables	-	-	11,307	11,307	-
	-	14,000	11,307	25,307	

(Unit: Million Baht)

	AS AT 31 DECEMBER 2012				
	SEPARATE FINANCIAL STATEMENTS				
	FIXED INTEREST RATES WITHIN 1 YEAR	FLOATING INTEREST RATE	NON- INTEREST BEARING	TOTAL	INTEREST RATE
					(% per annum)
<b>Financial assets</b>					
- Cash and cash equivalents	-	172	-	172	0.1 - 2.5
- Current investments	111	-	-	111	2.4 - 2.5
- Trade and other receivables	-	-	19,718	19,718	-
- Long-term loans to related parties	107	-	919	1,026	0.0 - 1.3
	218	172	20,637	21,027	
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	9,815	-	9,815	1.2 - 3.9
- Trade and other payables	-	-	11,361	11,361	-
	-	9,815	11,361	21,176	

### FOREIGN CURRENCY RISK

The Company and its subsidiaries' exposure to foreign currency risk arise mainly from trading transactions and borrowings that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets As at 31 December		Financial liabilities As at 31 December		Average exchange rate As at 31 December	
	2013	2012	2013	2012	2013	2012
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency units)	
<u>Due within 1 year</u>						
USD	653	487	708	535	32.81	30.63
JPY	1,096	3,577	870	3,203	0.31	0.35
TWD	-	2	-	-	-	1.05
SGD	1	-	-	-	25.88	-

As at 31 December 2013, foreign exchange contracts outstanding are summarised below.

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
<u>The Company</u>					
Baht	-	1,316	-	0.03 USD against Baht	January - February 2014
<u>Subsidiary</u>					
BRL	63	221	0.42 USD against BRL	0.42 - 0.43 USD against BRL	January - February 2014
JPY	693	693	0.0097 - 0.0098 USD against JPY	0.0095 USD against JPY	January 2014
Baht	-	826	-	0.03 USD against Baht	February 2014





### 35.2 FAIR VALUES OF FINANCIAL INSTRUMENTS

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

## 36. CAPITAL MANAGEMENT

The primary objectives of the Company's capital management is to ensure that it has appropriate capital structure, in order to support its business and maximise shareholder value. As at 31 December 2013, the Group's debt-to-equity ratio was 2.87:1 (2012: 2.76:1) and the Company's was 1.46:1 (2012: 1.31:1).

## 37. EVENT AFTER THE REPORTING PERIOD

- 37.1 On 10 January 2014, the warrant holders exercised their rights (CCET-WA) to purchase ordinary shares of 1,100,000 warrants at an exercise price of Baht 2.80 each, totaling Baht 3,080,000. The Company registered the change in its paid-up capital from Baht 4,085,278,192 to Baht 4,086,378,192 with the Ministry of Commerce on 22 January 2014.
- 37.2 On 26 February 2014, a meeting of the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of shareholders to be held in April 2014 to adopt a resolution to pay stock dividend not more than 163,455,128 ordinary shares with a par value of Baht 1 each in respect of the operating results for the year ended 31 December 2013, or in the total amount not exceeding Baht 163.45 million in a ratio of 1 dividend share for every 25 existing shares and approved the increase in the registered share capital from Baht 4,277.56 million to be newly share capital of Baht 4,441.01 million through the issue of 163.45 million shares with a par value of Baht 1 each to support the payment of the stock dividend, however, the actual payment amount is subject to change at approval of the Annual General Shareholder's Meeting in April. In addition, a meeting of the Board of Directors of the Company approved the right adjustment of warrants (CCET-WA) in a ratio of 1.04 existing shares for every 1 warrant, and the price adjustment of warrants (CCET-WA) from an exercise price of Baht 2.80 each to Baht 2.69 each. In result, total increased of registered share capital shall not exceed Baht 4,448.70 million to support the payment of the stock dividend and the right adjustment of warrants (CCET-WA).  
Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.
- 37.3 On 26 February 2014, a meeting of the Board of Directors of the Company approved the merger of the Company's subsidiaries in the People's Republic of China, Cal-Comp Technology (Suzhou) Co., Ltd. and Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.

## 38. FUNCTIONAL CURRENCY FINANCIAL STATEMENTS

The USD functional currency statement of financial position as at 31 December 2013 and statement of income for the year ended 31 December 2013 are as follows.



Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2013

(Unit: Thousand USD)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	107,438	60,075	6,388	5,625
Current investments				
Term deposits at financial institutions	1,922	3,621	20	3,613
Investment in trading securities	2,086	-	-	-
Trade and other receivables	780,647	875,030	647,768	643,721
Short-term loans to related parties	-	-	10,000	-
Current portion of long-term loans to related parties	-	-	33,500	-
Inventories	428,759	383,333	181,093	164,900
Advances payment for raw materials	17,269	11,109	10,126	3,561
Other current assets	31,324	33,124	4,996	1,993
<b>Total current assets</b>	<b>1,369,445</b>	<b>1,366,292</b>	<b>893,891</b>	<b>823,413</b>
<b>Non-current assets</b>				
Long-term loans to related parties, net of current portion	-	-	-	33,500
Restricted bank deposits	853	263	-	-
Investments in associates	11,580	3,590	8,958	-
Investments in subsidiaries	-	-	195,710	189,633
Other long-term investments	2,217	1,724	2,186	1,026
Property, plant and equipment	505,243	487,349	216,151	183,327
Goodwill	4,435	4,288	-	-
Other intangible assets	596	3,188	-	-
Deferred tax assets	64	1,143	-	631
Other non-current assets				
Land occupancy rights	3,187	3,239	-	-
Others	5,083	6,246	52	37
<b>Total non-current assets</b>	<b>533,258</b>	<b>511,030</b>	<b>423,057</b>	<b>408,154</b>
<b>Total assets</b>	<b>1,902,703</b>	<b>1,877,322</b>	<b>1,316,948</b>	<b>1,231,567</b>





Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

As at 31 December 2013

(Unit: Thousand USD)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Liabilities and shareholders' equity</b>				
<b>Current liabilities</b>				
Short-term loans from financial institutions	612,221	515,780	426,638	320,417
Trade and other payables	722,653	788,738	344,577	370,904
Current portion of long-term loans	37,600	25,600	-	-
Income tax payable	507	634	102	51
Other current liabilities	33,075	16,735	6,439	5,033
<b>Total current liabilities</b>	<b>1,406,056</b>	<b>1,347,487</b>	<b>777,756</b>	<b>696,405</b>
<b>Non-current liabilities</b>				
Provision for long-term employee benefits	2,779	3,664	2,608	2,503
Deferred tax liabilities	2,767	1,685	438	-
Long-term loans, net of current portion	-	25,600	-	-
<b>Total non-current liabilities</b>	<b>5,546</b>	<b>30,949</b>	<b>3,046</b>	<b>2,503</b>
<b>Total liabilities</b>	<b>1,411,602</b>	<b>1,378,436</b>	<b>780,802</b>	<b>698,908</b>
<b>Shareholders' equity</b>				
Share capital				
Issued and paid up share capital				
4,085,278,192 ordinary shares of Baht 1 each				
(31 December 2012: 4,077,556,192 ordinary shares of Baht 1 each)	98,167	97,908	98,167	97,908
Share premium	80,204	79,640	80,204	79,640
Capital reserve for share-based payment transactions	1,278	544	1,278	544
Retained earnings				
Appropriated - statutory reserve	12,617	12,617	12,617	12,617
Unappropriated	231,046	236,302	257,516	254,295
Other components of shareholders' equity	67,789	71,875	86,364	87,655
<b>Total shareholders' equity</b>	<b>491,101</b>	<b>498,886</b>	<b>536,146</b>	<b>532,659</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,902,703</b>	<b>1,877,322</b>	<b>1,316,948</b>	<b>1,231,567</b>

Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries

## INCOME STATEMENT

For the year ended 31 December 2013

(Unit: Thousand USD)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
<b>Revenues</b>				
Sales	3,940,298	4,514,618	1,921,913	2,132,404
Exchange gains	-	-	3,244	1,757
Gain on financial derivatives	-	33,763	-	-
Other income	10,470	16,520	1,514	1,382
<b>Total revenues</b>	<b>3,950,768</b>	<b>4,564,901</b>	<b>1,926,671</b>	<b>2,135,543</b>
<b>Expenses</b>				
Cost of sales	3,769,942	4,368,317	1,869,537	2,060,531
Selling expenses	12,109	19,500	1,341	1,784
Administrative expenses	129,242	109,041	25,398	6,396
Exchange loss	10,519	13,510	-	-
Loss on financial derivatives	51	-	37	-
<b>Total expenses</b>	<b>3,921,863</b>	<b>4,510,368</b>	<b>1,896,313</b>	<b>2,068,711</b>
<b>Profit before share of loss from investment in associates, finance cost and income tax expenses</b>	<b>28,905</b>	<b>54,533</b>	<b>30,358</b>	<b>66,832</b>
Share of loss from investment in associates	(305)	(1)	-	-
<b>Profit before finance cost and income tax expenses</b>	<b>28,600</b>	<b>54,532</b>	<b>30,358</b>	<b>66,832</b>
Finance cost	(9,978)	(12,411)	(5,827)	(4,968)
<b>Profit before income tax expenses</b>	<b>18,622</b>	<b>42,121</b>	<b>24,531</b>	<b>61,864</b>
Income tax expenses	(2,688)	(3,632)	(119)	(66)
<b>Profit for the year</b>	<b>15,934</b>	<b>38,489</b>	<b>24,412</b>	<b>61,798</b>

## 39. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's authorised director on 26 February 2014.



Investor may additionally obtain the information of the issuing company from its annual filing (Form 56-1) showing in [www.set.or.th](http://www.set.or.th) or in the website of Cal-Comp Electronics (Thailand) Public Company Limited.

[www.calcomp.co.th](http://www.calcomp.co.th)