

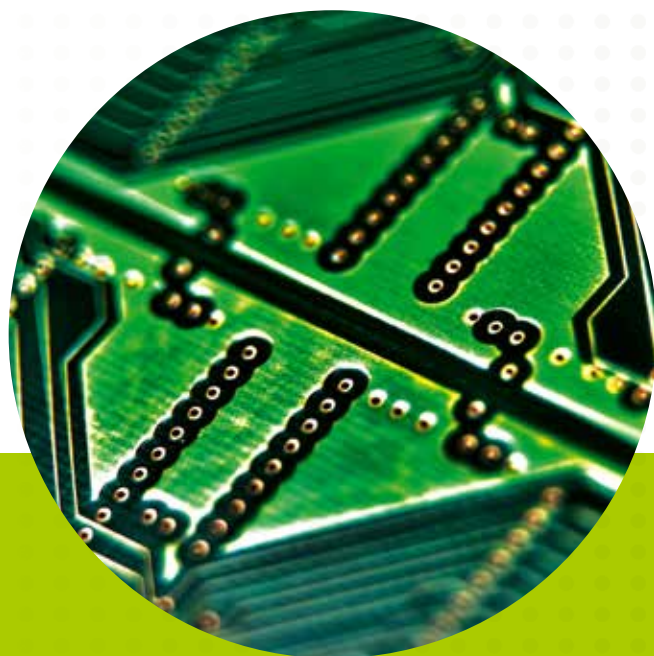
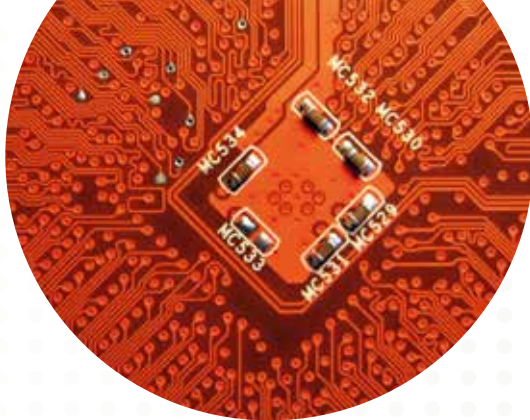
SET Ticker : CCET  
TWSE Ticker : 9105



## Annual Report 2014



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



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# FINANCIAL HIGHLIGHTS

## BALANCE SHEET SUMMARY

	2014	2013	2012
Cash and cash equivalents	1,808,741,825	3,528,426,267	1,840,184,429
Trade and other receivables	35,335,327,818	25,514,092,922	26,803,583,982
Inventories	14,506,707,263	13,691,208,487	11,742,091,078
Total current assets	53,410,702,908	44,457,779,637	41,851,707,452
Investment	444,564,018	443,253,197	162,768,341
Property, plant and equipment	17,531,526,023	16,865,962,510	14,928,285,983
Total assets	71,734,120,327	62,154,702,626	57,505,351,361
Short-term loan from financial institutions	13,023,831,033	20,535,767,236	15,799,177,871
Trade and other payables	34,657,845,399	23,790,978,172	24,160,305,239
Total current liabilities	49,057,497,752	46,268,241,750	41,275,657,101
Non-current liabilities	6,136,809,967	1,034,876,599	948,025,171
Total liabilities	55,194,307,719	46,485,902,197	42,223,682,272
Registered capital	4,448,702,440	4,277,556,192	4,277,556,192
Paid-up capital	4,273,386,156	4,085,278,192	4,077,556,192
Retained earnings	8,886,559,244	8,324,610,131	9,422,632,952
Total shareholders' equity	16,539,812,608	15,668,800,429	15,281,669,089

## PROFIT & LOSS STATEMENT SUMMARY

	2014	2013	2012
Sales	150,312,644,039	121,507,631,856	140,193,019,630
Total revenues	150,726,049,014	121,802,345,106	141,754,927,078
Cost of sales	144,091,395,157	116,263,166,229	135,642,813,604
Selling and administrative expenses	4,335,390,141	4,455,043,461	3,994,321,114
Total expense	149,015,500,989	121,291,650,640	140,059,060,903
Net profit	1,059,458,557	114,876,295	1,198,985,352

## KEY FINANCIAL RATIOS

	2014	2013	2012
<b>Liquidity Ratios</b>			
Current Ratio (times)	1.09	0.96	1.01
Quick ratio (times)	0.79	0.65	0.72
Collection period (days)	73	77	69
Inventory turnover (days)	35	39	34
Payment period (days)	73	74	65
Cash cycle (days)	35	42	38
<b>Profitability Ratios</b>			
Gross profit margin (%)	4.14	4.32	3.25
Operating profit margin (%)	1.25	0.65	0.40
Net profit margin (%)	0.70	0.09	0.85
Return on equity (%)	6.58	0.74	8.03
<b>Efficiency Ratios</b>			
Return on total assets (%)	1.58	0.19	2.11
Return on fixed assets (%)	18.81	13.09	21.29
Total assets turnover (times)	2.25	2.03	2.46
<b>Leverage Ratios</b>			
Total liabilities / Total equity	3.34	2.97	2.76
Interest coverage Ratio (times)	3.90	1.64	4.42
<b>Information on Shares (Baht)</b>			
Book value per share	3.87	3.84	3.75
Earnings per share	0.25	0.03	0.29
Dividend per share	0.13	0.12	0.16



# MESSAGE FROM THE BOARD OF DIRECTORS



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

Review year 2014, yet a year of continued sluggish global economic growth dragging by the factors of continuous financial instability among Euro zone and the currency crisis. In addition, the continuing crude oil price slump down, the decelerate growth in real estate market in China, and the political crisis of Ukraine all do as well wider the economic damage during the year. On the other hand, the economic recovery in Thailand also has declined at a lower GDP growth of 1% due to the impacts of series political events during the year.

In spite of uncertainties on the global economical and political situations, it was considered a year with modest growth for the EMS/ODM industry seeing that the industry has nevertheless filled with innovative developments in areas of mobile appliances, 3D printing technologies, internet & cloud computing, smart devices, home robot appliances and else which shown an ongoing technology evolution towards a new era throughout the years despite of worldwide economic downturn.

As for the Company, year 2014 was no doubt considered a challenging yet productive year despite of the global consumer demand shrinkage, the Company's continuing global expansion and implement of automation strategies has progressively settled in places and begin taken in to effect to perform palpable positive outcomes for the Company since second half of the year.

Overall, the Company has managed to achieve annual sales revenue of Baht 150 billion in year 2014 with more than 20% of sales growth revenue and has maintained its global position as an EMS/ODM company for the printer, set-top-box, external hard disk, hard disk PCBA products as it be.



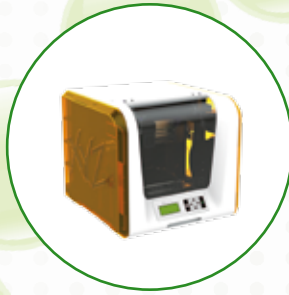
A portrait of Mr. Shen, Shyh-Yong, a man with short dark hair, wearing a dark suit, white shirt, and a red patterned tie. He is looking directly at the camera with a slight smile. The background of the portrait is white, and there are decorative green circles of varying sizes in the upper right corner of the page.

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

In addition, the Company's new ODM products including 3D printer, LED lightening, Bio technology, NAS, medical appliance, and home automation products also have work toward its target goal among its sectors during the year. Furthermore, the new ODM models of 3D printers designed by the Company's subsidiary XYZprinting has again earned the CES Editors' Choice Award and has also had the honor to be the winner of the first annual TWICE Pick Award during the global Consumer Electronics and Consumer Technology (CES) tradeshow in the early year of 2015.

Overlook 2015, the Company remains positive view in maintaining its firm and competitive position in the EMS/ODM industry cross over the world, and is also ambitious to continuing promote our own branding products onto the global stage in the new coming year. Moreover, the Company has also foresees its potential competitiveness and strength to enter into different business fields such as semiconductors and e-commerce sectors in seeking to enhance and to widen the Company's business position and stride to the next milestone, to achieve NKG 2.0.

On behalf of the Board, we would like to express our sincerest gratitude to the management team and all the staffs for their selfless dedication and unremitting effort! We would also like to once again extend our highest gratitude to all valuable customers, suppliers, partners, banks, government authorities and shareholders for their continuing faith and thoughtful support! The Board would like to reiterate our commitment of best effort to lead the Company for the best outcomes while constantly carry through the Company's philosophy: innovation, harmony, and transcendence altogether bringing best benefit to the society and to the Company in 2015 and onward, and we are honored to serve as the Board of the Company.



# CES AWARD 2014 & 2015 FOR XYZPRINTING INC'S 3D PRINTER PRODUCTS

Congratulations 🏆🏆🏆  
**Triple Crown**









# GLOBAL MANUFACTURING BASE

CAL-COMP ELECTRONICS (THAILAND) PLC.

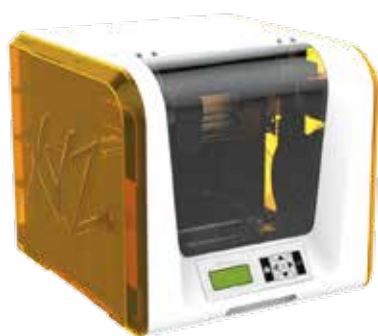






# PRODUCT DIVERSITY

CAL-COMP ELECTRONICS (THAILAND) PLC.



# BOARD OF DIRECTORS

## MR. HSU, SHENG-HSIUNG

- Position** : Chairman
- Education** : Honorable Ph.D, National Taiwan Normal University, Taiwan
- Work Experience** :
- 1989-Present • Chairman of Cal-Comp Electronics (Thailand) PCL.
  - 1992-Present • Chairman of Kinpo Electronics, Inc.
  - 1994-Present • Chairman of Compal Electronics Inc.
  - 2002-Present • Chairman of Cal-Comp Electronics (Suzhou) Co., Ltd.
  - 2003-Present • Director of Cal-Comp Optical Electronics (Suzhou) Co., Ltd.
  - 2004-Present • Chairman of Cal-Comp Electronics and Communications Co., Ltd.
  - 2008-Present • Director of Cal-Comp Technology (Suzhou) Co., Ltd.
  - 2008-Present • Director of Cal-Comp Electronics and Communication (Suzhou) Co., Ltd.

### Securities holding (As of December 31, 2014) :

Mr. Hsu, Sheng-Hsiung holds 17,628,000 shares and his spouse Mrs. Hsu, Tsai Li-Chu holds 15,246,400 shares.

**IOD Program** : Not attend the course from Thai Institution of directors yet.

## MR. SHEN, SHYH-YONG

- Position** : Vice Chairman
- Education** :
- Doctor of Law, Whittier Law School , USA
  - Master of Business Administration, Southern California University, USA
  - Bachelor of Public Administration, National Chengchi University, Taiwan
- Work Experience** :
- 2004-2008 • Assistant Vice President of Cal-Comp Electronics (Thailand) PCL.
  - 2008-Present • Managing Director of Kinpo Electronics Inc.
  - 2008-Present • Vice Chairman of Cal-Comp Electronics (Thailand) PCL.
  - 2008-Present • Director and Managing Director of Cal-Comp Electronics and Communications Co., Ltd.
  - 2008-Present • Chairman and Managing Director of Cal-Comp Optical Electronics (Suzhou) Co., Ltd.
  - 2008-Present • Chairman and Managing Director of Cal-Comp Technology (Suzhou) Co., Ltd.
  - 2008-Present • Chairman and Managing Director of Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.
  - 2008-Present • Chairman and Managing Director of Cal-Comp Electronics (Suzhou) Co., Ltd.
  - 2010-Present • Director of Kinpo Electronics Inc.
  - 2010-Present • Chairman of Cal Comp (Malaysia) SDN. BHD.
  - 2010-Present • Chairman of Cal-Comp Precision (Singapore) Ltd.
  - 2010-Present • Chairman of Cal-Comp Precision (Malaysia) Sdn. Bhd.
  - 2010-Present • Chairman of Cal-Comp Precision (Thailand) Ltd.
  - 2010-Present • Chairman and Managing Director of Avaplas Precision Plastics (Shanghai) Co., Ltd.
  - 2010-Present • Chairman of Cal-Comp Precision (Dongguan) Ltd.
  - 2010-Present • Chairman of Cal-Comp Precision (Wujiang) Ltd.
  - 2010-Present • Chairman of Cal-Comp Electronics (USA) Co., Ltd.
  - 2011-Present • Chairman of Cal-Comp USA (Indiana), Inc.
  - 2011-Present • Chairman of Cal-Comp USA (San Diego), Inc.
  - 2011-Present • Chairman of Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.
  - 2011-Present • Chairman of Cal-Comp Electronics de México Co., S.A. de C.V.



- 2012-Present • Chairman of Cal-Comp Technology (Philippines), Inc.
- 2012-Present • Director of Compal Electronics, Inc.
- 2013-Present • Chairman of XYZprinting, Inc.
- 2014-Present • Chairman of Kinpo (Philippines) Inc.

**Securities holding (As of December 31, 2014) :**

Mr. Shen, Shyh-Yong holds 15,973,396 shares, his spouse Mrs. Hsu, Yung-Hsu holds 1,320,072 shares, minor child Hsu, Hsin-Yu and Shen, Pei-Chi each hold TDR for 31,175 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, USA  
Bachelor of Engineering, Feng Chia University, Taiwan

**Work Experience** :

- 2006-Present • Managing Director of Cal-Comp Electronics (Thailand) PCL.
- 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) ., Ltd
- 2012-Present • Director of Cal-Comp Technology (Philippines), Inc.
- 2013-Present • Director of XYZprinting, Inc.

**Securities holding (As of December 31, 2014) : 1,456,000 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) PCL.
- 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 Communications Co., Ltd.

**Securities holding (As of December 31, 2014) : 5,782,400 shares**

**IOD Program** : Not attend the course from Thai Institution of directors yet.

## MR. CHANG, ZUEI-WEI

**Position** : Director

**Education** : Master of Business Administration, Pacific Western University, USA

**Work Experience** : 2008-2011 • Vice President of Kinpo Electronics, Inc.  
2011-2012 • Vice President of Cal-Comp Electronics and Communication Co., Ltd.  
2010-Oct. 2014 • Director of Cal Comp (Malaysia) SDN. BHD.  
2011-Oct. 2014 • Director of Cal-Comp Precision (Singapore) Ltd.  
2012-Oct. 2014 • Director of Cal-Comp Electronics (Thailand) Pcl.  
2012-Oct. 2014 • Senior Vice President of Cal-Comp Electronics and Communication Co., Ltd.

**Securities holding (As of December 31, 2014) :** None

**IOD Program** : Not attend the course from Thai Institution of directors yet.

## MR. WANG, HO-SHUN

**Position** : Director

**Education** : Bachelor of Science and Technology, China University of Science and Technology, Taiwan

**Work Experience** : 2007-2008 • Vice President of Cal-Comp Electronics and Communications Co., Ltd.  
2009-2012 • Vice President of Kinpo Electronics, Inc.  
2010-Present • Director of Cal-Comp Precision (Singapore) Ltd.  
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 Electronics (Thailand) PCL.  
2013-Present • Director of Cal-Comp Precision (Malaysia) Sdn. Bhd.  
2013-Present • Director of Cal-Comp Precision (Thailand) Ltd.  
2013-Present • Director of XYZprinting, Inc.

**Securities holding (As of December 31, 2014) :** None

**IOD Program** : Not attend the course from Thai Institution of directors yet.

## MR. ALAN KAM

**Position:** Independent Director and Chairman of Audit Committee

**Education:** Master of Business Administration, University of Denver, USA  
Bachelor of Business Administration, University of Denver, USA

**Work Experience** : 2000-Present • Independent Director and Chairman of Audit Committee of Cal-Comp Electronics (Thailand) PCL.  
2008-Present • Principal of Libertas Company Limited  
2012-Present • Chairman of the Board of Directors of Krungsri Asset Management Company Limited  
2013-Present • Independent Director and Chairman of the Audit Committee for Mega LifeScience Public Company Limited  
2013-Present • Director and Chairman of the Investment Committee of Nambawan Super Limited

**Securities holding (As of December 31, 2014) :** 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)  
-Attended the Corporate Governance for Capital Market Intermediaries Class (CGI 0/2014)

## 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>	: 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) PCL. 2000-Present • Director of City Realty Co., Ltd. 2009-2012 • Director of Libertas Co., Ltd 2010-Present • Chairman of ADPV Technology Limited
<b>Securities holding (As of December 31, 2014) :</b>	None
<b>IOD Program</b>	: -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 Law) University of Cambridge, UK Master degree in laws (LL.M. in Business Laws), Chulalongkorn University, Thailand Certificate on American and International Laws, Dallas, USA Bachelor degree in laws (LL.B. (Hons)), Chulalongkorn University
<b>Work Experience</b>	: 2001-2003 • Managing Associate of Linklaters (Thailand) Co., Ltd 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) PCL. 2009-Present • Special Lecturer at 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) PCL. 2013-Present • Supervisor of XYZprinting, Inc. 2014-Present • Executive Director of Hillcrest Management (Samui) Company Limited
<b>Securities holding (As of December 31, 2014) :</b>	None
<b>IOD Program</b>	: -Attended DAP Program of IOD, Class 73/2008



# GENERAL INFORMATION

## 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>	: 4,448,702,440 Baht
<b>Paid-up Capital</b>	: 4,273,386,156 Baht as at Dec. 31, 2014 4,287,979,436 Baht as at Jan. 15, 2015
<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>	<ol style="list-style-type: none"> <li>(1) <b>Samuthsakorn Factory</b> 60 Moo 8, Sethakij Road, Tambol Klong Maduea, Ampur Kratoom Bean, Samuthsakorn, 74110, Thailand</li> <li>(2) <b>Petchaburi Factory</b> 138 Moo 4, Petchkasem, Tambol Sapang, Ampur Koaw-Yoi, Petchaburi, 76140, Thailand</li> <li>(3) <b>Branch at Nakhonratsima Province</b> 44/4 Moo 9, Tumbol Sungnoen, Amphur Sungnoen, Nakhonratsima 30170, Thailand</li> <li>(4) <b>Branch at Petchaburi Province</b> 91 Moo 4, Tambol Sapang, Ampur Koaw-Yoi, Petchaburi, 76140, Thailand</li> </ol>

**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, 2014

GROUP OF SHAREHOLDERS	NATURE OF BUSINESS	NO. OF SHARES	% OF PAID UP CAPITAL
1. KINPO ELECTRONICS, INC. <sup>(1)</sup>	Manufacture of electronic products	1,759,546,848	41.17
2. FAR EASTERN INTERNATIONAL BANK <sup>(2)</sup>	Depository of TDR	803,312,195	18.80
3. KINGBOLT INTERNATIONAL (SINGAPORE) PTE LTD. <sup>(1)</sup>	-	287,710,280	6.73
4. COMPAL ELECTRONICS, INC. <sup>(3)</sup>	-	229,212,152	5.36
5. MR. CHERN KUAN-JAN	-	162,387,568	3.80
6. THAI NVDR COMPANY LIMITED	-	132,979,902	3.11
7. KGI ASIA LIMITED	-	45,330,552	1.06
8. STATE STREET BANK EUROPE LIMITED	-	32,029,016	0.75
9. EAST FOURTEEN LIMITED-DIMENSIONAL EMER MKTS VALUE FD	-	28,423,136	0.67
10. MR. HSU, SHENG-HSIUNG.	-	17,628,000	0.41
Total		3,498,559,649	81.87

Notes: <sup>(1)</sup> Kinpo Electronics, Inc. and its 100% owned subsidiary ,Kingbolt International (Singapore) Pte Ltd., hold totally 2,047,257,128 shares or 47.90%.

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

<sup>(3)</sup> As of December 31, 2014, Compal Electronics has holding the common share through KGI Asia Limited

# CAPITAL STRUCTURE

## SECURITIES OF THE COMPANY

### 1. Ordinary shares

The registered and paid-up capital as at December 31, 2014:

The registered capital: Baht 4,448,702,440, comprising 4,448,702,440 ordinary shares with the par value per share of Baht 1.

The paid-up capital: Baht 4,273,386,156, comprising 4,273,386,156 ordinary shares with the par value per share of Baht 1.

### 2. Taiwan Depository Receipts (TDRs)

As of December 31, 2014, there are 803,312,195 units of Taiwan Depository Receipts (TDRs) underlying 803,312,195 ordinary shares or 18.73% 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, 2014, 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, 2015, the Warrantholders (CCET-WA) exercised the warrants of 45,501,000 units and purchase the ordinary share of 46,968,160 shares. Therefore, the balance of warrants as of January 10, 2015 is 154,499,000 units.

### 4. NVDR

As at December 31, 2014, there are 132,979,902 units of NVDRs of the Company, equivalent to 3.10% 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 be 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 69.92 million, 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 30.05 million, 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, Selangor Darul Ehsan, Malaysia.

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

Cal-Comp Electronics (USA) Co., Ltd. has a paid-up capital of USD 59.82 million, 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 0.86 million 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 5.4 million 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 47 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 1,676 million, operating as mould and plastic injection and running the business in Thailand. The Company owned 100% of Cal-Comp Precision (Thailand) Limited. 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 (Thailand) 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 (Thailand) 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 (Thailand) 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 (Thailand) Ltd. The registered address is situated at 2288, Jiangxing East Road, Wujiang Economic Development Zone, Jiangsu, China.

## **17. Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda**

Cal-Comp Industria e Comercio de Eletronicos e Informatica 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 from direct investment and indirectly through Cal-Comp Holding (Brasil) S.A.. The registered address is situated at Rua Araçai, 143, Flores, CEP.: 69048-810, on the city of Manaus, Amazonas, Brazil.

## **18. Cal-Comp Electronics de Mexico 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 215 million, 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. 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.

## **21. 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.

## **22. Metal Component Engineering Limited (“MCE”)**

Metal Component Engineering Limited is listed in Singapore Stock Exchange (SGX-ST) has a paid up capital SGD 374.12 million 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.

## **23. 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 12.5% 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



#### **24. 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.

#### **25. 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

#### **26. Cal-Comp Holding (Brasil) S.A.**

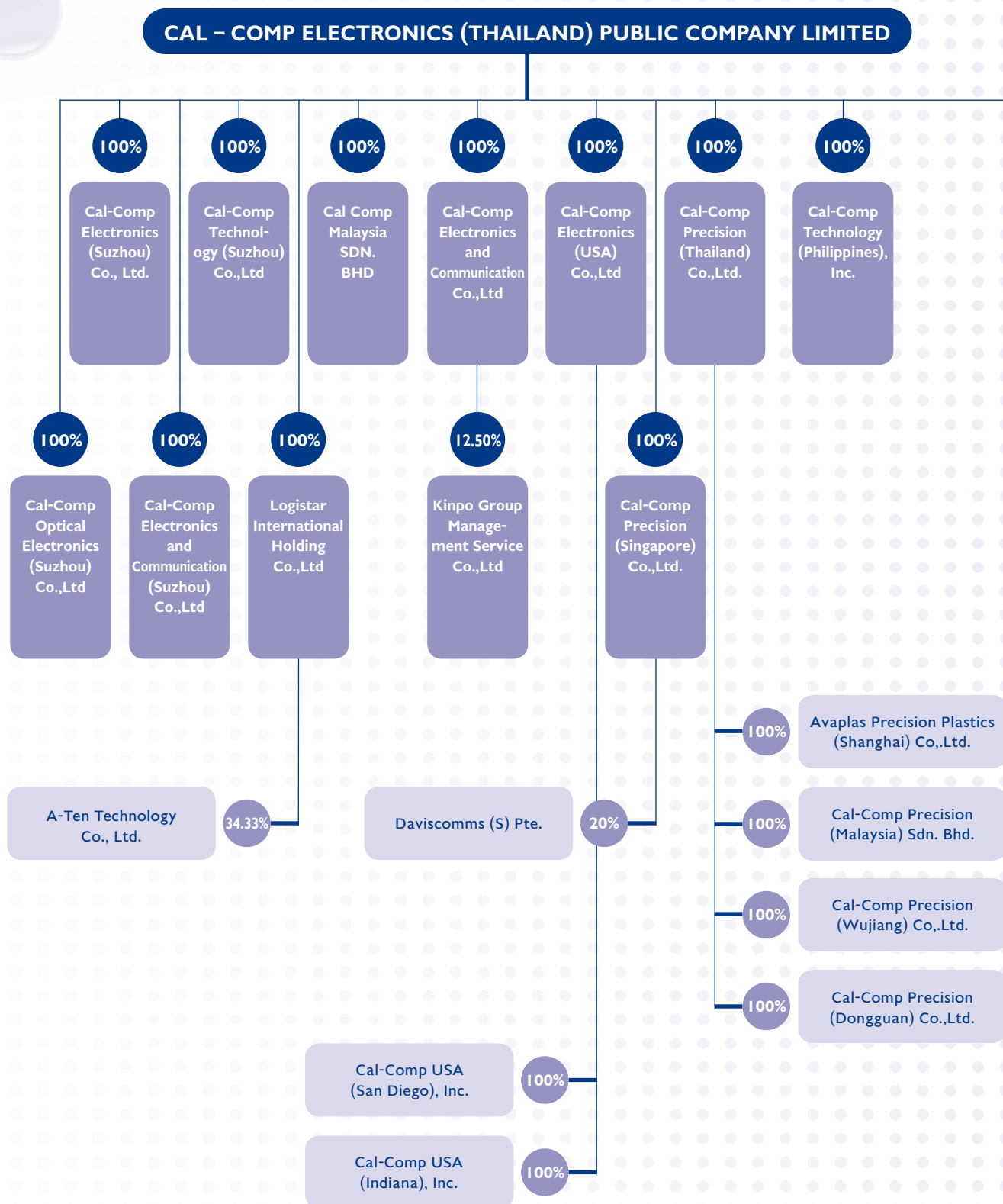
Cal-Comp Holding (Brasil) S.A. has a paid-up capital of R\$ 114.76 million, acquired by the transferring of investment in Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda in Brazil. The Company owned 99.99% of paid up capital of Cal-Comp Holding (Brasil) S.A.. The registered address is situated at Rua Olimpadas 205, 4th Floor, Vila Olimpica, CEP.: 04551-000, on the city of Sao Paulo, Sao Paulo, Brazil.

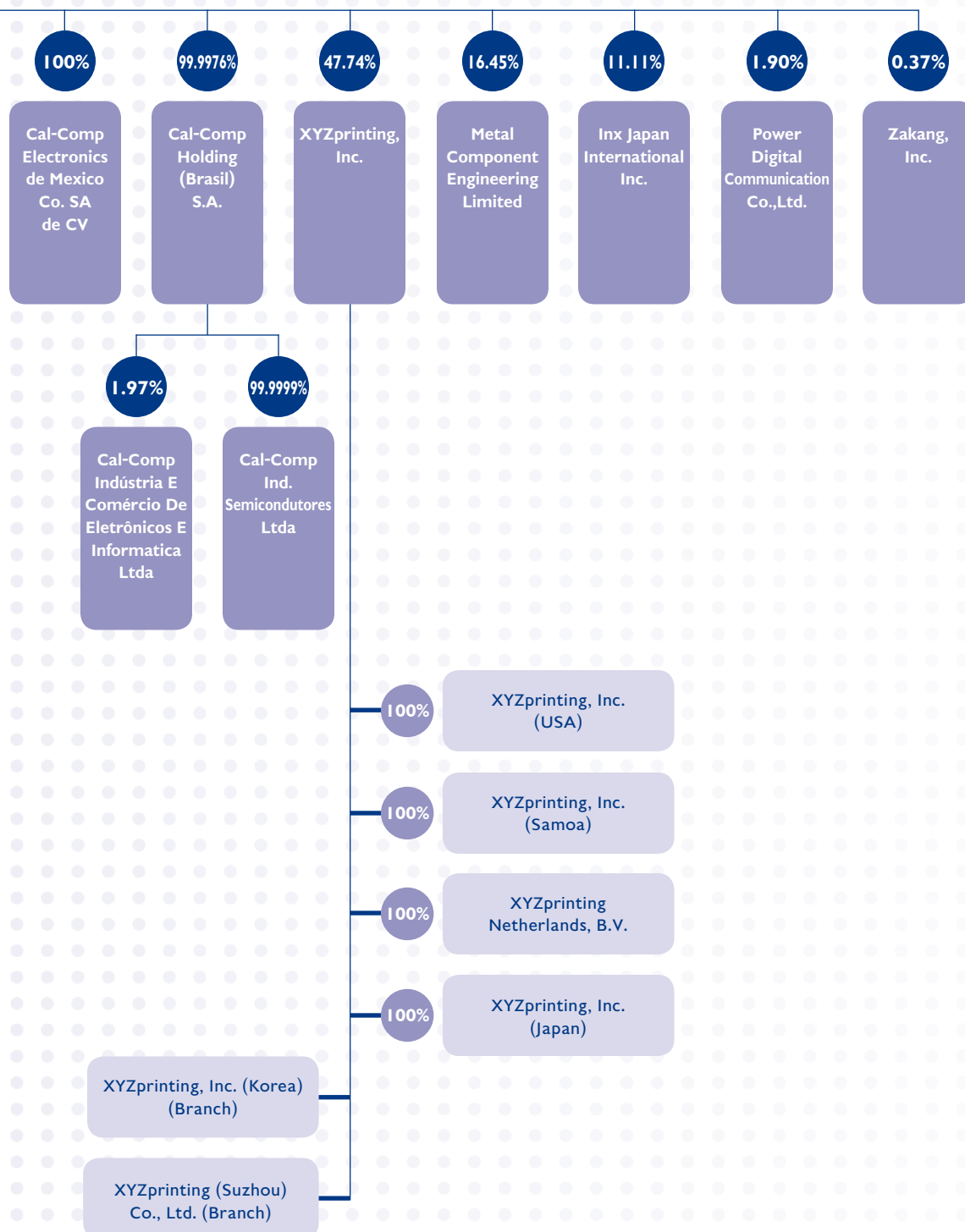
#### **27. Cal-Comp Industria de Semicondutores Ltda**

Cal-Comp Industria de Semicondutores Ltda has a paid-up capital of R\$ 1,000. The purpose of this investment is to expand the product line in semiconductor products in Brazil. The Company owned 99% of paid up capital of this Company indirectly through Cal-Comp Holding (Brasil) S.A. The registered address is situated at Av. Torquato Tapajos 7,503, Taruma, CEP.: 69041-025, on the city of Man, Amazonas, Brazil.

# THE GROUP STRUCTURE OF THE COMPANY

as of 31 December 2014







## 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 2010-2014 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

<b>Shares and Warrants Registrar</b>	:	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
<b>Taiwan Depository Receipts (TDRs) Depositary</b>	:	Far Eastern International Bank 20F, No.207, Sec.2, Dunhua S. Rd., Da an Dist., Taipei City 106, Taiwan, R.O.C. Tel : 886-2-2312-3636 Fax : 886-2-2388-8278
<b>Auditor</b>	:	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

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 4,448,702,440 and paid-up capital of Baht 4,273,386,156 Baht as at Dec. 31, 2014.

The Company is in Electronics Manufacturing Services (EMS) business, producing electronics products for major brands worldwide; for instance, Western Digital, Seagate, Hitachi, Toshiba, Verbatim, Advance Digital Broadcast, Technicolor, Pace, Hewlett Packard, Konica Minolta, Ricoh, Panasonic, Lexmak, Sharp, 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, NAS, 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 2014, the Company has employees 24,247 globally, 3,867 in China, 14,765 in Thailand, 985 in Taiwan, 699 in Malaysia, 2,331 in Brazil, 883 in Mexico, 337 in USA, 73 in Singapore and 307 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

	2012		2013		2014	
	MILLION BAHT	%	MILLION BAHT	%	MILLION BAHT	%
Computer Peripheral	113,480	80.05	94,058	77.22	106,960	70.96
Telecommunication Products	26,713	18.85	27,450	22.54	43,353	28.76
<b>Total sales</b>	<b>140,193</b>	<b>98.90</b>	<b>121,508</b>	<b>99.76</b>	<b>150,313</b>	<b>99.72</b>
Other revenue	1,562	1.10	295	0.24	413	0.28
<b>Total revenue</b>	<b>141,755</b>	<b>100.00</b>	<b>121,802</b>	<b>100.00</b>	<b>150,726</b>	<b>100.00</b>

## PRODUCTION VOLUME

(UNIT : THOUSAND UNITS)

DESCRIPTION	2012		2013		2014	
	NUMBER	%	NUMBER	%	NUMBER	%
<b>Production volume</b>						
- Computer Peripheral	314,315	94.60	271,091	94.37%	292,851	90.80
- Telecommunication Products	17,931	5.40	16,161	5.63%	29,674	9.20
<b>Total</b>	<b>332,246</b>	<b>100.00</b>	<b>287,252</b>	<b>100.00</b>	<b>322,525</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 95%, 85% and 90% of the full capacity for year 2012, 2013 and 2014, 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 2012-2014

The Company has purchased raw materials through local and overseas suppliers. Below is the Company's consolidated purchase amount in million baht during 2012-2014

ORDER	2012		2013		2014	
	MILLION BAHT	%	MILLION BAHT	%	MILLION BAHT	%
Domestic raw materials	15,048.82	12.94	13,018.37	11.05	21,639.43	15.47
Imported raw materials	101,275.08	87.06	104,767.31	88.95	118,211.26	84.53
<b>Total</b>	<b>116,323.90</b>	<b>100.00</b>	<b>117,785.68</b>	<b>100.00</b>	<b>139,850.69</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



MATERIAL	DESCRIPTION	SOURCE OF SUPPLY
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 2014

- 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 initial exercise price was 2.80 Baht/share and the exercise ratio was 1 warrant for 1 ordinary share. However, the exercise ratio has adjusted to 1 warrant per 1.04 ordinary shares and the exercise price after the right adjustment equal to Baht 2.69 per share which has been effective since March 13, 2014 in respond to the change of capital due to allotment of stock dividend for 2H'2013. As of December 31, 2014, the Warrantholders has exercised total 23,747,000 units during the year.
- On December 25, 2014, the Company has approved a joint investment with PChome Online Inc., the leading Taiwanese provider of integrated web solutions for portal access, e-commerce and telecommunication, to set up PChome (Thailand) Co., Ltd. in Thailand in order to develop capabilities for e-commerce business, Voice over Internet Protocol business (VoIP business) as well as third-party payment service provider and to expand the future business growth. The Company has invested 35% of total investment (or equivalents to Baht 35 million) and the new joint venture company has established on January 19, 2015.

# INDUSTRY AND MARKET COMPETITION

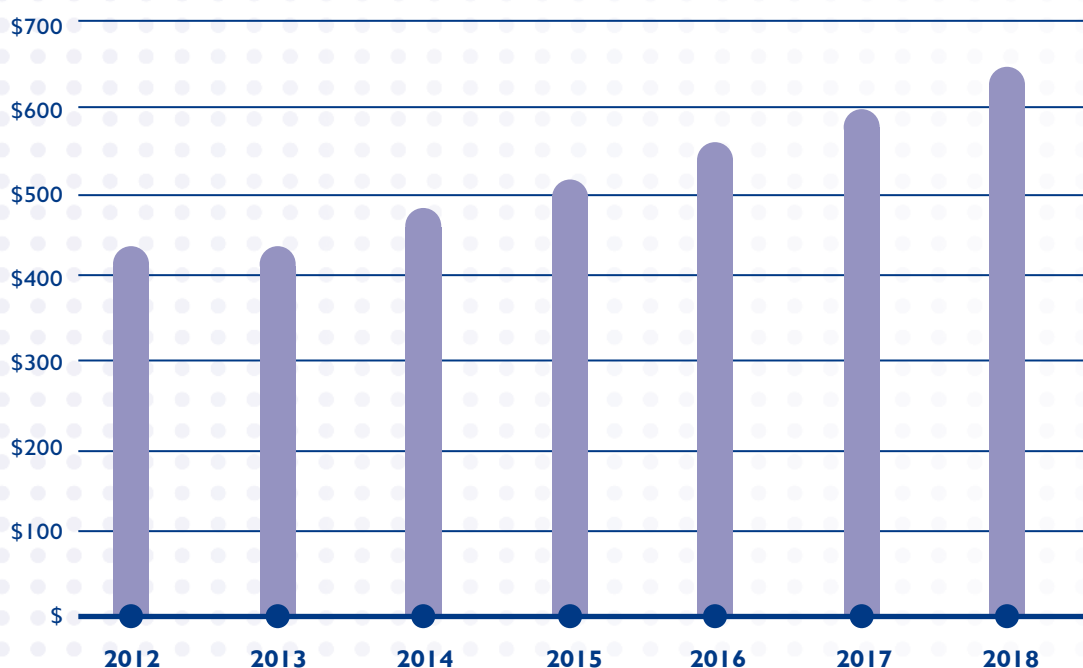
## EMS INDUSTRY OVERVIEW

Worldwide electronics manufacturing services (EMS) market is a determining force in production of electronics products, which covers telecommunications and network equipment, communications terminals (mobile phone), computers (including desktop PC, laptop, Tablet PC), computer peripherals (including HDD, display, printer, etc.), consumer electronics (TV sets, game consoles), industrial electronics, automotive electronics, medical and defense electronics, and now accounts for almost 40 percent of all assembly.

With a high industrial concentration of more than 300-350 companies in the global EMS and ODM industry, top eight enterprises occupied and dominated about 81% of market share seizing large customers; correspondently, medium-sized enterprises normally tend to find it less and less competitive among the dominant players. Nonetheless, while the growth rate for outsourcing business tends to slow down, the EMS service still considered the most desired partnership for OEM companies. In fact, the EMS industry has grow by approximately 4.9 percent in 2013 and by 7.7 percent in 2014.

According to New Venture Research, total electronics assembly value was estimated at \$1.4 trillion in 2014 and shall likely grow to approximately \$1.8 trillion in 2018 (or equivalent as a 5.9 percent compounded annual growth rate). Driven by the demand for EMS services in the automotive, communications, computer/peripherals, consumer, industrial, medical, and aerospace and defense industries, NVR believes that the EMS industry is expecting to grow from \$474 billion in 2014 to \$639 billion in 2018 - approximately at a 7.7 percent compound annual growth rate.

## EMS ELECTRONICS ASSEMBLY MARKET (\$B)



**Source:** New Venture Research, The Worldwide Electronics Manufacturing Services Market - 2014 Edition



## STB & INTERNET-CONNECTED DEVICES INDUSTRY OVERVIEW

The set-top box ("STB") sector continues to thrive despite of the increasingly focus on delivering video to other connected devices in the pay-TV industry with market shipments set to hit successive highs over the next three years, according to US research firm IHS. Global shipment of pay-TV set-top boxes is forecasted to rise 6% to 286mn in 2014 and up a more modest 1% to 290mn in 2015 when the market is expected reaching high in the foreseeable future.

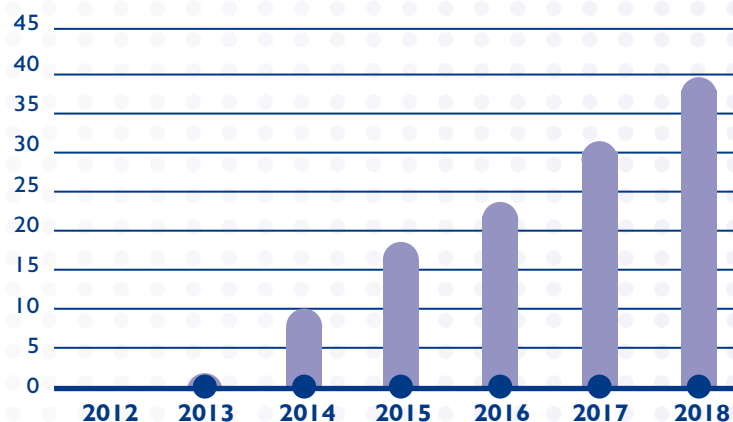
The market dynamics for STBs are complex and vary considerably from territory to territory, but ultimately depend on individual pay-TV operator strategies and developments in the wider media and consumer electronics industries. U.S. STB revenue shall continue to grow until 2015 as Comcast, DirecTV and Dish Network expedite their MHG deployments, driving the higher end of the market. Chinese and Indian cable TV digitization and the International Telecommunication Union's (ITU) GE06 deadline in 2015 for the analog terrestrial TV switch-off shall also continue to drive large volumes of lower-value boxes.

Nonetheless, despite of this midterm blip, the longer-term view is more positive with ultra-high-definition (UHD) STBs using High Efficiency Video Codec (HEVC) which becoming more significant in the following year. According to IHS, pay-TV operators is expecting to purchase 13 million UHD STBs by 2018.

UHD STBs will be strategically important to operators in all territories. Beyond enabling an additional premium-content tier, HEVC use will result in more efficient Internet Protocol (IP) video distribution, allowing operators to offer superior Over-The-Top services. In consider the Pay TV business is nearing saturation across the world, therefore operators will be increasingly reliant on the technology-based differentiation enabled by STBs to compete for subscribers.

Worldwide UHD capable set-top box shipments will reach 48 million by 2020, while the market for HEVC set-top boxes-the next-generation of video compression technology-will rise even further to 88 million units. After the initial push of high-end UHD capable boxes in multi-tuner gateway boxes, a second round of HD HEVC boxes will roll out in areas like India and Japan with demand for high-definition ("HD") services where the last-mile network build out isn't otherwise sufficient to deploy HD MPEG-4 services. HEVC is an enabler not just of UHD-an immersive digital experience which will give benefits especially to consumers using 55 inch and larger screens. It also will enable delivery of interactive HD services to consumers whose homes do not have high bandwidth interactive services. Beyond the strong penetration of HEVC and UHD set-top boxes, it is seeing that IPTV boxes has developing to include terrestrial tuners for hybrid services licensing retransmission of all free-to-air services."

## GLOBAL UHD LCD-TV MARKET SHIPMENT FORECAST (IN MILLIONS OF UNITS)



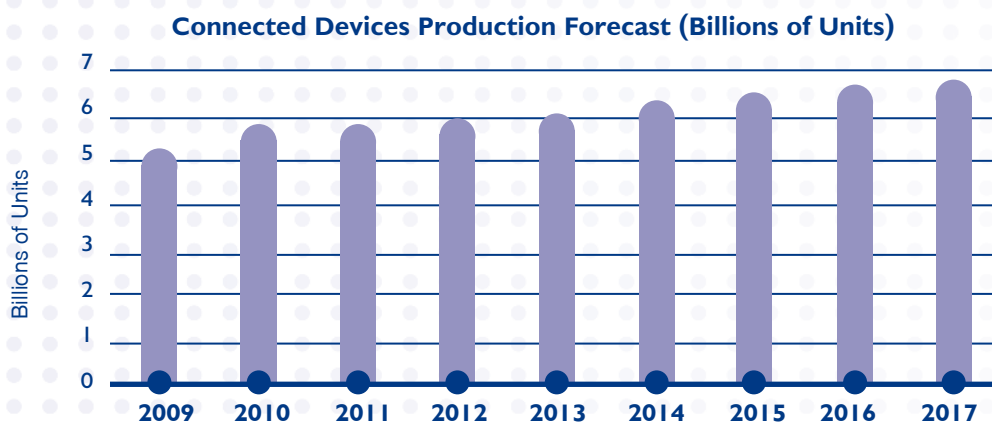
Source: IHS Inc. January 2014

The world market for Internet-connected devices raised approximately over 6% in 2014 which represent the largest growth in four years, according to industry researcher IHS Technology. Global demand for cell phones, tablets, and computers is expecting to push production of connected equipment to 6.36 billion units in 2015 compared to 6.18 billion in 2014.

Connected devices allow users to interact with the Internet via embedded connectivity made possible through built-in semiconductors. Video game consoles, media tablets, mobile handsets, LCD televisions, set-top boxes, and mobile PCs are among the fastest-growing products in 2015. Game consoles are expected to see the largest growth numbers, up 45% following a seven-year drought of new models. Media tablets and cell phones will see substantial growth as well with production up 25% and 7% respectively. The mobile PC segment also is expected to perform well, including tablet PCs, though overall PC production is expected to rise by just 2%. Industry watchers are expecting new class of entry-level PC tablets to make a difference, driven by a new generation of processors from chipmakers. Additionally, according to his, it is expected for LCD TV production to rise 5% driven by emerging markets, and set-top box production to rise 7% spurred by cable digitalization.

### CONNECTED DEVICES PRODUCTION FORECAST (BILLIONS OF UNITS)

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Billions of Units	5.13	5.66	5.66	5.77	5.82	6.18	6.36	6.48	6.58



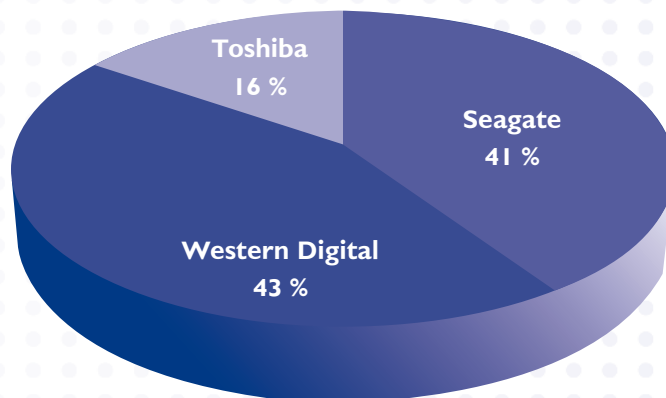
Source: IHS Technology, January 2014

## STORAGE INDUSTRY OVERVIEW

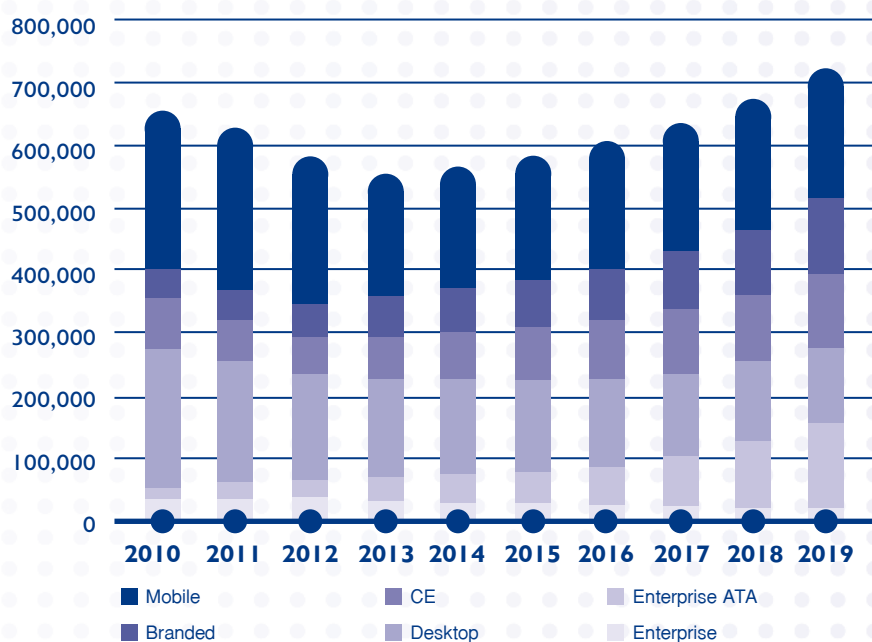
### Hard Disk Drive (“HDD”)

After three consecutive years of declined hard disk drive shipments, the hard disk drive shipments has increased by 2.2% in year 2014 as compared to previous year. Since 2011, initially as a result of the massive flooding in Thailand that wiped out considerable HDD and HDD component manufacturing capacity, and later due to a shift from laptop to tablet computers, HDD shipments were lower year over year until 2013. The year over year decline was 4% in 2011, 7.6% in 2012, and 4.3% in 2013. In 2014, due to the growth of HDDs in cloud and other enterprise applications, especially the stabilization of the laptop market, total HDD shipments increased to about 564 million units, according to Coughlin Associates which produces newsletter on Digital Storage Technology Trends.)

In review, the HDD shipments has recovered, and the average sales price for HDDs was stable with increasing ASPs in the last two calendar quarters off-setting lower ASPs in the prior two quarters. In 2014, the overall HDD market share, revenue and Exabyte shipments for the three dominant players like Western Digital, Seagate and Toshiba sharing similar market shares in the HDD sector. According to Forbes' research, in 2014, Western Digital has about 43% market share, followed by Seagate at 41% and Toshiba at 16%.



Source: Forbes, January 2015



Source: Forbes, January 2015

Looking into the future, the growth of content needing to be stored in digital libraries is expecting to increase by approximately 40% annually while the storage capacity of HDDs may only be growing at about 15% annually. Therefore, it is expected that the demand for more storage capacity shall drive additional demand for HDDs in the next few years, and the growth of HDD shipment is foreseeable over the next few years in order to satisfy the needs of content creators, and likely reaching estimated shipments of 721 million units by 2019. Additionally, total annual HDD shipments is expecting to grow from about 540 Exabytes to close to 2,000 Exabytes during the period.

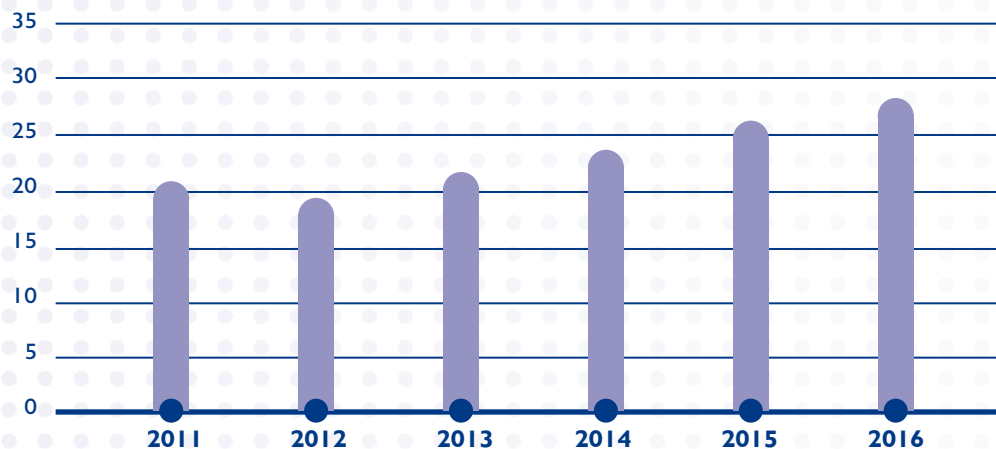
## NAND FLASH

The competition between flash and hard disk-based storage systems will continue to drive developments in both. Flash has the upper hand in performance and benefits from Moore's Law improvements in cost per bit, but has increasing limitations in lifecycle and reliability. Finding well-engineered solutions to these will define its progress.



Lower production costs for NAND Flash thanks to improving technology will drive higher demand for devices, including SSDs and eMMCs. According to DRAmEXchange, the NAND Flash market is forecast to reach as high as \$27.6 billion at an annual growth rate of 12 percent in 2015.

#### Worldwide NANO industry revenue forecast (US\$B)



Source: IHS iSuppli Data Flash Market Tracker Report

In short, the NAND Flash market will be mostly applied on smartphones, tablets, and SSDs which accounts for approximately 85 percent of the industry's overall bit demand. According to DRAmEXchange, NAND Flash bit demand volume is forecast to grow 42.8 percent to 38,379.9 million in 2015.

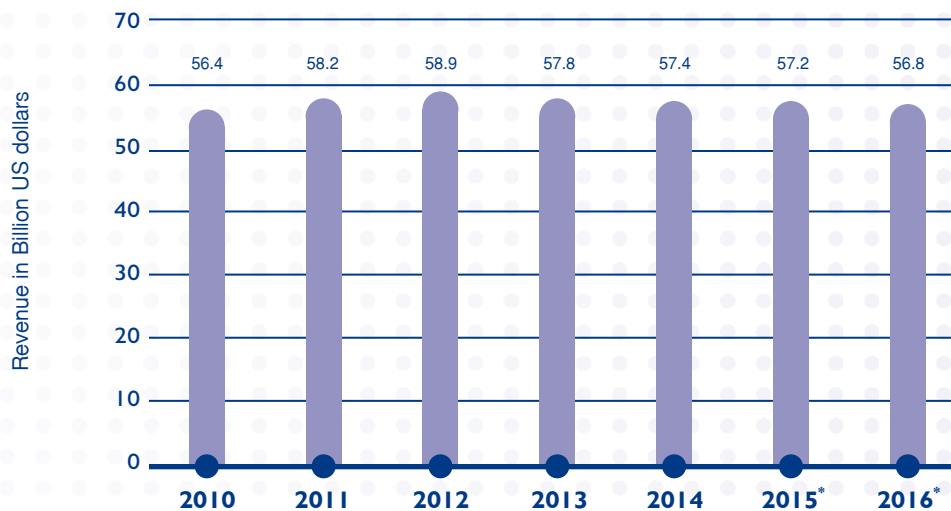
SSD also has become one of important drivers in considers for the growth of NAND Flash sector. The market research firm expects demand for SSDs will be higher than any other NAND Flash products in 2015, and the adoption of SSDs in notebook computers is forecast to increase by 26 percent in 2015.

## PRINTER INDUSTRY OVERVIEW

### Hardcopy Peripherals

Shipment growth of worldwide hardcopy peripherals (HCP), including single-function printers, multi-function printers (MFPs), and single-function digital copiers has shown in flat growth since 2013. Furthermore, the worldwide printer shipments shall still forecast at a slightly declined growth rate for color inkjet printer and monochrome laser due to it is a relatively flat market when it comes to single-function devices. Other than above, the color printers shall forecast at growth through 2018.

In 2015, color laser is expected to widen its lead over monochrome laser worldwide, and the reason is mainly due to continued strong growth of color laser MFPs. While both color and monochrome laser MFPs are expected to grow in shipments and value in 2015, color laser growth is expected to be exponentially higher for both metrics. Additionally, this worldwide trend shall mainly due to activity in both Western Europe and Japan, where color laser has dominated laser value shipments for some time.



Global hardcopy peripherals revenue from 2010 to 2016 (source: Statista)

## 3D PRINTER

Three-dimensional (3-D) printing industry has continuously to grow and evolve in 2014, and expectations are high for 3-D printing as the pace of innovation hits hyper drive.

According to Gartner, Inc.'s latest forecast, worldwide shipments of 3D printers will reach 217,350 units in 2015, up from 108,151 in 2014. The 3D printer shipments shall be growth at more than double every year between 2015 and 2018, by which time worldwide shipments are forecast to reach more than 2.3 million.

More, the high shipment growth of material extrusion shall stimulate the market's growth through 2018 in consider that more commonly usage among end-users worldwide due to more affordable cost. In other words, the primary market drivers for "consumer" 3D printers are lower prices, improved performance and expanded global availability. On the other hand, the primary "enterprise" 3D printer market drivers are the viability of 3D printing technologies for prototyping and manufacturing coupled with lower 3D printer costs, improved quality and a wider range of materials.

End-user spending on material extrusion technology shall forecast to increase from \$789 million in 2015 to around \$6.9 billion in 2018. Overall, end-user spending on 3D printers is expected to increase from \$1.6 billion in 2015 to around \$13.4 billion in 2018 and material jetting leading this growth due to expanded acceptability within the consumer and enterprise markets.

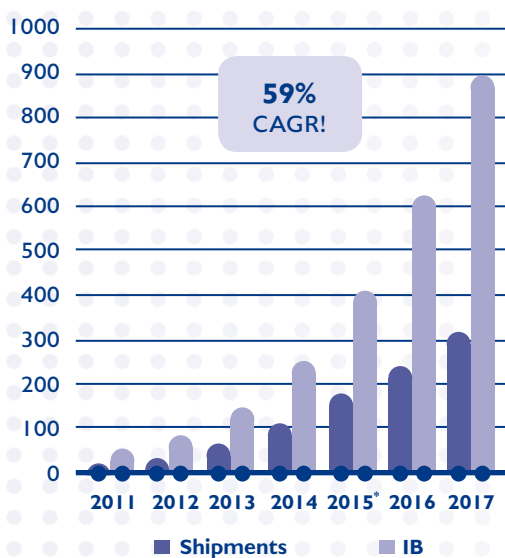
### GLOBAL 3D PRINTING MARKET

#### ESTIMATES AND FORECAST OF MARKET VALUE TO 2018, IN USD

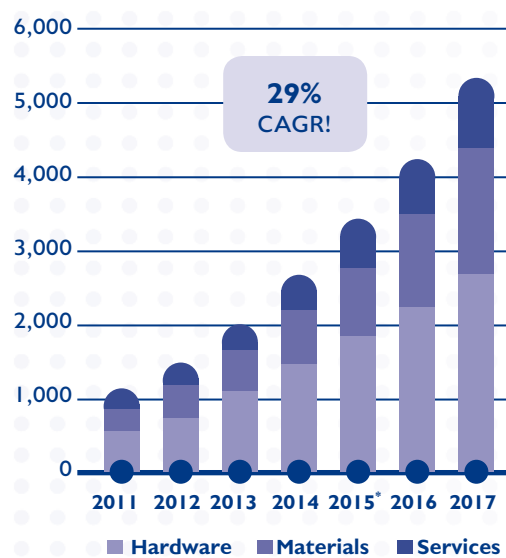
CATEGORY	2013	2014	2018	CAGR
	ESTIMATES	FORECAST	FORECAST	(2013-2018)
Total	\$2.5b	\$3.8b	\$16.2b	45.7%
3D printers	\$0.7b	\$1.3b	\$5.4b	50.1%
Services and materials	\$1.8b	\$2.5b	\$10.8b	43.8%

Source : Canalys estimates and forecast, © Canalys 2014

**Units & Installed Base (K)**



**Value of Shipments (\$M)**



Worldwide 3D Printer Forecast from 2011 to 2017 (source: IDC)



# RISK FACTOR

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.

## I. RISK ASSOCIATED WITH OPERATION

### I.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 1.55% as end of December 2014 which decreased from 1.56% as at end of December 2013. 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.

### I.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.

### I.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.

### I.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, 2014, the Company had total borrowed through short-term and long-term loan of Baht 18,957.17 million which accounted of 34.35% of total liabilities. As at December 31, 2014, the credit facilities and long-term loan of the Company and its subsidiaries with have not been drawn down amounted to USD 842 million or approximately Baht 27,628.17 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 3.4%. 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 31<sup>st</sup> December 2014, 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. Wang, Ho-Shun	Director
6. Mr. Alan Kam	Independent Director and Chairman of Audit Committee
7. Mr. William Hang Man Chao	Independent Director and Audit Committee
8. Mr. Thanasak Chanyapoon	Independent Director and Audit Committee

### Remark:

Mr. Alan Kam and Mr. William Hang Man Chao have the knowledge to review the financial statement.

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-subsidiaries 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 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, 2014, 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 Thaiking	Vice President Manufacturing
6. Mr. Zhang, Ming-Cha	Assistant Vice President of Finance 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 2014

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. Hsu, Sheng-Chieh	1,200,000	180,000
Mr. Chang, Zuei-Wei *	1,000,000	150,000
Mr. Wang Ho-Shun	1,200,000	180,000
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>22,200,000</b>	<b>2,070,000</b>

Remark: \* Mr. Chang, Zuei-Wei had resigned from the Company's Board of Director since October 31, 2014

## REMUNERATION OF THE MANAGEMENT

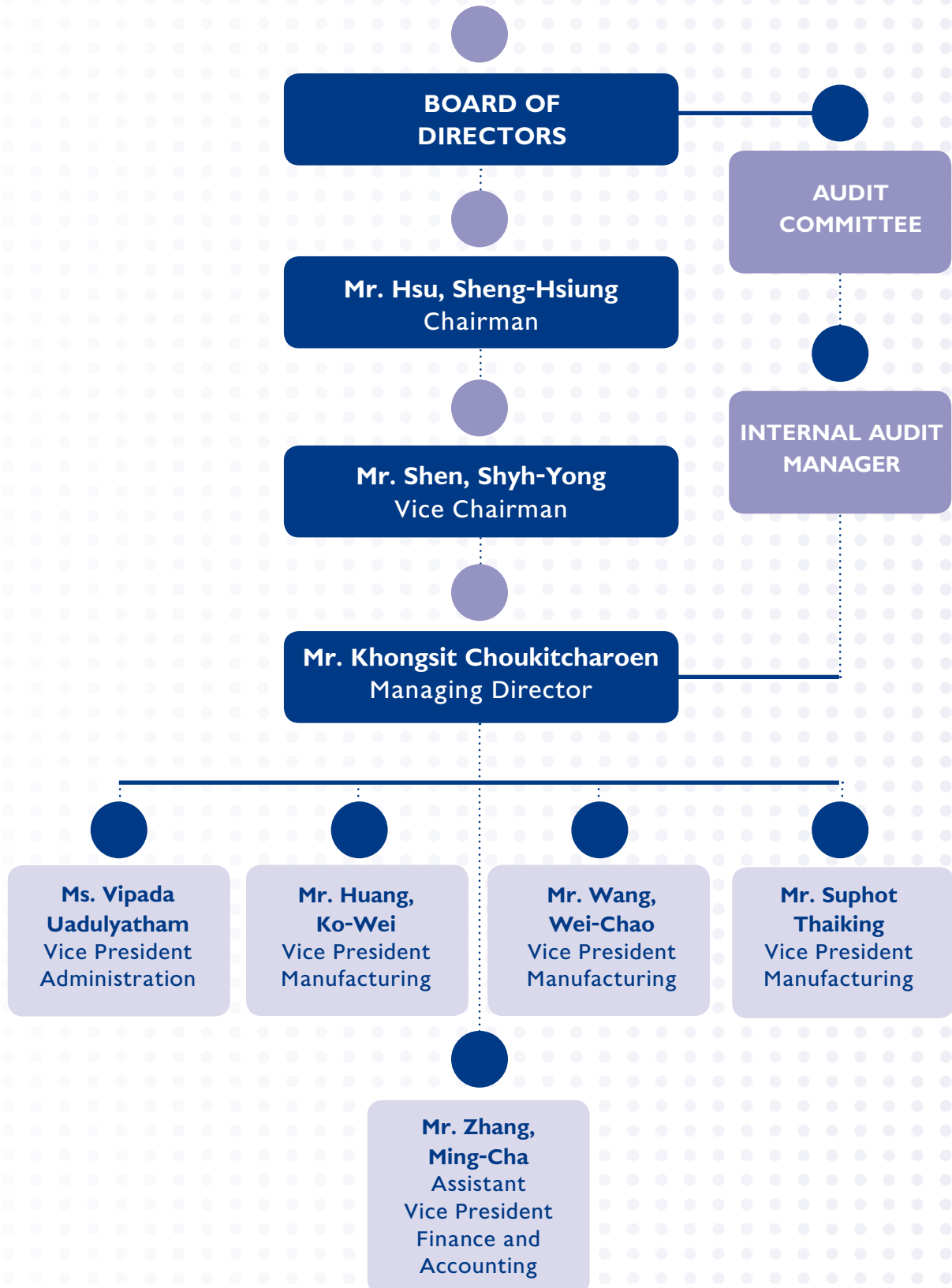
Remuneration of total 6 management members including salary and bonus is at total amount Baht 15.14 million in 2014.

## 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 2700,000 units through 2<sup>nd</sup> year allotment in 2013 and 2,850,000 units through 3<sup>rd</sup> year allotment in 2014.



## MANAGEMENT STRUCTURE



# CORPORATE GOVERNANCE

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.

## I. 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 2014, 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 2014, the Company held Annual General Shareholders' Meeting on April 25, 2014 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 2014. 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 2014, 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 2014, 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' Meeting 2014, no any candidate was proposed by shareholders
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 for the benefit of 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 eight members and divided to 2 committees, the Company's directors consist of 1 Executive Directors and 7 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 2014, the Company had arranged a total of 6 meetings comprised of 4 regular meetings and 2 special meetings. 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
1. Mr. Hsu, Sheng-Hsiung	Chairman	5/6
2. Mr. Shen, Shyh-Yong	Vice Chairman	6/6
3. Mr. Khongsit Choukitcharoen	Managing Director	6/6
4. Mr. Hsu, Sheng-Chieh	Director	4/6
5. Mr. Chang, Zuei-Wei*	Director	3/4
6. Mr. Wang, Ho-Shun	Director	6/6
7. Mr. Alan Kam	Independent Director and Chairman of Audit Committee	5/6
8. Mr. William Hang Man Chao	Independent Director and Audit Committee	6/6
9. Mr. Thanasak Chanyapoon	Independent Director and Audit Committee	6/6

**Remark:** \*\* Mr. Chang, Zuei-Wei had resigned from the Company's Board of Director since October 31, 2014.

### Audit Committee Meeting

NAME	POSITION	MEETING ATTENDANCE
1. Mr. Alan Kam	Independent Director and Chairman of Audit Committee	3/4
2. Mr. William Hang Man Chao	Independent Director and Audit Committee	4/4
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 Communications (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
Cal-Comp Precision (Thailand) Limited	Subsidiary
Cal-Comp Holding (Brasil) S.A.	Subsidiary
Avaplas Precision Plastics (Shanghai) Co., Ltd.	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Malaysia) Sdn. Bhd.	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Dongguan) Limited	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Wujiang) Co., Ltd.	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)
Daviscomms (S) Pte Ltd.	Associate (held by a subsidiary)
XYZprinting Japan, Inc.	Subsidiary of an associate
XYZprinting, Inc. (SAMOA)	Subsidiary of an associate
XYZprinting, Inc. (USA)	Subsidiary of an associate
XYZprinting Netherlands B.V.	Subsidiary of an associate
XYZprinting (Suzhou) Co., Ltd.	Subsidiary of an associate
inx Japan International Inc.	Shareholding by the Company



NAME OF RELATED PARTIES	RELATIONSHIP WITH THE COMPANY
Zakang Inc.	Shareholding by the Company
Metal Component Engineering Limited	Shareholding by the Company
Memoright Memortech Corporation	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 International Ltd.	Subsidiary of the major shareholder
Crownpo Technology, Inc.	Subsidiary of the major shareholder
Dongguan Kaipos Electronics Co., Ltd.	Subsidiary of the major shareholder
Kinpo Electronics (Philippines), Inc.	Subsidiary of the major shareholder
Cal-Comp Biotech Co., Ltd.	Subsidiary of the major shareholder
Vibo Telecom Co., Ltd.	Associate of the major shareholder
Acbel Polytech Inc.	Associate of the major shareholder
Compal Electronics, INC.	Common directors

<b>Remark:</b>	Kinpo Electronics Inc.	holding 100.00% in Kinpo International Co., Ltd.
	Compal Electronics Inc.	holding 4.93% in Vibo Telecom Co., Ltd.
	Kinpo Electronics Inc.	holding 22.37% in Acbel Polytech Inc.
	Kinpo Electronics Inc.	holding 51.61% in Crownpo Technology, Inc.

## THE AMOUNT AND OUTSTANDING BALANCE OF THE RELATED PARTY TRANSACTION

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
1. Kinpo Electronics, Inc.	Major shareholder, holding 41.17% 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 - Purchase of fixed assets - A/P and Other A/P	1.57 2.45	The Company purchased fixed assets from Kinpo Electronics, Inc. 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. - Sales - A/R and Other A/R	6,248.85 5,962.82	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	14,172.79 6,099.63	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 income - A/R and Other A/R	2.14 0.19	Cal-Comp Electronics and Communication Co., Ltd. received other income from Kinpo Electronics, Inc.	The price of the transaction was the cost of other income due to customer is owner of asset.	The Transaction is normal business practice
		- Other expenses - A/P and Other A/P	101.56 7.73	Cal-Comp Electronics and Communication Co., Ltd. uses ERP system of Kinpo Electronics, Inc. to manage the material control, paid office rental fees 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
		(4) Cal-Comp Precision (Thailand) Ltd. - A/P and Other A/P	18.47	The outstanding amount from year 2014 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 (Thailand) Ltd.) to acquire new plastic injection machine in terms of better payment term from its suppliers	Book value	Reasonable

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		(5) Cal-Comp Optical Electronics (Suzhou) Co., Ltd.				
		- Sale	854.76	Cal-Comp Optical Electronics (Suzhou) 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
		- A/R and Other A/R	225.84			
		(6) Cal-Comp Electronics (Suzhou) Co., Ltd.				
		- A/R and Other A/R	1.53	Cal-Comp Electronics (Suzhou) Co., Ltd. sold product to Kinpo Electronics, Inc.	Book Value	Reasonable
		(7) Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda				
		- A/P and Other A/P	3.45	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda purchased raw materials from Kinpo Electronics, Inc. under customer owner	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. 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	44.05	The Company sold products 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
		- A/R and Other A/R	37.42			
		- Purchase	272.98	The Company purchased raw materials 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
		- A/P and Other A/P	61.47			

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		(2) Logistar International Holding Co., Ltd. - Sales - A/R and Other A/R - Purchase - A/P and Other A/P	691.85 93.26 1.74 0.62	Logistar International Holding Co., Ltd. sold products to Kinpo International Ltd.  Logistar International Holding Co., Ltd. purchased raw materials 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 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   The Transaction is normal business practice
		(3) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. - Sale - A/R and Other A/R	8.35 1.25	Cal-Comp Optical Electronics (Suzhou) Co., Ltd sold products 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
		(4) Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda - A/P and Other A/P	0.11	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda purchased raw materials from Kinpo International Ltd. under customer owner	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 (Thailand) Ltd. - Sales - A/R and Other A/R	1.52 0.40	Cal-Comp Precision (Thailand) Ltd. sold products 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



PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
3. Abel Polytech Inc.	Common shareholders, Kinpo Electronics Inc. holding 22.37 % in Abel Polytech Inc. It also has the common directors with the Company, - Mr. Hsu, Sheng-Hsiung - Mr. Shen, Shyh-Yong	(1) The Company - Purchase - A/P and Other A/P	655.52 419.65	The Company purchased raw materials from Abel 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
		(2) Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda - Purchase - A/P and Other A/P	32.77 49.55	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda purchased raw materials from Abel 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
		Purchase of fixed assets	28.36	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda purchased fixed assets to support production	The price of the transaction was the cost of fixed assets to support production.	The Transaction is normal business practice
4. Kinpo Electronics, Inc. (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 of fixed assets	18.77	The Company sold fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was the book value plus margin	Reasonable
		(2) Logistar International Holding Co., Ltd. - Purchase - A/P and Other A/P	764.09 261.13	Logistar International Holding Co., Ltd. purchased raw materials from Kinpo Electronics, Inc. (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	1.49 3.42	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. sold products 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 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		- Sales of fixed assets	12.76	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
		- Purchase of fixed asset	0.47	Cal-Comp Optical Electronics	the price of the fixed assets transaction	The Transaction is normal
		- A/P and Other A/P	0.11	(Suzhou) Co., Ltd. purchase of fixed assets to Kinpo Electronics (China) Co., Ltd.	was the cost of fixed assets due to customer is owner of asset.	business practice
		(4) Cal-Comp Electronic (Suzhou) Co., Ltd.				
		- Sale fixed assets	6.03	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 Technology (Suzhou) Co., Ltd.				
		- Purchase of fixed assets	73.24	Cal-Comp Technology (Suzhou) Co., Ltd. purchase of fixed assets to Kinpo Electronics (China) Co., Ltd.	the price of the fixed assets transaction was the cost of fixed assets due to customer is owner of asset.	The Transaction is normal
		- A/P and Other A/P	71.36			business practice
		(6) Cal-Comp Precision (Thailand) Ltd.				
		- Sale	1,110.02	Cal-Comp Precision (Thailand) Ltd.	The price of the transaction was close to the market price and the conditions were in line with the normal business practice.	Reasonable
		- A/R and Other A/R	116.65	Cal-Comp Precision (Thailand) Ltd. sold products to Kinpo Electronics, Inc. (China) Co., Ltd		
		- A/P and Other A/P	17.19	The outstanding amount from year 2014 Kinpo Electronics, Inc. (China) Co., Ltd has support Cal-Comp Precision (Dongguan) Co., Ltd. (the Subsidiary of Cal-Comp Precision (Thailand) Ltd.)	Book value	

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
5. Kinpo Electronics (Philippines) Inc.	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 - Sales of fixed assets	2.16	The Company sold fixed assets to Kinpo Electronics (Philippines) Inc.	The price of the transaction was the book value plus margin	Reasonable
		(2) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. - A/R and Other A/R	61.84	The outstanding amount from sold assets that Kinpo Electronics, Inc. (Philippines) Co., Ltd. has support Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Book value	Reasonable
		(3) Cal-Comp Electronics and Communication Co., Ltd. - A/R and Other A/R	0.57	The outstanding amount from sold assets that Kinpo Electronics, Inc. (Philippines) Co., Ltd. has support Cal-Comp Electronics and Communication Co., Ltd.	Book value	Reasonable
		(8) Cal Comp (Malaysia) SDN. BHD. - A/R and Other A/R	45.72	Cal Comp (Malaysia) SDN. BHD. had A/R and Other A/R from sold equipments to Kinpo Electronics (Philippines) Inc. in 2012	Book value	Reasonable

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
6. XYZprinting, Inc.	Joint Venture by the company and Kinpo Electronics, Inc. It also has the common directors with the Company, - Mr. Khongsit Choukitcharoen - Mr. Shen, Shyh-Yong - Mr. Wang, Ho-Shun	(1) The Company - Sale - A/R and Other A/R	364.98 245.80	The Company sold products to XYZprinting, 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
		- A/P and Other A/P	19.29	The outstanding amount XYZprinting, Inc. has support the company	Book value	Reasonable
		(2) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. - Sale	1.53	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. sold products to XYZprinting, 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 income - A/P and Other A/P - other expense		1.79 0.44	Cal-Comp Electronics and Communication Co., Ltd received other income from XYZprinting, Inc.	The price of the transaction was the cost of other income due to customer is owner of asset.	The Transaction is normal business practice
			1.04	XYZprinting, Inc. paid office rental fees equipments rental fees to Cal-Comp Electronics and Communication Co., Ltd.	The price 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
		(4) Cal-Comp Precision (Thailand) Ltd - Purchase of fix asset - A/P and Other A/P	4.53 4.97	Cal-Comp Precision (Thailand) Ltd purchase of fix assets from XYZprinting, Inc.	the price of the fixed assets transaction was the cost of fixed assets due to customer is owner of asset.	The Transaction is normal business practice



PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2014 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
7. Metal Component Engineering Limited	Held by the company 16.45 %	(1) The Company - Dividend income	3.40	The company received dividend income from Metal Component Engineering Limited	The dividend income was as declared	As declared
		- Purchase	2.00	The company purchased raw materials from Metal Component Engineering Limited	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
8. 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	(1) Cal-Comp Electronics and Communication Co., Ltd. - Other expense - A/P and Other A/P	2.43 0.26	Cal-Comp Electronics and Communication Co., Ltd. paid consultant fees to Kinpo Group Management Service Co., Ltd.	Contract price	The Transaction is normal business practice
9. Save Com International, Inc.	The subsidiary company of Kinpo Electronics, Inc.	(1) Cal-Comp Electronics and Communication Co., Ltd. - Other expense	2.70	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
10. A-Ten Technology Co., Ltd.	34% held by Logistar International Holding Co., Ltd.	(1) Logistar International Holding Co., Ltd - Short term loans	70.61	Logistar International Holding Co., Ltd sold products to A-Ten in year 2006 and there is outstanding A/R for 70.61 MB. As this A/R was overdue for more than 1 year, then auditor of Logistar was adjusted this A/R to short term loans by follows the accounting standard of Taiwan. The Company has booking the allowance doubtful account for 70.61 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

<b>Parties concerned</b>	: Cal-Comp Electronics (Thailand) Public Company Limited and Kinpo Electronics, Inc. (a company incorporated under the laws of Taiwan).
<b>Execution date</b>	: 1st April 2004
<b>Material subject</b>	: The term of the agreement applies to each purchase made by Kinpo to Cal-Comp for 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>
<b>Expiry date</b>	: 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)

<b>Parties concerned</b>	: Cal-Comp Electronics and Communication Co., Ltd. And Kinpo Electronics, Inc.
<b>Execution date</b>	: January 1, 2015
<b>Material subject</b>	: Cal-Comp Electronics and communication Co., Ltd shared MIS resource and system from Kinpo Electronics Inc. to support operation and reporting system.
<b>Expiry date</b>	: December 31, 2015

## AGREEMENT FOR PROFESSIONAL SERVICES

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

## AGREEMENT FOR OFFICE LEASING

<b>Parties concerned</b>	: Cal-Comp Electronics and Communication Co., Ltd. and Kinpo Electronics Inc.
<b>Execution date</b>	: September 1, 2014
<b>Material subject</b>	: Cal-Comp Electronics and Communication Co., Ltd. has leasing office space from Kinpo Electronics Inc.
<b>Expiry date</b>	: August 31, 2015

## 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 2014

## 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:

Alan Kam	Chairman & Independent Director
William Hang Man Chao	Independent Director
Thanasak Chanyapoon	Independent Director

The Audit Committee had 4 meetings in 2014 plus various other meetings with external auditors, management and internal auditors. The Audit Committee performed the following duties in the 2014 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. Cal-Comp annually award 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. In addition, Cal-Comp made donations to the King Rama II Foundation and Participated in a tree planting program in Petchburi province in 2014.

The Audit Committee members have over the course of the 2014 year visited the company's factories in Mahachai and Petchburi. In addition, the Audit Committee visited its Mexican factory in Reynosa in December 2014. This was our second visit to our Reynosa operation. The business in Mexico has expanded with the completion of our new factory facility. Audit Committee members were able to discuss the financial and accounting procedures, review the state of the art factory operation and meet with both local and Thai line managers to have a better understanding of the business environment in Mexico. The Mexican operation has also adopted the Manufacturing Execution System (MES) and floor robotics to enhance the operation capabilities of Cal-Comp Mexico. We are satisfied with our Mexican operation. 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 2014 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 25, 2015, approved the financial statements, internal audit control and connected transaction for year 2014. 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

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 2014.



**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 2014 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 November 23, 2014, the Company's employees have participated with the Customs Department to afforest at Petchaburi 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 15, 2014 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:

1. On behalf 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.
2. Every function shall report the environment evaluation result for all aspects.
3. Environment committee shall implement the risk assessment results from the past, present and future.
4. The priority of correction shall prioritize as per the impact results from the risk assessment, as well as, the cost control and technique control.
5. 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 2014 the Company has paid the audit fee of 3,900,000 Baht to Ernst & Young Office Limited, Certified Public Accountant No.3182 Mr. Sophon Permsirivallop. The Audit fee for the period of year 2014 had been approved by the shareholder meeting, the remuneration of not exceeding Baht 3,900,000 per annum.

### 2. Other fee

-None-

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL STATEMENT SUMMARY

(UNIT: MB)

ITEMS	AUDITED		AUDITED		AUDITED	
	2012		2013		2014	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>Assets</b>						
Cash and cash equivalents	1,840.18	3.20	3,528.43	5.68	1,808.74	2.52
Current investments	110.93	0.19	131.55	0.21	37.85	0.05
Trade and other receivables	26,803.58	46.61	25,514.09	41.05	35,335.33	49.26
Inventories	11,742.09	20.42	13,691.21	22.03	14,506.71	20.22
Advances payment for raw materials	340.28	0.59	575.74	0.93	251.92	0.35
Other current assets	1,014.65	1.77	1,016.76	1.64	1,470.16	2.05
<b>Total current assets</b>	<b>41,851.71</b>	<b>72.78</b>	<b>44,457.78</b>	<b>71.53</b>	<b>53,410.70</b>	<b>74.46</b>
Property, plant and equipment	14,928.29	25.96	16,865.96	27.14	17,531.53	24.44
Investments	162.77	0.28	443.25	0.71	444.56	0.62
Other non-current assets	562.58	0.98	387.71	0.62	347.33	0.48
<b>Total non-current assets</b>	<b>15,653.64</b>	<b>27.22</b>	<b>17,696.92</b>	<b>28.47</b>	<b>18,323.42</b>	<b>25.54</b>
<b>Total assets</b>	<b>57,505.35</b>	<b>100.00</b>	<b>62,154.70</b>	<b>100.00</b>	<b>71,734.12</b>	<b>100.00</b>
<b>Liabilities and shareholders' equity</b>						
Short-term loans from financial institutions	15,799.18	27.47	20,535.77	33.04	13,023.83	18.16
Trade and other payables	24,160.30	42.01	23,790.98	38.28	34,657.85	48.31
Other current liabilities	1,316.18	2.29	1,941.50	3.12	1,375.82	1.92
<b>Total current liabilities</b>	<b>41,275.66</b>	<b>71.77</b>	<b>46,268.24</b>	<b>74.44</b>	<b>49,057.50</b>	<b>68.39</b>
Provision for long-term employee benefits	112.24	0.20	145.06	0.23	129.54	0.18
Deferred tax liabilities	51.61	0.09	72.60	0.12	73.93	0.10
Other non-current liabilities	784.17	1.36	-	-	5,933.34	8.27
<b>Total non-current liabilities</b>	<b>948.02</b>	<b>1.65</b>	<b>217.66</b>	<b>0.35</b>	<b>6,136.81</b>	<b>8.55</b>
<b>Total liabilities</b>	<b>42,223.68</b>	<b>73.42</b>	<b>46,485.90</b>	<b>74.79</b>	<b>55,194.31</b>	<b>76.94</b>

(UNIT: MB)

ITEMS	AUDITED		AUDITED		AUDITED	
	2012		2013		2014	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>Shareholders' equity</b>						-
Issued and paid up share capital	4,077.56	7.09	4,085.28	6.57	4,273.39	5.96
Share premium	3,144.54	5.47	3,161.46	5.09	3,212.50	4.48
Capital reserve for share-based payment transactions	16.94	0.03	39.59	0.06	55.64	0.08
Retained earnings	9,422.63	16.39	8,324.61	13.39	8,886.56	12.39
Other components for shareholders' equity	(1,380.00)	(2.40)	57.86	0.09	111.73	0.16
<b>Total shareholders' equity</b>	<b>15,281.67</b>	<b>26.58</b>	<b>15,668.80</b>	<b>25.21</b>	<b>16,539.81</b>	<b>23.06</b>
<b>Total liabilities and shareholders' equity</b>	<b>57,505.35</b>	<b>100.00</b>	<b>62,154.70</b>	<b>100.00</b>	<b>71,734.12</b>	<b>100.00</b>
<b>Revenues</b>						
Sales	140,193.02	98.90	121,507.63	99.76	150,312.64	99.73
Exchange gain	-	-	-	-	-	-
Gain on financial derivatives	1,048.74	0.74	-	-	-	-
Other income	513.17	0.36	294.71	0.24	413.40	0.27
<b>Total revenues</b>	<b>141,754.93</b>	<b>100.00</b>	<b>121,802.35</b>	<b>100.00</b>	<b>150,726.05</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of sales	135,642.81	96.76	116,263.17	95.45	144,091.40	95.60
Selling and administrative expenses	3,994.32	2.82	4,455.04	3.66	4,335.39	2.88
Exchange loss	421.93	0.30	573.44	0.47	588.72	0.39
<b>Total expenses</b>	<b>140,059.06</b>	<b>99.88</b>	<b>121,291.65</b>	<b>99.58</b>	<b>149,015.50</b>	<b>98.87</b>

(UNIT: MB)

ITEMS	AUDITED		AUDITED		AUDITED	
	2012		2013		2014	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
Share of profit (loss) from investments in associates	(0.05)	-	(10.43)	(0.01)	(79.70)	(0.05)
Profit before finance cost and income tax expenses	1,695.82	1.20	500.27	0.41	1,630.85	1.08
Finance cost	383.87	0.27	305.66	0.25	418.64	0.28
Income tax expenses	112.96	0.08	79.73	0.07	152.74	0.10
<b>Profit for the year</b>	<b>1,198.99</b>	<b>0.85</b>	<b>114.88</b>	<b>0.09</b>	<b>1,059.46</b>	<b>0.70</b>

(Unit: MB)

ITEMS	AUDITED		AUDITED		AUDITED	
	2012		2013		2014	
	Amount	%	Amount	%	Amount	%
Earnings per share (Consolidated)	0.29		0.03		0.25	
Earnings per share (Company Only)	0.47		0.01		0.42	
Profit for the year (Company Only)	1,917.61		482.06		1,790.52	
Dividend per share	0.16		0.12		0.13	
Net cash from (used in) operation activities	350.49		2,053.29		4,325.47	
Net cash used in investing activities	(3,637.50)		(3,470.89)		(2,927.77)	
Net cash from financing activities	1,563.93		2,906.12		3,351.58	
Net decrease in cash and cash equivalents	(551.88)		1,682.33		(1,782.77)	
Total Dividend Amount	652.41		490.26		562.50	
Depreciation and amortisation (Consolidated)	1,979.22		2,092.04		2,238.03	

## FINANCIAL RATIOS

ITEMS	2012	2013	2014
<b>1. Liquidity ratio</b>			
Current ratio (times)	1.01	0.96	1.09
Quick ratio (times)	0.72	0.65	0.79
Account receivable turnover (times)	5.24	4.67	4.94
Days receivable (days)	69	77	73
Inventory turnover (times)	10.52	9.28	10.22
Average selling period (days)	35	39	35
Account payable turnover (times)	5.56	4.90	4.93
Days payable (days)	65	74	73
Cash Cycle (days)	38	42	35
<b>2. Profitability ratio</b>			
Gross profit margin (%)	3.25	4.32	4.14
Operating profit margin (%)	0.40	0.65	1.25
Net profit margin (%)	0.85	0.09	0.70
Return on equity (%)	8.03	0.74	6.58



ITEMS	2012	2013	2014
<b>3. Efficiency ratio</b>			
Return on assets (%)	2.11	0.19	1.58
Return on fixed assets (%)	21.29	13.09	18.81
Asset turnover (times)	2.46	2.03	2.25
<b>4. Financial ratio</b>			
Debt to equity ratio (times)	2.76	2.97	3.34
Interest coverage ratio (times)	4.42	1.64	3.90
Dividend payout ratio (%)	34.02	101.70	31.42
<b>5. Per share data</b>			
Book value per share (Baht)	3.75	3.84	3.87

## ANALYSIS OF PERFORMANCE

### Overall past performance

In 2014, the Company's global strategy of operation base expansion both in Thailand and overseas has gradually settled as scheduled; in 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 2012-2014 are as follows:

#### 1. Sale revenues

The Company's sale revenue in 2012-2014 was at Baht 140,193.02 million, Baht 121,507.63 million and Baht 150,312.64 million respectively. In 2014, the Company's sale revenue was increased by 23.71% from previous year. The increased of sales was mainly due to the sales growth from the printer products and set-top-box products during the year.

#### 2. Cost of sales

The Company's cost of sales in 2012-2014 was at Baht 135,642.81 million, Baht 116,263.17 million and Baht 144,091.40 million, which equivalent to 96.75%, 95.68% and 95.86% of sale revenues respectively. The Company's gross profit margin was at 3.25%, 4.32% and 4.14% respectively. The decreased of gross profit margin is mainly due to differences in product mix during the same period of last year as compared.

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

The Company's SG&A in 2012-2014 was at Baht 3,994.32 million, Baht 4,455.04 and Baht 4,335.39 million, which equivalent to 2.85%, 3.67% and 2.88% of sale revenue respectively. The decreased 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 2012-2014 was at 0.40%, 0.65% and 1.25% respectively. The operating profit margin increased in 2014 mainly in related to the differences in products mix to more in high margin products as compared to previous year.

During 2012-2014, the Company had net profit margin of Baht 1,198.99 million, Baht 114.88 million and Baht 1,059.46 million which representing a net profit margin of 0.86%, 0.09% and 0.70% respectively. The Company's net profit increased by 822.26% from year 2013. The increased net profit was mainly in respond to the sale growth in year 2014 as compared. In addition, the Company's expansion plan is gradually accomplished as scheduled to support the incoming demands both in Thailand and overseas subsidiaries in the upcoming year..

## ANALYSIS OF FINANCIAL STATUS

### Assets

The Company's total asset in 2012-2014 was at Baht 57,505.35 million, Baht 62,154.70 million and Baht 71,734.12 million respectively. The increased Baht 9,579.42 million or 15.41% in year 2014 which was mainly come from the increased in trade and other receivables by 38.49% since the Company has increased sales revenue during the year.

## 1. CURRENT ASSETS

The Company's current asset in 2012-2014 was at Baht 41,851.71 million, Baht 44,457.78 million and Baht 53,410.70 million which equivalent to 72.78%, 71.53% and 74.46% of total assets respectively. In 2014, the Company's current asset increased by Baht 8,952.92 million or 20.14% was mainly due to the increased in trade and other receivables of Baht 9,821.24 million.

### 1.1 Trade and other accounts receivable

The Company's trade and other accounts receivable in 2012-2014 was at Baht 26,803.58 million, Baht 25,514.09 million and Baht 35,335.33 million respectively. In 2014, the trade and other accounts receivable increased by Baht 9,821.24 million or 38.49% which was mainly due to increased in sales revenue during as compared with previous year.

### 1.2 Inventory

The Company's inventory in 2012-2014 was at Baht 11,742.09 million, Baht 13,691.21 million and Baht 14,506.71 million respectively. In 2014, the inventory increased by Baht 815.50 million or 5.96% as compared to previous year. The raw material was at Baht 7,837.11 million, Baht 10,715.36 million and Baht 12,053.05 million respectively. In 2014, the raw material increased by 12.48% from 2013 and the major portion in the inventory sector is come from the raw materials which accounted 83.09% of the inventory and is considered reasonable proportion following CCET's inventory policy.

## 2. NON-CURRENT ASSETS

As at 31 December 2012-2014, the Company had total non-current assets of Baht 15,653.64 million, Baht 17,696.92 million and Baht 18,323.42 million which represent 27.22%, 28.47% and 25.54% of total assets respectively. In 2014, the Company's non-current assets has decreased by 3.54% compared to 2013 mainly due to increased property, plant, and equipment by 3.95% as a result of the company's expansion plan both in Thailand and overseas.

### Source of capital

#### Liabilities

As at 31 December 2012-2014, the Company had total liabilities of Baht 42,223.68 million, Baht 46,485.90 million and Baht 55,194.31 million, respectively. In 2014, the Company's total liabilities increased by 18.73% from 2013 mainly due to the increased in trade and other payables of Baht 10,866.87 million and long-term loans, net of current portion for Baht 5,933.34 million in order to support the Company and its subsidiaries operation.

#### Equity

As at 31 December 2012-2014, the Company had total equity of Baht 15,281.67 million, Baht 15,668.80 million and Baht 16,539.81 million respectively. In 2014, the Company's equity increased by Baht 871.01 million or 5.56% compared to 2013 mainly due to the increased in unappropriated retained earnings of Baht 561.95 million and increased in the Company's paid-up capital of Baht 188.11 million compared to the same period of 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 2014, 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 judgement, 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 2014, 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 the following matters:

- a) I draw attention to Note 4 to the financial statements regarding the change in accounting policy on employee benefits regarding to the recognition of actuarial gains and losses arising from post-employment benefits of a subsidiary's employees. The Company and its subsidiaries have restated the consolidated financial statements for the year ended 31 December 2013, presented herein as comparative information, to reflect the adjustment resulting from the change in accounting policy. The Company and its subsidiaries have also presented the consolidated statement of financial position as at 1 January 2013 as comparative information, using the change in accounting policy for actuarial gains and losses.
- b) I draw attention to Note 5 to the financial statements. In 2014, the Company and its subsidiaries restated the prior year financial statements due to the change in functional currency. The Company and its subsidiaries have therefore restated the consolidated and separate financial statements for the year ended 31 December 2013, and also presented the consolidated and separate statements of financial position as at 1 January 2013, as comparative information, to reflect the adjustment resulting from this change in functional currency.
- c) I draw attention to Note 10 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 these matters.



## SOPHON PERMSIRIVALLOP

Certified Public Accountant (Thailand) No. 3182  
EY Office Limited  
Bangkok: 25 February 2015



# STATEMENTS OF FINANCIAL POSITION

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

(UNIT: BAHT)

CONSOLIDATED FINANCIAL STATEMENTS					SEPARATE FINANCIAL STATEMENTS		
		31 DECEMBER 2014	31 DECEMBER 2013	1 JANUARY 2013	31 DECEMBER 2014	31 DECEMBER 2013	1 JANUARY 2013
	NOTE						
			(Restated)			(Restated)	
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	8	1,808,741,825	3,528,426,267	1,798,140,593	229,528,031	208,955,110	170,729,174
Current investments	8, 9						
Term deposits at financial institutions		-	63,088,865	111,041,462	-	657,634	110,841,191
Investment in trading securities		37,845,513	68,463,083	-	-	-	-
Trade and other receivables	10, 11	35,335,327,818	25,514,092,922	26,527,118,905	19,326,630,497	21,161,315,296	19,424,572,872
Short-term loans to related parties	10	-	-	-	984,384,000	326,778,000	-
Current portion of long-term loans to related parties	10	-	-	-	-	1,094,706,300	-
Inventories	12	14,506,707,263	13,691,208,487	11,371,878,860	6,898,819,366	5,634,760,487	4,867,107,905
Advances payment for raw materials and molds	13	251,920,016	575,737,595	381,538,815	175,885,086	338,092,120	142,859,090
Other current assets	14	1,470,160,473	1,016,762,418	1,040,378,991	440,235,016	158,240,208	100,165,615
<b>Total current assets</b>		<b>53,410,702,908</b>	<b>44,457,779,637</b>	<b>41,230,097,626</b>	<b>28,055,481,996</b>	<b>28,923,505,155</b>	<b>24,816,275,847</b>
<b>Non-current assets</b>							
Long-term loans to related parties, net of current portion		-	-	-	-	-	1,021,270,950
Restricted bank deposits	15	28,755,739	28,084,151	6,583,929	-	-	-
Investments in associates	16	291,666,789	371,369,292	89,871,289	285,331,003	285,331,003	-
Investments in subsidiaries	17	-	-	-	9,979,808,175	6,422,369,302	6,394,744,322
Other long-term investments	18	152,897,229	71,883,905	59,336,529	151,859,279	70,789,954	37,847,472
Property, plant and equipment	19	17,531,526,023	16,865,962,510	15,422,714,725	8,029,482,392	6,806,683,756	5,834,948,845
Goodwill		137,972,251	142,735,436	128,204,668	-	-	-
Other intangible assets	20	-	19,541,647	97,642,605	-	-	-
Deferred tax assets		15,401,769	18,240,365	34,129,393	-	6,920,484	2,905,052
Other non-current assets							
Land occupancy rights	21	117,120,772	121,516,750	115,026,015	-	-	-
Others		48,076,847	57,588,933	102,366,989	848,967	1,709,772	1,125,827
<b>Total non-current assets</b>		<b>18,323,417,419</b>	<b>17,696,922,989</b>	<b>16,055,876,142</b>	<b>18,447,329,816</b>	<b>13,593,804,271</b>	<b>13,292,842,468</b>
<b>Total assets</b>		<b>71,734,120,327</b>	<b>62,154,702,626</b>	<b>57,285,973,768</b>	<b>46,502,811,812</b>	<b>42,517,309,426</b>	<b>38,109,118,315</b>

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

# STATEMENTS OF FINANCIAL POSITION (Continued)

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

(UNIT: BAHT)

CONSOLIDATED FINANCIAL STATEMENTS					SEPARATE FINANCIAL STATEMENTS		
		31 DECEMBER 2014	31 DECEMBER 2013	1 JANUARY 2013	31 DECEMBER 2014	31 DECEMBER 2013	1 JANUARY 2013
	NOTE						
			(Restated)			(Restated)	
<b>Liabilities and shareholders' equity</b>							
<b>Current liabilities</b>							
Short-term loans from financial institutions	22	13,023,831,033	20,535,767,236	15,616,855,452	11,787,184,343	14,057,434,599	9,861,639,030
Trade and other payables	10, 23	34,657,845,399	23,790,978,172	23,697,538,218	15,990,744,451	11,327,267,301	11,085,873,235
Current portion of long-term loans	25	-	840,028,160	784,168,960	-	-	-
Income tax payable		94,702,221	27,454,290	22,061,291	7,525,342	3,467,376	4,492,180
Other current liabilities	24	1,281,119,099	1,074,013,892	508,654,666	198,711,713	214,080,575	169,447,363
<b>Total current liabilities</b>		49,057,497,752	46,268,241,750	40,629,278,587	27,984,165,849	25,602,249,851	21,121,451,808
<b>Non-current liabilities</b>							
Provision for long-term employee benefits	26	129,540,738	145,060,091	199,208,529	106,111,035	85,915,946	77,013,212
Deferred tax liabilities		73,929,229	72,600,356	51,499,110	9,688,088	-	-
Long-term loans, net of current portion	25	5,933,340,000	-	784,168,960	-	-	-
<b>Total non-current liabilities</b>		6,136,809,967	217,660,447	1,034,876,599	115,799,123	85,915,946	77,013,212
<b>Total liabilities</b>		55,194,307,719	46,485,902,197	41,664,155,186	28,099,964,972	25,688,165,797	21,198,465,020
<b>Shareholders' equity</b>							
Share capital							
Registered							
4,448,702,440 ordinary shares of Baht 1 each (31 December 2013 and 1 January 2013: 4,277,556,192 ordinary shares of Baht 1 each)		4,448,702,440	4,277,556,192	4,277,556,192	4,448,702,440	4,277,556,192	4,277,556,192
Issued and paid up share capital							
4,273,386,156 ordinary shares of Baht 1 each (31 December 2013:4,085,278,192 ordinary shares of Baht 1 each and 1 January 2013: 4,077,556,192 ordinary shares of Baht 1 each)		4,273,386,156	4,085,278,192	4,077,556,192	4,273,386,156	4,085,278,192	4,077,556,192
Share premium		3,212,500,835	3,161,455,137	3,144,543,957	3,212,500,835	3,161,455,137	3,144,543,957
Capital reserve for share-based payment transactions Retained earnings	27	55,635,761	39,594,965	16,943,063	55,635,761	39,594,965	16,943,063
Appropriated - statutory reserve		511,111,587	511,111,587	511,111,587	511,111,587	511,111,587	511,111,587
Unappropriated		8,375,447,657	7,813,498,544	8,345,412,611	10,299,096,580	9,017,250,994	9,181,871,995
Other components of shareholders' equity		111,730,612	57,862,004	(473,748,828)	51,115,921	14,452,754	(21,373,499)
<b>Total shareholders' equity</b>		16,539,812,608	15,668,800,429	15,621,818,582	18,402,846,840	16,829,143,629	16,910,653,295
<b>Total liabilities and shareholders' equity</b>		71,734,120,327	62,154,702,626	57,285,973,768	46,502,811,812	42,517,309,426	38,109,118,315

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 2014

(UNIT: BAHT)

	Note	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
			(Restated)		(Restated)
<b>Revenues</b>					
Sales	10	150,312,644,039	121,507,631,856	70,101,031,295	58,887,852,234
Other income	10	413,404,975	294,713,250	71,628,057	28,846,459
<b>Total revenues</b>		150,726,049,014	121,802,345,106	70,172,659,352	58,916,698,693
<b>Expenses</b>					
Cost of sales	10	144,091,395,157	116,263,166,229	67,693,552,317	57,214,952,645
Selling expenses		366,790,539	379,489,864	52,453,509	45,611,413
Administrative expenses	10	3,968,599,602	4,075,553,597	332,055,401	954,264,684
Exchange loss		585,075,017	571,784,993	52,188,496	39,588,364
Loss on financial derivatives		3,640,674	1,655,957	2,147,380	1,239,150
<b>Total expenses</b>		149,015,500,989	121,291,650,640	68,132,397,103	58,255,656,256
<b>Profit before share of loss from investments in associates, finance cost and income tax expenses</b>		1,710,548,025	510,694,466	2,040,262,249	661,042,437
Share of loss from investments in associates		(79,702,409)	(10,427,441)	-	-
<b>Profit before finance cost and income tax expenses</b>		1,630,845,616	500,267,025	2,040,262,249	661,042,437
Finance cost		(418,642,245)	(305,657,545)	(236,741,232)	(179,197,317)
<b>Profit before income tax expenses</b>		1,212,203,371	194,609,480	1,803,521,017	481,845,120
Income tax expenses	30	(152,744,814)	(79,733,185)	(12,999,593)	210,411
<b>Profit for the year</b>		1,059,458,557	114,876,295	1,790,521,424	482,055,531
<b>Earnings per share</b>	32				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.25	0.03	0.42	0.11
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.25	0.03	0.42	0.11

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 2014

(UNIT: BAHT)

	Note	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
<b>Profit for the year</b>		1,059,458,557	(Restated) 114,876,295	1,790,521,424	(Restated) 482,055,531
Other comprehensive income:					
Actuarial gains (losses)	26	15,896,786	26,556,088	(4,250,489)	5,625,444
Exchange differences on translation of financial statements in foreign currency		17,205,441	476,160,450	-	-
Gain on changes in value of available- for-sale investments		49,079,125	36,587,387	49,079,125	36,587,387
Income tax effect	30	(22,298,074)	(1,469,343)	(13,317,193)	(48,999)
<b>Other comprehensive income for the year</b>		59,883,278	537,834,582	31,511,443	42,163,832
<b>Total comprehensive income for the year</b>		1,119,341,835	652,710,877	1,822,032,867	524,219,363

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



# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

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

For the year ended 31 December 2014

(UNIT: BAHT)

CONSOLIDATED FINANCIAL STATEMENTS												
	OTHER COMPONENTS OF SHAREHOLDERS' EQUITY											
	OTHER COMPREHENSIVE INCOME											
	ISSUED AND FULLY PAID-UP SHARE CAPITAL	SHARE PREMIUM	CAPITAL RESERVE FOR SHARE-BASED PAYMENT	RETAINED EARNINGS		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		
TRANSACTIONS				APPROPRIATED	UNAPPRO-RIATED							
<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		
Cumulative effect of change in accounting policy regarding to the recognition of actuarial gains (losses) arising from post-employment benefits (Note 4)	-	-	-	-	(179,423,562)	17,067,129	-	-	17,067,129	(162,356,433)		
Cumulative effect of prior year adjustment (Note 5)	-	-	-	-	(386,685,192)	892,897,899	97,763	(3,804,544)	889,191,118	502,505,926		
<b>Balance as at 31 December 2012 - as restated</b>	4,077,556,192	3,144,543,957	16,943,063	511,111,587	8,345,412,611	(430,943,087)	(21,373,499)	(21,432,242)	(473,748,828)	15,621,818,582		
Capital increased due to convert warrants to shares	7,722,000	16,911,180	-	-	-	-	-	-	-	24,633,180		
Dividend paid (Note 35)	-	-	-	-	(653,014,111)	-	-	-	-	(653,014,111)		
Share-based payment transactions (Note 27)	-	-	22,651,902	-	-	-	-	-	-	22,651,902		
Total comprehensive income for the year - as restated	-	-	-	-	121,100,044	495,784,579	35,826,253	-	531,610,832	652,710,876		
<b>Balance as at 31 December 2013 - as restated</b>	4,085,278,192	3,161,455,137	39,594,965	511,111,587	7,813,498,544	64,841,492	14,452,754	(21,432,242)	57,862,004	15,668,800,429		
<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		
Cumulative effect of change in accounting policy regarding to the recognition of actuarial gains (losses) arising from post-employment benefits (Note 4)	-	-	-	-	(171,526,177)	11,481,828	-	-	11,481,828	(160,044,349)		
Cumulative effect of prior year adjustment (Note 5)	-	-	-	-	(740,483,913)	453,775,493	4,555,944	(3,804,544)	454,526,893	(285,957,020)		
<b>Balance as at 31 December 2013 - as restated</b>	4,085,278,192	3,161,455,137	39,594,965	511,111,587	7,813,498,544	64,841,492	14,452,754	(21,432,242)	57,862,004	15,668,800,429		
Capital increased due to convert warrants to shares (Note 27)	24,652,880	51,045,698	-	-	-	-	-	-	-	75,698,578		
Stock dividend (Note 35)	163,455,084	-	-	-	(163,455,084)	-	-	-	-	-		
Dividend paid (Note 35)	-	-	-	-	(340,069,030)	-	-	-	-	(340,069,030)		
Share-based payment transactions (Note 27)	-	-	16,040,796	-	-	-	-	-	-	16,040,796		
Total comprehensive income for the year	-	-	-	-	1,065,473,227	17,205,441	36,663,167	-	53,868,608	1,119,341,835		
<b>Balance as at 31 December 2014</b>	4,273,386,156	3,212,500,835	55,635,761	511,111,587	8,375,447,657	82,046,933	51,115,921	(21,432,242)	111,730,612	16,539,812,608		

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

# STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

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

For the year ended 31 December 2014

(UNIT: BAHT)

	SEPARATE FINANCIAL STATEMENTS									
	OTHER COMPONENTS OF SHAREHOLDERS' EQUITY									
	OTHER COMPREHENSIVE INCOME									
	ISSUED AND FULLY PAID-UP SHARE CAPITAL	SHARE PREMIUM	CAPITAL RESERVE FOR SHARE-BASED PAYMENT	RETAINED EARNINGS	EXCHANGE DIFFERENCES ON TRANSLATION OF FINANCIAL STATEMENTS IN FOREIGN CURRENCY	SURPLUS (DEFICIT) ON CHANGES IN VALUE OF AVAILABLE-FOR-SALE INVESTMENTS	TOTAL OTHER COMPONENT OF SHAREHOLDERS' EQUITY	TOTAL SHAREHOLDERS' EQUITY		
				UNAPPROPRIATED	UNAPPROPRIATED					
<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	(21,471,262)	(755,011,601)	16,316,203,467		
Cumulative effect of prior year adjustment (Note 5)	-	-	-	-	(139,188,274)	97,763	733,638,102	594,449,828		
<b>Balance as at 31 December 2012 - as restated</b>	4,077,556,192	3,144,543,957	16,943,063	511,111,587	9,181,871,995	(21,373,499)	(21,373,499)	16,910,653,295		
Capital increased due to convert warrants to shares	7,722,000	16,911,180	-	-	-	-	-	24,633,180		
Dividend paid (Note 35)	-	-	-	-	(653,014,111)	-	-	(653,014,111)		
Share-based payment transactions (Note 27)	-	-	22,651,902	-	-	-	-	22,651,902		
Total comprehensive income for the year	-	-	-	-	488,393,110	35,826,253	35,826,253	524,219,363		
<b>Balance as at 31 December 2013 - as restated</b>	4,085,278,192	3,161,455,137	39,594,965	511,111,587	9,017,250,994	14,452,754	14,452,754	16,829,143,629		
<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	9,896,810	405,863,551	17,592,885,967		
Cumulative effect of prior year adjustment (Note 5)	-	-	-	-	(372,331,541)	4,555,944	(391,410,797)	(763,742,338)		
<b>Balance as at 31 December 2013 - as restated</b>	4,085,278,192	3,161,455,137	39,594,965	511,111,587	9,017,250,994	14,452,754	14,452,754	16,829,143,629		
Capital increased due to convert warrants to shares (Note 27)	24,652,880	51,045,698	-	-	-	-	-	75,698,578		
Stock dividend (Note 35)	163,455,084	-	-	-	(163,455,084)	-	-	-		
Dividend paid (Note 35)	-	-	-	-	(340,069,030)	-	-	(340,069,030)		
Share-based payment transactions (Note 27)	-	-	16,040,796	-	-	-	-	16,040,796		
Total comprehensive income for the year	-	-	-	-	1,785,369,700	36,663,167	36,663,167	1,822,032,867		
<b>Balance as at 31 December 2014</b>	4,273,386,156	3,212,500,835	55,635,761	511,111,587	10,299,096,580	51,115,921	51,115,921	18,402,846,840		

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 2014

(UNIT: BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
<b>Cash flows from operating activities</b>				
Profit before tax	1,212,203,371	194,609,480	1,803,521,017	481,845,120
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	2,238,028,479	2,365,488,483	1,019,458,328	909,422,210
Loss from bad debts	-	384,212,906	-	-
Allowance for doubtful accounts (reversal)	(33,665,953)	13,395,464	(1,163,030)	9,912,775
Reduction of inventory to net realisable value (reversal)	11,412,295	43,888,590	10,500,000	(1,130,122)
Loss (gain) on disposal of property, plant and equipment	22,230,053	(5,142,615)	2,125,364	(22,872,083)
Impairment loss of assets	4,526,870	25,534,756	-	781,248,400
Share of loss from investments in associates	79,702,409	10,427,441	-	-
Loss from revaluation of marketable securities	30,929,282	-	-	-
Loss on disposal of investment in associate	-	3,195,007	-	-
Long-term employee benefits expenses	39,701,421	33,311,831	15,944,600	15,240,315
Share-based payment transactions	25,302,127	25,663,482	5,748,078	5,938,776
Loss (gain) on financial derivatives	3,640,674	1,655,957	2,147,380	1,239,150
Unrealised exchange loss	369,819,829	247,409,375	94,097,287	215,989,977
Dividend income	(3,399,759)	-	(3,399,759)	-
Interest income	(60,445,570)	(17,810,760)	(1,272,266)	(5,778,843)
Interest expense	482,314,272	294,850,135	228,557,531	172,286,727
<b>Profit from operating activities before changes in operating assets and liabilities</b>	<b>4,422,299,800</b>	<b>3,620,689,532</b>	<b>3,176,264,530</b>	<b>2,563,342,402</b>
<b>Operating assets (increase) decrease</b>				
Trade and other receivables	(9,770,573,965)	1,239,595,134	2,631,057,570	(1,545,079,457)
Inventories	(826,911,071)	(2,363,218,217)	(1,274,558,879)	(766,522,460)
Advances payment for raw materials	329,928,304	(190,072,959)	168,156,777	(193,721,188)
Other current assets	(411,279,641)	(9,073,794)	(274,917,026)	(39,212,916)
<b>Operating liabilities increase (decrease)</b>				
Trade and other payables	10,465,156,833	(683,700,138)	4,436,991,685	(610,559,235)
Other current liabilities and other non-current liabilities	181,676,649	500,287,602	(22,358,681)	30,101,414
Provision for long-term employee benefits	(17,042,623)	(30,431,702)	-	-
<b>Cash flows from (used in)-operating activities</b>	<b>4,373,254,286</b>	<b>2,084,075,458</b>	<b>8,840,635,976</b>	<b>(561,651,440)</b>
Cash received for interest	49,470,237	8,034,817	1,270,410	5,678,534
Cash refunded on income tax	6,375,822	-	-	-
Cash paid for corporate income tax	(103,627,489)	(38,819,349)	(5,650,251)	(5,591,055)
<b>Net cash from (used in) operating activities</b>	<b>4,325,472,856</b>	<b>2,053,290,926</b>	<b>8,836,256,135</b>	<b>(561,563,961)</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 2014

(UNIT: BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(1,074,519)	(21,500,222)	-	-
Increase in investments in subsidiaries	-	-	(3,537,884,824)	-
Increase in investment in an associate	-	(285,331,003)	-	(285,331,003)
Increase in other long-term investments	(31,990,201)	-	(31,990,201)	-
Increase in short-term loans to related parties	-	-	-	(297,729,000)
Increase in property, plant and equipment	(3,434,995,414)	(3,248,666,328)	(2,330,348,741)	(2,007,669,051)
Cash received for interest	10,975,333	9,775,943	1,856	100,309
Proceeds from sales of an investment in associate	-	17,264,276	-	-
Proceeds from sales of equipment	519,806,693	16,331,105	31,886,826	45,023,299
Decrease (increase) in other non-current assets	9,512,088	41,235,252	860,809	(583,853)
<b>Net cash used in investing activities</b>	<b>(2,927,766,020)</b>	<b>(3,470,890,977)</b>	<b>(5,867,474,275)</b>	<b>(2,546,189,299)</b>
<b>Cash flows from financing activities</b>				
Increase in short-term loans from financial institutions	(7,684,939,893)	4,556,304,421	(2,443,253,947)	3,833,188,207
Cash receipt from long-term loans	5,933,340,000	-	-	-
Repayment of long-term loans	(840,028,160)	(728,309,760)	-	-
Cash receipt from exercise of warrants	66,437,248	21,621,600	66,437,248	21,621,600
Interest expense	(486,319,544)	(290,479,986)	(231,980,844)	(166,000,057)
Dividend paid	(340,069,030)	(653,014,111)	(340,069,030)	(653,014,111)
<b>Net cash flow from (used in) financing activities</b>	<b>(3,351,579,379)</b>	<b>2,906,122,164</b>	<b>(2,948,866,573)</b>	<b>3,035,795,639</b>
Increase in translation adjustment	171,099,236	193,810,964	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(1,782,773,307)</b>	<b>1,682,333,077</b>	<b>19,915,287</b>	<b>(71,957,621)</b>
Cash and cash equivalents at beginning of year	3,591,515,132	1,909,182,055	209,612,744	281,570,365
<b>Cash and cash equivalents at end of year (Note 8)</b>	<b>1,808,741,825</b>	<b>3,591,515,132</b>	<b>229,528,031</b>	<b>209,612,744</b>
Supplemental cash flows information: -				
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	191,414,742	109,509,061	15,569,009	181,953,488
Sale of plant and equipment that has not yet been received	35,040,632	47,193,260	69,648,596	286,314,202
Stock dividend	163,455,084	-	163,455,084	-
Reclassify long-term loan to a related party to short-term loan to a related party	-	-	984,384,000	-

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 2014

## I. 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 Samut Sakhon, Petchaburi and Nakhonratchasima.

## 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.

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	
			2014	2013
			PERCENT	PERCENT
Held by the Company				
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

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	PERCENTAGE OF SHAREHOLDING	
			2014	2013
			PERCENT	PERCENT
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 Precision (Singapore) Limited	Manufacture and distributor of plastic components	Singapore	100	100
Cal Comp (Malaysia) SDN. BHD.	Manufacture of electronic products	Malaysia	100	100
Cal-Comp Electronics (USA) Co., Ltd.	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	2	100
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Manufacture of electronic products	Mexico	100	100
Cal-Comp Technology (Philippines), Inc.	Manufacture of electronic products	Philippines	100	100
Cal-Comp Precision (Thailand) Limited	Precision engineering plastic injection moulding	Thailand	100	-
Cal-Comp Holding (Brasil) S.A.	Holding company	Brazil	100	-
<b>Held by its subsidiaries</b>				
Avaplas Precision Plastics (Shanghai) Co., Ltd. (2014: 100% held by Cal-Comp Precision (Thailand) Limited, 2013: 100% held by Cal-Comp Precision (Singapore) Limited)	Precision engineering plastic injection moulding	The People's Republic of China	100	100

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	PERCENTAGE OF SHAREHOLDING	
			2014	2013
			PERCENT	PERCENT
Cal-Comp Precision (Malaysia) Sdn. Bhd. (2014:100% held by Cal-Comp Precision (Thailand) Limited, 2013: 100% held by Cal-Comp Precision (Singapore) Limited)	Precision engineering plastic injection moulding	Malaysia	100	100
Cal-Comp Precision (Dongguan) Limited (2014: 100% held by Cal-Comp Precision (Thailand) Limited, 2013: 100% held by Cal-Comp Precision (Singapore) Limited)	Precision engineering plastic injection moulding	The People's Republic of China	100	100
Cal-Comp Precision (Wujiang) Co., Ltd. (2014: 100% held by Cal-Comp Precision (Thailand) Limited, 2013: 100% held by Cal-Comp Precision (Singapore) Limited)	Precision engineering plastic injection moulding	The People's Republic of China	100	100
Cal-Comp Precision (Thailand) Limited (100% held by Cal-Comp Precision (Singapore) Limited)	Precision engineering plastic injection moulding	Thailand	-	100
Cal-Comp USA (Indiana), Inc. (100% held by Cal-Comp Electronics (USA) Co., Ltd.)	Manufacturer of printed circuit board assemblies	United States of America	100	100
Cal-Comp USA (San Diego), Inc. (100% held by Cal-Comp Electronics (USA) Co., Ltd.)	Manufacturer of printed circuit board assemblies	United States of America	100	100
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. (98% held by Cal-Comp Holding (Brasil) S.A.)	Manufacturer of electronic products	Brazil	98	-

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

During the current year, the Company restructured its investments within the group of companies to facilitate flexibility in management and business operations as follow:

During the second quarter of the current year, the Company acquired the whole investment in Cal-Comp Precision (Thailand) Limited from Cal-Comp Precision (Singapore) Limited, its subsidiary in Singapore, amounting to USD 17 million or approximately Baht 557 million. After the acquisition, Cal-Comp Precision (Thailand) Limited was changed from an indirect subsidiary owned by Cal-Comp Precision (Singapore) Limited to a direct subsidiary owned by the Company. Subsequently, Cal-Comp Precision (Thailand) Limited acquired the whole investments in Cal-Comp Precision (Malaysia) Sdn. Bhd., Cal-Comp Precision (Dongguan) Limited, Cal-Comp Precision (Wujiang) Co., Ltd. and Avaplas Precision Plastics (Shanghai) Co., Ltd. from Cal-Comp Precision (Singapore) Limited, totaling to USD 11 million or approximately Baht 357 million.

During the fourth quarter of the current year, the Company acquired the investment in Cal-Comp Holding (Brasil) S.A., a company newly established in Brazil. The Company invested in 100% of the share capital of such company and paid by the transferring of investment in Cal-Comp Industria e Comercio de Electronica e Informatica Ltda., another its subsidiary in Brazil, amounting to Baht 1,086 million. As a result, the shareholding proportion of the Company in Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. decreased from 100% to 2% of such company's registered capital. However, the Company still prepared the consolidated financial statements for the year ended 31 December 2014 which including the financial statements of Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. since the Company indirectly holds the investment in such company through Cal-Comp Holding (Brasil) S.A. with 98% of its registered capital.

- 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 assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in of shareholders' equity.
  - e) Material balances and transactions between the Company and its subsidiary companies 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 FINANCIAL REPORTING STANDARDS

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



**(a) Financial reporting standards that became effective in the current accounting year**

**Conceptual Framework for Financial Reporting (revised 2014)**

**Accounting Standards:**

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

**Financial Reporting Standards:**

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

**Accounting Standard Interpretations:**

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

**Financial Reporting Standard Interpretations:**

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements

TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards.

These financial reporting standards do not have any significant impact on the financial statements.

## **(b) Financial reporting standards that will become effective in the future**

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company and its subsidiaries believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss. This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognised actuarial gains and losses immediately in other comprehensive income.

### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements. The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

### **TFRS 11 Joint Arrangements**

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Company and its subsidiaries believes that this standard will not have any impact on the Company's and its subsidiaries' financial statements.

## TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

## TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

### 4. CUMULATIVE EFFECT OF THE CHANGE IN ACCOUNTING POLICY

In 2014, the subsidiary made the change to its accounting policy on employee benefits regarding to the recognition of actuarial gains and losses arising from post-employment benefits from the recognition 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 and would be recognised over the expected average remaining working lives of the employees participating in the plan ("Corridor Approach") to the immediate recognition in other comprehensive income. The cumulative effect of the change in the accounting policy has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position, the statements of income and comprehensive income are summarised below.

(UNIT: THOUSAND BAHT)

CONSOLIDATED FINANCIAL STATEMENTS		
	AS AT 31 DECEMBER 2013	AS AT 1 JANUARY 2013
<b>Statements of financial position</b>		
Increase in deferred tax assets	9,248	15,813
Decrease in other non-current assets	116,746	85,151
Increase in provision for long-term employee benefits	52,547	93,019
Decrease in retained earnings - unappropriated	171,527	179,424
Increase in other components of shareholders' equity	11,482	17,067

(UNIT: THOUSAND BAHT)

CONSOLIDATED FINANCIAL STATEMENTS	
FOR THE YEAR ENDED 31 DECEMBER 2013	
<b>Income statements</b>	
Decrease in cost of sales	7,898
Increase in profit for the year	7,898

The management believes that the subsidiary has restated the prior year financial statements and disclosed complete and appropriate information in accordance with Thai Financial Reporting Standards. However, the subsidiary does not disclose the amount of adjustments affecting the consolidated financial statements for the year ended 31 December 2014 since the subsidiary changes the recognition of actuarial gains and losses arising from post-employment benefits starting from 1 January 2014. Therefore, the subsidiary no longer prepared the financial information which recognised 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 and would be recognised over the expected average remaining working lives of the employees participating in the plan ("Corridor Approach").

## 5. CUMULATIVE EFFECT OF PRIOR YEAR ADJUSTMENT

In 2012 and 2013, the functional currency of the Company and some of its subsidiaries was the US dollar, with transactions recognised and financial performance and positions measured in that currency. However, in 2014, the Company and its subsidiaries revisited the functional currency issue and concluded that, rather than the US dollar, the Company should use the Baht and its subsidiaries should use their local currencies to recognise transactions and measure their financial performance and financial position, in order to reflect the actual financial performance and financial position of the Company and its subsidiaries and also comply with TAS 21 (revised 2012) "The Effects of Changes in Foreign Exchange Rates". The Company and its subsidiaries have therefore restated the consolidated and separate of financial statements for the year ended 31 December 2013, and also presented the consolidated and separate statements of financial position as at 1 January 2013, as comparative information, to reflect the adjustments resulting from the change in functional currency. The cumulative effect of the adjustments has been separately presented in the statements of changes in shareholders' equity.

The amount of adjustments affecting the statements of financial position, the statements of income, comprehensive income and cash flows are summarised below.

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	AS AT 31 DECEMBER 2013	AS AT 1 JANUARY 2013	AS AT 31 DECEMBER 2013	AS AT 1 JANUARY 2013
<b>Statements of financial position</b>				
Increase (decrease) in cash and cash equivalents	2,983	(42,043)	(661)	(1,562)
Increase in term deposits at financial institutions	24	111	-	156
Decrease in trade and other receivables	(101,743)	(276,465)	(94,282)	(293,625)
Decrease in short-term loans to related parties	-	-	(1,358)	-
Decrease in current portion of long-term loans to related parties	-	-	(4,550)	-
Decrease in inventories	(377,925)	(370,212)	(307,561)	(184,055)
Increase in advances payment for raw materials and molds	9,091	41,263	5,807	33,758
Increase (decrease) in other current assets	(11,103)	25,737	(5,679)	39,127



**CONSOLIDATED FINANCIAL  
STATEMENTS**

**SEPARATE FINANCIAL  
STATEMENTS**

	<b>AS AT 31 DECEMBER 2013</b>	<b>AS AT 1 JANUARY 2013</b>	<b>AS AT 31 DECEMBER 2013</b>	<b>AS AT 1 JANUARY 2013</b>
Decrease in long-term loans to related parties, net of current portion	-	-	-	(4,888)
Increase (decrease) in restricted bank deposits	101	(1,472)	-	-
Decrease in investments in associates	(8,611)	(20,096)	(8,610)	-
Increase in investments in subsidiaries	-	-	415	585,984
Increase (decrease) in other long-term investments	(855)	6,535	(952)	6,411
Increase (decrease) in property, plant and equipment	287,111	494,429	(286,011)	219,355
Decrease in goodwill	(2,805)	(3,123)	-	-
Increase (decrease) in deferred tax assets	6,901	(16,698)	6,920	(16,412)
Increase in land occupancy rights	16,935	15,811	-	-
Increase (decrease) in other non-current assets	7,545	(3,816)	(7)	2
Increase (decrease) in short-term loans from financial institutions	446,591	(182,323)	57,898	46,749
Increase (decrease) in trade and other payables	78,131	(462,767)	20,437	(275,521)
Decrease in current portion of long-term loans	(393,763)	-	-	-
Increase in income tax payable	10,801	2,643	118	2,919
Increase (decrease) in other current liabilities	(11,281)	(3,932)	2,770	15,290
Increase (decrease) in provision for long-term employee benefits	1,313	(6,052)	354	365
Decrease in deferred tax liabilities	(18,186)	(115)	(14,363)	-
Decrease in retained earnings - unappropriated	(740,483)	(386,684)	(372,332)	(139,188)
Increase (decrease) in other components of shareholders' equity	454,526	889,191	(391,411)	733,637

(UNIT: THOUSAND BAHT)

## FOR THE YEAR ENDED 31 DECEMBER 2013

	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
<b>Income statements</b>		
Decrease in sales	(27,523)	(410,767)
Decrease in other income	(27,056)	(18,285)
Decrease in cost of sales	(14,568)	(477,783)
Increase in selling expenses	5,308	4,644
Increase in administrative expenses	61,150	146,375
Increase in exchange loss	241,417	136,311
Increase in loss on financial derivatives	36	52
Increase in share of loss from investments in associates	288	-
Decrease in finance cost	(2,330)	(1,019)
Increase (decrease) in income tax expenses	732	(3,664)
Decrease in profit for the year	(346,613)	(233,969)
Decrease in basic earnings per share (Baht)	(0.08)	(0.07)
Decrease in diluted earnings per share (Baht)	(0.08)	(0.06)
<b>Statements of comprehensive income</b>		
Increase (decrease) in actuarial gains	21,756	825
Decrease in exchange differences on translation of financial statements in foreign currency	(500,658)	(1,165,834)
Increase in gain on change in value of available-for-sale investments	2,737	2,737
Decrease in income tax effect	36,628	38,048
<b>Statement of cash flows</b>		
Decrease in net cash flows from operating activities	(639,180)	(669,416)
Increase (decrease) in net cash flows used in investing activities	(367,904)	61,148
Decrease in net cash flows from financing activities	(127,554)	(353,026)
Increase in translation adjustments	1,179,578	962,039

The management believes that the Company and its subsidiaries have restated the prior year financial statements and disclosed complete and appropriate information in accordance with Thai Financial Reporting Standards. However, the Company and its subsidiaries do not disclose the amount of adjustments affecting the statements of consolidated and separate financial statements for the year ended 31 December 2014 since the Company and its subsidiaries changes its functional currency starting from 1 January 2014. Therefore, the Company and its subsidiaries no longer prepared the financial information which used the US Dollar as its functional currency.

## 6. SIGNIFICANT ACCOUNTING POLICIES

### 6.1 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.

### 6.2 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.

### 6.3 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.

### 6.4 Inventories

Finished goods and work in process are valued at the lower of cost (under the average method) and net realisable value and 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.

### 6.5 Investments

- a) 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.
- b) 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.
- c) 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).
- d) 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.

## 6.6 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 the straight-line basis over the following estimated useful lives:

Buildings and building improvements	- 11 - 50	years
Machinery and equipment	- 3 - 10	years
Molds and spare parts	- 1 - 2	years
Office furniture and equipment	- 1 - 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.

## 6.7 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.

## 6.8 Intangible assets

Intangible assets of its subsidiaries which 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 of its subsidiaries which have 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



## 6.9 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.

## 6.10 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.

## 6.11 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.

## 6.12 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

## 6.13 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. In

determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset. In determining fair value less cost to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal. An impairment loss is recognised in profit or loss.

## **6.14 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 immediately in other comprehensive income.

The defined benefits liability comprises the present value of the defined benefit obligation less 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.

## **6.15 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.

## **6.16 Income tax**

Income tax expense for the year comprises current and deferred tax.

### **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.

## 6.17 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 swaps 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.

## 7. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

### Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement 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 judgement 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 the management to exercise judgement 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 judgement 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 record 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, require the 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 the temporary differences and losses can be utilised. Significant management judgement 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.

## **8. 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	
	2014	2013	2014	2013
		(RESTATED)		(RESTATED)
Cash	119,096	123,860	303	393
Deposits at financial institutions	1,689,646	3,404,566	229,225	208,562
Cash and cash equivalents	1,808,742	3,528,426	229,528	208,955
Current investments - Term deposits with financial institutions	-	63,089	-	658
Cash and cash equivalents in statements of cash flows	1,808,742	3,591,515	229,528	209,613

As at 31 December 2014, bank deposits in saving accounts and fixed deposits carried interests between 0.13 and 4.62 percent per annum (2013: between 0.25 and 3.25 percent per annum).

## 9. CURRENT INVESTMENTS

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Trading securities				
Listed securities	30,754	48,946	-	-
Warrants	7,092	19,517	-	-
Trading securities - net	37,846	68,463	-	-
Term deposits with financial institutions	-	63,089	-	658
Total current investments	37,846	131,552	-	658

During the year 2013, 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.

## 10. 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 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
Cal-Comp Precision (Thailand) Limited	Subsidiary
Cal-Comp Holding (Brasil) S.A.	Subsidiary
Avaplas Precision Plastics (Shanghai) Co., Ltd.	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Malaysia) Sdn. Bhd.	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Dongguan) Limited	Subsidiary (held by a subsidiary)
Cal-Comp Precision (Wujiang) Co., Ltd.	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)
Daviscomms (S) Pte Ltd.	Associate (held by a subsidiary)
XYZprinting Japan, Inc.	Subsidiary of an associate
XYZprinting, Inc. (SAMOA)	Subsidiary of an associate
XYZprinting, Inc. (USA)	Subsidiary of an associate
XYZprinting Netherlands B.V.	Subsidiary of an associate
XYZprinting (Suzhou) Co., Ltd.	Subsidiary of an associate
inx Japan International Inc.	Shareholding by the Company
Zakang Inc.	Shareholding by the Company
Metal Component Engineering Limited	Shareholding by the Company
Memoright Memortech Corporation	Shareholding by the Company
Kinpo Group Management Service Co., Ltd.	Shareholding by the subsidiary
Kinpo Electronics (China) Co., Ltd.	Subsidiary of the major shareholder

NAME OF RELATED PARTIES	RELATIONSHIP WITH THE COMPANY
Kinpo International Ltd.	Subsidiary of the major shareholder
Crownpo Technology, Inc.	Subsidiary of the major shareholder
Dongguan Kaipo Electronics Co., Ltd.	Subsidiary of the major shareholder
Kinpo Electronics (Philippines), Inc.	Subsidiary of the major shareholder
Cal-Comp Biotech Co., Ltd.	Subsidiary of the major shareholder
Vibo Telecom Co., Ltd.	Associate of the major shareholder
Acbel Polytech Inc.	Associate of the major shareholder
Compal Electronics, INC.	Common directors

Such significant transactions are summarised below.

(UNIT: MILLION BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		TRANSFER PRICING POLICY
	2014	2013	2014	2013	
		(Restated)		(Restated)	
<u>Transactions with subsidiaries</u>					
(Eliminated from consolidated financial statements)					
Sales	-	-	29,981	14,576	Near market price
Sales of fixed assets	-	-	75	217	At book value plus margin
Other income	-	-	43	1	Contract price
Purchases of raw materials	-	-	2,008	4,270	Near market price
Purchases of fixed assets	-	-	100	38	Cost
<u>Transactions with associated companies</u>					
Sales	367	1	365	-	Near market price
Other income	2	3	-	-	Cost
Other expenses	1	-	-	-	Contract price
Purchases of fixed assets	5	-	-	-	Cost
<u>Transactions with related parties</u>					
Sales					
- Kinpo Electronics, Inc.	7,104	213	-	1	Near market price
- Kinpo International Ltd.	672	568	44	379	Near market price
- Others	1,112	722	-	1	Near market price
Sales of fixed assets	40	127	21	-	At book value plus margin
Dividend income	3	-	3	-	As declared

(UNIT: MILLION BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		TRANSFER PRICING POLICY
	2014	2013	2014	2013	
		(Restated)		(Restated)	
Other income	2	2	-	1	Cost
Purchases of raw materials	15,902	7,900	930	344	Near market price
Purchases of fixed assets	104	9	2	9	Cost
Other expenses	106	108	-	-	Contract price

Major revenues of Logistar International Holding Co., Ltd. represent the sales of inventories, which are purchased transactions from the Company and its subsidiaries, to the third parties.

The balances of the accounts as at 31 December 2014 and 2013 between the Company and those related companies are as follows:

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
<b>Trade and other receivables - related parties (Note 11)</b>				
Subsidiaries	-	-	10,666,914	11,746,437
Associates	245,802	1,897	238,673	1,338
Related companies	6,550,910	624,800	37,417	185,265
Total trade and other receivables - related parties	6,796,712	626,697	10,943,004	11,933,040
<b>Trade and other payables - related parties (Note 23)</b>				
Subsidiaries	-	-	910,218	415,355
Associates	24,694	2	19,291	-
Related companies	7,013,179	890,258	483,577	158,221
Total trade and other payables - related parties	7,037,873	890,260	1,413,086	573,576



## Short-term loans to related parties

As at 31 December 2014, the balance of short-term loans between the Company and those related parties and the movement are as follows:

(UNIT: THOUSAND BAHT)

CONSOLIDATED FINANCIAL STATEMENTS						
SHORT-TERM LOANS	RELATED BY	BALANCE AS AT 31 DECEMBER 2013	DECREASE	INTEREST RECEIVABLE	TRANS-LATION	BALANCE AS AT 31 DECEMBER 2014
		(Restated)				
Wise Sigma International Holding Co., Ltd.	Associated company	64,979	(64,979)	-	-	-
A-Ten Technology Co., Ltd.	Associated company	70,287	-	-	320	70,607
		135,266	(64,979)	-	320	70,607
Less: Allowance for doubtful accounts		(135,266)	64,979	-	(320)	(70,607)
		-	-	-	-	-

During the fourth quarter of the current year, a subsidiary wrote off the whole amount of short-term loans to Wise Sigma International Holding Co., Ltd. and reversed allowance for doubtful accounts since such company dissolved its operations in November 2014 as disclosed in Note 16 to the financial statements.

(UNIT: THOUSAND BAHT)

SEPARATE FINANCIAL STATEMENTS						
SHORT-TERM LOANS	RELATED BY	BALANCE AS AT 31 DECEMBER 2013	INCREASE	DECREASE	INTEREST RECEIVABLE	BALANCE AS AT 31 DECEMBER 2014
		(Restated)				
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Subsidiary	326,778	984,384	(326,778)	-	984,384
		326,778	984,384	(326,778)	-	984,384

During the fourth quarter of the current year, Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. requested to extend the due date of long-term loans which dued in August 2014 to August 2015. Therefore, the Company reclassified such long-term loans to short-term loans.

## Long-term loans to related parties

As at 31 December 2014, the balance of long-term loans between the Company and those related parties and the movement are as follows:

(UNIT: THOUSAND BAHT)

SEPARATE FINANCIAL STATEMENTS						
LONG-TERM LOANS	Related by	BALANCE AS AT 31 DECEMBER 2013	DECREASE	INTEREST RECEIVABLE	TRANS- LATION	BALANCE AS AT 31 DECEMBER 2014
		(Restated)				
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Subsidiary	980,334	(980,334)	-	-	-
Cal-Comp Technology (Philippines), Inc.	Subsidiary	114,372	(114,372)	-	-	-
		1,094,706	(1,094,706)	-	-	-

Long-term loans to Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. and Cal-Comp Technology (Philippines), Inc. were denominated in US dollar currency and due in 2014. During the fourth quarter of the current year, the Company received a full amount of long-term loans from Cal-Comp Technology (Philippines), Inc.

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 2014 and 2013, 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	
	2014	2013	2014	2013
		(Restated)		(Restated)
Short-term employee benefits	49	44	27	25
Post-employment benefits	1	1	-	-
Total	50	45	27	25

## II. TRADE AND OTHER RECEIVABLES

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	6,072,663	449,432	6,972,010	7,240,173
Past due				
Less than 1 month	621,837	9,003	1,010,715	1,146,734
1 - 2 months	2,297	2,011	266,788	728,567
2 - 3 months	7,109	4,491	230,393	257,762
3 - 6 months	7,147	752	650,479	1,462,646
6 - 12 months	65	-	1,172,026	264,486
Over 12 months	-	-	377,266	-
Total	6,711,118	465,689	10,679,677	11,100,368
Less: Allowance for doubtful accounts	-	(8,346)	-	(8,346)
Total trade receivables				
- related parties, net	6,711,118	457,343	10,679,677	11,092,022
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	25,765,091	20,304,074	8,146,839	7,882,193
Past due				
Less than 1 month	841,486	3,701,961	44,853	1,136,618
1 - 2 months	134,775	418,875	73,253	46,380
2 - 3 months	43,002	135,233	19,255	14,760
3 - 6 months	45,208	51,982	4,406	726
6 - 12 months	7,961	16,635	3,286	-
Over 12 months	835,723	692,284	33,301	36,471
Total	27,673,246	25,321,044	8,325,193	9,117,148
Less: Allowance for doubtful accounts	(799,425)	(704,497)	(49,259)	(42,237)
Total trade receivables - unrelated parties, net	26,873,821	24,616,547	8,275,934	9,074,911
Total trade receivables, net	33,584,939	25,073,890	18,955,611	20,166,933

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Other receivables				
Amount due from related parties	85,594	169,354	263,327	841,018
Other receivables - unrelated parties	1,664,795	270,849	107,692	153,364
Total other receivables	1,750,389	440,203	371,019	994,382
Trade and other receivables, net	35,335,328	25,514,093	19,326,630	21,161,315

The balances of above other receivables - unrelated parties as at 31 December 2014 and 2013 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.

## 12. INVENTORIES

(UNIT: THOUSAND BAHT)

### CONSOLIDATED FINANCIAL STATEMENTS

	COST		REDUCE COST TO NET REALISABLE VALUE		INVENTORIES - NET	
	2014	2013	2014	2013	2014	2013
		(Restated)		(Restated)		(Restated)
Finished goods	1,708,421	2,094,694	(73,302)	(72,142)	1,635,119	2,022,552
Work in process	301,157	55,815	(5,668)	-	295,489	55,815
Raw materials	12,202,272	10,859,998	(149,219)	(144,635)	12,053,053	10,715,363
Goods in transit	523,046	897,478	-	-	523,046	897,478
Total	14,734,896	13,907,985	(228,189)	(216,777)	14,506,707	13,691,208

(UNIT: THOUSAND BAHT)

### SEPARATE FINANCIAL STATEMENTS

	COST		REDUCE COST TO NET REALISABLE VALUE		INVENTORIES - NET	
	2014	2013	2014	2013	2014	2013
		(Restated)		(Restated)		(Restated)
Finished goods	455,421	653,352	(51,359)	(65,738)	404,062	587,614
Work in process	2,049	6,134	-	-	2,049	6,134
Raw materials	6,520,289	4,883,646	(84,605)	(59,726)	6,435,684	4,823,920
Goods in transit	57,024	217,092	-	-	57,024	217,092
Total	7,034,783	5,760,224	(135,964)	(125,464)	6,898,819	5,634,760



### 13. ADVANCES PAYMENT FOR RAW MATERIALS AND MOLDS

The balances as at 31 December 2014 and 2013 mainly consist of: -

- a) Advance payment of Baht 77 million (2013: Baht 217 million (Restated)).
- b) Advance payment of Baht 175 million to suppliers (2013: Baht 354 million (Restated)) for the purchase of molds and raw materials. The remaining balances is to be paid upon the completion of molds (please refer to Note 36.4).

### 14. OTHER CURRENT ASSETS

The balances as at 31 December 2014 and 2013 consist of: -

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Receivable - molds	404,082	235,905	305,362	125,795
Value added tax	710,643	483,581	113,928	20,856
Others	355,435	297,276	20,945	11,589
Total	1,470,160	1,016,762	440,235	158,240

### 15. 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.

### 16. INVESTMENTS IN ASSOCIATES

#### 16.1 Details of associates

(UNIT: THOUSAND BAHT)

CONSOLIDATED FINANCIAL STATEMENTS								
COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING PERCENTAGE		COST METHOD		CARRYING AMOUNT BASED ON EQUITY METHOD	
			2014	2013	2014	2013	2014	2013
			%	%		(Restated)		(Restated)
Wise Sigma International Holding Co., Ltd.*	Holding company	British Virgin Islands	-	45.00	-	69,358	-	-

(UNIT: THOUSAND BAHT)

## CONSOLIDATED FINANCIAL STATEMENTS

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING PERCENTAGE		COST METHOD		CARRYING AMOUNT BASED ON EQUITY METHOD	
			2014	2013	2014	2013	2014	2013
			%	%		(Restated)		(Restated)
A-Ten Technology Co., Ltd.*	Telecommunication research and development	Taiwan	34.00	34.00	10,184	10,138	-	-
Daviscomms (S) Pte Ltd.**	Design and manufacturing of telecommunication products	Singapore	20.00	20.00	97,413	96,971	113,300	103,100
XYZprinting, Inc.	Manufacturing of electronic products	Taiwan	44.74	44.74	285,331	285,331	178,367	268,269
Total					392,928	461,798	291,667	371,369
Less: Allowance for impairment loss					(10,184)	(79,496)		
Net					382,744	382,302		

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

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

(UNIT: THOUSAND BAHT)

## SEPARATE FINANCIAL STATEMENTS

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF	SHAREHOLDING PERCENTAGE		COST METHOD		CARRYING AMOUNT BASED ON COST METHOD - NET	
			2014	2013	2014	2013	2014	2013
			%	%		(Restated)		(Restated)
XYZprinting, Inc.	Manufacturing of electronic products	Taiwan	44.74	44.74	285,331	285,331	285,331	285,331

## 16.2 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	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Wise Sigma International Holding Co., Ltd.	-	USD 5 million	-	103	-	69	-	-	-	(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	368	344	82	97	718	769	45	129
XYZprinting, Inc.	TWD 600 million	TWD 600 million	829	647	432	29	472	-	(204)	(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 above financial information were prepared by the management of the associated companies, which were unaudited by their auditor, except for the financial information of XYZprinting, Inc., which was audited by its auditor.

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 XYZprinting, 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 year 2013, the Company partially paid USD 9 million, or Baht 285 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 investments in Wise Sigma International Holding Co., Ltd. because it ceased its operations. However, the subsidiary recognised share of losses from investments in an associated company until the value of the investments reached zero. During the fourth quarter of the current year, a subsidiary wrote off investments in Wise Sigma International Holding Co., Ltd. from the financial statements for the year ended 31 December 2014 after Wise Sigma International Holding Co., Ltd. registered the dissolution of its operations in November 2014.

On 25 December 2014, a meeting of the Board of Directors of the Company approved a joint investment with PChome Online Inc., the leading Taiwanese provider of integrated web solutions for portal access, e-commerce and telecommunication, to set up PChome (Thailand) Co., Ltd. in order to develop capabilities for e-commerce business, Voice over Internet Protocol business (VOIP business) as well as third-party payment service provider and to expand the future business growth. The Company will invest in 35% of total investment or approximately Baht 35 million and expects to be completed in the second quarter of the year 2015.

## 17. 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	
	2014	2013	2014	2013	2014	2013
			%	%		(Restated)
Logistar International Holding Co., Ltd.	USD 30.05 million	USD 30.05 million	100	100	1,077,604	1,077,604
Cal-Comp Electronics (Suzhou) Co., Ltd.	USD 27.2 million	USD 27.2 million	100	100	921,780	921,780
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	USD 41.3 million	USD 41.3 million	100	100	1,024,001	1,024,001
Cal-Comp Electronics & Communications Co., Ltd.	TWD 70 million	TWD 70 million	100	100	143,909	125,143
Cal-Comp Technology (Suzhou) Co., Ltd.	USD 10 million	USD 10 million	100	100	338,568	338,568
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	USD 35 million	USD 35 million	100	100	1,125,509	1,125,509
Cal-Comp Precision (Singapore) Limited	SGD 47 million	SGD 21 million	100	100	1,274,008	585,751
Cal Comp (Malaysia) SDN. BHD.	MYR 28 million	MYR 28 million	100	100	282,294	282,294
Cal-Comp Electronics (USA) Co., Ltd.	USD 60 million	USD 20 million	100	100	1,905,959	604,386
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	BRL 68.6 million	BRL 68.6 million	2	100	22,260	1,107,875



(UNIT: THOUSAND BAHT)

COMPANY'S NAME	PAID UP CAPITAL		SHAREHOLDING PERCENTAGE		COST METHOD	
	2014	2013	2014	2013	2014	2013
			%	%		(Restated)
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	USD 5 million	USD 5 million	100	100	150,124	150,124
Cal-Comp Technology (Philippines), Inc.	PHP 215 million	PHP 215 million	100	100	156,938	156,938
Cal-Comp Precision (Thailand) Limited	Baht 1,676 million	-	100	-	1,548,583	-
Cal-Comp Holding Brasil) S.A.	BRL 114.7 million	-	100	-	1,085,875	-
<b>Total</b>					11,057,412	7,499,973
Less: Allowance for impairment loss					(1,077,604)	(1,077,604)
<b>Net</b>					9,979,808	6,422,369

On 14 May 2012, 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 Electronics (Suzhou) Co., Ltd. and Cal-Comp Optical Electronics (Suzhou) Co., Ltd., and is in the process of operation.

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 17 January 2014, a meeting of the Board of Directors of the Company approved the following investments.

- Approved an additional investment of not more than USD 40 million in Cal-Comp Electronics (USA) Co., Ltd., its subsidiary in the United States of America, for the purpose of business expansion. During the first quarter of the current year, the Company paid for additional capital of USD 30 million or approximately Baht 979 million. Subsequently, during the second quarter of the current year, the Company paid for additional capital of USD 10 million or approximately Baht 323 million.
- Approved an additional investment of not more than USD 21 million in Cal-Comp Precision (Singapore) Limited, its subsidiary in Singapore, for the purpose of restructuring the business of Cal-Comp Precision Group. During the second quarter of the current year, the Company paid for additional capital of USD 21 million or approximately Baht 688 million.
- Approved the business restructuring of Cal-Comp Precision Group, whereby the Company would acquire an investment in Cal-Comp Precision (Thailand) Limited from Cal-Comp Precision (Singapore) Limited for not more than USD 17 million, with the purpose to facilitate flexibility in management and business operations. During the second quarter of the current year, the Company acquired such investment amounting to USD 17 million or approximately Baht 557 million.
- Approved an additional investment of not more than USD 31 million in Cal-Comp Precision (Thailand) Limited after the acquisition of investment of such company from Cal-Comp Precision (Singapore) Limited, for the purpose of business expansion. During the second quarter of the current year, the Company paid for additional capital amounting to USD 31 million or approximately Baht 991 million.

- Approved that Cal-Comp Precision (Thailand) Limited, a subsidiary company, would acquire investments of not exceeding USD 11 million in Cal-Comp Precision (Malaysia) Sdn. Bhd., Cal-Comp Precision (Dongguan) Limited, Cal-Comp Precision (Wujiang) Co., Ltd. and Avaplas Precision Plastics (Shanghai) Co., Ltd., from Cal-Comp Precision (Singapore) Limited, for the purpose of the business restructuring of Cal-Comp Precision Group. During the second quarter of the current year, the subsidiary acquired the investments amounting to USD 11 million or approximately Baht 357 million.

On 26 February 2014, a meeting of 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., and is in the process of operation.

During the fourth quarter of the current year, the Company acquired the investment in a company newly established in Brazil with 100% of the share capital of such company and paid by the transferring of investment in Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. amounting to Baht 1,086 million. However, the Company still classified the investment in Cal-Comp Industria e Comercio de Electronica e Informatica Ltda. as an investment in a subsidiary since the Company indirectly holds the investment in such company through Cal-Comp Holding (Brasil) S.A. with 98% of its registered capital.

On 10 November 2014, a meeting of the Board of Directors of the Company approved Cal-Comp Holding (Brasil) S.A., its subsidiary in Brazil, to invest in Cal-Comp Ind. Semicondutores, Ltda., a company newly established in Brazil. The subsidiary will invest in 100% of the share capital of such company. The purpose of this investment is to expand the product line in semiconductor products. The plan is in the process of operation.

## 18. OTHER LONG-TERM INVESTMENTS

(UNIT: THOUSAND BAHT)

### CONSOLIDATED FINANCIAL STATEMENTS

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING		INVESTMENTS			
			PERCENTAGE		COST METHOD		FAIR VALUE	
					2014	2013	2014	2013
			%	%		(Restated)		(Restated)
Investments in other companies								
Zakang Inc.	CDMA	Korea	0.37	0.37	171,247	171,247	-	-
Less: Allowance for impairment loss					(171,247)	(171,247)		
					-	-		
Metal Component Engineering Limited	Manufacture of electronics products	Singapore	16.45	16.45	55,974	55,974	119,869	70,790
Add: Unrealised gain on changes in the value of investments					63,895	14,816		
					119,869	70,790		

(UNIT: THOUSAND BAHT)

### CONSOLIDATED FINANCIAL STATEMENTS

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING		INVESTMENTS			
			PERCENTAGE		COST METHOD		FAIR VALUE	
			2014	2013	2014	2013	2014	2013
			%	%		(Restated)		(Restated)
Power Digital Communication Co., Ltd.*	Trading of communication apparatus	Taiwan	1.90	1.90	21,989	21,890		
Less: Allowance for impairment loss					(21,989)	(21,890)		
					-	-		
inx Japan International Inc.	Distributor of computers products	Japan	11.11	11.11	3,645	3,645		
Less: Allowance for impairment loss					(3,645)	(3,645)		
					-	-		
Kinpo Group Management Service Co., Ltd.**	Consulting business	Taiwan	12.50	12.50	1,038	1,094		
Memoright Memorittech Corporation	Manufacture of electronics products	Cayman Islands		2.62	-	31,990	-	
<b>Total other long-term investments</b>							152,897	71,884

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

\*\* (held by Cal-Comp Electronics &amp; Communications Co., Ltd.)

(UNIT: THOUSAND BAHT)

### SEPARATE FINANCIAL STATEMENTS

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING		INVESTMENTS			
			PERCENTAGE		COST METHOD		FAIR VALUE	
			2014	2013	2014	2013	2014	2013
			%	%		(Restated)		(Restated)
<b>Investments in other companies</b>								
Zakang Inc.	CDMA	Korea	0.37	0.37	171,247	171,247	-	-
Less: Allowance for impairment loss					(171,247)	(171,247)		
					-	-		
Metal Component Engineering Limited	Manufacture of electronics products	Singapore	16.45	16.45	55,974	55,974	119,869	70,790

(UNIT: THOUSAND BAHT)

## SEPARATE FINANCIAL STATEMENTS

COMPANY'S NAME	NATURE OF BUSINESS	COUNTRY OF INCORPORATION	SHAREHOLDING PERCENTAGE		INVESTMENTS			
			2014	2013	COST METHOD		FAIR VALUE	
			%	%		(Restated)		(Restated)
Add: Unrealised gain on changes in the value of investments					63,895	14,816		
					119,869	70,790		
inx Japan International Inc.	Distributor of computers products	Japan	11.11	11.11	3,645	3,645		
Less: Allowance for impairment loss					(3,645)	(3,645)		
					-	-		
Memoright Memoritech Corporation	Manufacture of electronics products	Cayman Islands	2.62	-	31,990	-		
Total other long-term investments					151,859	70,790		

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. During the third quarter of the current year, the Company acquired such investment amounting to USD 1 million or approximately Baht 32 million

## 19. 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
<b>Cost</b>								
1 January 2013	331,981	4,946,555	12,526,926	1,363,739	1,823,003	67,580	952,685	22,012,469
Additions	198,817	574,637	318,797	508,020	338,147	10,701	1,366,491	3,315,610
Disposals	-	(6,552)	(547,802)	(22,370)	(151,830)	(2,928)	(124)	(731,606)
Transfers in (out)	-	530,615	700,861	130,930	82,846	-	(1,402,686)	42,566
Translation adjustment	2,186	223,466	379,584	23,550	95,293	2,991	5,075	732,145



(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
31 December 2013 (Restated)	532,984	6,268,721	13,378,366	2,003,869	2,187,459	78,344	921,441	25,371,184
Additions	23,308	119,650	667,212	288,501	312,880	1,843	2,260,381	3,673,775
Disposals	-	(43,858)	(706,923)	(111,038)	(350,154)	(15,998)	(6,118)	(1,234,089)
Transfers in (out)	-	(447,392)	(10,067)	167,238	964,847	-	(721,991)	(47,365)
Translation adjustment	(7,551)	(164,563)	(331,528)	(8,200)	(55,820)	(1,471)	687	(568,446)
31 December 2014	548,741	5,732,558	12,997,060	2,340,370	3,059,212	62,718	2,454,400	27,195,059
<b>Accumulated depreciation</b>								
1 January 2013	-	972,950	3,749,362	858,490	894,995	24,535	-	6,500,332
Depreciation for the year	-	263,195	1,345,868	438,061	226,721	10,051	-	2,283,896
Depreciation on disposals	-	(1,832)	(579,855)	(7,312)	(81,790)	(2,434)	-	(673,223)
Translation adjustment	-	28,663	157,707	16,191	96,564	1,664	-	300,789
31 December 2013 (Restated)	-	1,262,976	4,673,082	1,305,430	1,136,490	33,816	-	8,411,794
Depreciation for the year	-	247,111	1,308,186	422,191	229,644	9,221	-	2,216,353
Depreciation on disposals	-	(10,084)	(345,164)	(69,051)	(220,399)	(12,313)	-	(657,011)
Translation adjustment	-	(162,060)	(462,270)	(5,538)	231,112	(2,548)	-	(401,304)
31 December 2014	-	1,337,943	5,173,834	1,653,032	1,376,847	28,176	-	9,569,832
<b>Allowance for impairment loss</b>								
1 January 2013	-	41,577	46,086	95	1,664	-	-	89,422
Translation adjustment	-	1,299	2,580	7	119	-	-	4,005
31 December 2013 (Restated)	-	42,876	48,666	102	1,783	-	-	93,427
Translation adjustment	-	89	177	-	8	-	-	274
31 December 2014	-	42,965	48,843	102	1,791	-	-	93,701
<b>Net book value</b>								
1 January 2013	331,981	3,932,028	8,731,478	505,154	926,344	43,045	952,685	15,422,715
31 December 2013 (Restated)	532,984	4,962,869	8,656,618	698,337	1,049,186	44,528	921,441	16,865,963
31 December 2014	548,741	4,351,650	7,774,383	687,236	1,680,574	34,542	2,454,400	17,531,526
Depreciation for the year								
2013 (Baht 1,801 million (Restated) included in manufacturing cost, and the balance in selling and administrative expenses)								2,283,896
2014 (Baht 1,815 million included in manufacturing cost, and the balance in selling and administrative expenses)								2,216,353

(UNIT: THOUSAND BAHT)

## SEPARATE FINANCIAL STATEMENTS

	LAND AND 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
<b>Cost</b>								
1 January 2013	220,280	1,772,737	5,310,699	1,284,490	522,985	17,656	420,964	9,549,811
Additions	198,816	262,264	216,003	249,934	94,455	3,710	1,186,339	2,211,521
Disposals	-	(1,764)	(706,529)	(19,409)	(5,632)	-	-	(733,334)
Transfers in (out)	-	431,804	133,830	125,684	40	-	(713,255)	(21,897)
31 December 2013 (Restated)	419,096	2,465,041	4,954,003	1,640,699	611,848	21,366	894,048	11,006,101
Additions	-	81,846	168,443	187,148	79,938	-	1,835,837	2,353,212
Disposals	-	(13,898)	(201,282)	(53,880)	(41,427)	(1,368)	(2,540)	(314,395)
Transfers in (out)	23,308	98,512	104,954	169,276	45,024	-	(448,370)	(7,296)
31 December 2014	442,404	2,631,501	5,026,118	1,943,243	695,383	19,998	2,278,975	13,037,622
<b>Accumulated depreciation</b>								
1 January 2013	-	646,244	1,922,737	849,536	263,137	-	-	3,681,654
Depreciation for the year	-	77,572	558,895	214,132	56,650	2,174	-	909,423
Depreciation on disposals	-	(1,764)	(410,751)	(7,312)	(5,041)	-	-	(424,868)
31 December 2013 (Restated)	-	722,052	2,070,881	1,056,356	314,746	2,174	-	4,166,209
Depreciation for the year	-	109,429	543,240	294,399	70,168	2,222	-	1,019,458
Depreciation on disposals	-	(8,714)	(138,265)	(29,877)	(32,511)	(1,368)	-	(210,735)
31 December 2014	-	822,767	2,475,856	1,320,878	352,403	3,028	-	4,974,932
<b>Allowance for impairment loss</b>								
1 January 2013	-	23,333	9,873	-	2	-	-	33,208
31 December 2013 (Restated)	-	23,333	9,873	-	2	-	-	33,208
31 December 2014	-	23,333	9,873	-	2	-	-	33,208
<b>Net book value</b>								
1 January 2013	220,280	1,103,160	3,378,089	434,954	259,846	17,656	420,964	5,834,949
31 December 2013 (Restated)	419,096	1,719,656	2,873,249	584,343	297,100	19,192	894,048	6,806,684
31 December 2014	442,404	1,785,401	2,540,389	622,365	342,978	16,970	2,278,975	8,029,482
<b>Depreciation for the year</b>								
2013 (Baht 805 million (Restated) included in manufacturing cost, and the balance in selling and administrative expenses)								909,423
2014 (Baht 856 million included in manufacturing cost, and the balance in selling and administrative expenses)								1,019,458

As at 31 December 2014, certain machinery and equipment and office equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 779 million (2013: Baht 569 million (Restated)) (the Company only: Baht 722 million, 2013: Baht 527 million (Restated)).

## 20. OTHER INTANGIBLE ASSETS

The carrying amount of other intangible assets as at 31 December 2014 and 2013 are as follows:

(UNIT: THOUSAND BAHT)

CONSOLIDATED FINANCIAL STATEMENTS			
	PATENTS	CUSTOMER LIST	TOTAL
<b>Cost:</b>			
At 1 January 2013	738,206	105,985	844,191
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>
Translation adjustment	(8,642)	(1,241)	(9,883)
<b>At 31 December 2014</b>	<b>782,149</b>	<b>112,294</b>	<b>894,443</b>

(UNIT: THOUSAND BAHT)

CONSOLIDATED FINANCIAL STATEMENTS			
	PATENTS	CUSTOMER LIST	TOTAL
<b>Amortisation:</b>			
At 1 January 2013	703,420	43,129	746,549
Amortisation	32,343	47,645	79,988
Translation adjustment	52,156	6,091	58,247
<b>At 31 December 2013</b>	<b>787,919</b>	<b>96,865</b>	<b>884,784</b>
Amortisation	2,853	16,564	19,417
Translation adjustment	(8,623)	(1,135)	(9,758)
<b>At 31 December 2014</b>	<b>782,149</b>	<b>112,294</b>	<b>894,443</b>
<b>Net book value:</b>			
At 1 January 2013	34,786	62,856	97,642
At 31 December 2013	2,872	16,670	19,542
At 31 December 2014	-	-	-

## 21. 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 Philippines of another subsidiary. These rights have a period of 50 years and 75 years.

(UNIT: THOUSAND BAHT)

	2014	2013
		(Restated)
Cost	127,908	126,870
Increase during the year	-	1,038
Translation adjustment	8,299	10,437
Accumulated amortisation	(19,086)	(16,828)
Net book value	117,121	121,517
Amortisation expenses included in profit or loss for the year	2,258	1,604

## 22. 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 - 3.4 percent per annum.

## 23. TRADE AND OTHER PAYABLES

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Trade payable - related parties	6,918,122	825,624	1,171,026	429,739
Trade payable - unrelated parties	25,858,670	21,033,493	14,147,864	10,158,464
Advance from related parties	119,751	64,636	242,060	143,837
Accrued interest expenses	17,551	21,556	6,908	10,331
Accrued expenses	1,180,048	890,636	249,494	178,468
Other payables	563,703	955,033	173,392	406,428
Total trade and other payables	34,657,845	23,790,978	15,990,744	11,327,267

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



## 24. OTHER CURRENT LIABILITIES

The balance as at 31 December 2014 and 2013 consist of: -

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Advances received from customers for purchase of molds	638,574	464,523	-	164
Money received from customers pending for clear	344,580	275,706	113,201	194,650
Value added tax payable	44,046	58,466	-	2,416
Financial liabilities record at fair value	4,900	1,682	3,387	1,239
Others	249,019	273,637	82,124	15,612
Total	1,281,119	1,074,014	198,712	214,081

## 25. LONG-TERM LOANS

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS	
	2014	2013
		(Restated)
Long-term loans from financial institutions	5,933,340	840,028
Less: Portion due within one year	-	(840,028)
Long-term loans - net of current portion	5,933,340	-

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. As the loan agreement was terminated on 27 November 2012, the Company and its subsidiary requested the financial institutions to extend the loan agreement for another two years. During the second quarter of the current year, a subsidiary repaid all the remaining loans.

Subsequently on 12 March 2014, the Company and Logistar International Holding Co., Ltd., its subsidiary, entered into a 3-year syndicated loan agreement with financial institutions for a facility of USD 180 million and the loan is extendable for another two years. The purpose of the loan is to increase the working capital to support business operations. The loan carries interest at the reference rate plus margin and shall be repaid on the maturity date (3 years from the first borrowing date).

The loan agreement contains covenants as specified in the loan agreement that, among other things, require the Company and its subsidiary to maintain certain current ratio and financial debt ratio according to the agreement.

As at 31 December 2014 and 2013, the subsidiary has fully drawn down the credit facility.

## 26. 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	
	2014	2013	2014	2013
		(Restated)		(Restated)
<b>Defined benefit obligation at beginning of year</b>	433,473	449,034	85,916	77,013
<b>Fair value of plan assets at beginning of year</b>	(288,413)	(249,825)	-	-
	145,060	199,209	85,916	77,013
Current service cost	27,461	22,721	12,157	11,321
Interest cost	10,126	8,542	3,788	3,207
Benefits paid during the year	(17,043)	(30,432)	-	-
Actuarial (gains) losses	(17,321)	(25,191)	4,250	(5,625)
Past service costs	2,115	2,048	-	-
Translation adjustments	(16,241)	6,751	-	-
<b>Defined benefit obligation at end of year</b>	134,157	183,648	106,111	85,916
<b>Increase in fair value of plan assets</b>	(4,616)	(38,588)	-	-
<b>Provisions for long-term employee benefits at end of year</b>	129,541	145,060	106,111	85,916

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

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Current service cost	27,461	22,721	12,157	11,321
Interest cost	10,126	8,542	3,788	3,207
Past service costs recognised during the year	2,115	2,048	-	-
<b>Total expenses recognised in profit or loss</b>	39,702	33,311	15,945	14,528
Line items under which such expenses are included in profit or loss				
Cost of sales	16,862	14,041	15,522	14,039
Selling and administrative expenses	22,840	19,270	423	489

As at 31 December 2014, actuarial gains (losses), which were recognised in other comprehensive income of the Company and its subsidiaries, amounted to Baht 16 million (2013: Baht 27 million (Restated)) (The Company only: Baht (4) million and 2013: Baht 6 million (Restated)).

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

(UNIT: THOUSAND BAHT)

CONSOLIDATED FINANCIAL STATEMENTS		
	2014	2013
<b>Fair value of plan assets at beginning of year</b>	288,413	249,825
Expected return	5,134	4,597
Contributions	23,988	31,414
Benefits paid during the year	(10,560)	(6,827)
Actuarial gains (losses)	1,424	(1,365)
Translation adjustments	(15,370)	10,769
<b>Fair value of plan assets at end of year</b>	<b>293,029</b>	<b>288,413</b>

The above plan asset of an overseas subsidiary is a deposit at an overseas financial institution.

Principal actuarial assumptions at the valuation date were as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.5 - 6.8	1.8 - 5.7	4.5	4.5
Future salary increase rate (depending on age)	3.0 - 6.0	3.0 - 6.0	6.0	6.0
Staff turnover rate	0.4 - 9.0	1.8 - 7.5	9.0	2.0

The amounts of defined benefit obligation and experience adjustments for the current year and the past four years 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 2014	129,541	106,611	(25,305)	(5,158)
Year 2013	145,060	85,916	(22,384)	(1,454)
Year 2012	199,209	77,013	8,154	8,154
Year 2011	64,383	45,010	(56)	(56)
Year 2010	36,736	36,736	8,967	8,967

## 27. 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.

\* On 13 March 2014, the Company readjusted the exercise ratio and exercise price of warrants (CCET-WA) to a ratio of 1 warrant to 1.04 new ordinary shares at an exercise price of Baht 2.69 per share.

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 2014, the Company and its subsidiaries recorded expenses of the Employee Stock Option Plan (CCET-WA) plan amounting to Baht 25 million (the Company only: Baht 6 million) (2013: Baht 26 million, the Company only: Baht 6 million) as personnel expenses. As at 31 December 2014, the Company has capital reserve for share-based payment was Baht 56 million (2013: Baht 40 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 January 2014	1,100,000	3.08	4,086,378,192	22 January 2014
Exercise in April 2014	140,000	0.39	4,086,523,792	21 April 2014
Exercise in July 2014	850,000	2.38	4,250,862,876	18 July 2014
Exercise in October 2014	21,657,000	60.59	4,273,386,156	15 October 2014
	23,747,000	66.44		

As at 31 December 2014, there are no warrants remained unallocated (2013: 69 million warrants).

## 28. 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.

## 29. EXPENSES BY NATURE

Significant expenses classified by nature are as follow:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Salaries and wages and other employee benefits	8,019,422	5,898,216	2,324,092	1,456,503
Depreciation	2,216,353	2,283,896	1,019,458	909,423
Amortisation expenses	21,675	81,592	-	-
Loss on impairment of goodwill	4,816	-	-	-
Loss on impairment of investments	-	25,535	-	780,633
Exchange (gain) loss	585,075	571,785	52,188	39,588
Rental expenses from operating lease agreements	275,593	257,311	1,073	744
Raw materials and consumables used	122,854,985	109,672,162	64,267,625	54,636,162
Changes in inventories of finished goods and work in progress	(140,931)	1,121,642	(202,016)	80,847

### 30. 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.

Income tax expense of the Company and its subsidiaries for the years ended 31 December 2014 and 2013 are as follows:

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
<b>Current income tax:</b>				
Current income tax charge	167,520	44,212	9,708	3,805
Adjustment in respect of income tax of previous year				
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(14,775)	35,521	3,291	(4,015)
<b>Income tax expenses reported in profit or loss</b>	<b>152,745</b>	<b>79,733</b>	<b>12,999</b>	<b>(210)</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2014 and 2013 are as follows:

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Deferred tax relating to				
Gain on changes in value of available-for-sale investments	(12,416)	(761)	(12,416)	(761)
Actuarial gains (losses)	(9,882)	(708)	(901)	712
	<b>(22,298)</b>	<b>(1,469)</b>	<b>(13,317)</b>	<b>(49)</b>

The reconciliation between accounting profit and income tax expense is shown below.

(UNIT: MILLION BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
Accounting profit before tax	1,212	195	1,804	482
Applicable tax rate	17 - 41%	10 - 30%	20%	20%
Accounting profit before tax multiplied by income tax rate	530	285	360	96
Effect of promotional privileges (Note 31)	(371)	(178)	(371)	(178)
Increase in deferred tax assets	(15)	36	3	(4)
Others	9	(63)	21	86
Income tax expense reported in profit or loss	153	80	13	-

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

(UNIT: THOUSAND BAHT)

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		(Restated)		(Restated)
<b>Deferred tax assets</b>				
Actuarial losses	4,950	14,643	-	712
Others	26,688	11,036	3,280	6,571
Total	31,638	25,679	3,280	7,283
<b>Deferred tax liabilities</b>				
Surplus on changes in value of available-for-sale investments	12,779	363	12,779	363
Accumulated depreciation - Machinery	75,061	77,065	-	-
Others	2,325	2,611	189	-
Total	90,165	80,039	12,968	363

As at 31 December 2014, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 2,822 million (2013: Baht 2,387 million (Restated)). No deferred tax assets have been recognised on these amounts 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.

### 31. PROMOTIONAL PRIVILEGES

The Company has received promotional privileges from the Board of Investment, for the manufacture of electronics and electronics equipment. Under certain significant conditions, the significant privileges of the Company are summarised 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 Exemption of import duty on machinery as approved by the board.	Granted	Granted	Granted	Granted	Granted
2.3 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)
2.4 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
2.5 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 ended 31 December 2014 and 2013, divided between promoted and non-promoted operations, are summarised below.

(UNIT: MILLION BAHT)

	PROMOTED OPERATIONS		NON-PROMOTED OPERATIONS		TOTAL	
	2014	2013	2014	2013	2014	2013
		(Restated)		(Restated)		(Restated)
Sales						
Domestic sales	10,291	11,894	181	2,115	10,472	14,009
Export sales	57,140	38,104	2,489	6,775	59,629	44,879
Total sales	67,431	49,998	2,670	8,890	70,101	58,888

## 32. 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. The number of ordinary shares of the prior period used for the calculation, as presented for comparative purposes, has been adjusted in proportion to the change in the number of shares as a result of the distribution of the stock dividends provided to shareholders totaling 163.5 million shares as a result of the resolution from the Annual General Meeting of the Company's shareholders held on 25 April 2014 as described in Note 35, as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported.

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.

The following table sets forth the computation of basic and diluted earnings per share:

CONSOLIDATED FINANCIAL STATEMENTS						
	PROFIT FOR THE YEAR		WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES		EARNINGS PER SHARE	
	2014	2013	2014	2013	2014	2013
	(Thousand Baht)	(Thousand Baht) (Restated)	(Thousand shares)	(Thousand shares) (Restated)	(Baht)	(Baht) (Restated)
<b>Basic earnings per shares</b>						
Profit attributable to equity holders of the Company	1,059,459	114,876	4,255,395	4,246,710	0.25	0.03
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (CCET-WA)	-	-	12,462	26,288		

## CONSOLIDATED FINANCIAL STATEMENTS

	WEIGHTED AVERAGE					
	PROFIT FOR THE YEAR		NUMBER OF ORDINARY SHARES		EARNINGS PER SHARE	
	2014	2013	2014	2013	2014	2013
	(Thousand Baht)	(Thousand Baht) (Restated)	(Thousand shares)	(Thousand shares) (Restated)	(Baht)	(Baht) (Restated)
<b>Diluted earnings per shares</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	1,059,459	114,876	4,267,857	4,272,998	0.25	0.03

## SEPARATE FINANCIAL STATEMENTS

	WEIGHTED AVERAGE					
	PROFIT FOR THE YEAR		NUMBER OF ORDINARY SHARES		EARNINGS PER SHARE	
	2014	2013	2014	2013	2014	2013
	(Thousand Baht)	(Thousand Baht) (Restated)	(Thousand shares)	(Thousand shares) (Restated)	(Baht)	(Baht) (Restated)
<b>Basic earnings per shares</b>						
Profit attributable to equity holders of the Company	1,790,521	482,056	4,255,395	4,246,710	0.42	0.11
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (CCET-WA)	-	-	12,462	26,288		
<b>Diluted earnings per shares</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	1,790,521	482,056	4,267,857	4,272,998	0.42	0.11

### 33. 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 and total assets in the financial statements.

The basis of accounting for any transactions between reportable segment is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the year ended 31 December 2014 and 2013, respectively.

(UNIT: MILLION BAHT)

FOR THE YEAR ENDED 31 DECEMBER 2014					
	COMPUTER PERIPHERAL	TELECOM- MUNICATION PRODUCTS	TOTAL REPORTABLE SEGMENTS	ELIMI- NATIONS	CONSO- LIDATED
<b>Revenue</b>					
Revenues from external customers	94,300	46,758	141,058	-	141,058
Inter-segment revenue	45,102	9,394	54,496	(45,241)	9,255
<b>Total revenue</b>	<b>139,402</b>	<b>56,152</b>	<b>195,554</b>	<b>(45,241)</b>	<b>150,313</b>
<b>Results</b>					
<b>Segment profit</b>	<b>4,733</b>	<b>1,121</b>	<b>5,854</b>	<b>-</b>	<b>5,854</b>
Interest revenue					51
Other income					362
Loss on financial derivatives					(4)
Depreciation and amortisation					(2,238)
Administrative expenses					(2,310)
Loss on impairment of assets					(5)
Share of loss from investments in associates					(80)
Finance cost					(418)
<b>Profit before income tax expenses</b>					<b>1,212</b>
Income tax expenses					(153)
<b>Profit for the year</b>					<b>1,059</b>

(UNIT: MILLION BAHT)

## FOR THE YEAR ENDED 31 DECEMBER 2014

	TELECOM- COMPUTER PERIPHERAL	MUNICIPATION PRODUCTS	REPORTABLE SEGMENTS	ELIMI- NATIONS	CONSO- LIDATED
Property, plant and equipment	16,418	1,171	17,589	(57)	17,532
Unallocated assets					54,202
<b>Total assets</b>					<b>71,734</b>

(UNIT: MILLION BAHT)

## FOR THE YEAR ENDED 31 DECEMBER 2013 - RESTATED

	TELECOM- COMPUTER PERIPHERAL	MUNICIPATION PRODUCTS	REPORTABLE SEGMENTS	ELIMI- NATIONS	CONSO- LIDATED
<b>Revenue</b>					
Revenues from external customers	98,526	21,478	120,004	-	120,004
Inter-segment revenue	23,105	11,873	34,978	(33,474)	1,504
<b>Total revenue</b>	<b>121,631</b>	<b>33,351</b>	<b>154,982</b>	<b>(33,474)</b>	<b>121,508</b>
<b>Results</b>					
<b>Segment profit</b>	<b>4,096</b>	<b>769</b>	<b>4,865</b>	<b>-</b>	<b>4,865</b>
Interest revenue					18
Other income					277
Loss on financial derivatives					(2)
Depreciation and amortisation					(2,365)
Administrative expenses					(2,258)
Loss on impairment of assets					(24)
Share of loss from investments in associates					(10)
Finance cost					(306)
<b>Profit before income tax expenses</b>					<b>195</b>
Income tax expenses					(80)
<b>Profit for the year</b>					<b>115</b>

(UNIT: MILLION BAHT)

## AS AT 31 DECEMBER 2013 - RESTATED

	TELECOM- COMPUTER PERIPHERAL	MUNICIPATION PRODUCTS	REPORTABLE SEGMENTS	ELIMI- NATIONS	CONSO- LIDATED
Property, plant and equipment	15,727	1,196	16,923	(57)	16,866
Unallocated assets					45,289
<b>Total assets</b>					<b>62,155</b>



## Geographic information

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

(UNIT: MILLION BAHT)

	2014	2013
		(Restated)
Revenue from external customers		
Thailand	40,339	44,659
British Virgin	52,626	28,197
The People's Republic of China	12,911	16,315
Brazil	16,933	14,537
Malaysia	12,291	10,902
Philippines	10,265	3,309
Others	4,948	3,589
Total	150,313	121,508
Non-current assets (other than financial instruments, deferred tax assets and net defined benefit assets)		
Thailand	9,741	7,191
The People's Republic of China	4,599	4,704
Brazil	1,682	1,897
Malaysia	818	869
Others	1,468	3,018
Total	18,308	17,679

## Major customers

For the year 2014 and 2013, the Company and its subsidiaries have revenue from two major customers in amount of Baht 18,832 million and Baht 17,264 million (2013: Baht 27,606 million (Restated) and Baht 12,779 million (Restated)), arising from sales by the computer peripheral and telecommunication products segments.

## 34. 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 2014, the Company contributed Baht 1 million (2013: Baht 1 million (Restated)) to the fund.

### 35. DIVIDENDS

DIVIDENDS	APPROVED BY	TOTAL DIVIDENDS	DIVIDEND PER SHARE
		(Million Baht)	(Baht)
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	
Stock dividends for 2013	Annual General Meeting of the shareholders on 25 April 2014	163	0.04
Interim dividends for 2014	Board of Directors' meeting on 11 August 2014	340	0.08
Total for 2014		503	

### 36. COMMITMENTS AND CONTINGENT LIABILITIES

#### 36.1 Capital commitments

As at 31 December 2014, the Company and its subsidiary had outstanding commitments of Baht 203 million, USD 1 million and JPY 262 million, relating to the construction of factory building and acquisition of machinery (2013: Baht 372 million).

#### 36.2 Operating lease commitments

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

	(UNIT: MILLION BAHT)	
	AS AT 31 DECEMBER	
	2014	2013
Payable:		(Restated)
In up to 1 year	223	158
In over 1 to 5 years	248	76

#### 36.3 Other commitments

As at 31 December 2014 and 2013, the Company had outstanding commitment of TWD 30 million and PHP 2 million in respect of uncalled portion of investments in two subsidiaries.

#### 36.4 Agreements for hire of production of molds

As at 31 December 2014, the Company had outstanding commitments of Baht 4 million and USD 8 million with overseas suppliers in respect of agreements for hire of production of molds (2013: Baht 10 million, USD 2 million, TWD 6 million and SGD 3 million).

### 36.5 Guarantees

As at 31 December 2014, there were outstanding bank guarantees of approximately Baht 249.6 million, USD 1.1 million, EUR 0.5 million, MXN 0.5 million and MYR 0.5 million (2013: Baht 268 million and EUR 0.5 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.

## 37. FINANCIAL INSTRUMENTS

### 37.1 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 2014

#### 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	245	1,445	119	1,809	0.1 - 4.6
- Current investments	-	-	38	38	-
- Trade and other receivables	-	-	35,335	35,335	-
- Restricted bank deposits	-	29	-	29	1.4 - 2.5
	245	1,474	35,492	37,211	

(UNIT: MILLION BAHT)

AS AT 31 DECEMBER 2014

## CONSOLIDATED FINANCIAL STATEMENTS

	FIXED INTEREST RATES WITHIN 1 YEAR	FLOATING INTEREST RATE	NON- INTEREST BEARING	TOTAL	INTEREST RATE
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	13,024	-	13,024	1.0 - 3.4
- Trade and other payables	-	-	34,658	34,658	-
- Long-term loans	-	5,933	-	5,933	1.6 - 1.7
	-	18,957	34,658	53,615	

(UNIT: MILLION BAHT)

AS AT 31 DECEMBER 2013 (RESTATED)

## 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	-	3,404	124	3,528	0.1 - 1.0
- Current investments	63	-	68	131	0.6 - 3.3
- Trade and other receivables	-	-	25,514	25,514	-
- Restricted bank deposits	-	28	-	28	0.4 - 2.3
	63	3,432	25,706	29,201	
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	20,536	-	20,536	0.9 - 3.8
- Trade and other payables	-	-	23,791	23,791	-
- Long-term loans	-	840	-	840	1.5 - 1.9
	-	21,376	23,791	45,167	



(UNIT: MILLION BAHT)

AS AT 31 DECEMBER 2014

## 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	1	229	-	230	0.4 - 1.1
- Trade and other receivables	-	-	19,327	19,327	-
- Short-term loans to related parties	-	-	984	984	-
	1	229	20,311	20,541	
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	11,787	-	11,787	1.4 - 3.1
- Trade and other payables	-	-	15,991	15,991	-
	-	11,787	15,991	27,778	

(UNIT: MILLION BAHT)

AS AT 31 DECEMBER 2013 (RESTATED)

## 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	-	209	-	209	0.1 - 1.0
- Current investments	1	-	-	1	0.8 - 1.6
- Trade and other receivables	-	-	21,161	21,161	-
- Short-term loans to related parties	-	-	327	327	-
- Long-term loans to related parties	114	-	981	1,095	0.0 - 1.3
	115	209	22,469	22,793	
<b>Financial liabilities</b>					
- Short-term loans from financial institutions	-	14,057	-	14,057	1.4 - 3.4
- Trade and other payables	-	-	11,327	11,327	-
	-	14,057	11,327	25,384	

## 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	
	2014	2013	2014	2013	2014	2013
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency units)	
<u>Due within 1 year</u>						
USD	784	653	911	708	32.96	32.81
JPY	166	1,096	20	870	0.27	0.31
SGD	-	1	-	-	24.90	25.88

Foreign exchange contracts outstanding are summarised below.

AS AT 31 DECEMBER 2014					
FOREIGN CURRENCY	BOUGHT AMOUNT	SOLD AMOUNT	CONTRACTUAL EXCHANGE RATE		CONTRACTUAL MATURITY DATE
			BOUGHT	SOLD	
	(Million)	(Million)			
<u>The Company</u>					
USD	71	-	-	1 USD against 33 Baht	January 2015
<u>Subsidiary</u>					
Baht	-	1,320	-	33 Baht against USD	January - February 2015

AS AT 31 DECEMBER 2013					
FOREIGN CURRENCY	BOUGHT AMOUNT	SOLD AMOUNT	CONTRACTUAL EXCHANGE RATE		CONTRACTUAL MATURITY DATE
			BOUGHT	SOLD	
	(Million)	(Million)			
<u>The Company</u>					
USD	40	-	-	1 USD against 33 Baht	January - February 2014
<u>Subsidiary</u>					
BRL	63	221	2.38 BRL against USD	2.33 - 2.38 BRL against USD	January - February 2014
JPY	693	693	102 - 103 JPY against USD	105 JPY against USD	January 2014
Baht	-	826	-	33 Baht against USD	February 2014

## 37.2 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.

## 38. 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 2014, the Group's debt-to-equity ratio was 3.34:1 (2013: 2.97:1 (Restated)) and the Company's was 1.53:1 (2013: 1.53:1 (Restated)).

## 39. EVENT AFTER THE REPORTING PERIOD

39.1 On 9 January 2015, the warrant holders exercised their rights (CCET-WA) to purchase ordinary shares of 14,032,000 warrants at an exercise price of Baht 2.69 each, totaling Baht 39,255,923. The Company registered the change in its paid-up capital from Baht 4,273,386,156 to Baht 4,287,979,436 with the Ministry of Commerce on 15 January 2015.

39.2 On 25 February 2015, a meeting of the Board of Directors of the Company approved the reduction of the Company's registered capital by Baht 44 due to the cancellation of reserved shares for stock dividend allotment in prior year which will change in its registered share capital from Baht 4,448,702,440 to Baht 4,448,702,396.

39.3 On 25 February 2015, 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 2015 to adopt a resolution to pay stock dividend in respect of the operating results for the year ended 31 December 2014, in the total amount not exceeding Baht 202,211,745 in a ratio of 1 dividend share for every 22 existing shares and approved the increase in the registered share capital from Baht 4,448,702,396 to be newly share capital of Baht 4,650,914,141 through the issue of 202,211,745 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.

Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

39.4 On 25 February 2015, a meeting of the Board of Directors of the Company approved the allotment of warrants under Employee Stock Option Plan (ESOP-WB) to employees of the Company and its subsidiaries for 200,000,000 units with a three year validity.

## 40. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's authorised director on 25 February 2015.

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



# C C E T

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