

SET TICKER : CCET
TWSE TICKER : 9105



Annual Report 2016



Cal-Comp Electronics (Thailand)
Public Company Limited

CONTENTS



1	Financial Highlights
2	2016 Message from The Board of Directors
9	Board of Directors
13	General Information
14	Shareholding Structure and Management
15	Capital Structure
20	The Group Structure of The Company
23	Nature of Business Operation
26	Industry and Market Competition
34	Risk Factor
36	Management Structure
43	Corporate Governance
49	Related Party Transactions
51	The Amount and Outstanding Balance of The Related Party Transactions
69	Audit Committee Report 2016
71	Internal Control
72	Directors' Reporting
73	Social and Environment Responsibilities
76	Management Discussion and Analysis
79	Analysis of Performance
81	Independent Auditor's Report
84	Financial Statements
92	Note to Consolidated Financial Statements

FINANCIAL HIGHLIGHTS

BALANCE SHEET SUMMARY	2016	2015	2014
Cash and cash equivalents	3,839,016,064	3,923,923,727	1,808,741,825
Trade and other receivables	21,584,455,437	30,796,299,869	35,335,327,818
Inventories	10,436,738,352	11,805,098,540	14,506,707,263
Total current assets	37,083,134,215	47,859,883,303	53,410,702,908
Investment	1,042,581,076	824,023,937	444,564,018
Property, plant and equipment	16,669,756,255	16,997,545,194	17,531,526,023
Total assets	55,262,450,808	66,048,606,504	71,734,120,327
Short-term loan from financial institutions	7,634,814,386	14,859,876,137	13,023,831,033
Trade and other payables	22,034,661,541	25,409,419,100	34,657,845,399
Total current liabilities	33,012,082,369	41,372,904,629	49,057,497,752
Non-current liabilities	4,080,283,657	6,703,133,932	6,136,809,967
Total liabilities	37,092,366,026	48,076,038,561	55,194,307,719
Registered capital	4,756,390,249	4,756,390,249	4,448,702,440
Paid-up capital	4,552,093,575	4,552,093,575	4,273,386,156
Retained earnings	10,544,910,429	9,899,798,451	8,886,559,244
Total shareholders' equity	18,170,084,782	17,972,567,943	16,539,812,608
PROFIT & LOSS STATEMENT SUMMARY	2016	2015	2014
Sales	107,392,814,113	149,408,904,134	150,312,644,039
Total revenues	108,723,890,430	150,605,737,381	150,726,049,014
Cost of sales	101,247,588,831	141,738,394,578	144,091,395,157
Selling and administrative expenses	4,635,624,694	4,495,488,791	4,335,390,141
Total expense	106,745,283,424	148,498,652,534	149,015,500,989
Net profit	1,125,682,721	1,544,685,901	1,059,458,557
KEY FINANCIAL RATIOS	2016	2015	2014
Liquidity Ratios			
Current Ratio (times)	1.12	1.16	1.09
Quick ratio (times)	0.80	0.86	0.79
Collection period (days)	88	80	73
Inventory turnover (days)	40	33	35
Payment period (days)	84	76	73
Cash cycle (days)	43	37	35
Profitability Ratios			
Gross profit margin (%)	5.72	5.13	4.14
Operating profit margin (%)	1.40	2.13	1.25
Net profit margin (%)	1.04	1.03	0.70
Return on equity (%)	6.23	8.95	6.58
Efficiency Ratios			
Return on total assets (%)	1.86	2.24	1.58
Return on fixed assets (%)	20.33	20.53	18.81
Total assets turnover (times)	1.77	2.17	2.25
Leverage Ratios			
Total liabilities / Total equity	2.04	2.67	3.34
Interest coverage Ratio (times)	3.95	4.15	3.90
Information on Shares (Baht)			
Book value per share	3.99	3.95	3.87
Earnings per share	0.26	0.34	0.24
Dividend per share	0.10	0.13	0.13

2016 MESSAGE FROM THE BOARD OF DIRECTORS



Rock Hsu

MR. HSU, SHENG-HSIUNG
Chairman



Shen

MR. SHEN, SHYH-YONG
Vice Chairman

The global economy has entered its sixth year of stagnation, and the growth outlook for 2017 shows a continuation of several worrisome prospects that put further downward pressures on the global economic trend throughout year 2016. According to IMF, the global growth was projected to 3.1 percent in 2016 and is expecting a recovering to 3.4 percent in 2017. Nonetheless, the forecast has then revised down by 0.1 percentage point for 2016 and 2017 in relative to the occasions in June's U.K. vote in favor of leaving the European Union (Brexit), and the global impacts among industry sectors after the election of the new US president, and as well ongoing uncertainties of political concerns continuing through the change of new ruling parties in countries like Taiwan, Thailand, Philippines, and in USA with an impact seemingly shall extend to a global level in 2017.

Although the world is yet surrounded with variable uncertainties, the innovation of technologies has never stop evolving and developing over the years. More to that, businesses are continuing prepare for more disruptions from geopolitical tension, policy uncertainty, financial market volatility, and to stay focused on leveraging the qualitative sources of growth with investment in technology and business productivity even-or especial in times of stagnation.

For the Company, there is no doubt that year 2016 was as predicted influencing by worldwide economic downturn and political uncertainties, however, the Company's global strategies have continuing taken into effect and the Company has continuing proudly enhance and present its ODM products during year 2016. Overall, the Company is still able to have improvement in the net profit margin and reach annual sales revenue at Baht 107 billion in year 2016!

Over the years, automation has been one of the Company's continuing efforts aiming to achieve its maximum production efficiency as well as best effort in its quality control! In additional, through the strategy of supply chain vertical integration in the earlier years and up to the implementation of big data practice onto the factory production process in the recent years, all and all have creating the Company a great competitive value among its competitors! The management of the Company is gladly to announce that while the concept of Industry 4.0 has been talking and promoting among industries in recent years, it has already been implement and been practice long within the Company sites even much more earlier years ahead!

Meanwhile, after 3 years of in depth cultivating in the 3D printer industry, the Company's first ODM brand XYZprinting has now owning up to 600 patents and receives numerous awards worldwide with more high level models to be launched in the following year! Moreover, XYZprinting has ranked as Number One in terms of worldwide shipments for the 2nd consecutive year since FY2015 and is still expecting to expand its market position with the new launched of high end product sectors in the new coming year!

Overlook 2017, the Company shall continuing in enhancing in its ODM products including its SOC products in semiconductor industry, 3D printers and applications, smart devices, IOT products in beauty industry as well as other advance technology products like robotic equipment and industrial automation products in the following year. Other than above, the Company is still expecting to expand its business market position in its OEM and EMS business including PCBAs among varies of product sectors, SSD products, telecommunication products which shall further extend to the smart home gateway products, as well as the continuing expansion in the plastic injection and tooling business.

The Board has firm believe that the Company has positioned a solid fundamental through global expansion and vertical integration strategies over the years, and the Board is pleased to inform that the continuing firm reputation for its ODM/EMS market position and the Company's own innovative products shall brings the Company towards another milestone in the foreseen year. On behalf of the Board, we would like to show our deepest gratitude to the management team and all of our staffs for their unrelenting efforts to visualize and to accomplish the countless missions so the Company can steadily march toward its next goal. The Board would also like to extend our highest appreciation to our valuable customers, suppliers, partners, banks, government authorities and shareholder for their beliefs and confidence to the Company all these years, and that we are honored to serve as the Board of the Company together with our continual firm commitments to bring the Company step forward to the next era and onward!

CORPORATE SOCIAL RESPONSIBILITIES









GLOBAL

MANUFACTURING BASE

CAL-COMP ELECTRONICS (THAILAND) PCL.



PRODUCT DIVERSITY

CAL-COMP ELECTRONICS (THAILAND) PCL.



BOARD OF DIRECTORS

1. 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.
- 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 Communications (Suzhou) Co., Ltd.

Securities holding (As of December 31, 2016) :

Mr. Hsu, Sheng-Hsiung holds 19,161,090 shares and his spouse Mrs. Hsu, Tsai Li-Chu holds 17,283,768 shares.

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

2. 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.
- 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 • Director of Cal-Comp Precision (Malaysia) Sdn. Bhd.
- 2010-Present • Director 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 • CEO and Director of Cal-Comp Electronics (USA) Co., Ltd.
- 2011-Present • CEO and Director of Cal-Comp USA (Indiana), Inc.
- 2011-Present • CEO and Director of Cal-Comp USA (San Diego), Inc.
- 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 Electronics (Philippines) Inc.
- 2015-Present • Director of Dawning Leading Technology Inc.
- 2015-Present • Director of Cal-comp Holding (Brasil) S.A

- 2015-Present • Director of Cal-Comp Industria De Semicondutores S.A.
- 2015-Present • Vice Chairman of PChome (Thailand) Co., Ltd.
- 2015-Present • Chairman of XYZprinting (Thailand) Co., Ltd.
- 2016-Present • Chairman of CastleNet Technology Inc.
- 2016-Present • Chairman of Cal-Comp Big Data Inc.
- 2016-Present • Chairman of Cal-Comp Precision (Philippines) Ltd.
- 2016-Present • Director of QBit Semiconductor Ltd.
- 2016-Present • Director of QBit Semiconductor Holding, Ltd.

Securities holding (As of December 31, 2016) :

Mr. Shen, Shyh-Yong holds 19,399,459 shares, his spouse Mrs. Hsu, Yung-Hsu holds 1,380,075 shares, minor child Hsu, Hsin-Yu and Shen, Pei-Chi each hold TDR for 32,571 shares.

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

3. 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 • Director and Managing Director of Cal-Comp Electronics (Thailand) Plc.
- 2009-Present • Director of Cal-Comp Optical Electronics (Suzhou) Co., Ltd.
- 2009-Present • Director of Cal-Comp Electronics 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 • Director of Cal-Comp Electronics and Communications Co., Ltd.
- 2012-Present • Director of Cal-Comp Precision (Thailand) Ltd
- 2012-Present • Director and Managing Director of Cal-Comp Technology (Philippines), Inc.
- 2013-Present • Director of XYZprinting, Inc.
- 2014-Present • Director of Kinpo Electronics (Philippines) Inc.
- 2015-Present • Director of Cal-Comp Holding (Brasil) S.A
- 2015-Present • Director of Cal-Comp Industria De Semicondutores S.A.
- 2015-Present • Director of XYZprinting (Thailand) Co., Ltd.
- 2016-Present • Director of CastleNet Technology Inc.

Securities holding (As of December 31, 2016) : 1,522,181 shares.

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

4. 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.
- 1994-2015 • Supervisor of Compal Electronics, Inc.
- 2004-Present • Director of Cal-Comp Electronics and Communications Co., Ltd.
- 2015-Present • Director of Compal Electronics, Inc.

Securities holding (As of December 31, 2016) : 6,045,236 shares

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

5. MR. PAN HUNG-SHEN

Position : Director

Education : Master of Business Administration in Executive Management, Royal Roads University (Canada)
Electronics Engineering China University of Science and Technology (Taiwan)

Work Experience :

- 2014-Present • Director of Cal-Comp Electronics (USA) Co., Ltd.
- 2014-Present • Director of Cal-Comp USA (San Diego) Co., Ltd.
- 2014-Present • Director of Cal-Comp Electronics de Mexico Co. SA de CV
- 2015-Present • Senior Vice President of Kinpo Electronics, Inc.
- 2015-Present • Director of Cal-Comp Precision (Thailand) Ltd.
- 2015-Present • Director of Cal-Comp Precision (Dongguan) Ltd.
- 2015-Present • Director of Cal-Comp Holding (Brasil) S.A.
- 2016-Present • Vice Chairman and Chief Operating Officer of CastleNet Technology Inc.

Securities holding (As of December 31, 2016) : 1,032,909 Shares

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

6. MR.YU, SHIH-TUNG

Position : Director

Education : Master of Business Administration, Pacific Western University (USA)
Bachelor of Electronics Engineering, Oriental Institute of Technology (Taiwan)

Work Experience :

- 2012-2013 • Assistant Vice-President of Cal-Comp Electronics and Communications Co., Ltd.
- 2013-Present • Vice-President of Cal-Comp Electronics and Communications Co., Ltd.
- 2013-Present • Director of XYZprinting (Suzhou) Co., Ltd.
- 2016-Present • General Manager of XYZprinting (Thailand) Co., Ltd.
- 2016-Present • General Manager of XYZprinting Japan Inc.
- 2016-Present • Director of Cal-Comp Electronics (Thailand) PCL.

Securities holding (As of December 31, 2016) : 2,520,998 shares

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

7. 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 the Audit Committee at Cal-Comp Electronics (Thailand) PCL.
- 2008-Present • Principal at Libertas Company Limited
- 2012-2016 • Executive Director of Krungsri Asset Management Company Limited
- 2013-Present • Independent Director and Chairman of the Audit Committee at Mega LifeScience Public Company Limited
- 2013-Present • Director and Chairman of the Investment Committee at Nambawan Superannuation Fund Limited
- 2015-Present • Director at Cal-Comp Holdings (Brasil) S.A.
- 2016-Present • Chairman of the Board of Directors at Ticket Melon Company Limited

Securities holding (As of December 31, 2016) : 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)

8. MR. WILLIAM HANG MAN CHAO

Position	: Independent Director and Audit Committee
Education	: Master of Business Administration Major in Finance and Marketing University of Chicago, USA Bachelor of Science Major in Finance, Indiana University, USA
Work Experience	: 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

Securities holding (As of December 31, 2016) : None

IOD Program	: • Attended DAP Program of IOD, Class 74/2008. • Attended Director Certification Program (DCP), class 112/2009
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9. MR. THANASAK CHANYAPOON

Position	: Independent Director and Audit Committee
Education	: Master degree in laws (LL.M. , University of Cambridge, UK Master degree in laws (LL.M. in Business Laws), Chulalongkorn University Certificate on American and International Laws, Dallas, USA Bachelor degree in laws (LL.B. (Hons)), Chulalongkorn University
Work Experience	: 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, Hillcrest Management (Samui) Company Limited 2015-Present • Director, Cal-Comp Holding (Brasil) S.A 2016-Present • Director, Vana Nava Company Limited

Securities holding (As of December 31, 2016) : None

IOD Program	: Attended DAP Program of IOD, Class 73/2008
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GENERAL INFORMATION

GENERAL INFORMATION OF THE COMPANY

Industry/Sector	: Technology / Electronic Components
Company	: Cal-Comp Electronics (Thailand) Public Company Limited
Business	: Manufacturer for electronics products. Main products are computer peripheral and telecommunication products.
Security Code	: • SET Ticker: CCET TB • TWSE Ticker: 9105 TT
Head office	: 191/54, 191/57 18 th Fl., CTI Tower, Rachadapisek Road, Klongtoey, Bangkok 10110
Telephone	: 02-261-5033-36, 02-661-9381-83
Fax	: 02-661-9396
Home page	: http://www.calcomp.co.th
Registered number	: 0107543000023
Authorized Capital	: 4,756,390,249 Baht
Paid-up Capital	: 4,552,093,575 Baht as at Dec. 31, 2016
Par value	: 1 Baht
Dividend Policy	: The Company has the dividend policy to pay not less than 30% of its Company consolidated 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.
CCET location in Thailand	<p>(1) Samut Sakhon Factory 60 Moo 8, Sethakij Road, Tambon Klong Maduea, Amphoe Krathum Baen, Samut Sakhon, 74110, Thailand</p> <p>(2) Petchaburi Factory 138 Moo 4, Petchkasem, Tambon Sapang, Amphoe Koaw-Yoi, Petchaburi, 76140, Thailand</p> <p>(3) Branch at Nakhonratsima Province 44/4 Moo 9, Tambon Sungnoen, Amphoe Sungnoen, Nakhonratsima 30170, Thailand</p> <p>(4) Branch at Petchaburi Province 91 Moo 4, Tambon Sapang, Amphoe Koaw-Yoi, Petchaburi, 76140, Thailand</p>

Note : investors can find additional information of the company from F56-1 on www.sec.or.th

SHAREHOLDING STRUCTURE AND MANAGEMENT

List of top 10 shareholders as of December 31, 2016

GROUP OF SHAREHOLDERS	NATURE OF BUSINESS	NO. OF SHARES	% OF PAID UP CAPITAL
1. KINPO ELECTRONICS, INC. ⁽¹⁾	Manufacture of electronic products	1,839,526,249	40.41
2. FAR EASTERN INTERNATIONAL BANK ⁽²⁾	Depository of TDR	839,284,153	18.44
3. KINGBOLT INTERNATIONAL (SINGAPORE) PTE LTD. ⁽¹⁾	-	300,788,019	6.61
4. COMPAL ELECTRONICS, INC. ⁽³⁾	-	239,630,886	5.26
5. MR. CHERN KUAN-JAN	-	199,524,212	4.38
6. MR. VITHIT PONGPIRODOM	-	130,251,087	2.86
7. THAI NVDR COMPANY LIMITED	-	83,443,855	1.83
8. HSBC (SINGAPORE) NOMINEES PTE LTD	-	46,736,400	1.03
9. MRS. CHARASSRI PONGPIRODOM	-	45,100,000	0.99
10. KGI ASIA LIMITED	-	39,559,037	0.87
Total		3,763,843,898	82.68

Notes : ⁽¹⁾ Kinpo Electronics, Inc. and its 100% owned subsidiary ,Kingbolt International (Singapore) Pte Ltd., hold totally 2,140,314,268 shares or 47.02%.

⁽²⁾ The depository of underlying share of Taiwan Depository Receipts (TDR).

⁽³⁾ As of December 31, 2016, 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, 2016:

The registered capital : Baht 4,756,390,249, comprising 4,756,390,249 ordinary shares with the par value per share of Baht 1.

The paid-up capital : Baht 4,552,093,575, comprising 4,552,093,575 ordinary shares with the par value per share of Baht 1.

2. Taiwan Depository Receipts (TDRs)

As of December 31, 2016, there are 839,284,153 units of Taiwan Depository Receipts (TDRs) underlying 839,284,153 ordinary shares or 18.44% 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, 2016, none of TDR holders have redeemed their TDR to be the common stock.

3. Warrant

CCET-WB

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 July 2, 2015 with the code of CCET-WB. 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 July 2, 2016.

4. NVDR

As at December 31, 2016, there are 83,443,855 units of NVDRs of the Company, equivalent to 1.83% of the paid-up capital, underlying the same shares of ordinary share. The NVDR holders are entitled to the same rights of the underlying shares, but do not have the right to vote in the shareholders' meeting except in case of delisting. The ordinary shares will be used as the underlying for issuance of NVDRs. Consequently, the number of voting shares will decrease. Even the number of NVDRs is quite small; there may be some changes that the Company is not able to control.

INVESTMENTS

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

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

Cal-Comp Optical Electronics (Suzhou) Company Limited has a paid-up capital of USD 68.48 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.

2. Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.

Cal-Comp Electronics and Communications (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.

3. 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.

4. 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

5. 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.

6. 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 PTD37435 & PTD37436, Jalan Perindustrian 3, Kawasan Perindustrian Fasa 2, 81400 Senai, Johor, Malaysia

7. 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.

8. 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.

9. 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.

10. Cal-Comp Precision (Singapore) Ltd.

Cal-Comp Precision (Singapore) Ltd. has a paid-up capital of SGD 10.86 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.

11. Cal-Comp Precision (Thailand) Limited

Cal-Comp Precision (Thailand) Limited has a paid-up capital of Baht 2,210 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 No. 4 Moo 8, Sethakij Road, Tambon Klong Maduea, Amphoe Krathum baen, Samut Sakhon Province 74110.

12. 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.

13. 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 37435 & PTD 37436, Jalan Perindustrian 3, Kawasan Perindustrian Fasa 2, 81400, Senai, Johor, Malaysia.

14. Cal-Comp Precision (Dongguan) Co., Ltd.

Cal-Comp Precision (Dongguan) Co., Ltd. has a paid-up capital of USD 17.2 million, 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.

15. 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.

16. 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\$ 165.02 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 AV. Torquato Tapajos 7503, Galpao 1, Bairro Taruma, Manaus AM, Brazil CEP 69041-025

17. 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 9.5 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.

18. Cal-Comp Technology (Philippines), Inc.

Cal-Comp Technology (Philippines), Inc. has a paid-up capital of PHP 213 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.

19. Cal-Comp Holding (Brasil) S.A.

Cal-Comp Holding (Brasil) S.A. has a paid-up capital of R\$ 258.2 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 Minas de Prata, 30, 16^o andar, cj. 162 (altura da Av. Juscelino Kubitschek, 1700) Vila Olimpica, Sao Paulo Brazil CEP.: 04552-080

20. Cal-Comp Industria de Semicondutores S.A.

Cal-Comp Industria de Semicondutores S.A. has a paid-up capital of R\$ 75.08 million. The purpose of this investment is to expand the product line in semiconductor products in Brazil. The Company owned 58.03% of paid up capital of this Company indirectly through Cal-Comp Holding (Brasil) S.A.. The registered address is situated at Avenida Torquato Tapajos N.7503, Galpao 2, Modulo 19-Parte, Bairro Taruma, Manaus AM, Brazil CEP.: 69041-025

21. Cal-Comp Precision (Philippines) Ltd.

Cal-Comp Precision (Philippines) Ltd. has paid-up capital of PHP 853.96 million, operating as mould and plastic injection and running the business in Philippine, The Company owns 100% of this company indirectly through Cal-Comp Precision (Thailand) Ltd. The registered address is situated at LT.11Hy Dimacali Ave. Fpip II-SEZ STA. Anastacia Santo Tomas, Batangas, Philippines.

22. QBit Semiconductor Ltd.

QBit Semiconductor Ltd. has paid up capital of NT 162.5 million, operating as electronic components manufacturing and international trading, The Company owned 100% of this company. The registered address is situated at 10F., No.99, Sec.5, Nanjing E. Rd., Songshan District, Taipei City 105, Taiwan.

23. QBit Semiconductor Holding, Ltd.

Bit Semiconductor Holding, Ltd. has paid-up capital of USD 5 million, operating as a holding company to support investment in foreign countries. The Company owned 100% of this company. The registered address is situated at The Grand Pavilion Commercial Centre, Oleander Way, 802 West Bay Road, P.O. Box 32052, Grand Cayman KYI-1208, Cayman Islands.

24. Cal-Comp Big Data, Inc.

Cal-Comp Big Data Inc. has paid-up capital of NT 650 million, operating as machinery manufacturing and International Trading. the Company owned 50% of this company. The registered address is situated at No.147, Sec. 3, Beishen Rd., Shengkeng Dist., New Taipei City 222, Taiwan (R.O.C.)

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. PChome (Thailand) Co.,Ltd.

PChome (Thailand) Co., Ltd. has paid-up capital of THB 100 million, operating as a provider of E-commerce products and services. The Company owned 32.5% of paid up capital of PChome (Thailand) Co.,Ltd. and the registered address is situated at 191/54, 191/57 18th Fl., CTI Tower, Rachadapisek Road, Klongtoey, Bangkok 10110

27. 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.

28. Daviscomms (S) Pte Ltd.

Daviscomms (S) Pte Ltd. has paid up capital of USD 2,194,343, 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.

29. Metal Component Engineering Limited ("MCE")

Metal Component Engineering Limited is listed in Singapore Stock Exchange (SGX-ST) has a paid up capital SGD 21.64 million and running business in Singapore. The Company has invested in MCE in order to improve management efficiency and vertical integration. The Company owns 10.61% of paid up capital of MCE and the registered address is situated at 10, Ang Mo Kio Street 65, Techpoint, #04-02, Singapore 569059.

30. Kinpo Group Management Service Co., Ltd.

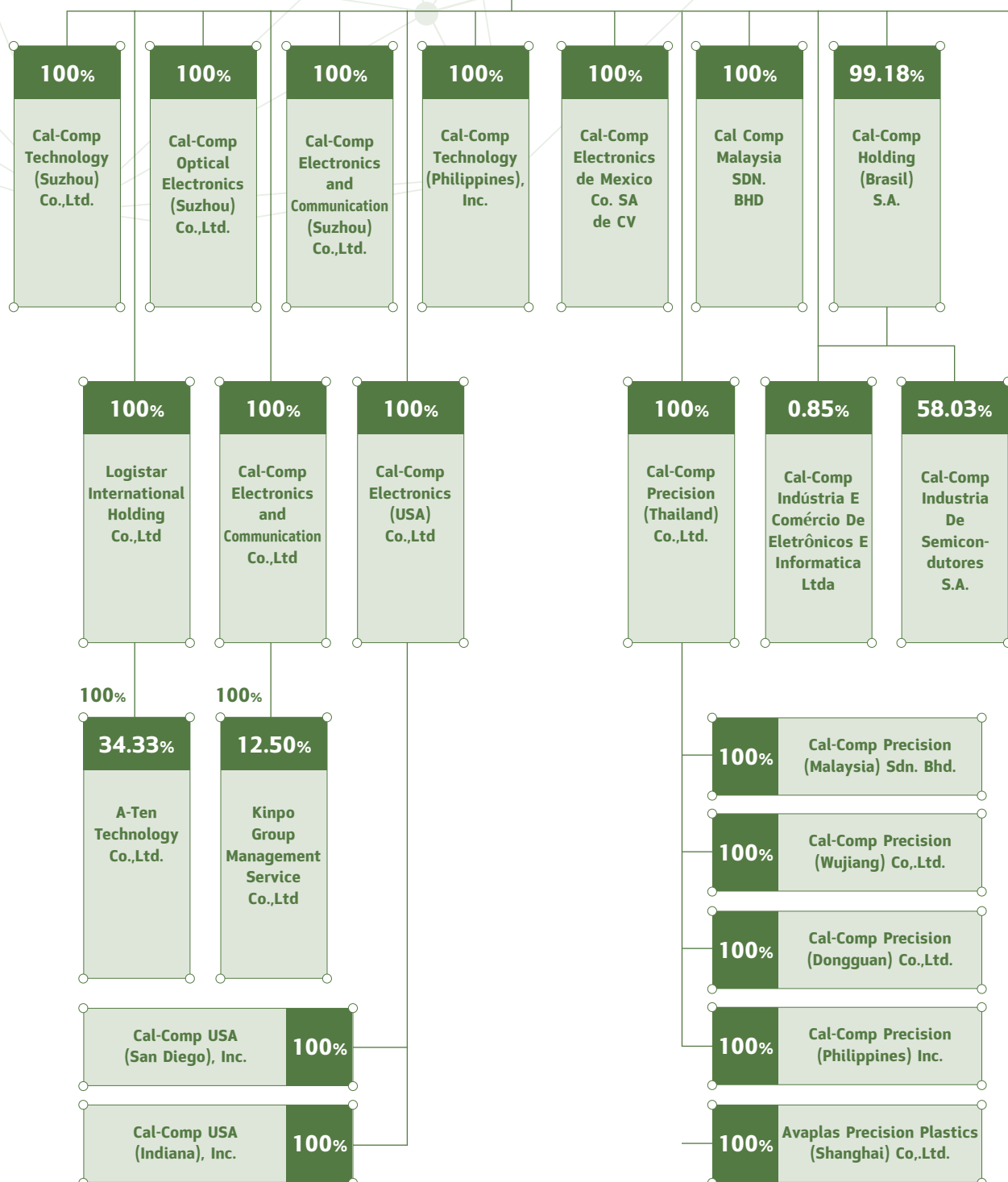
Kinpo Group Management Service Co., Ltd. has a paid-up capital of NTD 8 million, operating as a consultant company. The Company owns 12.5% of paid up capital indirectly through Cal-Comp Electronics and Communications Co., Ltd. and the registered address is situated at 10F., No.99, Sec.5, Nanjing E. Rd., Songshan District, Taipei City 105, Taiwan

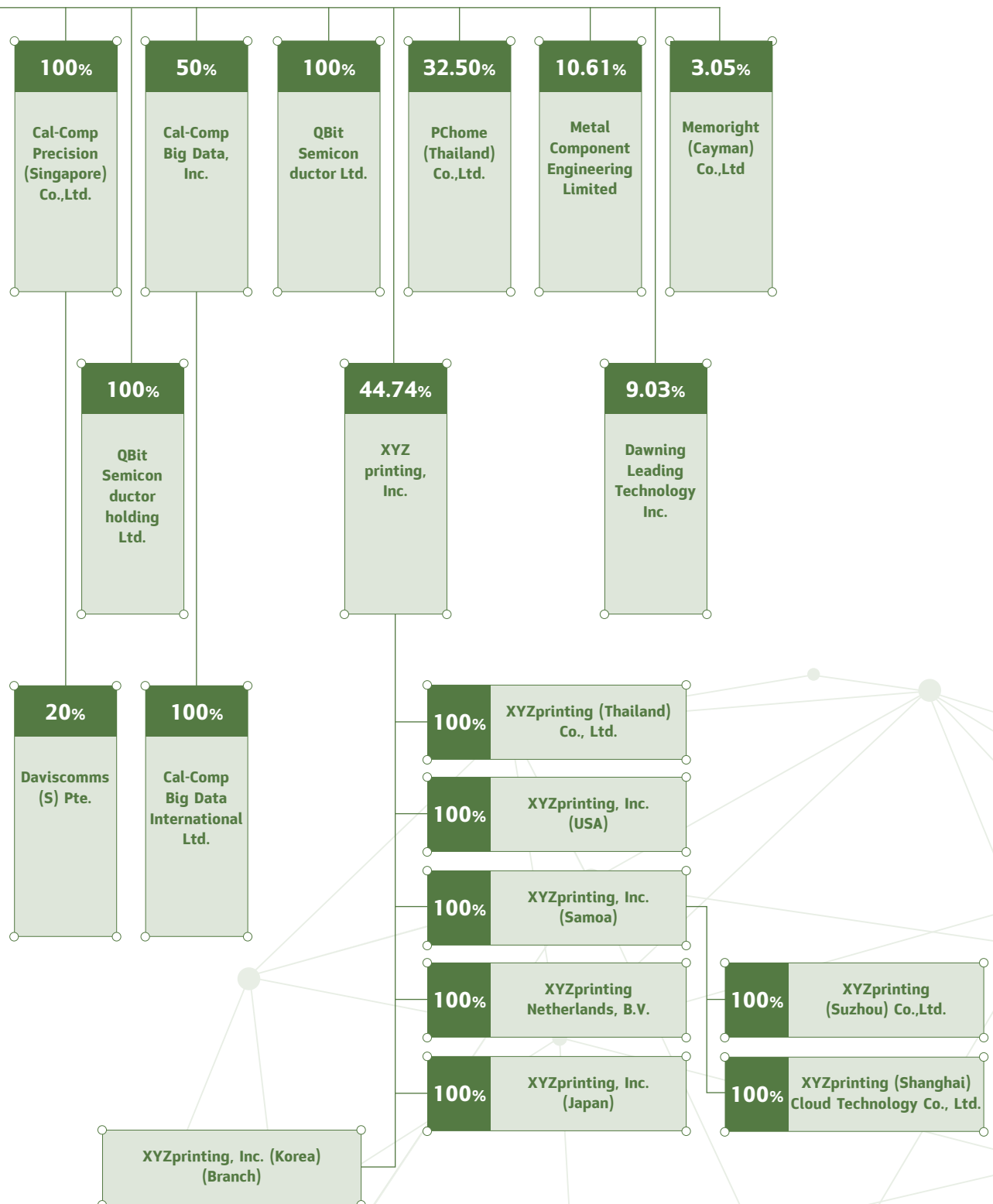


THE GROUP STRUCTURE OF THE COMPANY

as of 31 December 2016

CAL - COMP ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED





INVESTMENT POLICY AND BENEFITS DEVIVED 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 during 2010-2016 to leverage the low cost production and maintain the Company's competitive advantages while be able to address customer's need as well as the improving of vertical integration. As a result, the Company has expanded its customer base and operation scale to a world class EMS.

OTHER REFERENCE PARTIES

Shares and Warrants Registrar

: Thailand Securities Depository Co., Ltd.
93 The Stock Exchange of Thailand Building
Rachadapisek Road, Din Daeng, Bangkok 10400
Tel : (662) 009-9000
Fax : (662) 009-9991

Taiwan Depository Receipts (TDRs) Depository

: 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

Auditor

: Ms. Sumana Punpongsanon
Certified Public Accountant (Thailand) No. 5872
EY 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 4,756,390,249 and paid-up capital of Baht 4,552,093,575.

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, Huawei, Hewlett Packard, Konica Minolta, Ricoh, Panasonic, Lexmak, Humax, 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 2016, the Company has employees 20,977 globally, 1,196 in China, 15,221 in Thailand, 1,052 in Taiwan, 545 in Malaysia, 1,214 in Brazil, 671 in Mexico, 303 in USA, 69 in Singapore and 706 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. In addition, Cal-Comp Precision (Thailand) Limited was awarded investment tax privileges for plastic components of electronics products from BOI in which provided 3 tax incentive project as well.

INCOME STRUCTURE

Divisions	2014		2015		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Computer Peripheral	106,960	70.96	97,554	65.13	77,171	71.66
Telecommunication Products	43,353	28.76	51,855	34.62	30,221	28.06
Total sales	150,313	99.72	149,409	99.75	107,392	99.72
Other revenue	413	0.28	377	0.25	303	0.28
Total revenue	150,726	100.00	149,786	100.00	107,695	100.00

PRODUCTION VOLUME

(Unit : Thousand Units)

Description	2014		2015		2016	
	Number	%	Number	%	Number	%
Production volume						
• Computer Peripheral	292,851	90.80	241,101	91.00	217,988	92.58
• Telecommunication Products	29,674	9.20	23,851	9.00	17,475	7.42
Total	322,525	100.00	264,952	100.00	235,463	100.00

The production of the Company and its subsidiaries utilizes labor for 1 round per day (8 hours per round). Overall, the Company averagely utilizes 90% 84% and 75% of the full capacity for year 2014, 2015 and 2016, 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 2014-2016

The Company has purchased raw materials through local and overseas suppliers. Below is the Company's consolidated purchase amount in million baht during 2014-2016

Order	2014		2015		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic raw materials	21,639.43	15.47	15,610.45	11.42	12,871.78	12.97
Imported raw materials	118,211.26	84.53	121,053.96	88.58	86,396.80	87.03
Total	139,850.69	100.00	136,664.41	100.00	99,268.58	100.00

TYPES AND SOURCES OF ESSENTIAL MATERIALS

Materials for internal components

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

Materials for external components

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

MATERIAL	DESCRIPTION	SOURCE OF SUPPLY
Adapter and Cables	Electric cable and adaptors	Thailand, Malaysia, China
Case	Plastics and plastic components	Thailand, Singapore, Malaysia and China
Packaging	Paper box, Poly foam, Plastic bags, Plastic tapes and Tag.	Thailand and China

MATERIAL SUPPLIERS

Key components will be procured according to customer's specification. The major shareholders and affiliates may be also be 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 4 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 four 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. Allied Precision (Thailand) Co., Ltd.	Metal sheet
3. MCT (Thailand) Co., Ltd.	Metal sheet
4. Yiking Plastic Production Co., Ltd.	Plastic components

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 2016

- On May 12, 2016, the Company has joint investment in Cal-Comp Big Data, Inc. with Kinpo Electronics, Inc. in order to obtain commercial value via big data analysis and research. The Company has invested Baht 352 million approximately for 50% of the shareholding.
- On May 12, 2016, the Company has investment to newly established QBit Semiconductor Ltd. with paid-up capital of Baht 176 million aiming to expand into semiconductor business.
- On May 12, 2016, the Company has approved to amend the Company's dividend policy. The new dividend policy is to be as: "No less than 30% of the Company consolidated 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"
- On November 11, 2016, the Company has joint investment in XYZ Robot Inc. with Kinpo Electronics, Inc. in seeking to develop the business in robotics technology and products. The Company has invested Baht 142 million approximately for 50% of the shareholding.

INDUSTRY AND MARKET COMPETITION

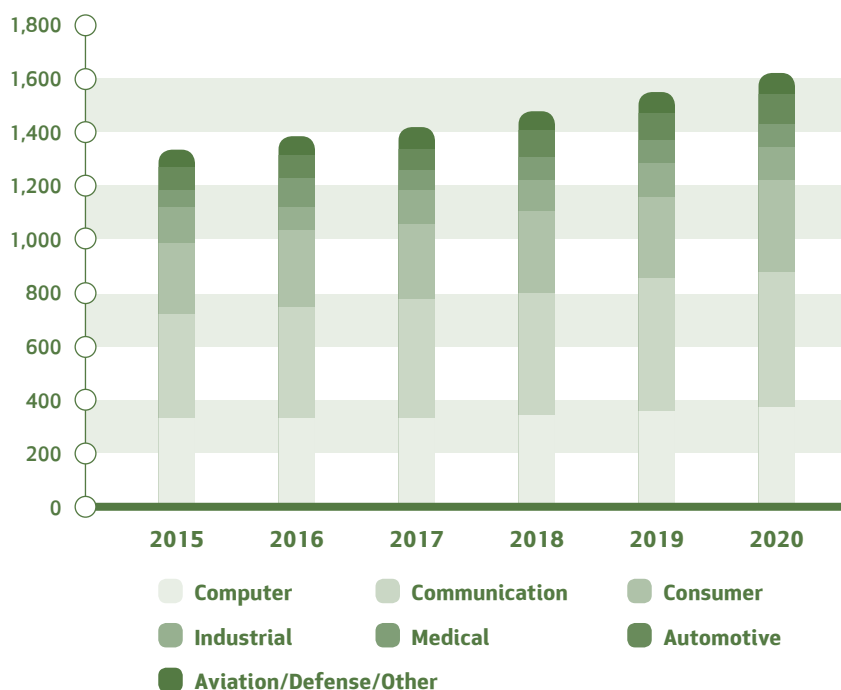
EMS INDUSTRY OVERVIEW

Thanks to the accelerated technology evolution over the years, new opportunities for Electronics Manufacturing Service (EMS) providers in the growing markets such as the emerging market of Internet of Things (IoT) in recent years.

Originating from Germany's concept of the Fourth Industrial revolution, manufacturers have to evolve their internal production process whiling reduce manufacturing costs to improve their competitiveness and to sustain their market position. As a result, EMS providers have seen the needs and necessities migrating to smart factory and robotic manufacturing in recent years. In future, EMS providers will have to be capable of flexibility, scalable manufacturing with smaller production runs with more dependency on automation and artificial intelligence.

According to 'The Worldwide Electronics Manufacturing Services Market - 2016 Edition' by New Venture Research (NVR), the worldwide EMS industry is a determining force in production of electronics products and has accounts for almost 40% of all assembly. NVR believes that the EMS industry has declined approximately 1.7% in 2015 and further in year 2016 as result of the slowing of sales for PCs (desktop and notebook). However, while the rate of growth for outsourcing is slowing, it still believes to represents the most desired manufacturing model for the assembly of electronics products available to OEM companies. NVR therefore estimates the total Electronics Assembly Value will expect to grow to approximately \$1.6 trillion in 2020 from \$1.3 trillion in 2015 with a CAGR of 4%. On the other hand, as fueled by the demand for EMS services derives from new technologies, the contract manufacturing industry is estimated to grow from \$430 billion in 2015 to \$580 billion in 2020 - approximately at a 6.2% CAGR.

THE WORLDWIDE MARKET FOR ELECTRONICS PRODUCT BY MARKET SEGMENT, (\$B)



Resource from : New Venture Research

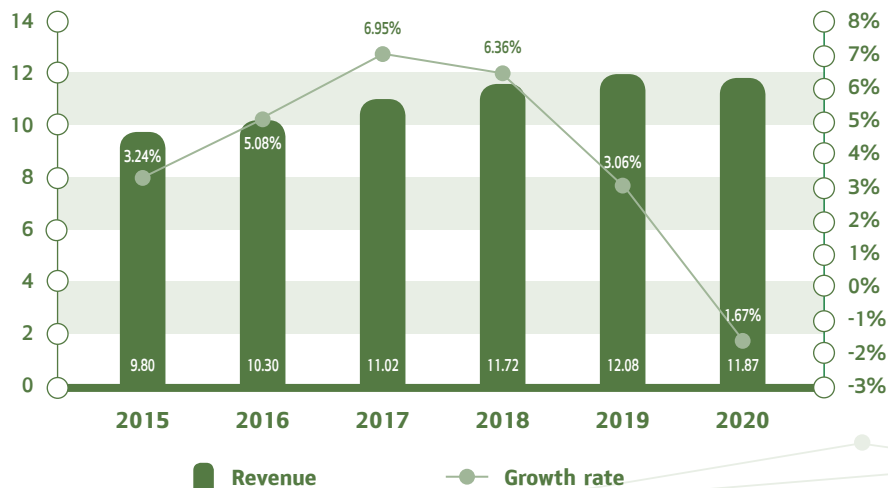
STB & INTERNET-CONNECTED DEVICES INDUSTRY OVERVIEW

According to the TMR report, the global set-top boxes market is projected to be valued at around US\$24 billion by the end of 2022 from its initial value of US\$16.6 billion in 2016, and is expected to progress at a CAGR of 6.4% within the forecast period of 2015 to 2022.

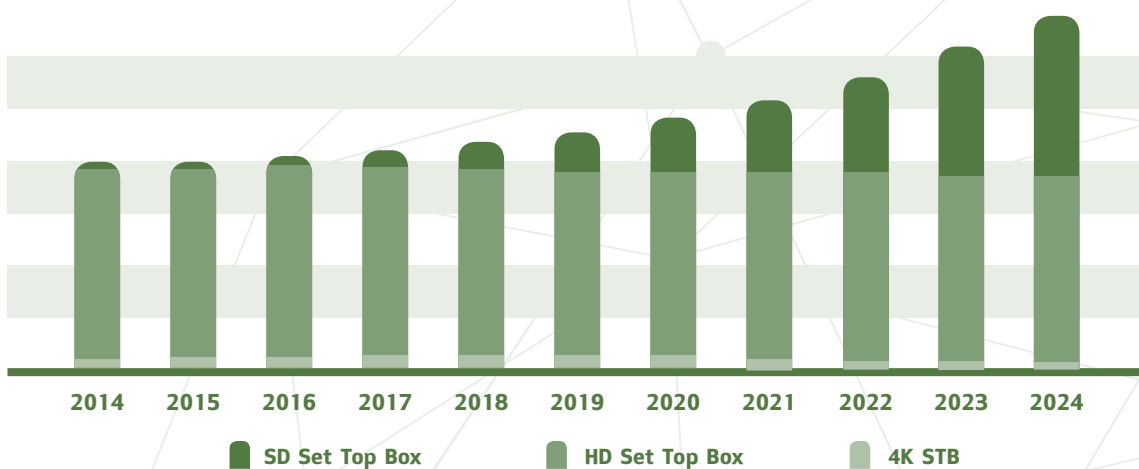
The demand for high definition (HD) devices has been instrumental in the growth of the market and the segment of HD set-top boxes is therefore expected to further grow during the following years. With improved resolution of video content transmission and enhanced audio output along with surround sound, the demand for Set-Top-Box (STB) delivering HD quality content has increased significantly over the years. In consider the heavy demand for HD quality content, sports and motion picture production companies are producing mainly high definition content, thereby pushing up the growth of the STB segment.

Furthermore, the Global 4K Set-top Box (STB) Market is poised to grow at a CAGR of around 3.6% over the next decade to reach approximately \$3.8 billion by 2025. Some of the prominent trends that the market is witnessing include high quality in home entertainment is fuelling the market, growing infiltration of 3d and 4k TV's, growth opportunities/investment opportunities and recent technological developments of 4k set-top box (STB).

GLOBAL HD STB MARKET 2015-2020 (\$ BILLIONS)



U.S. STB MARKET BY CONTENT QUALITY, 2014 - 2024 (USD MILLIONS)



STORAGE INDUSTRY OVERVIEW

Hard Disk Drive (“HDD”)

Global hard disk drive (HDD) market has witnessed a multi-year low of HDD shipments in 2015, resulting from under-predicted sales of PCs which derived from several impacts including global economic issues, the strong U.S. dollar as well as consumer migration to smartphones and other devices. Even though the PC demand has been stabilized in later 2016, the PC market was still down 5% - 6% over the past year.

Aside from the reduced demand in desktop PCs and notebooks, another main reason which caused the HDD market to declined was due to shift of more business users and home users from local HDD and onsite server to centralized cloud server. According to the “Global External Hard Disk Market 2016-2020” report by Research and Markets, the global HDD market is projected to grow at a CAGR of 2.9% during the period 2016-2020. The report further states that one challenge that could restrict the market growth is the emergence of cloud-storage services.

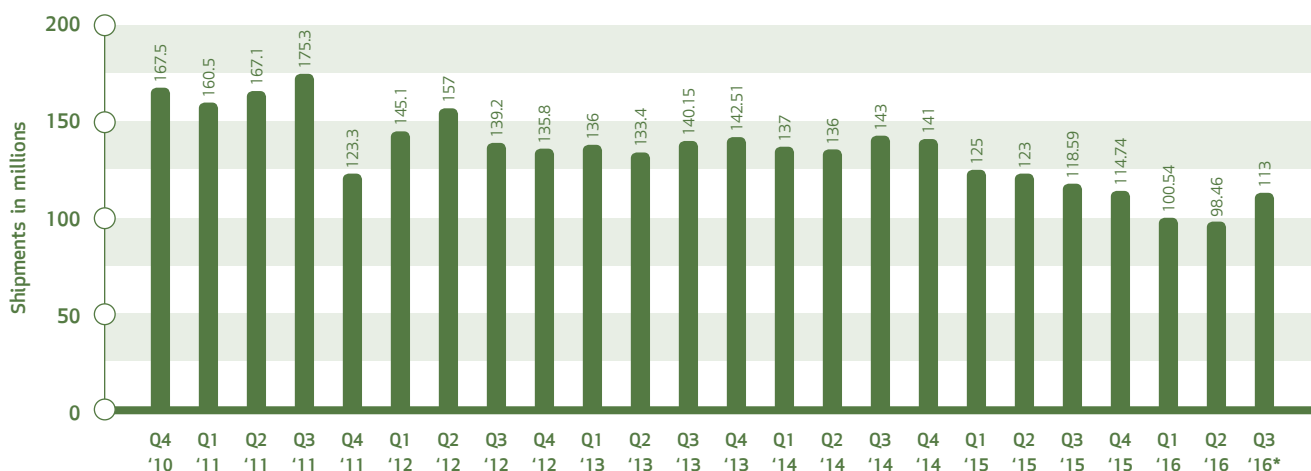
Furthermore, according to International Disk Drive Equipment and Materials Association (IDEMA) Japan, there were 425.8 million HDDs shipped globally in 2016, slipping 9.2% annually, and annual shipments kept decreasing from the peak of 651.4 million units in 2010 with further expectation to drop to 407.7 million in 2017.

Despite the drop in HDD unit shipments, both sequentially and year-over-year, a trend which has helped to boost market growth tremendously is the innovation of high-storage portable external hard disks. As shown in the chart “Average capacities of HDDs by Seagate and Western Digital” by A Nand Tech, the average drive capacities shipped by the two leading makers in first quarter 2016 increased to around 1.4 TB of data, an increase of 28.5% (Western Digital) and 29.7% (Seagate) from the same quarter last year.

IDEMA Japan also noted total storage capacity for globally shipped HDDs rose from 535.8EB (Exabyte) in 2015 to 633EB in 2016 and will rise to 756EB in 2017, meaning that the average storage capacity per HDD is on the rise. That is to say, the industry is on the path to high capacity drives in the foreseen future! In addition, the ATSC areal density roadmap indicated that 100 TB 3.5-inch HDDs could be possible by about 2025.

On the other hand, the solid-state drives (SSDs) market, has experienced a profound price decline, making them more attractive for computing environments with modest local storage requirements in recent years. It is believed that the HDD demand curve is flattening while the SSD demand curve is accelerating at a projection of 20% annual growth. According to Gartner, it is believed that the advantages of SSD technology have come at a premium on a cost/GB basis compared with HDD technology and this will continue to be the case at least through 2020.

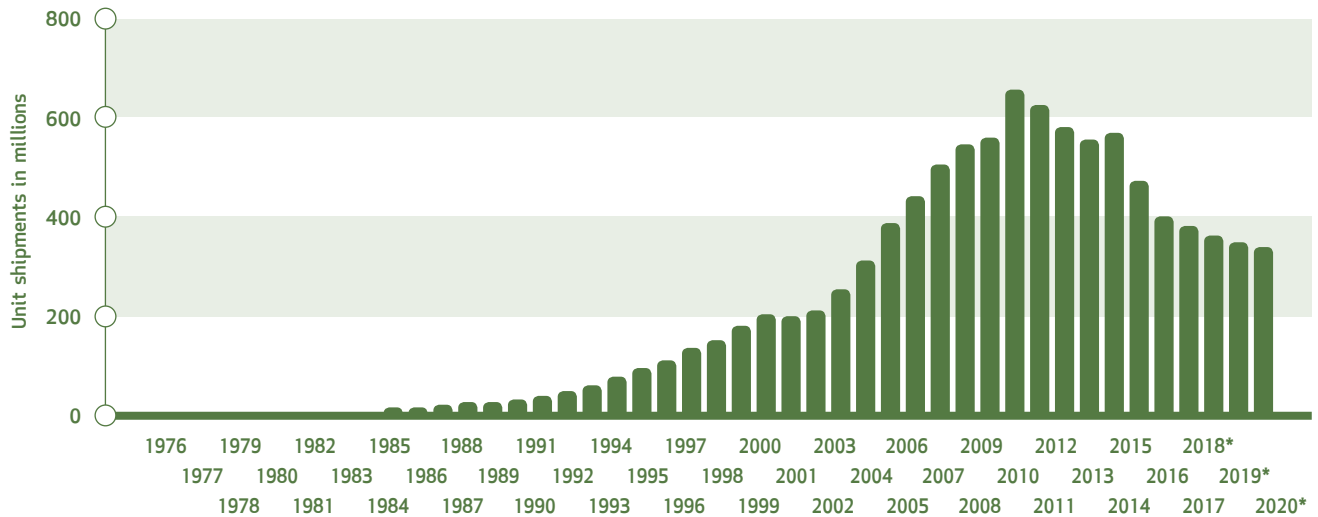
**GLOBAL SHIPMENTS OF HARD DISK DRIVES (HDD)
FROM 4TH QUARTER 2010 TO 2ND QUARTER 2016 (IN MILLIONS)**



Source : StorageNewsletter; TrendFocus ©Statista 2016

Additional Information : WorldWide; TrendFocus; 2010 to 2016

WORLDWIDE UNIT SHIPMENTS OF HARD DISK DRIVES (HDD) FROM 1976 TO 2020 (IN MILLIONS)

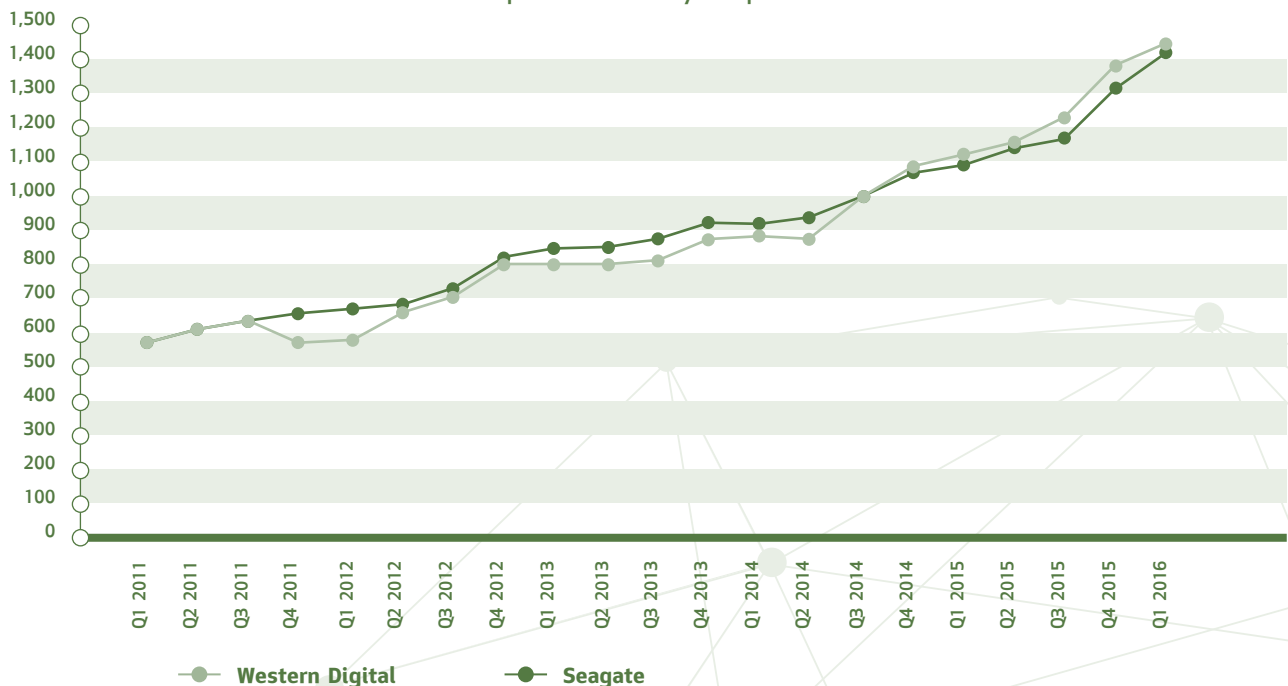


Source : TrendFocus ©Statista 2016

Additional Information : WorldWide; TrendFocus; IDC; 1976 to 2015

AVERAGE CAPACITIES OF HDDs BY SEAGATE AND WESTERN DIGITAL

GBs per drive. Data by companies.



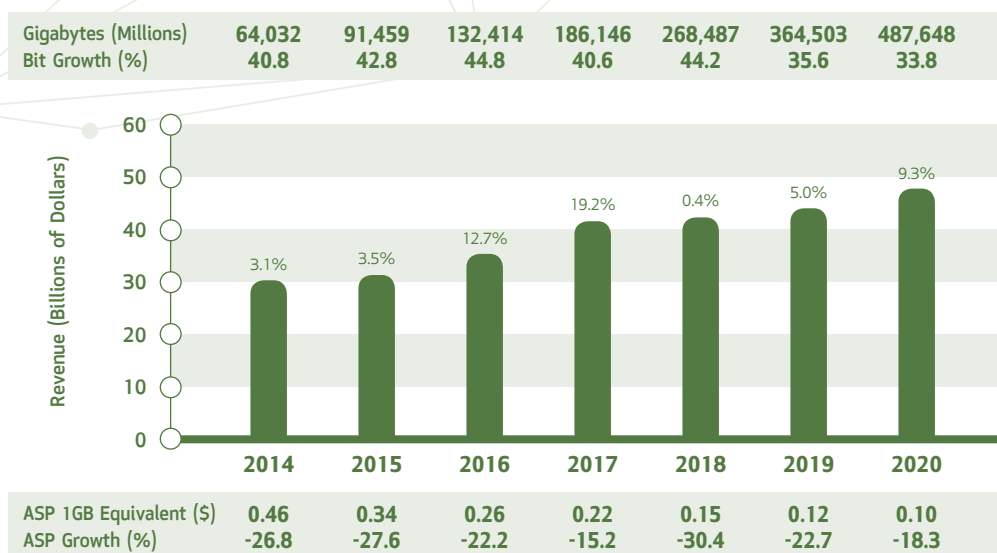
NAND Flash

Solid-state storage (SSD) has made major advances in 2016 and it has poised for continued advances in 2017. Among which, the global NAND flash industry is expecting to see an annual increase of just 6% in its total wafer capacity in 2017, according to analysis by DRAMeXchange, a division of TrendForce Corp.

With restraints yet to the technology difficulties in general to apply 64-layer 3D-NAND solutions to OEM storage products, the market supply for 3D-NAND memory will remain tight and the NAND flash prices shall therefore expects to continue to go up and boost suppliers' revenues in the coming year.

Moreover, it is further believed that more suppliers shall likely to reduce shipments of their 2D-NAND memory products so that more of their existing manufacturing capacity can be used for 3D-NAND production. According to DRAMeXchange, the market supply of 2D-NAND Flash will begin to fall sharply in the next near seen quarter and its total bit shipment will be under 50% by the third quarter of 2017. Furthermore, it has projected that the 3D-NAND shall estimate to represent about 30% of the total flash bit shipments by end of 2017.

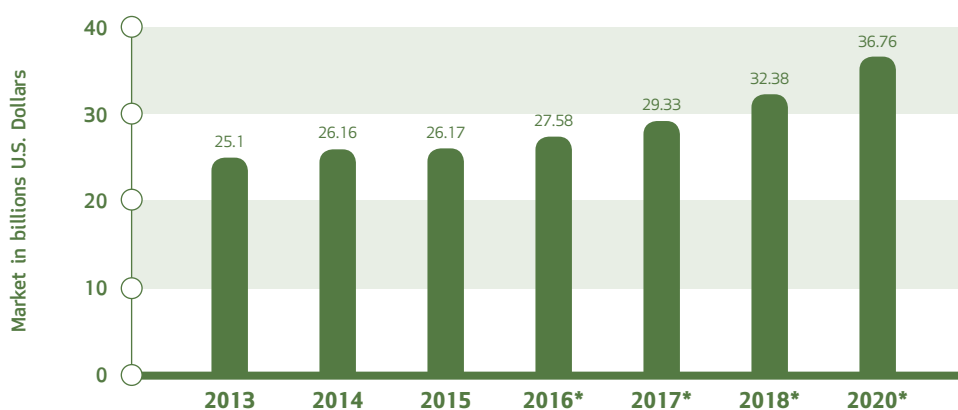
FIGURE 1. NAND FORECAST SUMMARY, WORLDWIDE, 2014-2020



Note : Gigabyte shipments are show in the top bar, revenue and growth rates in the middle bars, and pricing in the bottom bar.

Source : Gartner (January 2017)

**SIZE OF FLESH MEMORY MARKET WORLDWIDE FROM 2013 TO 2020
(IN BILLION U.S. DOLLARS)**



Source : IC Insights ©Statista 2016

Additional Information : WorldWide; 2013 to 2016

PRINTER INDUSTRY OVERVIEW

Hardcopy Peripherals

Undergoing a yearly double-digit decline of worldwide hardcopy peripherals (HCP) market in the first quarter of 2016 (1Q16), the market was finally revamped in the fourth quarter with a year over year increase of 0.6%, and the growth was mainly driven by a solid performance in the inkjet and laser markets by 0.6% and 1.6% YoY respectively based on IDC's Worldwide Quarterly Hardcopy Peripherals Tracker report.

Aside from above, IDC's report has further witnessed YoY increases in unit shipments in the region of Asia Pacific (excluding Japan) which posted 4.2% growth and considered the best year on year performance with China continuing to be the key growth propeller. Among which, the growth of inkjet printer in China was fueled by continuous upsurge for ink tank printers within the small and medium business (SMB) segment, while growth of laser printer was powered by channel expansion by the key vendors.

According to IDC's research, the total shipment of HCP in 2016 has decreased by 4.1% worldwide, representing a total shipment downward to 99.03 million units from 103.25 million in the previous year.

WORLDWIDE HARDCOPY PERIPHERALS, VENDOR SHIPMENTS, MARKET SHARE, AND YEAR-OVER-YEAR GROWTH, 2016 (based on unit shipments)

VENDORS	2016 UNITS SHIPMENT	2016 MARKET SHARE	2015 UNITS SHIPMENT	2015 MARKET SHARE	2016/2015 GROWTH
1. HP Inc.	36,355,663	36.7%	39,669,998	38.4%	-8.4%
2. Canon	20,602,931	20.8%	20,913,885	20.3%	-1.5%
3. Epson	17,454,324	17.6%	16,569,838	16.0%	5.3%
4. Brother	7,261,285	7.3%	7,707,680	7.5%	-5.8%
5. Samsung	3,518,075	3.6%	4,416,933	4.3%	-20.4%
Others	13,834,649	14.0%	13,970,405	13.5%	-1.0%
Total	99,026,927	100.0%	103,248,739	100.0%	-4.1%

Source : IDC Worldwide Quarterly Hardcopy Peripherals Tracker, March 2017

3D PRINTER

According to IDC's research, worldwide procurement in 3D printers, materials, software, and related services are expected to be total at \$13.2 billion in 2016 with global spending on 3D printing shall expect a five-year compound annual growth rate (CAGR) of 22.3 percent with revenues reaching \$28.9 billion by 2020.

Another IT market research company CONTEXT also reported the worldwide 3D printers of 25% growth in the first three quarters of 2016, of which 96% were personal desktop printers, with an average price falling below \$1,000. The Industrial/professional 3D printers, on the other hand, shall have accounted for 78% of global revenue due to their much higher cost.

While United States shall deliver about a quarter of worldwide 3D-printing revenues throughout the 2015-2020 forecast period, Western Europe, Asia Pacific (excluding Japan), and Japan shall be the next 3 largest regions with combined revenue of more than 50 percent of the total revenue during the same period.

Moreover, IDC has projected that the 3D-printer healthcare segment is expecting a rapid growth from the number-five position in 2016 to the number-two spot in 2020 with revenues growing to more than \$3.1 billion driven by strong investments from healthcare providers in both United States and Western Europe.

In 2016, the largest revenues for 3D printing shall be generating from Automotive Design with rapid prototype printing of more than \$3.9 billion and aerospace and defense parts printing of nearly \$2.4 billion. Tools and component printing shall also emerge as a significant market in 2016.

It is believed that the dental printing will become a strong challenger for the number 3 position in terms of worldwide revenues while Medical Implant & Device Printing, Product Creation and Prototype Printing, and Prosthetics Printing will each generate worldwide revenues of more than US\$1 billion by 2020, following IDC's research.

TOP 5 VENDOR 3D PRINTER MARKET SHARE BY UNIT VOLUMES AND PRINTER REVENUES, GLOBAL DESKTOP/PERSONAL PRINTERS, YTD 2016 (Q1-Q3)

YTD 2016 RANK UNITS	COMPANY	Q1-Q3'16 UNITS	Q1-Q3'16 YTD GLOBAL SHARE UNITS
1	XYZprinting	46,300	22%
2	Ultimaker	17,999	9%
3	M3D	15,060	7%
4	FlashForge	13,462	6%
5	Monoprice	13,023	6%

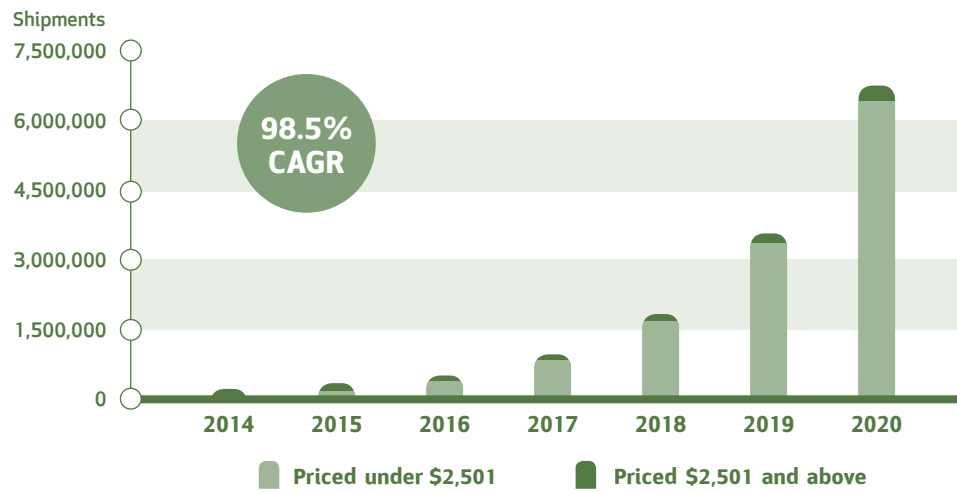
YTD 2016 RANK UNITS REVENUE	COMPANY	Q1-Q3'16 PRINTER REVENUE	Q1-Q3'16 YTD GLOBAL SHARE UNITS REVENUE
1	Ultimaker	\$ 33.2M	14%
2	Stratasys/MakerBot	\$ 31.4M	13%
3	XYZprinting	\$ 22.5M	9%
4	Formlabs	\$ 22.3M	9%
5	3D Systems	\$ 14.5M	6%

Source : CONTEXT

TOP 5 VENDOR 3D PRINTER MARKET BY REVENUES FROM MACHINES SHIPPED, GLOBAL INDUSTRIAL/PROFESSIONAL 3D PRINTERS, YTD 2016 (Q1-Q3)

YTD 2016 RANK	COMPANY	REVENUES FROM MACHINES SOLD (\$M)	Q1-Q3'16 YTD GLOBAL SHARE
1	Stratasys	\$ 305M	35%
2	EOS	\$ 163M	19%
3	3D Systems	\$ 86M	10%
4	SLM Solutions	\$ 49M	6%
5	Concept Laser	\$ 44M	5%

Source : CONTEXT

3D PRINTER SHIPMENT TOTALS, WORLDWIDE, 2015-2020

Source : Gartner (September 2016)

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.

1. RISK ASSOCIATED WITH OPERATION

1.1 Risks from obsolete inventory

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

Meanwhile, the Company has adopted make-to-order method as the manufacturing policy. The sales from OEM customers contributed the majority of CCET's sales and have limited risk of obsolete inventory. The obsolete ratio is at 2.54 % as end of December 2016. 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 evaluated from time to time and recorded according to accounting standard in order to reflect on time update condition. Further, the Company write off inventories that not be used for 2 year.

1.2 Risks from dependency upon major customers

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

1.3 Risks from influence of major shareholders toward management policy

At the present, the board of director of the Company has 3 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 special agenda that require majority vote, except issues that the law or the memorandum of association of the Company has specified. As such, a minority shareholder is to be able to accumulate votes, to check and to balance the voting power of the major shareholder.

1.4 Risks from concentration of purchase and raw material quality

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

1.5 Risk from the adequacy of working capital

Working capital is one important factor needed to be considered for business operations and company expansion since it will have direct impact on the Company's performance. The Company's working capitals came from operation, short-term and long-term loans from financial institutions. As of December 31, 2016, the Company had total borrowed through short-term and long-term loan of Baht 14,084.33 million which accounted of 37.97% of total liabilities. As at December 31, 2016, the credit facilities and long-term loan of the Company and its subsidiaries with have not been drawn down amounted to USD 727 million or approximately Baht 25,886.54 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 13.5%. 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

BOARD OF DIRECTORS

As of December 31, 2016, 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. Pan, Hung-Shen | Director |
| 6. Mr. Yu, Shih-Tung | Director |
| 7. Mr. Alan Kam | Independent Director |
| 8. Mr. William Hang Man Chao | Independent Director |
| 9. Mr. Thanasak Chanyapoon | Independent Director |

Remark :

1. 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.

Authority, duty and responsibility scope of Chairman of the Board

1. To be responsible as the leader of the Board of Directors in monitoring and supervising the operations of the Board of Directors and other Committees to make them achieve the objectives pursuant to the specified plan.
2. Summon the Board of Directors meeting or may assign another person to act on own behalf.
3. Preside at the Board of Directors' meeting and the shareholders' meeting.
4. To have a casting vote in case of tied votes in the Board of Directors' meeting.

AUDIT COMMITTEE

As of December 31, 2016, the Company's Audit Committee consists of the following members.

- | | |
|------------------------------|-----------------------------|
| 1. Mr. Alan Kam | Chairman of Audit Committee |
| 2. Mr. William Hang Man Chao | Audit Committee |
| 3. Mr. Thanasak Chanyapoon | Audit Committee |

Remark :

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

Scope of authorities and duties of the Audit Committee

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

MANAGEMENT TEAM

As of December 31, 2016, the management comprises of 6 persons, as follows;

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

Scope of authorities and duties of the Managing Director

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

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

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

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

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

SELECTION OF DIRECTORS AND EXECUTIVES

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

The Board of Directors

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

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

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

Audit Committee and independent directors

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

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.

MANAGEMENT'S REMUNERATION

Directors' remuneration for year 2016

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. Pan, Hung-Shen	1,200,000	180,000
Mr. Yu, Shih-Tung*	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
Total	22,400,000	2,100,000

Remark : * Mr. Yu, Shih-Tung had assigned to be the Company's Board of Director since April 28, 2016

REMUNERATION OF THE MANAGEMENT

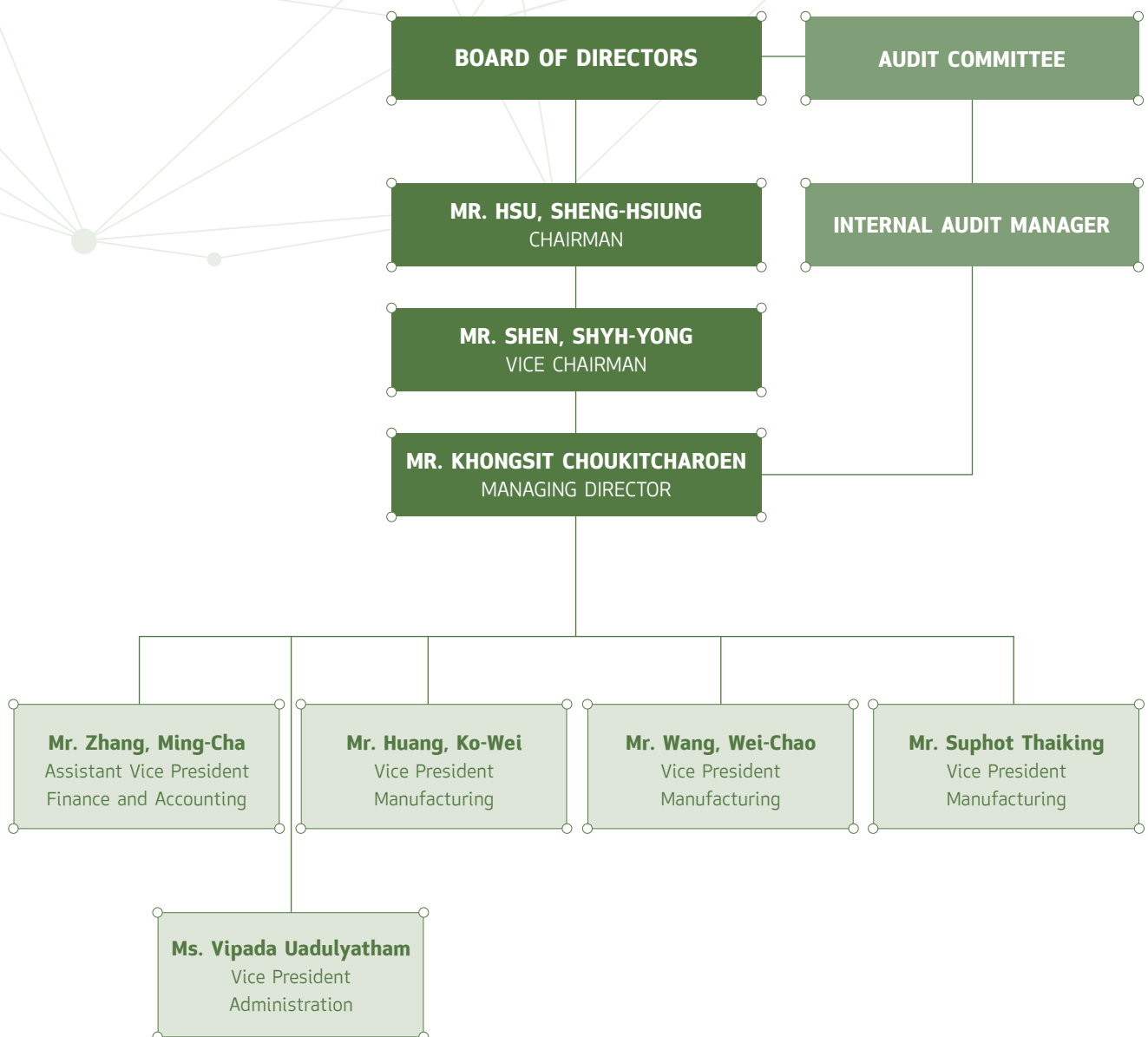
Remuneration of total 6 management members including salary and bonus is at total amount Baht 17.57 million in 2016.

OTHER BENEFITS

The Company has issued the Warrants to Purchase New Ordinary Shares of Cal-Comp Electronics (Thailand) Public Company Limited (CCET-WB) to the Company's employees, and total amount of 6,500,000 units has allocated to the Managements of the Company through 1st year allotment in 2015.



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 followings:

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

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

1. THE RIGHTS OF SHAREHOLDERS

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

In year 2016, 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 2016, the Company held Annual General Meeting of Shareholders on April 28, 2016 at Samut Sakhon Factory, the Conference Room of R&D Building 5th Floor, 60 Moo 8, Sethakij Road, Tambon Klong Maduea, Amphoe Krathum Baen, Samut Sakhon 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 meeting of shareholders and post on the Company's website (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 Meeting of Shareholders 2016. 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 or postal within specific period. For the Annual General Meeting of Shareholders 2016, no any agendas was proposed by shareholders.
2. The Company invited the shareholders to propose a qualified candidate for directorship for the Annual General Meeting of Shareholders 2016, 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 or postal within specific period. For the Annual General Meeting of Shareholders 2016, 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 Meeting of Shareholders, the chairman gives an opportunity to shareholders in auditing the Company's business operation, questioning, showing their opinions and giving advices and also uses this opportunity to clarify the performance, future outlook to make the shareholders better understand the Company's business. There is no limitation of late shareholders to attend the meeting and no other any agenda added without notifying shareholders.
5. In appointment director agenda, the Company gives the chance to the shareholders in voting by person in order to be transparent and more independent for election.
6. Allocate the rights to vote at the meetings according to the number of shares owned by each shareholder, allowing one share one vote and using the voting card on every agenda.
7. In the AGM meeting, the Company has completely recorded by writing the minutes of the meeting by separate voting point to Agreed, Disagreed and abstained of each agenda, attendant and absent list of director, voting process and Q&A in the meeting and also video recorded the entire meeting. The completed minutes of the meeting were post on the Company's website within 14 days after the meeting.
8. Established measures to control the usage and prevent the misuse of internal information (insider trading) for benefit of a person concerned by prohibit them from trading the Company securities for 30 days before financial statements released and at least 24 hours after the information is widely spread out to the public. The Company will remind directors, managements and person concerned before releasing financial statements. In case any directors and management staff sell or buy the Company securities, they are required to report the shareholdings to SEC within a 3-business day period for public disclosure.

3. ROLE OF STAKEHOLDERS

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

1. Shareholders and Investors

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

2. Employee

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

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

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

3. Customer

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

4. Supplier

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

5. Creditor

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

6. Business Competitor

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

7. Society

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

8. Environment

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

4. DISCLOSURE AND TRANSPARENCY

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

1. Disclose duties and responsibilities of the Board of Directors and also reveal the attendance records and the report of the Board of Director. The Board of Directors is responsible for the Company's consolidated financial reports and financial information appearing in the annual reports. The financial statements are prepared based on the accounting standards generally accepted in Thailand by using the appropriate accounting policy.
2. The Company disclosed information on remuneration of all directors. The Company has established remuneration to the directors in a precise and transparent manner and submitted to the Annual General Shareholders' meeting for approval. The remuneration to the management must conform to the procedures and policies set by the Board of Directors, which must also coincide with the Company's performance and the performance of each management.
3. Disclose the policy environmental of the Company.
4. Disclose the policy on corporate governance complied with the policy.
5. The Company set up the Investor Relations. As a result, the Company emphasizes on disclosing information that is adequate, accurate, trustworthy, consistent, and punctual. Regarding the investor relations, the Company has designated an investor relation department to communicate with the shareholders, institutional investors, individual investors and financial analysts including the interested parties.

The Investor Relations representatives:

Ms. Jenny Chou

Investor Relations Manager

Tel. 0-2261-5033-36 Fax. 0-2661-9396

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

Mrs. Sunadda Jaypong

Corporate Secretary

Tel. 0-2261-5033-36 Fax. 0-2661-9396

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

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

5. THE RESPONSIBILITIES OF THE BOARD

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

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

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

Board of Directors' meeting

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

In 2016, the Company had arranged a total of 4 meetings comprised of 4 regular 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	3/4
2. Mr. Shen, Shyh-Yong	Vice Chairman	4/4
3. Mr. Khongsit Choukitcharoen	Managing Director	4/4
4. Mr. Hsu, Sheng-Chieh	Director	3/4
5. Mr. Pan, Hung-Shen	Director	4/4
6. Mr. Wang, Ho-Shun*	Director	0/1
7. Mr. Yu, Shih-Tung**	Director	2/3
8. Mr. Alan Kam	Independent Director	3/4
9. Mr. William Hang Man Chao	Independent Director	3/4
10. Mr. Thanasak Chanyapoon	Independent Director	4/4

Remark : * Mr. Wang, Ho-Shun has retired as the director of the Company since April 28, 2016 through AGM 2016

** Mr. Yu, Shih-Tung has appointed to be the director of the Company since April 28, 2016 through AGM 2016.

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	3/4
3. Mr. Thanasak Chanyapoon	Independent Director and Audit Committee	4/4

When considering the matters presented to the Board, all member of the Board are allowed to express their opinions freely, resolutions are passed by majority vote, providing that one director is eligible for one vote. After the meeting, the secretary of the Board is responsible for preparing the minutes and certified the correctly by Chairman and Vice Chairman. The minutes must then 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 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 Electronicos 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
QBit Semiconductor Ltd.	Subsidiary
QBit Semiconductor Holding Ltd.	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 Precision (Philippines), Inc.	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)
Cal-Comp Ind. Semiconductores, Ltda.	Subsidiary (held by a subsidiary)
XYZprinting, Inc.	Associate
PChome (Thailand) Co., Ltd.	Associate
Cal-Comp Big Data, 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
XYZprinting (Thailand) Co., Ltd.	Subsidiary of an associate
XYZprinting, Inc. (Korea)	Subsidiary of an associate
Metal Component Engineering Limited	Shareholding by the Company

NAME OF RELATED PARTIES	RELATIONSHIP WITH THE COMPANY
Memoright Memortech Corporation	Shareholding by the Company
Dawning Leading Technology Inc.	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 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
Acbel Polytech Inc.	Associate of the major shareholder
Compal Electronics, INC.	Common directors
Instituto Cal-Comp De Tecnologia	Related company

Ramark : Kinpo Electronics Inc. holding 100% in Kinpo International Ltd.
Kinpo Electronics Inc. holding 22.53% in Acbel Polytech Inc.
Kinpo Electronics Inc. holding 51.61% in Crownpo Technology, Inc.
Kinpo Electronics Inc. holding 100% in Kingbolt International (Singapore) Pte., Ltd.

THE AMOUNT AND OUTSTANDING BALANCE OF THE RELATED PARTY TRANSACTIONS

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
1. Kinpo Electronics, Inc.	Major shareholder, holding 40.41% in the Company. It also has the common directors with the Company as follows: 1. Mr. Hsu, Sheng-Hsiung 2. Mr. Hsu, Sheng-Chieh 3. Mr. Shen, Shyh-Yong	(1) The Company				
		• Sales	0.25	The Company sold products to Kinpo Electronics, Inc. and the conditions were in	The price of the transaction was near to the market price line with the normal business practice.	The transaction is normal business practice
		• A/R and Other A/R	0.25			
		• Purchase	1,415.67	The Company 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
		• A/P and Other A/P	435.31			
		(2) Cal-Comp Electronics and Communications Co., Ltd.				
		• Other expense	84.73	Cal-Comp Electronics and Communications 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
		• A/P and Other A/P	5.36			

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	AMOUNT FOR 2016 (MB)		DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		DESCRIPTION OF TRANSACTIONS				
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	(3) Cal-Comp Electronics (USA) Co., Ltd. • AR and Other A/R	0.01	Cal-Comp Electronics (USA) 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
		(4) QBit Semiconductor Ltd. • Other expenses	1.71	QBit Semiconductor Ltd. has paid professional fee support by 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
		(1) The Company • Sales • A/R and Other A/R	58.50 37.61	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
		• Purchase • A/P and Other A/P	23.57 4.03	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
		• Purchase of fixed assets	194.97	The Company purchased fixed assets from Kinpo International Ltd. under customer owner	The price of the transaction was the cost of fixed assets due to customer is owner of asset.	Reasonable

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
	(2) Logistar International Holding Co., Ltd.	<ul style="list-style-type: none"> • Sales • A/R and Other A/R 	195.53 67.91	Logistar International Holding 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
		<ul style="list-style-type: none"> • Purchase • A/P and Other A/P 	0.07 133.67	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 transaction is normal business practice
		<ul style="list-style-type: none"> • Other expenses 	0.80	Logistar International Holding Co., Ltd. reimbursed the advanced payment back to Kinpo International Inc. for its commercial liability insurance package by a non-related party.	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.	<ul style="list-style-type: none"> • Sales 	90.12	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

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	AMOUNT FOR 2016 (MB)		DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		DESCRIPTION OF TRANSACTIONS				
		<ul style="list-style-type: none"> Sales of fixed assets 	40.84	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. sold fixed assets to Kinpo International Ltd.	The price of the transaction was book value plus margin	Reasonable
		<ul style="list-style-type: none"> Purchase 	0.11	Cal-Comp Optical Electronics (Suzhou) 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 transaction is normal business practice
		(4) Cal-Comp Electronics and Communications Co., Ltd. <ul style="list-style-type: none"> A/R and Other A/R 	0.28	Cal-Comp Electronics and Communications Co., Ltd. sold products to Kinpo International 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
		(5) Cal-Comp Electronics (USA) Co., Ltd. <ul style="list-style-type: none"> A/R and Other A/R 	0.16	Outstanding amount due to Cal-Comp Electronics (USA) Co., Ltd. sold products to Kinpo International 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
		(6) Cal-Comp Holding (Brasil) S.A. <ul style="list-style-type: none"> A/R and Other A/R 	0.60	Outstanding amount due to Cal-Comp Holding (Brasil) S.A. sold products and spare parts to Kinpo International, Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
3. Acbel Polytech Inc.	Common shareholders, Kinpo Electronics Inc. holding 22.60 % in Acbel 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	420.41 96.41	The Company purchased raw materials from Acbel Polytech Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice
		(2) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. • Purchase • A/P and Other A/P	14.75 4.14	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. purchased raw materials from Acbel Polytech Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice
		(3) Cal-Comp Holding (Brasil) S.A. • Purchase	89.81	Cal-Comp Holding (Brasil) S.A. purchased raw material from Acbel Polytech Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice
		(4) Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda. • Other expenses	0.33	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda paid outstanding technical support expense support by Acbel Polytech Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	AMOUNT FOR 2016 (MB)		DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		DESCRIPTION OF TRANSACTIONS				
4. Kinpo Electronics (China) Co., Ltd.	The subsidiary company of Kinpo Electronics, Inc. It also has the common directors with the Company. • Mr. Hsu, Sheng-Hsiung • Mr. Hsu, Sheng-Chieh • Mr. Shen, Shyh-Yong	(5) Cal-Comp Electronics and Communications Co., Ltd. • A/P and Other A/P	0.02	Cal-Comp Electronics and Communications Co., Ltd. paid outstanding office and equipment rental fees to Acbel Polytech Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice
		(1) The Company • Sales of fixed assets	4.05	The Company sold fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was book value plus margin	Reasonable
		• Purchase of fixed assets	41.04	The Company purchased fixed assets from Kinpo Electronics (China) Co., Ltd.	The price of transaction was the cost of fixed assets due to customer is owner of asset	The transaction is normal business practice
		(2) Logistar International Holding Co., Ltd. • Purchase • A/P and Other A/P	224.12 66.72	Logistar International Holding Co., Ltd. purchased raw materials from Kinpo Electronics (China) Co., Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice
		(3) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. • Sales • A/R and Other A/R	1.70 1.86	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 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		<ul style="list-style-type: none"> Sales of fixed asset 	47.38	Cal-Comp Optical Electronics (Suzhou) Co., Ltd sold fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was book value plus margin	Reasonable
		<ul style="list-style-type: none"> Purchase of fixed asset 	0.89	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. purchased of fixed assets from Kinpo Electronics (China) Co., Ltd.	The price of transaction was the cost of fixed assets due to customer is owner of asset.	Reasonable
		<ul style="list-style-type: none"> A/P and Other A/P 	0.88			
		(4) Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda <ul style="list-style-type: none"> Sale of fixed assets 	157.15	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda sold fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was book value plus margin	Reasonable
		(5) Cal-Comp Precision (Thailand) Ltd. <ul style="list-style-type: none"> Sales A/R and Other A/R 	13.82 13.82	Cal-Comp Precision (Thailand) Ltd. sold products to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was close to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice
		<ul style="list-style-type: none"> A/P and Other A/P 	29.77	The outstanding amount that Kinpo Electronics (China) Co., Ltd. has supports Cal-Comp Precision	Book Value	Reasonable

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
				(Dongguan) Co., Ltd. (the subsidiary of Cal-Comp Precision (Thailand) Ltd.)		
		(6) Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.				
		• Sale of fixed assets	76.77	Cal-Comp Electronics and Communications (Suzhou) Co., Ltd. sold fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of the transaction was book value plus margin	Reasonable
		• A/R and Other A/R	24.26			
		• Purchase of fixed assets	4.99	Cal-Comp Electronics and Communications (Suzhou) Co., Ltd. purchase of fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of transaction was the cost of fixed assets due to customer is owner of asset	The transaction is normal business practice
		(7) Cal-Comp Precision (Dongguan) Co., Ltd.				
		• Purchase of fixed assets	0.14	Cal-Comp Precision (Dongguan) Co., Ltd. purchase of fixed assets to Kinpo Electronics (China) Co., Ltd.	The price of transaction was the cost of fixed assets due to customer is owner of asset	The transaction is normal business practice
		• Other expenses	21.42	Cal-Comp Precision (Dongguan) Co., Ltd. paid rental fee to Kinpo Electronics (China) Co., Ltd.	Contact price	The transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (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 • Sale of fixed assets • A/R and Other A/R	8.20 0.01	The Company sold fixed assets to Kinpo Electronics (Philippines) 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 Optical Electronics (Suzhou) Co., Ltd. • Sales of fixed asset • A/R and Other A/R	5.29 0.37	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. sold fixed asset to Kinpo Electronics (Philippines), Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	Reasonable
		(3) Cal-Comp Technology (Philippines), Inc. • Sales of fixed asset • AR and Other A/R • Other expenses • A/P and Other A/P	19.85 19.46 14.23 13.21	Cal-Comp Technology (Philippines), Inc. sold fixed asset to Kinpo Electronics (Philippines), Inc. Cal-Comp Technology (Philippines), Inc. paid rental and utility fees support by Kinpo Electronics (Philippines), Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice. Contract Price	Reasonable Reasonable
		(4) Cal-Comp Precision (Thailand) Ltd. • Sales • A/R and Other A/R	17.08 17.73	Cal-Comp Precision (Thailand) Ltd. sold products to Kinpo Electronics (Philippines) Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business practice.	The transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	AMOUNT FOR 2016 (MB)		DESCRIPTION OF TRANSACTIONS	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
				<ul style="list-style-type: none"> • Other Expense • AP and other A/P 	A subsidiary of Cal-Comp Precision (Thailand) Ltd. (Cal-Comp Precision (Philippines) Inc.) has paid back the utilities expense which support by Kinpo Electronics (Philippines) 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
				(5) Cal-Comp Electronics and Communications Co., Ltd. <ul style="list-style-type: none"> • A/R and Other A/R 	The outstanding amount from sold of fixed assets by Cal-Comp Electronics and Communications 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
6. Metal Component Engineering Limited	Held by the Company 10.61%			(1) The Company <ul style="list-style-type: none"> • Purchase • A/P and Other A/P 	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
				(2) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. <ul style="list-style-type: none"> • Purchase 	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. 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

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
7. XYZprinting, Inc.	Joint Venture by the Company and Kinpo Electronics, Inc. It also has the common directors with the Company. • Mr. Shen, Shyh-Yong • Mr. Khongsit Choukitcharoen	(1) The Company • Sales • A/R and Other A/R	493.18 543.92	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
		• Purchase of fixed asset • A/P and Other A/P	0.67 72.01	The Company purchase fixed asset from 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
		(2) Cal-Comp Electronics de Mexico Co. SA de CV • Sales • A/R and Other A/R	2.99 2.99	Cal-Comp Electronics de Mexico Co. SA de CV 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) Logistar International Holding Co., Ltd. • Other expenses • A/P and Other A/P	37.05 1.40	Logistar International Holding Co., Ltd. has paid technical service fees 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

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		(4) Cal-Comp Electronics and Communications Co., Ltd. • Purchase of fixed asset	0.12	Cal-Comp Electronics and Communications Co., Ltd. purchase fixed asset from 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/R and Other A/R	1.66	XYZprinting Inc. paid rental fees and equipment rental fees to Cal-Comp Electronics and Communications 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
		• Other expenses	0.48	Cal-Comp Electronics and Communications Co., Ltd. paid equipment rental fees 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	0.24			
		(5) Cal-Comp Precision (Thailand) Ltd. • Purchase of fixed asset	0.16	Cal-Comp Precision (Thailand) Ltd. purchase fixed asset from 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	5.42	The outstanding amount from purchase of fixed assets from 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

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		(6) Cal-Comp Electronics (USA) Co., Ltd. • A/R and Other A/R	16.89	Cal-Comp Electronics (USA) Co., Ltd. support advanced service payment for XYZprinting, Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business	The transaction is normal business practice
8. XYZprinting (Suzhou) Co., Ltd.	A subsidiary of XYZprinting Inc., a Joint Venture by the Company and Kinpo Electronics, Inc. It also has the common directors with the Company. • Mr. Shen, Shyh-Yong • Mr. Khongsit Choukitcharoen	(1) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. • Sales • A/P and Other A/P	0.02 0.01	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. sold products to XYZprinting (Suzhou) Co., Ltd. Cal-Comp Optical Electronics (Suzhou) Co., Ltd. has paid technical service fees to XYZprinting (Suzhou) Co., Ltd.	The price of the transaction was near to the market price and the conditions were in line with the normal business The price of the transaction was near to the market price and the conditions were in line with the normal business	The transaction is normal business practice The transaction is normal business practice
9. XYZprinting, (USA) Inc.	A subsidiary of XYZprinting Inc., a Joint Venture by the Company and Kinpo Electronics, Inc. It also has the common directors with the Company. • Mr. Shen, Shyh-Yong • Mr. Khongsit Choukitcharoen	(1) Cal-Comp Electronics and Communications Co., Ltd. • Purchase of fixed asset • A/P and Other A/P	0.17 0.03	Cal-Comp Electronics and Communications Co., Ltd. purchase fixed asset from XYZ printing, (USA) Inc. Cal-Comp Electronics and Communications Co., Ltd. has paid service fees to XYZ printing, (USA) Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business The price of the transaction was near to the market price and the conditions were in line with the normal business	The transaction is normal business practice The transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		(2) Logistar International Holding Co., Ltd. • A/P and Other A/P	0.27	Outstanding amount due to Logistar International Holding Co., Ltd paid technical support fees support by XYZprinting, (USA) Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business	The transaction is normal business practice
10. XYZprinting Japan, Inc.	A subsidiary of XYZprinting Inc., a Joint Venture by the Company and Kinpo Electronics, Inc. It also has the common directors with the Company. • Mr. Shen, Shyh-Yong • Mr. Khongsit Choukitchareon	(1) Logistar International Holding Co., Ltd. • A/P and Other A/P	0.05	Outstanding amount due to Logistar International Holding Co., Ltd paid technical support fees support by XYZprinting, Japan, Inc.	The price of the transaction was near to the market price and the conditions were in line with the normal business	The transaction is normal business practice
11. 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 Communications Co., Ltd. • Other expenses • A/P and Other A/P	2.91 0.22	Cal-Comp Electronics and Communications Co., Ltd. paid consultant fees to Kinpo Group Management Service Co., Ltd.	Contract price	The transaction is normal business practice
12. Save Com International, Inc.	The subsidiary company of Kinpo Electronics, Inc.	(1) Cal-Comp Electronics and Communications Co., Ltd. • Other expense • A/P and Other A/P	2.14 0.35	Cal-Comp Electronics and Communication Co., Ltd. paid for telephone system to Save Com International, Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	DESCRIPTION OF TRANSACTIONS	AMOUNT FOR 2016 (MB)	DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
13. Dawning Leading Technology Inc.	Held by the Company 9.03%	(1) Cal-Comp Holding (Brasil) S.A. • Purchase	5.30	Cal-Comp Holding (Brasil) S.A. purchase raw materials from Dawning Leading Technology Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The transaction is normal business practice
		• Purchase of fixed assets	13.83	Cal-Comp Holding (Brasil) S.A. purchase fixed assets from Dawning Leading Technology Inc.	The price of transaction was the cost of fixed assets due to customer is owner of asset	The transaction is normal business practice
14. Cal-Comp Big Data Inc.	Joint Venture by the Company and Kinpo Electronics, Inc.	(2) Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda. • Other expenses	10.51	Cal-Comp Industria e Comercio de Eletronicos e Informatica Ltda. paid professional fee to Dawning Leading Technology Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The transaction is normal business practice
		(1) The Company • Sales • A/R and Other A/R	234.70 239.48	The Company sold products to Cal-Comp Big Data Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The transaction is normal business practice

PARTY WHICH MAY HAVE CONFLICTS OF INTEREST	RELATIONSHIP	AMOUNT FOR 2016 (MB)		DESCRIPTION	NECESSITY OF AND REASON FOR TRANSACTIONS	THE OPINION OF AUDIT COMMITTEE
		DESCRIPTION OF TRANSACTIONS				
15. Crownpo Technology, Inc.	The subsidiary company of Kinpo Electronics, Inc.	(2) Cal-Comp Electronics and Communications Co., Ltd. • Sale of fixed assets • A/R and Other A/R	1.65 2.22	Cal-Comp Electronics and Communications Co., Ltd. sold fixed assets to Cal-Comp Big Data Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The transaction is normal business practice
		(1) Cal-Comp Optical Electronics (Suzhou) Co., Ltd. • Purchase	2.79	Cal-Comp Optical Electronics (Suzhou) Co., Ltd. purchase raw materials from Crownpo Technology, Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The transaction is normal business practice
		(2) Cal-Comp Holding (Brasil) S.A. • Purchase	0.48	Cal-Comp Holding (Brasil) S.A. purchase raw materials from Crownpo Technology, Inc.	The price is depending on actual price and conditions were in line with the normal business practice.	The transaction is normal business practice

SUPPLY/MANUFACTURING AGREEMENT

Parties concerned	: Cal-Comp Electronics (Thailand) Public Company Limited and Kinpo Electronics, Inc. (a company incorporated under the laws of Taiwan).
Execution date	: 1 st April 2004
Material subject	: The term of the agreement applies to each purchase by Kinpo to Cal-Comp of the goods and services as specifies in the Purchase Order and <ol style="list-style-type: none"> 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. 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.
Expiry date	: The Agreement shall continue in full force and effect for one year. The agreement shall be renewed and effective for another one year if there is no objection before the end of the above effective period.

AGREEMENT FOR SHARING MIS SYSTEM (MANAGEMENT INFORMATION SYSTEM)

Parties concerned	: Cal-Comp Electronics and Communications Co., Ltd. and Kinpo Electronics, Inc.
Execution date	: January 1, 2016
Material subject	: Cal-Comp Electronics and Communications Co., Ltd. shared MIS resource and system from Kinpo Electronics Inc. to support operation and reporting system.
Expiry date	: December 31, 2016

AGREEMENT FOR PROFESSIONAL SERVICES

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

AGREEMENT FOR OFFICE LEASING

Parties concerned	: Cal-Comp Electronics and Communications Co., Ltd. and Kinpo Electronics Inc.
Execution date	: September 1, 2016
Material subject	: Cal-Comp Electronics and Communications Co., Ltd. has leasing office space from Kinpo Electronics Inc.
Expiry date	: August 31, 2017

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 – 2016

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

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

The Audit Committee has 3 Independent Directors. They are:

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

The Audit Committee had 4 meetings in 2016 plus various other meetings with external auditors, management and internal auditor.

The Audit Committee performed the following duties in the 2016 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. The Thai Internal Audit team is working more closely with their counter parts overseas. And the Audit Committee is happy to see that this cooperation coming to fruition.

External Auditors - The Audit Committee met with EY Office Limited, 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 continues to practice rigorous CSR in the past years. Cal-Comp awarded numerous scholarships to students in Samut Sakorn Technical College. The company also donate food supplies to children in the same province. 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, Philippines and Malaysia as well as in Thailand. In addition, Cal-Comp made donations to the Thai Red Cross and Kitchen for Dad project and tree planting in Petchburi province.

Factories Visit - Brazil

The Audit Committee members have over the course of the 2016 year visited the company's factories in Mahachai and Petchburi. In addition, the Audit Committee visited Cal-Comp Brazil factories in Manus, Brazil in 2016. Audit Committee members were able to discuss the financial and accounting procedures, review the new factory operation and meet with management to have a better understanding of the business environment after 6 years in operation. The Audit Committee is satisfied with the company's operation in Brazil.

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 2016.



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.

1. 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.

2. 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.

3. 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.

4. 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.

5. 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 22, 2017, approved the financial statements, internal audit control and connected transaction for year 2016. 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 2016.



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 2016 as the following:

SOCIAL

Donation to children for schools in Samut Sakhon

The Company sees the importance of youth education therefore has arranged and donated stationeries, supplies, and food allowance to support students in Samut Sakhon Province areas more than 30 schools during January 7, 2016

Language learning program

The Company sees the importance of language for the Company as an international corporation therefore has provide language courses to the Company's employees not just aiming to enhance their communication skills but also to prepare them for the global village such as the ASEAN community. The company has arranged the Thai –English-Chinese learning project for Company's employees between January to March 2016

Provide scholarship for student

The qualified and skilled engineers and technicians are particularly in demand by the electronics industry as well as many other industries! The Company therefore sees the needs to cooperate with universities and colleges in providing scholarships for students such as Samut Sakhon Technical College on June 16, 2016 in seeking to provide opportunities for better carrier futures.

Physical Health Check 2016

The Company believes employees' health is consider as an company's valuable asset. Therefore, the Company has arranged an annual physical examination for employees in Samut Sakhon factory and community M. 8, Klong Madua, Krathum Baen, Samut Sakhon province on November 8, 2016

Green Earth

The Company realizes the importance of green environment and has arranged activity to afforest at Laem Pak Bia, Haad Chao Samran, Petchburi Province on November 20, 2016. The objective is to uplift their awareness on environmental protection and values of natural habitat.

Blood Donation with Thai Red Cross

The Company has cooperated with Thai Red Cross to arrange blood donation every three months. The objective is to supporting health of blood donor and be a part of blood supply for the Thai Red Cross National Blood Centre. The amount of blood collected from each donor will be utilized in the medical field.

Mechanic training Program

The Company has provide mechanic training program such as training of knowledge and skills in air-conditioner maintenance and repair for employees and community M. 8, Klong Madua, Krathum Baen, Samut Sakhon province.

Kitchen for Dad

In remembrance of the late King Bhumibhol Adulyadj on Father's Day, the Company has offer food and beverage to the public in Samut Sakhon Province on December 5, 2016 in the name of a royal charity event.

ITF Pro Circuit Tournament

The Company sees importance of Thai youth's competitiveness as well as to promote the awareness of the Kingdom of Thailand among the global stage, therefore has arrange an international tournament event through the tennis sport in seeking to provide opportunities for potential young players to enhance their skills and experiences through actual battles. The Company has cooperated with True Arena Hua Hin to arrange up to 20 tournaments from August to December 2016.

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 2016. 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:

1st 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.

2nd 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.

3rd 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 every day 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 guardness.
5. Eliminate and reduce the hazard materials to environment as customer requirement is our commitment.

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

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

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

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

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

- On behave of Environment committee; all relevant functions must identify the aspect of air, wastewater and garbage to conforming to legal and regulation impacting to the interest parties before developing the environment system.
- Every function shall report the environment evaluation result for all aspects.
- Environment committee shall implement the risk assessment results from the past, present and future.
- The priority of correction shall prioritize as per the impact results from the risk assessment, as well as, the cost control and technique control.
- The advanced planning for the compliance activities and maintained when to implementing these activities. All aspects shall be reviewed every 4 months.

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

REMUNERATION FOR AUDITOR

1. Audit fee

For year 2016 the Company has paid the audit fee of 3,800,000 Baht to EY Office Limited, Certified Public Accountant No. 5872 Ms. Sumana Punpongsanon. The Audit fee for the period of year 2016 had been approved by the shareholder meeting, the remuneration of not exceeding Baht 3,840,000 per annum.

2. Other fee

-None-

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL STATEMENT SUMMARY

(Unit: MB)

ITEMS	AUDITED		AUDITED		AUDITED	
	2014		2015		2016	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
Assets						
Cash and cash equivalents	1,808.74	2.52	3,923.92	5.94	3,892.02	6.95
Current investments	37.85	0.05	28.73	0.04	4.71	0.01
Trade and other receivables	35,335.33	49.26	30,796.30	46.63	21,584.46	39.05
Inventories	14,506.71	20.22	11,805.10	17.87	10,436.73	18.88
Advances payment for raw materials	251.92	0.35	358.85	0.54	197.56	0.36
Other current assets	1,470.16	2.05	946.99	1.43	1,020.65	1.85
Total current assets	53,410.70	74.46	47,859.88	72.46	37,083.13	67.10
Property, plant and equipment	17,531.53	24.44	16,997.55	25.73	16,669.76	30.16
Investments	444.56	0.62	824.02	1.25	1,042.58	1.89
Other non-current assets	347.33	0.48	367.15	0.56	466.98	0.85
Total non-current assets	18,323.42	25.54	18,188.72	27.54	18,179.32	32.90
Total assets	71,734.12	100.00	66,048.61	100.00	55,262.45	100.00
Liabilities and shareholders' equity						
Short-term loans from financial institutions	13,023.83	18.16	14,859.88	22.50	7,634.81	13.82
Trade and other payables	34,657.85	48.31	25,409.42	38.47	22,034.66	39.87
Other current liabilities	1,375.82	1.92	1,103.61	1.67	3,342.61	6.05
Total current liabilities	49,057.50	68.39	41,372.91	62.64	33,012.08	59.74
Provision for long-term employee benefits	129.54	0.18	144.38	0.22	161.18	0.29
Deferred tax liabilities	73.93	0.10	62.81	0.10	49.40	0.09
Other non-current liabilities	5,933.34	8.27	6,495.94	9.84	3,869.71	7.00
Total non-current liabilities	6,136.81	8.55	6,703.13	10.15	4,080.29	7.38
Total liabilities	55,194.31	76.94	48,076.04	72.79	37,092.37	67.12
Shareholders' equity						
Issued and paid up share capital	4,273.39	5.96	4,552.09	6.89	4,552.09	8.24
Share premium	3,212.50	4.48	3,379.34	5.12	3,379.34	6.12
Capital reserve for share-based payment transactions	55.64	0.08	57.31	0.09	128.86	0.23
Retained earnings	8,886.56	12.39	9,899.80	14.99	10,544.91	19.08
Other components for shareholders' equity	111.73	0.16	84.02	0.13	(435.12)	(0.79)
Total shareholders' equity	16,539.81	23.06	17,972.57	27.21	18,170.08	32.88
Total liabilities and shareholders' equity	71,734.12	100.00	66,048.61	100.00	55,262.45	100.00

FINANCIAL STATEMENT SUMMARY (CONT.)

(Unit: MB)

ITEMS	AUDITED		AUDITED		AUDITED	
	2014		2015		2016	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
Revenues						
Sales	150,312.64	99.73	149,408.90	99.21	107,392.81	98.78
Exchange gain	0.00	0.00	0.00	0.00	1,028.72	0.94
Gain on financial derivatives	0.00	0.00	819.91	0.54	0.00	0.00
Other income	413.40	0.27	376.92	0.25	302.36	0.28
Total revenues	150,726.05	100.00	150,605.74	100.00	108,723.89	100.00
Expenses						
Cost of sales	116,263.17	95.45	144,091.40	95.60	101,247.59	93.12
Selling and administrative expenses	4,455.04	3.66	4,335.39	2.88	4,643.42	4.27
Exchange loss	573.44	0.47	588.72	0.39	854.28	0.79
Total expenses	121,291.65	99.58	149,015.50	98.87	106,745.28	98.18
Share of profit (loss) from investments in associates	(10.43)	(0.01)	(79.70)	(0.05)	(131.89)	(0.12)
Profit before finance cost and income tax expenses	500.27	0.41	1,630.85	1.08	1,846.71	1.70
Finance cost	305.66	0.25	418.64	0.28	467.99	0.43
Income tax expenses	79.73	0.07	152.74	0.10	253.04	0.23
Profit for the year	114.88	0.09	1,059.46	0.70	1,125.68	1.04
Earnings per share (Consolidated)		0.24		0.34		0.26
Earnings per share (Company Only)		0.40		0.43		0.51
Profit for the year (Company Only)		1,790.52		1,962.49		2,314.51
Dividend per share		0.13		0.13		0.10
Net cash from (used in) operation activities		4,325.47		2,338.21		10,945.70
Net cash used in investing activities		(2,864.68)		(1,928.18)		(2,543.43)
Net cash from financing activities		3,351.58		1,275.59		(7,834.59)
Net decrease in cash and cash equivalents		(1,719.68)		2,115.18		(84.91)
Total Dividend Amount		562.50		591.77		455.21
Depreciation and amortization (Consolidated)		2,238.03		1,945.18		2,262.86

FINANCIAL RATIOS

ITEMS	2014	2015	2016
1. Liquidity ratio			
Current ratio (times)	1.09	1.16	1.12
Quick ratio (times)	0.79	0.86	0.80
Account receivable turnover (times)	4.94	4.52	4.10
Days receivable (days)	73	80	88
Inventory turnover (times)	10.22	10.77	9.10
Average selling period (days)	35	33	40
Account payable turnover (times)	4.93	4.72	4.27
Days payable (days)	73	76	84
Cash Cycle (days)	35	37	43
2. Profitability ratio			
Gross profit margin (%)	4.14	5.13	5.72
Operating profit margin (%)	1.25	2.13	1.40
Net profit margin (%)	0.70	1.03	1.04
Return on equity (%)	6.58	8.95	6.23
3. Efficiency ratio			
Return on assets (%)	1.58	2.24	1.86
Return on fixed assets (%)	18.81	20.53	20.33
Asset turnover (times)	2.25	2.17	1.77
4. Financial ratio			
Debt to equity ratio (times)	3.34	2.67	2.04
Interest coverage ratio (times)	3.90	4.15	3.95
Dividend payout ratio (%)	31.42	30.15	40.44
5. Per share data			
Book value per share (Baht)	3.87	3.95	3.99

ANALYSIS OF PERFORMANCE

OVERALL PAST PERFORMANCE

In 2016, the Company's global strategy of operation base expansion together with implementation of vertical integration planned in Thailand and oversea has gradually settled as scheduled; in present, the Company has the subsidiaries in Thailand, China, Taiwan, Malaysia, Singapore, USA, Mexico, Brazil, Philippines and India. 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 2014-2016 are as follows:

1. Sale revenues

The Company's sale revenue in 2014-2016 was at Baht 150,312.64 million, Baht 149,408.90 million and Baht 107,392.81 million respectively. In 2016, the Company's sale revenue was decreased by 28.12% from previous year. The decrease of sales was mainly due to the decreased demand computer peripheral products such as hard disk drives and PCBA products as well impact from the global economic downturn in overall sectors as compared to previous year.

2. Cost of sales

The Company's cost of sales in 2014-2016 was at Baht 144,091.40 million, Baht 141,738.39 million and Baht 101,247.59 million, which equivalent to 95.86%, 94.87% and 94.28% of sale revenues respectively. The Company's gross profit margin was at 4.14%, 5.13% and 5.72% respectively. The increase of gross profit margin was mainly due to differences in product mix as compared to previous year

3. Selling and administrative expenses (SG&A)

The Company's SG&A in 2014-2016 was at Baht 4,335.39 million, Baht 4,495.49 million and Baht 4,635.62 million which equivalent to 2.88%, 3.01% and 4.32% of sale revenue respectively. The increased SG&A was mainly in related to the consolidated expense of supporting the Company itself and its overseas subsidiaries' operation as well as marketing and managing expense to support existing customers as compared.

4. Profit

The Company's operating profit margin of 2014-2016 was at 1.25%, 2.13% and 1.41% respectively. The operating profit margin decreased in 2016 mainly in related to the differences in products mix to more in high margin products as compared to previous year.

During 2014-2016, the Company had net profit margin of Baht 1,059.46 million, Baht 1,544.69 million and Baht 1,125.68 million which representing a net profit margin of 0.70%, 1.03 % and 1.05% respectively. The Company's net profit decreased by 27.13% from year 2016. The decreased net profit was mainly in response to the sale growth of products during the period as compared. However, the Company has shown continuing effort to improve its net profit margin and is still expecting for an upgrade performance in the upcoming year.

ANALYSIS OF FINANCIAL STATUS

Assets

The Company's total asset in 2014-2016 was at Baht 71,734.12 million, Baht 66,048.61 million and Baht 55,262.45 million respectively. The decreased Baht 10,786.16 million or 16.33% in year 2016 which was mainly come from the decreased in trade and other receivables by 29.91% in responded to the Company and its subsidiaries' operation during the year.

1. Current assets

The Company's current asset in 2014-2016 was at Baht 53,410.70 million, Baht 47,859.88 million and Baht 37,083.13 million which equivalent to 74.46%, 72.46% and 67.% of total assets respectively. In 2016, the Company's current asset decreased by Baht 10,776.75 million or 22.52% was mainly due to the decreased in trade and other receivables of Baht 9,211.85 million during the year.

1.1 Trade and other accounts receivable

The Company's trade and other accounts receivable in 2014-2016 was at Baht 35,335.33 million, Baht 30,796.30 million and Baht 21,584.46 million respectively. In 2016, the trade and other accounts receivable decreased by Baht 9,211.84 million or 29.91% which was mainly in respond to the reduced sales revenue as compared with previous year.

1.2 Inventory

The Company's inventory in 2014-2016 was at Baht 14,506.71 million, Baht 11,805.10 million and Baht 10,436.74 million respectively. In 2016, the inventory decreased by Baht 1,368.36 million or 11.59% as compared to previous year. The raw material was at Baht 12,053.05 million, Baht 9,365.04 million and Baht 8,540.30 million respectively. In 2016, the raw material decreased by 8.81% from 2015 and the major portion in the inventory sector is come from the raw materials which accounted 81.83% of the inventory and is considered reasonable proportion following CCET's inventory policy.

2. Non-current assets

As at 31 December 2014-2016, the Company had total non-current assets of Baht 18,323.42 million, Baht 18,188.72 million and Baht 18,179.32 million which represent 25.54%, 27.54% and 32.90% of total assets respectively. In 2016, the Company's non-current assets has decreased by 0.05% compared to 2015 mainly due to decreased in property, plant, and equipment by 2.98% as a result of the Company's subsidiaries overseas has disposed unused assets and equipments to leverage the cost during the year.

Source of capital

Liabilities

As at 31 December 2014-2016, the Company had total liabilities of Baht 55,194.31 million, Baht 48,076.04 and Baht 37,092.37 million, respectively. In 2016, the Company's total liabilities decreased by 22.85% from 2016 mainly due to the decreased in short-term loans from financial institutions of Baht 7,225.06 million in responded to the Company and its subsidiaries' operation.

Equity

As at 31 December 2014-2016, the Company had total equity of Baht 16,539.81 million, Baht 17,972.57 million and Baht 18,170.08 million respectively. In 2016, the Company's equity increased by Baht 197.52 million or 1.10% compared to 2016 mainly due to the increased in unappropriated retained earnings of Baht 645.11 million during the year as compared.

INDEPENDENT AUDITOR'S REPORT

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

Opinion

I have audited the accompanying consolidated financial statements of Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Cal-Comp Electronics (Thailand) Public Company Limited for the same period.

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 2016, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of matter

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Since the Company and its subsidiaries have sales with a large number of customers and there are a variety of commercial terms. In addition, the economic slowdown has directly resulted in more intense competition in the electronics manufacturing services industry. I have therefore considered the revenue recognition from sales as key audit matter and focused on the audit of occurrence and timing of revenue recognition from sales.

I have examined the revenue recognition from sales by assessing and testing the Company's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. On a sampling basis, I also examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period. In addition, I reviewed credit notes that the Company issued after the period end and performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period.

Allowance for doubtful accounts of trade and other receivables

Estimating the allowance for doubtful accounts of trade and other receivables, as disclosed in Note 9 to the consolidated financial statements, is an area of significant management judgement, particularly with regard to the estimate losses on outstanding receivables based upon, past collection history, aging profile of outstanding debts and the prevailing economic condition. Therefore, there is a risk that the allowance for doubtful accounts will be inadequate, causing the overstatement of the value of trade and other receivables of the Group.

I assessed and tested the internal controls of the Company relevant to the determination of allowance for doubtful accounts by making enquiry of responsible executives and also assessed the assumptions applied by management in determining such allowance for doubtful accounts by reviewing the basis applied in determining the allowance for doubtful accounts and the consistency of the application of that basis. In addition, I performed analytical procedures on the collection periods and debtors movements to identify debtors with indicators of lower than normal collection periods and also performed subsequent receipt from debtors after the accounting period.

Allowance for diminution in value of inventories

Estimating the net realisable value of inventories, as disclosed in Note 10 to the consolidated financial statements, is an area of significant management judgement, particularly with regard to estimation of provision for diminution in the value of obsolete inventory. This requires detailed analysis of the product life cycle, the competitive environment. Therefore, there is a risk that the allowance for diminution in value of inventories will be inadequate, causing the overstatement of the value of inventories of the Group.

I assessed and tested the internal controls of the Company relevant to the determination of allowance for diminution in value of inventories by making enquiry of management, gaining an understanding and assessing the method and the assumptions applied by management in determining such provision by reviewing the basis applied in determining the allowance for diminution in value of inventories and the consistency of the application of that basis. I also performed analytical procedures on the inventory holding periods and inventory movements to identify product lines with indicators of lower than normal inventory turnover. In addition, I compared proceeds from sales transactions occurring after the date of the financial statements and the cost of inventory for each product line.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Miss Sumana Punpongsanon



SUMANA PUNPONGSANON

Certified Public Accountant (Thailand) No. 5872

EY Office Limited

Bangkok: 22 February 2017

STATEMENTS OF FINANCIAL POSITION

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

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Assets					
Current assets					
Cash and cash equivalents	6	3,839,016,064	3,923,923,727	460,654,368	503,688,973
Investment in trading securities	7	4,712,268	28,726,125	-	-
Trade and other receivables	8, 9	21,584,455,437	30,796,299,869	15,625,189,401	24,175,832,404
Short-term loans to related parties	8	-	-	196,123,400	1,077,699,000
Inventories	10	10,436,738,352	11,805,098,540	6,911,600,379	6,562,708,341
Advances payment for raw materials and molds	11	197,561,996	358,849,276	187,013,287	296,084,135
Other current assets	12	1,020,650,098	946,985,766	426,882,002	815,020,742
Total current assets		37,083,134,215	47,859,883,303	23,807,462,837	33,431,033,595
Non-current assets					
Restricted bank deposits	13	26,532,549	26,375,647	-	-
Investments in associates	14	461,600,625	241,718,447	483,575,302	131,799,302
Investments in subsidiaries	15	-	-	11,104,671,461	9,130,135,816
Other long-term investments	16	580,980,451	582,305,490	544,040,301	581,206,239
Investment properties	17	178,245,836	-	-	-
Property, plant and equipment	18	16,491,510,419	16,997,545,194	8,184,781,914	8,288,120,308
Goodwill		88,025,783	88,415,598	-	-
Intangible assets	19	29,720,508	-	-	-
Deferred tax assets	29	102,329,939	107,950,955	3,528,637	2,167,393
Plan assets for long-term employee benefits	25	18,167,305	-	-	-
Other non-current assets					
Land occupancy rights	20	83,353,125	119,886,000	-	-
Others		118,850,053	24,525,870	1,138,167	1,154,167
Total non-current assets		18,179,316,593	18,188,723,201	20,321,735,782	18,134,583,225
Total assets		55,262,450,808	66,048,606,504	44,129,198,619	51,565,616,820

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	
	Note	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	21	7,634,814,386	14,859,876,137	6,674,825,442	14,129,423,548
Trade and other payables	8, 22	22,034,661,541	25,409,419,100	15,125,910,781	16,810,397,565
Current portion of long-term loans	24	2,579,806,800	-	-	-
Income tax payable		105,039,131	22,943,610	10,663,567	8,731,589
Other current liabilities	23	657,760,511	1,080,665,782	138,248,995	251,419,326
Total current liabilities		33,012,082,369	41,372,904,629	21,949,648,785	31,199,972,028
Non-current liabilities					
Provision for long-term employee benefits	25	161,175,734	144,381,420	146,996,591	132,271,318
Deferred tax liabilities	29	49,397,723	62,813,512	-	-
Long-term loans, net of current portion	24	3,869,710,200	6,495,939,000	-	-
Total non-current liabilities		4,080,283,657	6,703,133,932	146,996,591	132,271,318
Total liabilities		37,092,366,026	48,076,038,561	22,096,645,376	31,332,243,346
Shareholders' equity					
Share capital					
Registered					
4,756,390,249 ordinary shares of Baht 1 each		4,756,390,249	4,756,390,249	4,756,390,249	4,756,390,249
Issued and paid-up share capital					
4,552,093,575 ordinary shares of Baht 1 each		4,552,093,575	4,552,093,575	4,552,093,575	4,552,093,575
Share premium		3,379,337,046	3,379,337,046	3,379,337,046	3,379,337,046
Capital reserve for share-based payment transactions					
	26	128,863,185	57,314,026	95,909,446	57,314,026
Retained earnings					
Appropriated - statutory reserve	27	511,111,587	511,111,587	511,111,587	511,111,587
Unappropriated		10,033,798,842	9,388,686,864	13,494,320,432	11,718,731,423
Other components of shareholders' equity		(689,913,170)	84,024,845	(218,843)	14,785,817
Equity attributable to owners of the Company		17,915,291,065	17,972,567,943	22,032,553,243	20,233,373,474
Non-controlling interests of the subsidiary		254,793,717	-	-	-
Total shareholders' equity		18,170,084,782	17,972,567,943	22,032,553,243	20,233,373,474
Total liabilities and shareholders' equity		55,262,450,808	66,048,606,504	44,129,198,619	51,565,616,820

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 2016

(Unit : Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Revenues					
Sales	8	107,392,814,113	149,408,904,134	73,623,076,226	87,190,066,640
Service income		17,669,507	-	-	-
Exchange gains		1,028,719,222	-	108,505,208	-
Gain on financial derivatives		-	819,909,278	-	215,944,924
Other income	8	284,687,588	376,923,969	188,445,701	188,628,953
Total revenues		108,723,890,430	150,605,737,381	73,920,027,135	87,594,640,517
Expenses					
Cost of sales	8	101,247,588,831	141,738,394,578	70,738,500,378	83,190,965,206
Cost of service		7,792,791	-	-	-
Selling expenses		251,184,822	295,014,727	69,377,155	61,813,147
Administrative expenses	8	4,384,439,872	4,200,474,064	457,125,281	434,121,543
Loss on impairment of investments	14, 15, 16	15,995,100	-	15,995,100	1,305,859,216
Exchange losses		-	2,264,769,165	-	393,937,079
Loss on financial derivatives		838,282,008	-	84,504,520	-
Total expenses		106,745,283,424	148,498,652,534	71,365,502,434	85,386,696,191
Profit before share of loss from investments in associates, finance cost and income tax expenses		1,978,607,006	2,107,084,847	2,554,524,701	2,207,944,326
Share of loss from investments in associates	14	(131,893,822)	(82,448,341)	-	-
Profit before finance cost and income tax expenses		1,846,713,184	2,024,636,506	2,554,524,701	2,207,944,326
Finance cost		(467,988,354)	(487,307,574)	(222,191,941)	(235,992,190)
Profit before income tax expenses		1,378,724,830	1,537,328,932	2,332,332,760	1,971,952,136
Income tax expenses	29	(253,042,109)	7,356,969	(17,819,531)	(9,461,553)
Profit for the year		1,125,682,721	1,544,685,901	2,314,513,229	1,962,490,583
Profit attributable to:					
Equity holders of the Company		1,168,564,075	1,544,685,901	2,314,513,229	1,962,490,583
Non-controlling interests of the subsidiary		(42,881,354)	-	-	-
		1,125,682,721	1,544,685,901		
Earnings per share	31				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.26	0.34	0.51	0.43
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.26	0.34	0.51	0.43

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 2016

(Unit : Baht)

Note	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit for the year	1,125,682,721	1,544,685,901	2,314,513,229	1,962,490,583
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Exchange differences on translation of financial statements in foreign currency	(791,362,914)	8,624,337	-	-
Loss on change in value of available-for-sale investments	(17,578,119)	(33,207,804)	(17,578,119)	(33,207,804)
Reversal of unrealised gain on change in value of available-for-sale investments	(1,177,252)	(12,205,304)	(1,177,252)	(12,205,304)
Less: Income tax effect 29	3,750,711	9,083,004	3,750,711	9,083,004
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(806,367,574)	(27,705,767)	(15,004,660)	(36,330,104)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods				
Actuarial gain (loss) 25	25,670,306	9,732,221	7,363,417	(6,626,594)
Less: Income tax effect 29	(2,871,174)	(4,823,458)	(36,408)	126,311
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	22,799,132	4,908,763	7,327,009	(6,500,283)
Other comprehensive income for the year	(783,568,442)	(22,797,004)	(7,677,651)	(42,830,387)
Total comprehensive income for the year	342,114,279	1,521,888,897	2,306,835,578	1,919,660,196
Profit attributable to:				
Equity holders of the Company	384,995,633	1,521,888,897	2,306,835,578	1,919,660,196
Non-controlling interests of the subsidiary	(42,881,354)	-	-	-
	342,114,279	1,521,888,897		

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

STATEMENTS OF CHANGE IN SHAREHOLDERS' EQUITY

Cal-Comp Electronics (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2016

(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 transactions	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Capital surplus from change in shareholding in the subsidiary	Surplus 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	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated							
Balance as at 1 January 2015	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
Profit for the year	-	-	-	-	1,544,685,901	-	-	-	-	-	-	1,544,685,901
Other comprehensive income for the year	-	-	-	-	4,908,763	8,624,337	-	(36,330,104)	-	(27,705,767)	-	(22,797,004)
Total comprehensive income for the year	-	-	-	-	1,549,594,664	8,624,337	-	(36,330,104)	-	(27,705,767)	-	1,521,888,897
Capital increased due to convert warrants to shares (Note 26)	80,792,348	166,836,211	(30,297,130)	-	-	-	-	-	-	-	-	217,331,429
Stock dividend (Note 34)	197,915,071	-	-	-	(197,915,071)	-	-	-	-	-	-	-
Dividend paid (Note 34)	-	-	-	-	(338,440,386)	-	-	-	-	-	-	(338,440,386)
Share-based payment transactions (Note 26)	-	-	31,975,395	-	-	-	-	-	-	-	-	31,975,395
Balance as at 31 December 2015	4,552,093,575	3,379,337,046	57,314,026	511,111,587	9,388,686,864	90,671,270	-	14,785,817	(21,432,242)	84,024,845	-	17,972,567,943
Balance as at 1 January 2016	4,552,093,575	3,379,337,046	57,314,026	511,111,587	9,388,686,864	90,671,270	-	14,785,817	(21,432,242)	84,024,845	-	17,972,567,943
Profit for the year	-	-	-	-	1,168,564,075	-	-	-	-	-	(42,881,354)	1,125,682,721
Other comprehensive income for the year	-	-	-	-	22,799,132	(791,362,914)	-	(15,004,660)	-	(806,367,574)	-	(783,568,442)
Total comprehensive income for the year	-	-	-	-	1,191,363,207	(791,362,914)	-	(15,004,660)	-	(806,367,574)	(42,881,354)	342,114,279
Dividend paid (Note 34)	-	-	-	-	(546,251,229)	-	-	-	-	-	-	(546,251,229)
Share-based payment transactions (Note 26)	-	-	71,549,159	-	-	-	-	-	-	-	-	71,549,159
Capital surplus from change in shareholding in the subsidiary	-	-	-	-	-	-	32,429,559	-	-	32,429,559	(32,429,559)	-
Increase in equity attribute to non-controlling interests of the subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2016	4,552,093,575	3,379,337,046	128,863,185	511,111,587	10,033,798,842	(700,691,644)	32,429,559	(218,843)	(21,432,242)	(689,913,170)	330,104,630	18,170,084,782

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 2016

	Separate financial statements							(Unit : Baht)
	Issued and fully paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Unappropriated	Surplus on changes in value of available-for-sale investments	
				Appropriated - statutory reserve				
								Total shareholders' equity
Balance as at 1 January 2015								
Profit for the year	4,273,386,156	3,212,500,835	55,635,761	511,111,587	10,299,096,580	51,115,921	18,402,846,840	
Other comprehensive income for the year	-	-	-	-	1,962,490,583	-	1,962,490,583	
Total comprehensive income for the year	-	-	-	-	(6,500,283)	(36,330,104)	(42,830,387)	
Capital increased due to convert warrants to shares (Note 26)	-	-	-	-	1,955,990,300	(36,330,104)	1,919,660,196	
Stock dividend (Note 34)	80,792,348	166,836,211	(30,297,130)	-	-	-	217,331,429	
Dividend paid (Note 34)	197,915,071	-	-	-	(197,915,071)	-	-	
Share-based payment transactions (Note 26)	-	-	-	-	(338,440,386)	-	(338,440,386)	
	-	-	31,975,395	-	-	-	31,975,395	
Balance as at 31 December 2015	4,552,093,575	3,379,337,046	57,314,026	511,111,587	11,718,731,423	14,785,817	20,233,373,474	
Balance as at 1 January 2016								
Profit for the year	4,552,093,575	3,379,337,046	57,314,026	511,111,587	11,718,731,423	14,785,817	20,233,373,474	
Other comprehensive income for the year	-	-	-	-	2,314,513,229	-	2,314,513,229	
Total comprehensive income for the year	-	-	-	-	7,327,009	(15,004,660)	(7,677,651)	
Dividend paid (Note 34)	-	-	-	-	2,321,840,238	(15,004,660)	2,306,835,578	
Share-based payment transactions (Note 26)	-	-	38,595,420	-	(546,251,229)	-	(546,251,229)	
	-	-	-	-	-	-	38,595,420	
Balance as at 31 December 2016	4,552,093,575	3,379,337,046	95,909,446	511,111,587	13,494,320,432	(218,843)	22,032,553,243	

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 2016

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before tax	1,378,724,830	1,537,328,932	2,332,332,760	1,971,952,136
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	2,262,855,869	1,945,178,136	1,174,619,596	1,031,573,655
Loss from bad debts	-	105,138,875	-	-
Allowance for doubtful accounts (reversal)	49,995,492	3,809,351	24,815,442	(8,943,791)
Reduction of inventories to net realisable value	(66,425,979)	107,398,875	3,995,276	6,655,172
Gain on disposal of equipment	(90,267,614)	(34,002,333)	(1,173,414)	(169,008)
Gain on disposal of other long-term investments	(727,099)	(11,267,709)	(727,099)	(11,267,709)
Impairment loss of assets	15,995,100	55,223,669	15,995,100	1,305,859,216
Loss (gain) from revaluation of marketable securities	(6,448,841)	12,707,874	-	-
Gain on sales of investment in trading securities	(489,447)	-	-	-
Share of loss from investments in associates	131,893,822	82,448,342	-	-
Long-term employee benefits expenses	36,873,493	29,090,659	22,538,690	19,533,689
Share-based payment transactions	71,549,159	31,975,395	10,237,765	8,179,839
Unrealised loss (gain) on financial derivatives	110,792,246	(52,350,156)	10,619,140	(14,005,670)
Unrealised loss (gain) on exchange	(532,677,488)	(1,055,800,875)	101,538,603	(412,355,792)
Dividend income	(8,304,141)	-	(8,304,141)	-
Interest income	(73,693,696)	(71,146,920)	(3,925,588)	(1,249,818)
Interest expenses	343,151,314	382,821,679	171,993,186	205,089,220
Profit from operating activities before changes in operating assets and liabilities	3,622,797,020	3,068,553,794	3,854,555,316	4,100,851,139
Operating assets (increase) decrease				
Trade and other receivables	9,617,724,742	5,791,745,710	8,288,539,448	(4,448,147,401)
Inventories	1,430,063,983	2,594,209,848	(352,887,313)	329,455,854
Advances payment for raw materials and molds	136,653,055	(13,614,333)	83,805,971	(26,884,121)
Other current assets	(108,887,055)	724,278,187	385,602,050	294,896,035
Operating liabilities increase (decrease)				
Trade and other payables	(3,146,069,799)	(9,469,321,821)	(1,965,900,932)	613,179,300
Other current liabilities	(481,837,195)	(179,621,294)	(121,725,482)	47,395,021
Provision for long-term employee benefits	(11,693,775)	(24,610,473)	(450,000)	-
Cash flows from operating activities	11,058,750,976	2,491,619,618	10,171,539,058	910,745,827
Cash received for interest	64,813,391	9,353,170	3,925,588	1,245,320
Cash refunded on income tax	1,771,257	1,039,477	-	-
Cash paid for corporate income tax	(179,633,082)	(163,806,999)	(13,534,496)	(10,901,472)
Net cash flows from operating activities	10,945,702,542	2,338,205,266	10,161,930,150	901,089,675

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 2016

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Decrease in short-term loans to related parties	-	-	885,107,150	-
Decrease in restricted bank deposits	(310,307)	2,855,944	-	-
Increase in investments in subsidiaries	-	-	(1,737,802,390)	(246,359,600)
Increase in investment in an associate	(351,776,000)	(35,000,000)	(351,776,000)	(35,000,000)
Proceeds from capital reduction in a subsidiary	-	-	309,999,600	-
Increase in other long-term investments	(34,699,900)	(491,276,800)	-	(491,276,800)
Increase in advance payment for share subscription	-	-	-	(518,375,200)
Increase in property, plant and equipment	(2,511,244,922)	(1,708,375,285)	(1,121,553,671)	(1,316,207,483)
Increase in intangible assets	(30,562,059)	-	-	-
Cash received for dividend	8,304,141	-	8,304,141	-
Cash received for interest	8,880,305	61,793,750	-	4,498
Cash received from sales of investment in trading securities	30,746,818	-	-	-
Proceeds from sale of investment in an associate	2,500,000	-	2,500,000	-
Proceeds from sales of other long-term investments	3,142,566	27,784,441	3,142,566	27,784,441
Proceeds from sales of equipment	425,910,196	190,484,179	56,758,227	84,643,043
Decrease (increase) in other non-current assets	(94,324,183)	23,550,978	16,000	(305,200)
Net cash flows used in investing activities	(2,543,433,345)	(1,928,182,793)	(1,945,304,377)	(2,495,092,301)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(7,291,495,123)	1,774,065,216	(7,537,374,395)	2,194,081,764
Cash receipt from exercise of warrants	-	217,331,429	-	217,331,429
Interest expenses	(326,944,841)	(377,362,216)	(176,034,754)	(204,809,239)
Dividend paid	(546,251,229)	(338,440,386)	(546,251,229)	(338,440,386)
Increase in non-controlling interests of the subsidiary	330,104,630	-	-	-
Net cash flows from (used in) financing activities	(7,834,586,563)	1,275,594,043	(8,259,660,378)	1,868,163,568
Increase (decrease) in translation adjustment	(652,590,297)	429,565,386	-	-
Net increase (decrease) in cash and cash equivalents	(84,907,663)	2,115,181,902	(43,034,605)	274,160,942
Cash and cash equivalents at beginning of year	3,923,923,727	1,808,741,825	503,688,973	229,528,031
Cash and cash equivalents at end of year (Note 6)	3,839,016,064	3,923,923,727	460,654,368	503,688,973
Supplemental cash flows information				
Non-cash items consist of Purchases of plant and equipment that has not yet been paid	33,936,451	404,621,591	6,625,032	20,250,847
Sales of equipment that has not yet been received	176,913,454	144,726,907	1,312,687	38,227,277
Stock dividend	-	197,915,071	-	197,915,071
Reclassify property, plant and equipment to investment properties	164,219,453	-	-	-
Reclassify land occupancy rights to investment properties	27,798,777	-	-	-
Sales of investment in an associate that has not yet been received	-	2,500,000	-	2,500,000

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 2016

1. GENERAL INFORMATION

Cal-Comp Electronics (Thailand) Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. Its parent company 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 at No. 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 Sakorn, 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	
			2016	2015
			(Percent)	(Percent)
Held by the Company				
Logistar International Holding Co., Ltd.	Group company's distributor	British Virgin Island	100	100
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	Manufacture of electronic products	The People's Republic of China	100	100
Cal-Comp Electronics & Communications Co., Ltd.	Purchasing material and research and development	Taiwan	100	100
Cal-Comp Technology (Suzhou) Co., Ltd.	Manufacture of electronic products	The People's Republic of China	100	100
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	Manufacture of electronic products	The People's Republic of China	100	100
Cal Comp (Malaysia) SDN. BHD.	Manufacture of electronic products	Malaysia	100	100
Cal-Comp Precision (Singapore) Limited	Manufacture and distributor of plastic components	Singapore	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016 (Percent)	2015 (Percent)
Cal-Comp Industria e Comercio de Electronicos e Informatica Ltda.*	Manufacture of electronic products	Brazil	1	2
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	Manufacture of electronic products	Mexico	100	100
Cal-Comp Electronics (USA) Co., Ltd.	Manufacture of electronic products	United States of America	100	100
Cal-Comp Technology (Philippines), Inc.	Manufacture of electronic products	Philippines	100	100
Cal-Comp Precision (Thailand) Limited	Manufacture and distributor of plastic components	Thailand	100	100
Cal-Comp Holding (Brasil) S.A.	Holding company	Brazil	100	100
Qbit Semiconductor Ltd.	Manufacture of electronic products	Taiwan	100	-
Qbit Semiconductor Holding Ltd.	Holding company	Cayman Island	100	-
Held by its subsidiaries				
Avaplas Precision Plastics (Shanghai) Co., Ltd. (100% held by Cal-Comp Precision (Thailand) Limited)	Manufacture and distributor of plastic components	The People's Republic of China	100	100
Cal-Comp Precision (Malaysia) Sdn. Bhd. (100% held by Cal-Comp Precision (Thailand) Limited)	Manufacture and distributor of plastic components	Malaysia	100	100
Cal-Comp Precision (Dongguan) Limited (100% held by Cal-Comp Precision (Thailand) Limited)	Manufacture and distributor of plastic components	The People's Republic of China	100	100
Cal-Comp Precision (Wujiang) Co., Ltd. (100% held by Cal-Comp Precision (Thailand) Limited)	Manufacture and distributor of plastic components	The People's Republic of China	100	100
Cal-Comp Precision (Philippines), Inc. (100% held by Cal-Comp Precision (Thailand) Limited)	Manufacture and distributor of plastic components	Philippines	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 Electronicos e Informatica Ltda. (2016: 99% held by Cal-Comp Holding (Brasil) S.A. and 2015: 98%)	Manufacturer of electronic products	Brazil	99	98
Cal-Comp Ind. Semicondutores, Ltda. (2016: 58% held by Cal-Comp Holding (Brasil) S.A. and 2015: 100%)	Manufacturer of electronic products	Brazil	58	100

* Classified as investments in subsidiaries since the Company indirectly holds the investment in such company through Cal-Comp Holding (Brasil) S.A. with 99% of registered capital of Cal-Comp Industria e Comercio de Electronicos e Informatica Ltda. And the Company has control over such company.

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

During the first quarter of the current year, Cal-Comp Ind. Semicondutores, Ltda., a subsidiary in Brazil, increased its paid-up capital from BRL 20 million to BRL 64 million by issuing additional ordinary shares of 44 million shares, at a par value of BRL 1 each. Accordingly, Cal-Comp Holding (Brasil) S.A., the existing shareholder of such company, increased its investment by BRL 20 million while the remaining shares of BRL 24 million are held by two new shareholders. As a result, the proportion of shares held by Cal-Comp Holding (Brasil) S.A. in Cal-Comp Ind. Semicondutores, Ltda. is decreased from 100% to 63%. During the second quarter of the current year, Cal-Comp Ind. Semicondutores, Ltda. increased its paid-up capital from BRL 64 million to BRL 75 million by issuing additional ordinary shares of 5.4 million shares, at a par value of BRL 1 each. The additional shares are acquired by a new shareholder which has invested in such company with the amount of BRL 11 million. As a result, the proportion of shares held by Cal-Comp Holding (Brasil) S.A. in Cal-Comp Ind. Semicondutores, Ltda. is decreased from 63% to 58%.

During the third quarter of the current year, the Company acquired the investment in Qbit Semiconductor Ltd., a company newly established in Taiwan. The Company invested in 100% of the registered share capital of such company and paid amounting to USD 5 million or approximately Baht 176 million.

During the third and fourth quarter of the current year, the Company also acquired the investment in Qbit Semiconductor Holding Ltd., a company newly established in Cayman Island. The Company invested in 100% of the registered share capital of such company and paid amounting to USD 5 million or approximately Baht 174 million.

- b) The Company is deemed to have control over an investee or subsidiaries 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.
- c) 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.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) 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.
- f) Material balances and transactions between the Company and its subsidiaries companies have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. NEW FINANCIAL REPORTING STANDARDS

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

During the year, the Company and subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. 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 standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. 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 standards.

The management of the Company and its subsidiaries believe that the revised financial reporting standards and interpretations and new accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised accounting standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively. The management of the Company and its subsidiaries expect the adoption of this accounting standard to have the effect of decreasing the Company's brought-forward retained earnings of the year 2017 by approximately Baht 3,455 million.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue and expense recognition

Sales of goods

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

Rendering of services

Service income is recognised when services have been rendered.

Interest income

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

Dividends

Dividends are recognised when the right to receive the dividends is established.

Expenses

Expenses are recognised on an accrual basis.

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable, other receivables and allowance for doubtful accounts

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

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (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 realisable value and are charged to production costs whenever consumed.

4.5 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.

4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 40 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.7 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	-	3 - 51	years
Machinery and equipment	-	3 - 15	years
Molds and spare parts	-	1 - 11	years
Office furniture and equipment	-	2 - 20	years
Motor vehicles	-	1 - 11	years
Miscellaneous equipment and research and development equipment	-	1 - 10	years

Depreciation is included in determining income.

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

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

4.8 Borrowing costs

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

4.9 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
Computer software design	- 3 years
Technical license fee	- 3 years

4.10 Goodwill

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

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

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

4.11 Related party transactions

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

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

4.12 Long-term leases

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

4.13 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 exchanges rate ruling at the end of reporting period. Gains and losses on exchange are included in determining income.

4.14 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.

4.15 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 by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

The liabilities under the defined benefit plan consist of the present value of the defined benefit obligation less fair value of plan assets.

Net interest recognised in profit or loss consists of the interest cost on the defined benefit obligation net with the interest income on plan assets which calculated using the same rate as the discount rate applying for the post-employment benefit obligation.

Actuarial gains and losses from determining the measurement of the defined benefit obligation and return of plan assets net from interest income on plan assets are recognised immediately in other comprehensive income.

4.16 Provisions

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

4.17 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.

4.18 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 statement of 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.

4.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. 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:

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.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and long-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

6. CASH AND CASH EQUIVALENTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash	2,137	128,411	263	253
Deposits at financial institutions	3,836,879	3,795,513	460,391	503,436
Cash and cash equivalents	3,839,016	3,923,924	460,654	503,689

As at 31 December 2016, bank deposits in saving accounts and fixed deposits carried interests between 0.1 and 13.5 percent per annum (2015: between 0.1 and 10.0 percent per annum).

7. INVESTMENT IN TRADING SECURITIES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trading securities				
Listed securities	-	25,477	-	-
Warrants	4,712	3,249	-	-
Total trading securities	4,712	28,726	-	-

8. RELATED PARTY TRANSACTIONS

During the years, the Company and its subsidiaries had significant business transactions with their related parties. Such transactions were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries 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.	Parent company
Logistar International Holding 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 Electronicos 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
Qbit Semiconductor Ltd.	Subsidiary
Qbit Semiconductor Holding Ltd.	Subsidiary

Name of related parties	Relationship with the Company
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 Precision (Philippines), Inc.	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)
Cal-Comp Ind. Semicondutores, Ltda.	Subsidiary (held by a subsidiary)
XYZprinting, Inc.	Associate
PChome (Thailand) Co., Ltd.	Associate
Cal-Comp Big Data, 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
XYZprinting (Thailand) Co., Ltd.	Subsidiary of an associate
XYZprinting, Inc. (Korea)	Subsidiary of an associate
Metal Component Engineering Limited	Shareholding by the Company
Memoright Memortech Corporation	Shareholding by the Company
Dawning Leading Technology Inc.	Shareholding by the Company
Kinpo Group Management Service Co., Ltd.	Shareholding by the subsidiary
Kinpo Electronics (China) Co., Ltd.	Subsidiary of the parent company
Kinpo International Ltd.	Subsidiary of the parent company
Crownpo Technology, Inc.	Subsidiary of the parent company
Dongguan Kaipo Electronics Co., Ltd.	Subsidiary of the parent company
Kinpo Electronics (Philippines), Inc.	Subsidiary of the parent company
Cal-Comp Biotech Co., Ltd.	Subsidiary of the parent company
Acbel Polytech Inc.	Associate of the parent company
Compal Electronics, INC.	Common directors
Instituto Cal-Comp De Tecnologia	Related company

Such significant transactions are summarised below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2016	2015	2016	2015	
Transactions with subsidiaries (Eliminated from the consolidated financial statements)					
Sales	-	-	26,870	24,946	Near market price
Sales of fixed assets	-	-	32	28	At book value plus margin
Other income	-	-	179	116	Contract price
Purchases of raw materials	-	-	3,327	3,341	Near market price
Purchases of fixed assets	-	-	593	53	Cost
Transactions with associated companies					
Sales	730	491	727	490	Near market price
Sales of fixed assets	2	-	-	-	At book value plus margin
Purchases of fixed assets	1	-	1	-	Cost
Other expenses	38	14	-	-	Contract price
Transactions with related parties					
Sales					
- Kinpo Electronics, Inc.	-	1,672	-	-	Near market price
- Kinpo International Ltd.	344	439	59	57	Near market price
- Others	53	885	-	-	Near market price
Sales of fixed assets					
- Kinpo Electronics (China) Co., Ltd.	289	147	4	14	At book value plus margin
- Others	76	17	8	-	At book value plus margin
Gain on disposal of fixed assets	74	-	-	-	At book value plus margin
Dividend income	8	-	8	-	As declared
Other income	-	1	-	-	Cost
Purchases of raw materials	2,220	17,390	1,873	5,179	Near market price
Purchases of fixed assets	260	49	238	48	Cost
Other expenses	146	143	-	-	Contract price

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

The balances of the accounts as at 31 December 2016 and 2015 between the Company, its subsidiaries and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade and other receivables - related parties (Note 9)				
Subsidiaries	-	-	5,501,781	7,701,182
Associates	807,275	467,144	783,392	460,048
Related companies	184,939	127,971	38,285	23,293
Total trade and other receivables - related parties	992,214	595,115	6,323,458	8,184,523

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade and other payables - related parties				
(Note 22)				
Subsidiaries	-	-	667,901	797,638
Associates	84,047	75,033	72,005	56,260
Related companies	813,587	1,207,136	541,248	968,459
Total trade and other payables - related parties	897,634	1,282,169	1,281,154	1,822,357
Advance received for purchases of mold - related party (Note 23)				
Related company	2,617	-	-	-

Short-term loans to related parties

As at 31 December 2016, the balance of short-term loans between the Company and those related parties and the movement are as follows:

(Unit: Thousand Baht)

Separate financial statements

Short-term loans	Related by	Balance as at 31 December 2015	Increase (decrease)	Translation adjustment	Balance as at 31 December 2016
Cal-Comp Industria e Comercio de Electronica e Informatica Ltda.	Subsidiary	1,077,699	(1,077,699)	-	-
Cal-Comp Ind. Semicondutores, Ltda.	Subsidiary (held by a subsidiary)	-	192,592	3,531	196,123
		1,077,699	(885,107)	3,531	196,123

Short-term loans to Cal-Comp Ind. Semicondutores, Ltda. were denominated in US dollar currency and will be due in June 2017.

Directors and management benefits

During the years ended 31 December 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	71	60	28	28
Post-employment benefits	1	1	-	-
Total	72	61	28	28

9. TRADE AND OTHER RECEIVABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	828,605	340,596	3,311,107	3,574,780
Past due				
Less than 1 month	45,520	350	584,972	195,300
1 - 2 months	37,472	12,446	176,471	247,846
2 - 3 months	953	70,041	80,781	157,350
3 - 6 months	1,558	81,171	543,852	765,328
6 - 12 months	3	45	745,964	754,229
Over 12 months	1	105	776,874	2,188,049
Total trade receivables				
- related parties	914,112	504,754	6,220,021	7,882,882
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	16,426,873	20,984,399	6,389,994	9,966,670
Past due				
Less than 1 month	1,755,874	4,838,750	1,634,233	4,146,659
1 - 2 months	1,003,214	1,777,113	970,294	1,745,600
2 - 3 months	132,039	26,629	65,268	5,495
3 - 6 months	160,484	84,987	60,959	929
6 - 12 months	29,494	38,252	577	5
Over 12 months	99,191	101,561	37,023	37,290
Total	19,607,169	27,851,691	9,158,348	15,902,648
Less: Allowance for doubtful accounts	(132,098)	(106,240)	(36,472)	(36,605)
Total trade receivables - unrelated parties, net	19,475,071	27,745,451	9,121,876	15,866,043
Total trade receivables, net	20,389,183	28,250,205	15,341,897	23,748,925
<u>Other receivables</u>				
Other receivables - related parties	78,102	90,361	103,437	301,641
Other receivables - unrelated parties	1,117,170	2,455,734	179,855	125,266
Total other receivables	1,195,272	2,546,095	283,292	426,907
Trade and other receivables, net	21,584,455	30,796,300	15,625,189	24,175,832

The balances of above other receivables - unrelated parties as at 31 December 2016 and 2015 represent suspense accounts receivable set up for the expense which can be passed on to customers or vendors apart from buying and selling prices and for raw materials which were purchased from suppliers and the inventories to which engineering or component changes have been made. The Company and its subsidiaries set up these suspense accounts while awaiting the return of the raw materials from the creditors.

10. INVENTORIES

(Unit: Thousand Baht)

Consolidated financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	2016	2015	2016	2015	2016	2015
Finished goods	1,380,712	1,796,214	(74,249)	(74,332)	1,306,463	1,721,882
Work in process	194,790	317,197	-	-	194,790	317,197
Raw materials	8,738,788	9,634,591	(198,487)	(269,552)	8,540,301	9,365,039
Goods in transit	395,184	400,981	-	-	395,184	400,981
Total	10,709,474	12,148,983	(272,736)	(343,884)	10,436,738	11,805,099

(Unit: Thousand Baht)

Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	2016	2015	2016	2015	2016	2015
Finished goods	682,575	585,456	(62,009)	(58,014)	620,566	527,442
Work in process	2,379	3,425	-	-	2,379	3,425
Raw materials	6,263,301	6,114,202	(84,605)	(84,605)	6,178,696	6,029,597
Goods in transit	109,959	2,244	-	-	109,959	2,244
Total	7,058,214	6,705,327	(146,614)	(142,619)	6,911,600	6,562,708

During the current year, the Company and its subsidiaries recorded the reducing cost of inventories to net realisable value of Baht 34 million (2015: Baht 118 million) (Separate financial statements: Baht 4 million, 2015: Baht 7 million) which represent as part of cost of sales and in addition, the Company and its subsidiaries reversed the write-down of cost of inventories by Baht 100 million (2015: Baht 10 million) and reduced the amount of inventories recognised as expenses during the year.

11. ADVANCES PAYMENT FOR RAW MATERIALS AND MOLDS

The balances as at 31 December 2016 and 2015 mainly consist of:

- Advance payment of Baht 28 million (2015: Baht 62 million) for the purchase of raw materials and others.
- Advance payment of Baht 170 million to suppliers (2015: Baht 297 million) for the purchases of molds. The remaining balances is to be paid upon the completion of molds (please refer to Note 35.4).

12. OTHER CURRENT ASSETS

The balances as at 31 December 2016 and 2015 consist of:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Receivable - molds	288,892	130,010	140,009	42,086
Value added tax	429,726	592,629	207,726	199,941
Financial derivative assets at fair value	-	43,305	-	10,619
Advance payments for share subscription	-	-	-	518,375
Others	302,032	181,042	79,147	44,000
Total	1,020,650	946,986	426,882	815,021

13. RESTRICTED BANK DEPOSITS

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

14. INVESTMENTS IN ASSOCIATES

14.1 Details of associates

(Unit: Thousand Baht)

Consolidated financial statements								
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost method		Carrying amount based on the equity method	
			2016	2015	2016	2015	2016	2015
			(%)	(%)				
A-Ten Technology Co., Ltd.*	Research and development of telecommunication products	Taiwan	34.00	34.00	12,826	12,198	-	-
Daviscomms (S) Pte Ltd.**	Design and manufacturing of telecommunication products	Singapore	20.00	20.00	105,887	106,649	123,834	120,887
XYZprinting, Inc.	Manufacturing of electronic products	Taiwan	44.74	44.74	285,331	285,331	19,708	89,880
PChome (Thailand) Co., Ltd.	E-commerce service provider	Thailand	32.50	32.50	32,500	32,500	26,373	30,951
Cal-Comp Big Data, Inc.	Big-data market service provider	Taiwan	50.00	-	351,776	-	291,686	-
Total					788,320	436,678	461,601	241,718

* (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 incorporation	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amount based on the cost method - net	
			2016	2015	2016	2015	2016	2015	2016	2015
			(%)	(%)						
XYZprinting, Inc.	Manufacturing of electronic products	Taiwan	44.74	44.74	285,331	285,331	(186,032)	(186,032)	99,299	99,299
PChome (Thailand) Co., Ltd.	E-commerce service provider	Thailand	32.50	32.50	32,500	32,500	-	-	32,500	32,500
Cal-Comp Big Data, Inc.	Big-data market service provider	Taiwan	50.00	-	351,776	-	-	-	351,776	-
Total					669,607	317,831	(186,032)	(186,032)	483,575	131,799

14.2 Share of comprehensive income and dividend received

During the years, the Company and its subsidiaries recognised their share of profit or loss from investments in associate companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Million Baht)

Consolidated financial statements

Separate financial statements

Company's name	Share of profit (loss) from investments in associates during the year		Share of other comprehensive income from investments in associates during the year		Dividend received during the year	
	2016	2015	2016	2015	2016	2015
A-Ten Technology Co., Ltd.	-	-	-	-	-	-
Daviscomms (S) Pte Ltd.	2	7	1	1	-	-
XYZprinting, Inc.	(71)	(85)	1	-	-	-
PChome (Thailand) Co., Ltd.	(5)	(2)	-	-	-	-
Cal-Comp Big Data, Inc.	(60)	-	-	-	-	-
Total	(134)	(80)	2	(2)	-	-

14.3 Summarised financial information about material associates

Summarised information about financial position.

(Unit: Million Baht)

	Daviscomms (S) Pte Ltd.		XYZprinting, Inc.		Cal-Comp Big Data, Inc.	
	2016	2015	2016	2015	2016	2015
Current assets	362	359	1,013	682	889	-
Non-current assets	108	35	292	261	23	-
Current liabilities	(81)	(42)	(1,229)	(714)	(307)	-
Non-current liabilities	(1)	(4)	-	(4)	-	-
Net assets	388	348	76	225	605	-
Shareholding percentage (%)	20.00	20.00	44.74	44.74	50.00	-
Share of net assets	78	70	34	101	303	-
Translation adjustment	46	51	(14)	(11)	(11)	-
Carrying amounts of associates based on equity method	124	121	20	90	292	-

Summarised information about comprehensive income

(Unit: Million Baht)

For the year ended 31 December

	Daviscomms (S) Pte Ltd.		XYZprinting, Inc.		Cal-Comp Big Data, Inc.	
	2016	2015	2016	2015	2016	2015
Revenue	412	552	790	668	2	-
Profit (loss)	10	35	(159)	(191)	(120)	-
Other comprehensive income	5	(1)	2	(6)	-	-
Total comprehensive income	15	34	(157)	(197)	(120)	-

The Company and its subsidiaries recorded investments in associates based on the basis of financial information provided by those companies' management. Due to time constraints, those companies' management can not provide the financial information which were audited by external auditors. However, the financial information of XYZprinting, Inc. and Cal-Comp Big Data, Inc. were audited by its auditor.

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. During the first quarter of the year 2015, the Company invested in 35% of total investment or approximately Baht 35 million and subsequently during the fourth quarter of the year 2015, the Company sold investments in PChome (Thailand) Co., Ltd. amounting to Baht 2.5 million and resulted in the decrease in proportion of shareholding from 35% to 32.5%.

On 12 May 2016, a meeting of the Board of Directors of the Company resolved to approve an investment in Cal-Comp Big Data, Inc., a newly established associate company in Taiwan, with the amount not exceeding TWD 325 million for expansion into big-data market purpose. The Company and Kinpo Electronics, Inc. each will hold 50 percent of total investment in such company. During the second quarter of the current year, the Company paid for share subscription in such company in the amount of USD 10 million, or approximately Baht 352 million.

On 11 August 2016, a meeting of the Board of Directors of the Company resolved to approve an investment of Cal-Comp Big Data, Inc. on Cal-Comp Big Data International Ltd., its new subsidiary in British Virgin Islands, with the amount not exceeding USD 5 million for the purpose of supporting big data operation and is in the process of company registration.

15. INVESTMENTS IN SUBSIDIARIES

15.1 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		Allowance for impairment of investments		Cost - net	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Logistar International Holding Co., Ltd.	USD 30.05 million	USD 30.05 million	100	100	1,077,604	1,077,604	(1,077,604)	(1,077,604)	-	-
Cal-Comp Optical Electronics (Suzhou) Co., Ltd.	USD 68.48 million	USD 68.48 million	100	100	1,945,781	1,945,781	-	-	1,945,781	1,945,781
Cal-Comp Electronics & Communications Co., Ltd.	TWD 69.92 million	TWD 69.92 million	100	100	195,392	167,313	-	-	195,392	167,313
Cal-Comp Technology (Suzhou) Co., Ltd.	USD 10.00 million	USD 10.00 million	100	100	338,568	338,568	-	-	338,568	338,568

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Cost - net	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
			(%)	(%)						
Cal-Comp Electronics and Communications (Suzhou) Co., Ltd.	USD 35.00 million	USD 35.00 million	100	100	1,125,509	1,125,509	(50,165)	(50,165)	1,075,344	1,075,344
Cal-Comp Precision (Singapore) Limited	SGD 10.86 million	SGD 47.00 million	100	100	964,009	1,274,008	(688,470)	(688,470)	275,539	585,538
Cal Comp (Malaysia) SDN. BHD.	MYR 28.04 million	MYR 28.04 million	100	100	282,294	282,294	-	-	282,294	282,294
Cal-Comp Electronics (USA) Co., Ltd.	USD 60.00 million	USD 60.00 million	100	100	1,905,959	1,905,959	(381,191)	(381,191)	1,524,768	1,524,768
Cal-Comp Indústria e Comércio de Eletrônicos e Informática Ltda.*	BRL 165.02 million	BRL 68.57 million	1	2	22,604	22,439	-	-	22,604	22,439
Cal-Comp Electronics de Mexico Co., S.A. de C.V.	USD 9.50 million	USD 9.50 million	100	100	310,087	150,200	-	-	310,087	150,200
Cal-Comp Technology (Philippines), Inc.	PHP 212.71 million	PHP 212.71 million	100	100	156,938	156,938	-	-	156,938	156,938
Cal-Comp Precision (Thailand) Limited	Baht 2,210.07 Million	Baht 1,676.47 Million	100	100	2,082,320	1,548,719	-	-	2,082,320	1,548,719
Cal-Comp Holding (Brasil) S.A.	BRL 258.22 million	BRL 141.47 million	100	100	2,544,789	1,332,234	-	-	2,544,789	1,332,234
Qbit Semiconductor Ltd.	TWD 162.50 million	-	100	-	175,888	-	-	-	175,888	-
Qbit Semiconductor Holding Ltd.	USD 5.00 million	-	100	-	174,359	-	-	-	174,359	-
Total					13,302,101	11,327,566	(2,197,430)	(2,197,430)	11,104,671	9,130,136

* Classified as investments in subsidiaries since the Company indirectly holds the investment in such company through Cal-Comp Holding (Brasil) S.A. with 99% of registered capital of Cal-Comp Indústria e Comércio de Eletrônicos e Informática Ltda. And the Company has control over such company.

15.2 Details of investments in subsidiary that has material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year	
	2016	2015	2016	2015	2016	2015
	(%)	(%)				
Cal-Comp Ind. Semicondutores, Ltda.	41.97	-	255	-	(43)	-

15.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling interest

Summarised information about financial position of Cal-Comp Ind. Semicondutores, Ltda.

(Unit: Million Baht)

	2016	2015
Current assets	54	-
Non-current assets	1,147	-
Current liabilities	76	-
Non-current liabilities	407	-

Summarised information about comprehensive income of Cal-Comp Ind. Semicondutores, Ltda.

(Unit: Million Baht)

For the year ended 31 December

	2016	2015
Revenue	26	-
Profit (loss)	(104)	-
Other comprehensive income	-	-
Total comprehensive income	(104)	-

Summarised information about cash flow of Cal-Comp Ind. Semicondutores, Ltda.

(Unit: Million Baht)

For the year ended 31 December

	2016	2015
Cash flow from operating activities	262	-
Cash flow used in investing activities	(1,005)	-
Cash flow from financing activities	750	-
Net increase in cash and cash equivalents	7	-

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. During the first quarter of the year 2015, Cal-Comp Electronics (Suzhou) Co., Ltd. was merged with Cal-Comp Optical Electronics (Suzhou) Co., Ltd. and transferred all assets and liabilities including its rights to Cal-Comp Optical Electronics (Suzhou) Co., Ltd.

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 registered share capital of such company. The purpose of this investment is to expand the product line in semiconductor products. During the first quarter of the year 2015, Cal-Comp Holding (Brasil) S.A. has already invested in Cal-Comp Ind. Semicondutores, Ltda.

On 26 February 2014, a meeting of the Board of Directors of the Company approved the merger of the Company's subsidiaries in the People's Republic of China, Cal-Comp Technology (Suzhou) Co., Ltd. and Cal-Comp Electronics and Communications (Suzhou) Co., Ltd., and is in the process of operation.

On 11 August 2015, a meeting of the Board of Directors of the Company resolved to approve the following investments.

- Approve an additional investment of not more than USD 15 million in Cal-Comp Holding (Brasil) S.A., its subsidiary in Brazil, for a purpose of business expansion. During the year 2015, the Company paid for additional capital of USD 7 million or approximately Baht 246 million. Subsequently, during the first quarter of the current year, the Company paid for additional capital of USD 5 million or approximately Baht 181 million.

- Approve an investment of Cal-Comp Holding (Brasil) S.A., its subsidiary, in Cal-Comp Ind. Semicondutores, Ltda. of not more than USD 11 million, for a purpose of business expansion. During the year 2015, the subsidiary paid for additional capital of BRL 13 million or approximately USD 3 million. Consequently, during the first quarter of the current year, the subsidiary paid for additional capital of BRL 20 million or approximately USD 5 million as discussed in Note 2.2.
- Approve an additional investment of not more than USD 5 million in Cal-Comp Electronics de Mexico, S.A. de C.V., its subsidiary in Mexico, for a purpose of business expansion. During the fourth quarter of the year 2015, the Company paid for additional capital of USD 4.5 million or approximately Baht 160 million.

On 10 November 2015, a meeting of the Board of Directors of the Company resolved to approve the following investments.

- Approve an additional investment of not more than USD 15 million in Cal-Comp Precision (Thailand) Limited for a purpose of business expansion. During the year 2015, the Company paid for additional capital of USD 10 million or approximately Baht 359 million. Subsequently, during the second quarter of the current year, the Company paid for additional capital of USD 5 million or approximately Baht 175 million.
- Approve the reduction of registered and paid-up share capital of Cal-Comp Precision (Singapore) Limited, its subsidiary in Singapore, from SGD 47.2 million (513.2 million ordinary shares of SGD 0.092 each) to SGD 10.9 million (118.4 million ordinary shares of SGD 0.092 each) by decreasing registered and paid-up capital by 394.8 million shares of SGD 0.092 per share, in order to write-off retained losses amounting to SGD 24.8 million and reduce unnecessary shares amounting to SGD 11.5 million or approximately Baht 310 million. The subsidiary already registered the decrease in its registered and paid-up share capital on 11 January 2016.

On 26 February 2016, a meeting of the Board of Directors of the Company resolved to approve the following investments.

- Approve a restructure of Precision group. The Company will sell its investment in Cal-Comp Precision (Singapore) Limited, its subsidiary in Singapore, to Cal-Comp Precision (Thailand) Limited, its subsidiary in Thailand, in order to improve efficiency of long-term business operation and is in the process of operation.
- Approve an investment of Cal-Comp Precision (Thailand) Limited on Cal-Comp Precision (Dongguan) Limited. The subsidiary will invest not more than USD 10 million. During the second quarter of the current year, Cal-Comp Precision (Thailand) Limited has already paid for additional capital of USD 10 million in such company.
- Approve an investment of Cal-Comp Precision (Thailand) Limited on its new subsidiary in Philippines. The subsidiary will invest not more than USD 25 million. During the second quarter and fourth quarter of current year, Cal-Comp Precision (Thailand) Limited paid for additional capital of USD 17.5 million.

On 12 May 2016, a meeting of the Board of Directors of the Company resolved to approve the following investments.

- Approve an investment in Qbit Semiconductor Ltd., a newly establish company in Taiwan, with the amount not exceeding TWD 162.5 million for the purpose of expanding business into semiconductor products. The Company paid for share capital in such company in the amount of USD 5 million, or approximately Baht 176 million and such company already registered its paid-up share capital in the third quarter of the current year.
- Approve an investment in a newly establish company in India with the amount not exceeding USD 2 million for the purpose of being a research and development entity and is in the process of company registration.

On 11 August 2016, a meeting of the Board of Directors of the Company resolved to approve the following investments.

- Approve an investment in Cal-Comp Holding (Brasil) S.A., its subsidiary company in Brazil, with the amount not exceeding BRL 258 million for the purpose of expanding business. During the third quarter of the current year, the Company paid for additional share in such company in the amount of USD 30 million or approximately Baht 1,032 million and Cal-Comp Holding (Brasil) S.A. increased its paid-up share capital from BRL 162 million to BRL 258 million on 30 August 2016.
- Approve an investment in Cal-Comp Holding (Brasil) S.A. on Cal-Comp Industria e Comercio de Electronicos e Informatica Ltda. The subsidiary paid for additional share in such company in the amount of USD 30 million or approximately BRL 96.5 million and such company increased its paid-up share capital on 30 August 2016.
- Approve an investment in Qbit Semiconductor Holding Ltd., a newly establish company in Cayman Island, with the amount not exceeding USD 5 million for the purpose of expanding business into semiconductor products in the future. During the third quarter and fourth quarter of the current year, the Company paid for share capital in such company in the amount of USD 5 million or approximately Baht 174 million as discussed in Note 2.2.

- Approve a restructure of Qbit Semiconductor Holding Ltd. group. The Company will sell its investment in Qbit Semiconductor Ltd., its subsidiary in Taiwan, to Qbit Semiconductor Holding Ltd., its subsidiary in Cayman Island, in order to improve efficiency of long-term business operation and is in the process of operation.

In addition, during the first quarter of the current year, the Company reclassified advance payments for share subscription which remained as of 31 December 2015 to investment in subsidiaries for the investment in Cal-Comp Electronics de Mexico., S.A. de C.V. and Cal-Comp Precision (Thailand) Limited in the amounts of Baht 159 million and Baht 359 million, respectively. This is according to the registration of the additional shares during the current year.

16. OTHER LONG-TERM INVESTMENTS

(Unit: Thousand Baht)

Consolidated financial statements

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Investments			
					Cost method		Fair value	
			2016	2015	2016	2015	2016	2015
			(%)	(%)				
Metal Component Engineering Limited	Manufacturing of electronic products	Singapore	10.61	11.86	37,042	39,457	36,033	53,394
Add: Unrealised gain (loss) on changes in the value of investments					(1,009)	13,937		
					36,033	53,394		
Warrants of Metal Component Engineering Limited		Singapore	-	-	17,866	17,866	735	4,545
Less: Unrealised loss on changes in the value of warrants					(17,131)	(13,321)		
					735	4,545		
Kinpo Group Management Service Co., Ltd.*	Consulting business	Taiwan	12.50	12.50	1,109	1,099		
Memoright Memotech Corporation	Manufacturing of electronic products	Cayman Islands	3.05	3.05	31,990	31,990		
Less: Allowance for impairment of investment					(15,995)	-		
					15,995	31,990		
Dawning Leading Technology Inc.	Manufacturing of electronic products	Taiwan	9.03	9.17	491,277	491,277		
Mojoose Inc.**	Design of electronics parts	United state of America	-	-	35,831	-		
Total other long-term investments					580,980	582,305		

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

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

(Unit: Thousand Baht)

Separate financial statements

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Investments			
					Cost method		Fair value	
			2016	2015	2016	2015	2016	2015
			(%)	(%)				
Metal Component Engineering Limited	Manufacturing of electronic products	Singapore	10.61	11.86	37,042	39,457	36,033	53,394
Add: Unrealised gain (loss) on changes in the value of investments					(1,009)	13,937		
					36,033	53,394		
Warrants of Metal Component Engineering Limited		Singapore	-	-	17,866	17,866	735	4,545
Less: Unrealised loss on changes in the value of warrants					(17,131)	(13,321)		
					735	4,545		
Memoright Memortech Corporation	Manufacturing of electronic products	Cayman Islands	3.05	3.05	31,990	31,990		
Less: Allowance for impairment of investment					(15,995)	-		
					15,995	31,990		
Dawning Leading Technology Inc.	Manufacturing of electronic products	Taiwan	9.03	9.17	491,277	491,277		
Total other long-term investments					544,040	581,206		

During the first quarter of the current year, the Company sold investments in Metal Component Engineering Limited by 2.6 million shares and resulted in the decrease in proportion of shareholding from 11.86% to 10.61%.

During the third quarter of the current year, the subsidiary invested in Mojoose Inc., which was incorporated in United State of America, amounting to USD 1.0 million. Such company issued held to maturity promissory note which carried interest rate of 4.0 percent per annum and will be due within 31 December 2017. However, at maturity date, the subsidiary optionally convert promissory note into common stock of company.

During the current year, the Company received dividend from Dawning Leading Technology Inc. amounting to Baht 8 million.

17. INVESTMENT PROPERTIES

The net book value of investment properties as at 31 December 2016 and 2015 is presented below.

(Unit: Thousand Baht)

Consolidated financial statements

	Lease of land occupancy rights	Building and building improvement for rent	Total
At 31 December 2016:			
Cost	26,818	168,742	195,560
Less: Accumulated depreciation	(829)	(16,485)	(17,314)
Net book value	25,989	152,257	178,246
At 31 December 2015:			
Cost	-	-	-
Less: Accumulated depreciation	-	-	-
Net book value	-	-	-

A reconciliation of the net book value of investment properties for the years 2016 and 2015 is presented below.

(Unit: Thousand Baht)

Consolidated financial statements

	2016	2015
Net book value at beginning of year	-	-
Reclassify from property, plant and equipment	164,219	-
Reclassify from land occupancy rights	27,799	-
Depreciation for the year	(2,775)	-
Translation adjustment	(10,997)	-
Net book value at end of year	178,246	-

The fair value of the investment properties as at 31 December 2016 and 2015 stated below:

(Unit: Thousand Baht)

Consolidated financial statements

	2016	2015
Lease of land occupancy rights	42,301	-
Building and building improvement for rent	127,905	-

The fair value of the above investment properties has been determined based on valuation performed by an independent valuer. The fair value of the lease of land occupancy rights has been determined based on market prices, while that of the building and building improvement for rent has been determined using the replacement cost approach.

Its subsidiary have an operating lease agreement in respect of the lease of land occupancy rights, buildings and building improvement. The terms of the agreement is 3 years. As at 31 December 2016 and 31 December 2015, future minimum rental income to be generated under this operating lease is as follows.

(Unit: Million Baht)

**Consolidated
financial statements**

	2016	2015
Less than 1 year	30	-
In over 1 and up to 3 years	42	-

18. PROPERTY, PLANT AND EQUIPMENT

(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improve- ments	Buildings and buildings improve- ments	Machinery and equipment	Molds and spare parts	Office furniture and equipment	Motor vehicles	Construction in progress, equipment under installation and assets in transit	Total
Cost								
1 January 2015	548,741	5,732,558	12,997,060	2,340,370	3,059,212	62,718	2,454,400	27,195,059
Additions	-	264,353	387,295	291,655	321,083	5,738	844,805	2,114,929
Disposals	-	(31,343)	(716,984)	(95,530)	(459,276)	(5,187)	(1,353)	(1,309,673)
Transfers in (out)	65,150	1,606,060	506,572	120,421	(799,699)	3,797	(1,506,234)	(3,933)
Translation adjustment	(8,331)	(36,485)	(264,834)	18,880	22,146	(129)	(19,951)	(288,704)
31 December 2015	605,560	7,535,143	12,909,109	2,675,796	2,143,466	66,937	1,771,667	27,707,678
Additions	-	165,080	551,376	292,261	169,813	1,270	1,419,476	2,599,276
Disposals	(2,932)	(12,900)	(929,963)	(27,273)	(155,446)	(4,727)	(20,155)	1,153,396
Reclassify to investment properties	-	(179,055)	-	-	-	-	-	(179,055)
Transfers in (out)	30,750	1,260,186	618,926	56,163	7,346	769	(2,028,235)	(54,095)
Translation adjustment	(7,828)	(122,146)	693	(28,078)	(45,676)	(2,195)	(1,746)	(206,976)
31 December 2016	625,550	8,646,308	13,150,141	2,968,869	2,119,503	62,054	1,141,007	28,713,432
Accumulated depreciation								
1 January 2015	-	1,337,943	5,173,834	1,653,032	1,376,847	28,176	-	9,569,832
Depreciation for the year	-	276,718	1,141,627	294,979	223,042	6,555	-	1,942,921
Depreciation on disposals	-	(2,472)	(673,683)	(51,703)	(215,857)	(4,256)	-	(947,971)
Translation adjustment	-	97,734	123,248	55,610	(167,477)	3,029	-	112,144
31 December 2015	-	1,709,923	5,765,026	1,951,918	1,216,555	33,504	-	10,676,926
Depreciation for the year	-	388,691	1,266,602	302,098	292,890	6,496	-	2,256,777
Depreciation on disposals	-	(13,104)	(515,708)	(18,790)	(88,620)	(4,619)	-	(640,841)
Reclassify to investment properties	-	(14,836)	-	-	-	-	-	(14,836)
Translation adjustment	-	(8,569)	(21,076)	(25,844)	(32,752)	(1,070)	-	(89,311)
31 December 2016	-	2,062,105	6,494,844	2,209,382	1,388,073	34,311	-	12,188,715

(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
Allowance for impairment loss								
1 January 2015	-	42,965	48,843	102	1,791	-	-	93,701
Decrease during the year	-	(19,632)	(38,970)	(102)	(1,790)	-	-	(60,494)
31 December 2015	-	23,333	9,873	-	1	-	-	33,207
31 December 2016	-	23,333	9,873	-	1	-	-	33,207
Net book value								
31 December 2015	605,560	5,801,887	7,134,210	723,878	926,910	33,433	1,771,667	16,997,545
31 December 2016	625,550	6,560,870	6,645,424	759,487	731,429	27,743	1,141,007	16,491,510

Depreciation for the year

2015 (Baht 1,789 million included in manufacturing cost, and the remaining balance is in selling and administrative expenses)	1,942,921
2016 (Baht 1,965 million included in manufacturing cost, and the remaining balance is in selling and administrative expenses)	2,256,777

(Unit: Thousand Baht)

Separate 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
Cost								
1 January 2015	442,404	2,631,501	5,026,118	1,943,243	695,383	19,998	2,278,975	13,037,622
Additions	-	191,573	401,393	255,389	116,860	3,784	393,221	1,362,220
Disposals	-	-	(162,361)	(45,235)	(28,709)	-	(1,353)	(237,658)
Transfers in (out)	65,150	1,043,622	12,380	70,256	288	1,504	(1,218,963)	(25,763)
31 December 2015	507,554	3,866,696	5,277,530	2,223,653	783,822	25,286	1,451,880	14,136,421
Additions	-	65,702	56,046	269,723	51,219	-	740,512	1,183,202
Disposals	-	-	(93,852)	(26,981)	(645)	(4,599)	(20,155)	(146,232)
Transfers in (out)	30,750	1,080,446	469,209	56,163	188	-	(1,691,781)	(55,025)
31 December 2016	538,304	5,012,844	5,708,933	2,522,558	834,584	20,687	480,456	15,118,366
Accumulated depreciation								
1 January 2015	-	822,767	2,475,856	1,320,878	352,403	3,028	-	4,974,932
Depreciation for the year	-	145,504	546,110	258,014	79,359	2,587	-	1,031,574
Depreciation on disposals	-	-	(125,106)	(38,227)	(28,080)	-	-	(191,413)
31 December 2015	-	968,271	2,896,860	1,540,665	403,682	5,615	-	5,815,093
Depreciation for the year	-	245,730	566,778	277,144	82,285	2,682	-	1,174,619
Depreciation on disposals	-	-	(66,150)	(18,499)	(544)	(4,142)	-	(89,335)
31 December 2016	-	1,214,001	3,397,488	1,799,310	485,423	4,155	-	6,900,377

(Unit: Thousand Baht)

Separate 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
Allowance for impairment loss								
31 December 2015	-	23,333	9,873	-	1	-	-	33,207
31 December 2016	-	23,333	9,873	-	1	-	-	33,207
Net book value								
31 December 2015	507,554	2,875,092	2,370,797	682,988	380,139	19,671	1,451,880	8,288,121
31 December 2016	538,304	3,775,510	2,301,572	723,248	349,160	16,532	480,456	8,184,782

Depreciation for the year

2015 (Baht 938 million included in manufacturing cost, and the remaining balance is in selling and administrative expenses)	1,031,574
2016 (Baht 1,086 million included in manufacturing cost, and the remaining balance is in selling and administrative expenses)	1,174,619

As at 31 December 2016, 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 1,716 million (2015: Baht 1,149 million) (Separate financial statement: Baht 1,440 million, 2015: Baht 986 million).

19. INTANGIBLE ASSETS

The carrying amount of intangible assets as at 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)

Consolidated financial statements

	Patents	Customer list	Computer software design	Technical license fee	Total
Cost					
At 1 January 2015	782,149	112,294	-	-	894,443
Translation adjustment	87,567	12,572	-	-	100,139
At 31 December 2015	869,716	124,866	-	-	994,582
Additions	-	-	14,384	16,178	30,562
Translation adjustment	(6,215)	(892)	205	231	(6,671)
At 31 December 2016	863,501	123,974	14,589	16,409	1,018,473
Amortisation					
At 1 January 2015	782,149	112,294	-	-	894,443
Translation adjustment	87,567	12,572	-	-	100,139
At 31 December 2015	869,716	124,866	-	-	994,582
Amortisation for the year	-	-	256	1,003	1,259
Translation adjustment	(6,215)	(892)	4	14	(7,089)
At 31 December 2016	863,501	123,974	260	1,017	988,752
Net book value					
At 31 December 2015	-	-	-	-	-
At 31 December 2016	-	-	14,329	15,392	29,721

20. 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)

	Consolidated financial statements
Cost	
At 1 January 2015	138,126
Translation adjustment	6,279
At 31 December 2015	144,405
Reclassify to investment properties	(28,457)
Translation adjustment	(8,257)
At 31 December 2016	107,691
Accumulated amortisation	
At 1 January 2015	20,986
Amortisation for the year	2,257
Translation adjustment	1,276
At 31 December 2015	24,519
Amortisation for the year	2,045
Reclassify to investment properties	(658)
Translation adjustment	(1,568)
At 31 December 2016	24,338
Net book value	
At 31 December 2015	119,886
At 31 December 2016	83,353

21. 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 1.5 - 2.6 percent per annum.

22. TRADE AND OTHER PAYABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payable - related parties	625,479	1,201,088	877,910	1,423,159
Trade payable - unrelated parties	19,096,696	21,739,475	13,235,504	14,527,899
Advance from related parties	272,155	81,081	403,244	399,198
Accrued interest expenses	39,217	23,011	3,146	7,188
Accrued expenses	1,330,993	1,104,967	228,851	243,683
Other payables	670,121	1,259,797	377,256	209,271
Total trade and other payables	22,034,661	25,409,419	15,125,911	16,810,398

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

23. OTHER CURRENT LIABILITIES

The balance as at 31 December 2016 and 2015 consist of:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Advances received from customers for purchase of molds	65,566	497,062	38,230	-
Money received from customers pending for clear	391,014	377,154	55,968	150,353
Value added tax payable	14,445	15,358	5	-
Financial derivative liabilities record at fair value	67,487	-	-	-
Others	119,249	191,092	44,046	101,066
Total	657,761	1,080,666	138,249	251,419

24. LONG-TERM LOANS

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Long-term loans from financial institutions	6,449,517	6,495,939
Less: Current portion	(2,579,807)	-
Long-term loans - net of current portion	3,869,710	6,495,939

Movements of long-term loans account during the year 2016 and 2015 are below

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Balance as at beginning year	6,495,939	5,933,340
Translation adjustment	(46,422)	562,599
Balance as at end of year	6,449,517	6,495,939

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 2016 and 2015, the subsidiary has fully drawn down the credit facility.

25. 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	
	2016	2015	2016	2015
Defined benefit obligation at beginning of year	474,097	422,570	132,271	106,111
Fair value of plan assets at beginning of year	(329,716)	(293,029)	-	-
Provision for long-term employee benefit at beginning of year	144,381	129,541	132,271	106,111
Recognise in profit or loss:				
Current service cost	32,056	22,930	17,990	15,367
Interest cost	9,058	9,562	4,549	4,167
Past service costs	-	2,140	-	-
Recognise in other comprehensive income:				
Actuarial (gains) losses arising from				
Demographic assumptions changes	(391)	13,055	-	11,175
Financial assumptions changes	(872)	18,535	-	(4,549)
Experience adjustments	(26,315)	(19,079)	(7,363)	-
Benefits paid during the year	(8,253)	(13,539)	(450)	-
Translation adjustments	2,273	17,923	-	-
Defined benefit obligation at end of year	151,937	181,068	146,997	132,271
Increase in fair value of plan assets	(8,929)	(36,687)	-	-
Provisions for long-term employee benefits at end of year	143,008	144,381	146,997	132,271

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost of sales	23,588	22,175	22,005	19,064
Selling and administrative expenses	17,526	12,457	534	470
Total expenses recognised in profit or loss	41,114	34,632	22,539	19,534

The Company and its subsidiaries expect to pay Baht 9.9 million of long-term employee benefits during the next year (Separate financial statements: Baht 1.9 million) (2015: Baht 28.4 million, Separate financial statements: Baht 2.3 million).

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefit is 17 years (Separate financial statements: 18 years) (2015: 18 years, Separate financial statements: 18 years).

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

(Unit: Thousand Baht)

**Consolidated
financial statements**

	2016	2015
Fair value of plan assets at beginning of year	329,716	293,029
Expected return	4,239	5,539
Contributions	11,195	24,061
Benefits paid during the year	(7,754)	(12,989)
Actuarial gains (losses)	(1,908)	2,485
Translation adjustments	3,157	17,591
Fair value of plan assets at end of year	338,645	329,716

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	
	2016	2015	2016	2015
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	1.3 - 6.8	1.3 - 6.8	3.5	3.5
Future salary increase rate (depending on age)	3.0 - 6.0	3.0 - 6.0	6.0	6.0
Staff turnover rate (depending on age)	0.0 - 22.9	0.0 - 22.9	0.0 - 22.9	0.0 - 22.9

The result of sensitivity analysis for significant assumptions that effect the present value of the long-term employee benefit obligation as at 31 December 2016 and 2015 are summarised below:

(Unit: Million Baht)

Consolidated financial statements

	2016		2015	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(34)	37	(24)	25
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Salary increase rate	74	(67)	50	(48)

(Unit: Million Baht)

Separate financial statements

	2016		2015	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(13)	14	(12)	13
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Salary increase rate	29	(24)	27	(22)

26. WARRANTS

On 2 July 2015, the Company allotted warrants under Employee Stock Option Plan (CCET-WB) 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	: Within 1 year from the date of the approval of issuance of CCET-WB by the shareholder's meeting
Expiry date	: 3 years from the offering date
Offering price	: 0 Baht per unit
Exercise price	: 3.38 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	: 70% of total issued warrants of 140,000,000 units will be allotted directly to the employees of the Company and its subsidiaries on the offering date, and 30% of total issued warrants of 60,000,000 units will be allotted through intermediary for future allotments after 2 years from the offering date.
Lock-up period	: 70% of total issued warrants of 140,000,000 units will be allotted directly to employees as at the offering date. The warrants not exceeding 50% of the allocated portion shall be subject to 1 year of the offering date and the remaining allocated portion shall be exercisable after 2 years of the offering date. The Company will make a written agreement pertaining to the lock-up period with all allotted employees. 30% of total issued warrants of 60,000,000 units allotted through intermediary shall be subject to a 2 year lock-up period after the offering date.

The estimated fair value of each share option granted is Baht 0.39. This was calculated using the Binomial formula. The model inputs were the share price at price determination date of Baht 3.18, exercise price of Baht 3.38, expected volatility of 29.75% - 30.00%, expected dividend yield of 4.25%, life of warrants of 3 years, and a risk-free interest rate of 1.55%.

During the year ended 31 December 2016, the Company and its subsidiaries recorded expenses of the Employees Stock Option Plan amounting to Baht 39 million (Separate financial statements: Baht 10 million) (2015: Baht 32 million, Separate financial statements: Baht 8 million) as personnel expenses.

During the third quarter of current year, the parent company transferred its treasury stock to employees of a subsidiary totaling 16.7 million shares. The parent company allotted such treasury stock to employees of a subsidiary amounting to 8.1 million shares or 49% of total treasury stock on the grant date, and 51% of total treasury stock or approximately 8.6 million shares will be granted in August 2017. The fair value of treasury stock of the parent company on the grant date was TWD 12.1 per share. The weighted average price of treasury stock which were transferred to employees of a subsidiary during the year 2016 was TWD 9.36 per share and the weighted average price of treasury stock which will be transferred to employees of a subsidiary in 2017 will be TWD 9.64 per share.

During the current year, the subsidiary recorded expenses for transferring the treasury stock of Kinpo Electronic, Inc. amounting to TWD 29.7 million or approximately Baht 32.4 million as personnel expenses.

As at 31 December 2016, the Company and its subsidiaries had capital reserve for share-based payment amounting to Baht 129 million (Separate financial statements: Baht 96 million) (2015: Baht 57 million, Separate financial statements: Baht 57 million). As at 31 December 2016, there are 60 million warrants of the Company remained unallocated (2015: 60 million warrants).

27. 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.

28. EXPENSES BY NATURE

Significant expenses classified by nature are as follow:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Salaries and wages and other employee benefits	7,422,528	7,538,582	2,716,218	2,593,724
Depreciation	2,256,777	1,942,921	1,174,619	1,031,574
Amortisation expenses	6,079	2,257	-	-
Loss on impairment of goodwill	-	55,224	-	-
Loss on impairment of investments	15,995	-	15,995	1,305,859
Exchange loss	-	2,264,769	-	393,937
Rental expenses from operating lease agreements	297,686	249,713	1,445	999
Raw materials and consumables used	96,999,616	119,190,674	66,550,572	79,233,354
Changes in inventories of finished goods and work in process	537,909	103,833	96,073	131,411

* Expenses before elimination from the consolidated financial statements

29. 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 expenses for the years ended 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Current income tax:				
Current income tax charge	259,957	92,048	15,467	12,107
Deferred tax:				
Relating to origination and reversal of temporary differences	(6,915)	(99,405)	2,353	(2,646)
Income tax expenses reported in profit or loss	253,042	(7,357)	17,820	9,461

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax relating to				
Loss on changes in value of available-for-sale investments	3,751	9,083	3,751	9,083
Actuarial loss (gain)	(2,871)	(4,823)	(36)	126
	880	4,260	3,715	9,209

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Accounting profit before tax	1,379	1,537	2,332	1,972
Applicable tax rate	5 - 41%	17 - 41%	20%	20%
Accounting profit before tax multiplied by income tax rate	638	456	466	394
Effect of promotional privileges (Note 30)	(491)	(659)	(474)	(659)
Decrease (increase) in deferred tax assets	(7)	(99)	2	(3)
Others	113	295	24	277
Income tax expense reported in profit or loss	253	(7)	18	9

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax assets				
Surplus on changes in value of available-for-sale investments	55	-	55	-
Others	107,335	114,877	3,573	5,926
Total	107,390	114,877	3,628	5,926
Deferred tax liabilities				
Actuarial gains	2,934	-	99	-
Surplus on changes in value of available-for-sale investments	-	3,696	-	3,696
Accumulated depreciation - Machinery	49,102	65,308	-	-
Others	2,421	735	-	63
Total	54,457	69,739	99	3,759

As at 31 December 2016, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 5,201 million (Separate financial statements: Baht 2,399 million) (2015: Baht 6,029 million, Separate financial statements: Baht 2,333 million), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax losses are summarised as below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
31 December 2016	-	164,817	-	-
31 December 2017	85,806	146,675	-	-
31 December 2018	183,229	328,021	-	-
31 December 2019	137,757	215,188	-	-
31 December 2020	140,760	228,369	-	-
31 December 2021	268,775	-	-	-
31 December 2026	94,173	-	-	-
31 December 2031	159,344	34,054	-	-
31 December 2032	253,762	246,036	-	-
31 December 2033	369,952	372,615	-	-
31 December 2034	353,183	355,725	-	-
31 December 2035	361	-	-	-
Total	2,047,102	2,091,500	-	-

In addition, a subsidiary in Brazil has unused tax losses with no expiry date amounting to Baht 754 million. This subsidiary is able to utilise the tax losses until they are fully utilised.

30. 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 follows:

Details				
1. Certificate No.	1992(2)/2550	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	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
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 (5 years)	Granted (1 year)

Details

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	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	Granted	Granted	Non-granted
3. Date of first earning operating income	11 Apr 2008	1 Apr 2011	6 Jan 2012	3 Jan 2013

The Company's operation revenues for the years ended 31 December 2016 and 2015, divided between promoted and non-promoted operations, are summarised below.

(Unit: Million Baht)

	Promoted operations		Non-promoted operations		Total	
	2016	2015	2016	2015	2016	2015
Sales						
Domestic sales	4,092	7,178	191	650	4,283	7,828
Export sales	66,254	72,775	3,086	6,587	69,340	79,362
Total sales	70,346	79,953	3,277	7,237	73,623	87,190

31. EARNINGS PER SHARE

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

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

The following tables set 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	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per shares						
Profit attributable to equity holders of the Company	1,168,564	1,544,686	4,552,094	4,535,088	0.26	0.34
Effect of dilutive potential ordinary shares						
Warrants (CCET-WA)	-	-	-	14,108		
Diluted earnings per shares						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	1,168,564	1,544,686	4,552,094	4,549,196	0.26	0.34

Separate financial statements

	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per shares						
Profit attributable to equity holders of the Company	2,314,513	1,962,491	4,552,094	4,535,088	0.51	0.43
Effect of dilutive potential ordinary shares						
Warrants (CCET-WA)	-	-	-	14,108		
Diluted earnings per shares						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	2,314,513	1,962,491	4,552,094	4,549,196	0.51	0.43

No calculation of diluted earnings per share for the year ended 31 December 2016 were required for warrant since the exercise price and the fair value of the warrant were higher than the average market price of the Company's ordinary shares.

32. 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 three reportable segments which are computer peripheral, telecommunication products and other service income.

No operating segment have been aggregated to form the above reportable operating segments.

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 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 years ended 31 December 2016 and 2015, respectively.

(Unit: Million Baht)

For the year ended 31 December 2016

	Computer peripheral	Telecommunication products	Other service income	Total reportable segments	Eliminations	Consolidated financial statements
Revenue						
Revenues from external customers	66,237	40,060	18	106,315	-	106,315
Inter-segment revenue	36,178	52	-	36,230	(35,135)	1,095
Total revenue	102,415	40,112	18	142,545	(35,135)	107,410
Results						
Segment profit	5,145	749	8	5,902	-	5,902
Interest income						74
Other income						211
Reduce cost of inventories to net realisable value						(66)
Depreciation and amortisation						(294)
Administrative expenses						(2,994)
Loss on impairment of assets						(16)
Loss on financial derivatives						(838)
Share of loss from investments in associates						(132)
Finance cost						(468)
Profit before income tax expenses						1,379
Income tax expenses						(253)
Profit for the year						1,126
Segments total assets						
Investment in associates accounted for using the equity method						462
Reduction in non-current assets other than financial instrument, deferred tax assets and net defined benefit assets						(22)

(Unit: Million Baht)

For the year ended 31 December 2015

	Computer peripheral	Telecommu- nication products	Total reportable segments	Eliminations	Consolidated financial statements
Revenue					
Revenues from external customers	83,410	62,513	145,923	-	145,923
Inter-segment revenue	39,210	2,531	41,741	(38,255)	3,486
Total revenue	122,620	65,044	187,664	(38,255)	149,409
Results					
Segment profit	6,102	1,273	7,375	-	7,375
Interest income					71
Other income					305
Gain on financial derivatives					820
Reduce cost of inventories to net realisable value					(107)
Depreciation and amortisation					(156)
Administrative expenses					(6,146)
Loss on impairment of assets					(55)
Share of loss from investments in associates					(82)
Finance cost					(487)
Profit before income tax expenses					1,538
Income tax expenses					7
Profit for the year					1,545
Segments total assets					
Investment in associates accounted for using the equity method					242
Reduction in non-current assets other than financial instrument, deferred tax assets and net defined benefit assets					(227)

Geographic information

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

(Unit: Million Baht)

	2016	2015
Revenue from external customers		
Thailand	46,898	62,453
British Virgin	31,310	41,746
The People's Republic of China	3,270	8,930
Brazil	7,161	11,914
Malaysia	11,356	11,808
Philippines	542	4,973
United States of America	6,697	7,410
Others	176	175
Total	107,410	149,409
Non-current assets (other than financial instruments, deferred tax assets and net defined benefit assets)		
Thailand	10,652	10,739
The People's Republic of China	2,968	3,954
Brazil	2,138	1,229
Malaysia	527	639
Others	1,774	1,520
Total	18,059	18,081

Major customers

For the year 2016, the Company and its subsidiaries have revenue from four major customers in amount of Baht 28,099 million, Baht 24,993 million, Baht 13,046 million and Baht 10,033 million (2015: Baht 35,210 million, Baht 23,898 million, Baht 18,902 million and Baht 17,077 million), arising from sales by the computer peripheral and telecommunication products segments.

33. 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. 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 2016, the Company contributed Baht 2 million (2015: Baht 2 million) to the fund.

34. DIVIDENDS

Dividend	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2014	Annual General Meeting of the shareholders on 29 April 2015	20	0.0045
Stock dividends for 2014	Annual General Meeting of the shareholders on 29 April 2015	198	0.0455
Interim dividends for 2015	Board of Directors' Meeting on 11 August 2015	318	0.0700
Total		536	0.1200
Final dividends for 2015	Annual General Meeting of the shareholders on 28 April 2016	273	0.0600
Interim dividends for 2016	Board of Directors' Meeting on 11 August 2016	273	0.0600
Total		546	0.1200

35. COMMITMENTS AND CONTINGENT LIABILITIES

35.1 Capital commitments

As at 31 December 2016, the Company and its subsidiaries had outstanding commitments of Baht 25 million, USD 13 million and JPY 61 million (Separate financial statements: Baht 21 million and JPY 4 million, relating to the construction of factory building and acquisition of machinery) (2015: Baht 39 million, USD 83 million, JPY 17 million and EUR 18 million (Separate financial statements: Baht 39 million, USD 83 million, JPY 17 million and EUR 18 million)).

35.2 Operating lease commitments

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Payable:				
In up to 1 year	221	185	1	12
In over 1 to 5 years	507	163	-	-

35.3 Other commitments

As at 31 December 2016, the Company and its subsidiaries had outstanding commitment of TWD 30 million, PHP 2 million and MYR 22 million in respect of uncalled portion of investments in three subsidiaries (2015: TWD 30 million, PHP 2 million and BRL 19 million).

35.4 Agreements for hire of production of molds

As at 31 December 2016, the Company had outstanding commitments of Baht 40 million, USD 102 million TWD 31 million and SGD 4 million with overseas suppliers in respect of agreements for hire of production of molds (2015: USD 5 million, TWD 17 million and SGD 3 million).

35.5 Guarantees

As at 31 December 2016, there were outstanding bank guarantees of approximately Baht 285 million, PHP 10 million and MYR 0.7 million (Separate financial statements: Baht 280 million) (2015: Baht 253 million, USD 1 million, MXN 0.5 million and MYR 0.5 million (Separate financial statements: Baht 248 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 have issued a letter of awareness to a bank for credit facilities.

36. FAIR VALUE HIERARCHY

As at 31 December 2016 and 2015, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

Consolidated financial statements

	As at 31 December 2016			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Warrants	4,712	-	-	4,712
Available-for-sale investments				
Equity instruments and warrants	36,768	-	-	36,768
Assets for which fair value are disclosed				
Investment properties	-	-	170,206	170,206
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	67,487	-	67,487

(Unit: Thousand Baht)

Consolidated financial statements

	As at 31 December 2015			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Equity instruments and warrants	28,726	-	-	28,726
Available-for-sale investments				
Equity instruments and warrants	57,939	-	-	57,939
Derivatives				
Foreign currency forward contracts	-	43,305	-	43,305

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2016				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Equity instruments and warrants	36,768	-	-	36,768

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2015				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Equity instruments and warrants	57,939	-	-	57,939
Derivatives				
Foreign currency forward contracts	-	10,619	-	10,619

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 and other receivables, loans, investments, short-term loans, trade and other payables 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 receivables. 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 trade accounts receivable, loans, and other receivables 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 2016

Consolidated financial statements					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate
					(% per annum)
Financial assets					
Cash and cash equivalents	785	2,363	691	3,839	0.1 - 13.5
Investment in trading securities	-	-	5	5	-
Trade and other receivables	-	-	21,584	21,584	-
Restricted bank deposits	-	27	-	27	1.0 - 1.8
Available-for-sale investments	-	-	37	37	-
	785	2,390	22,317	25,492	
Financial liabilities					
Short-term loans from financial institutions	-	7,635	-	7,635	1.5 - 2.6
Trade and other payables	-	-	22,035	22,035	-
Long-term loans	-	6,450	-	6,450	2.1 - 2.4
	-	14,085	22,035	36,120	

(Unit: Million Baht)

As at 31 December 2015

Consolidated financial statements					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate
					(% per annum)
Financial assets					
Cash and cash equivalents	293	3,153	478	3,924	0.1 - 10.0
Investment in trading securities	-	-	29	29	-
Trade and other receivables	-	-	30,796	30,796	-
Restricted bank deposits	-	26	-	26	1.0 - 2.0
Available-for-sale investments	-	-	58	58	-
	293	3,179	31,361	34,833	
Financial liabilities					
Short-term loans from financial institutions	-	14,860	-	14,860	1.0 - 3.4
Trade and other payables	-	-	25,409	25,409	-
Long-term loans	-	6,496	-	6,496	1.6 - 1.7
	-	21,356	25,409	46,765	

(Unit: Million Baht)

As at 31 December 2016

Separate financial statements					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate
					(% per annum)
Financial assets					
Cash and cash equivalents	1	460	-	461	0.3 - 1.6
Trade and other receivables	-	-	15,625	15,625	-
Short-term loans to related parties	196	-	-	196	2.5
Available-for-sale investments	-	-	37	37	-
	197	460	15,662	16,319	
Financial liabilities					
Short-term loans from financial institutions	-	6,675	-	6,675	1.5 - 2.6
Trade and other payables	-	-	15,126	15,126	-
	-	6,675	15,126	21,801	

(Unit: Million Baht)

As at 31 December 2015

Separate financial statements					
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Interest rate
					(% per annum)
Financial assets					
Cash and cash equivalents	1	503	-	504	0.4 - 2.5
Trade and other receivables	-	-	24,176	24,176	-
Short-term loans to related parties	-	-	1,078	1,078	-
Available-for-sale investments	-	-	58	58	-
	1	503	25,312	25,816	
Financial liabilities					
Short-term loans from financial institutions	-	14,129	-	14,129	1.3 - 2.6
Trade and other payables	-	-	16,810	16,810	-
	-	14,129	16,810	30,939	

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	
	2016	2015	2016	2015	2016	2015
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency units)	
Due within 1 year						
USD	448	763	511	834	35.83	36.09
JPY	166	166	34	22	0.31	0.30

Foreign exchange contracts outstanding are summarised below.

As at 31 December 2016

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)			
The Company					
JPY	24	-	117 JPY against 1 USD	-	January 2017
Subsidiary					
USD	86	-	1 USD against 3.28 - 3.43 BRL	-	January 2017

As at 31 December 2015

Foreign currency	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date
			Bought	Sold	
	(Million)	(Million)			
The Company					
USD	109	39	1 USD against 35.94 - 36.12 Baht	1 USD against 36.09 Baht	January - February 2016
Subsidiary					
USD	128	-	1 USD against 3.85 - 3.90 BRL	-	January 2016

Fair values of foreign exchange contracts outstanding above are summarised in Note 12 and Note 23.

37.2 Fair values of financial instruments

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

38. CAPITAL MANAGEMENT

The primary objectives of the Company Group'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 2016, the Group's debt-to-equity ratio was 2.04:1 (2015: 2.67:1) and the Company's was 1:1 (2015: 1.55:1).

39. EVENTS AFTER THE REPORTING PERIOD

- 39.1 On 22 February 2017, 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 2017 to adopt a resolution to pay a dividend of Baht 0.04 per share, or a total of Baht 182 million, to the shareholders in respect of the 2016 profit.
- Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.
- 39.2 On 22 February 2017, a meeting of the Board of Directors of the Company resolved to approve the following investments.
- Approve an investment in a newly subsidiary in Thailand, with the amount not exceeding Baht 100 million for expanding business in designing the management system of factory automation business (Factory Automation Solution) and expects to be completed in the second quarter of the year 2017.
 - Approve an additional investment in Logistar International Holding Co., Ltd., its subsidiary in British Virgin Island, with the amount not exceeding USD 10 million for a purpose of business operation in the future and expects to be completed in the second quarter of the year 2017.

40. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's authorised director on 22 February 2017.

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



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Cal-Comp Electronics (Thailand) Public Company Limited

Head Office

191/54, 191/57, 18th Floor, CTI Tower, Ratchadapisek Road, Klongtoey, Bangkok 10110 Thailand
Tel : 66-2-261-5033-36, 661-9381-83 Fax : 66-2-661-9396