

No. CC20171103ELE

November 13, 2017

Subject Report of the Resolutions of Board of Directors' Meeting No. 5/2017

To President
The Stock Exchange of Thailand

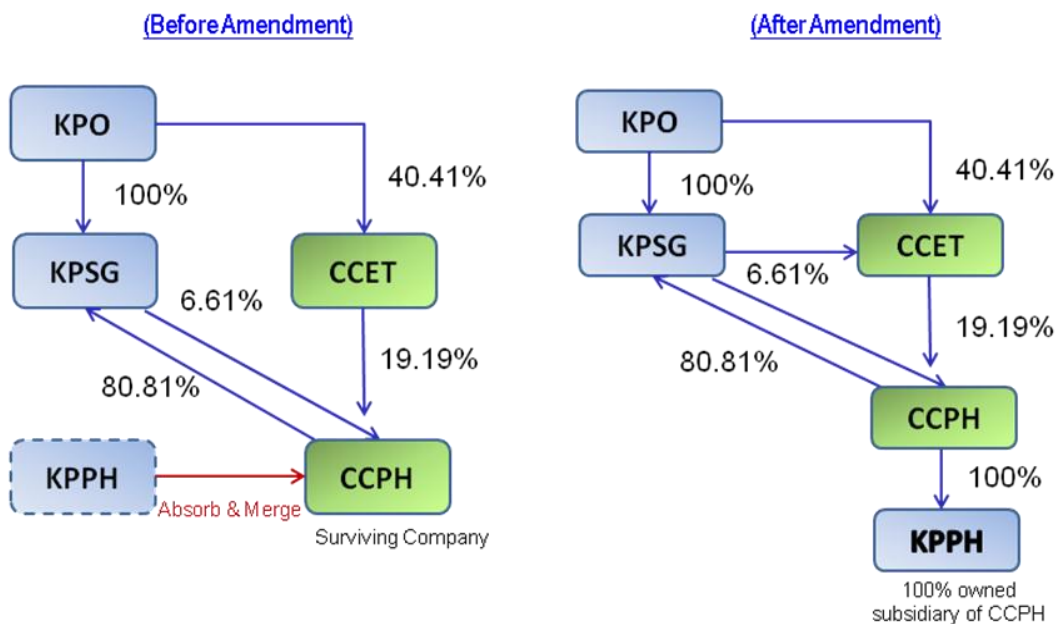
The Board of Directors' meeting of Cal-Comp Electronics (Thailand) Public Company Limited ("the Company") No. 5/2017 was held on November 13, 2017 the following resolutions were passed:

1. The Board of Directors approved the amendment of the merged structure and details for the Company subsidiary's merger project in Philippines which approved by EGM dated August 10, 2017 in consider to minimize potential tax risks derives in Philippines. Details are as follow:

Buyer	(Remained No Change) Cal-Comp Electronics (Philippines) Inc. ("CCPH"), a wholly-owned subsidiary of the Company
Seller	(Remained No Change) Kinpo Electronics, Inc. and/or its subsidiary Kinpo International (Singapore) Pte. Ltd. ("Kinpo Group")
Detail of the Assets to be acquired	(Remained No Change)
-Name of the assets	Kinpo Electronics (Philippines) Inc. ("KPPH"), a wholly-owned subsidiary of Kinpo Group
- Business Description	EMS companies in manufacturing consumer electronics products
Relationship with the Company	(Remained No Change) Kinpo and its subsidiary together has hold 47.02% shareholding in CCET
Value of transaction	(Remained No Change) CCPH to acquire KPPH's 100% shareholding by issue new ordinary shares at exchange ratio of 1 : 5.5 (1 CCPH ordinary share for 5.5 KPPH ordinary shares). CCET shall holds approximately 19.19% of CCPH shares after the Merger.
Source of Fund Before Amendment	By issuance of new CCPH ordinary shares (shares swap)

Source of Fund After Amendment	<p>1. KPSG to infuse cash amount of PHP 4.8B (equivalent to KPPH's net value) to CCPH in order to acquire 80.81% shareholding in CCPH.</p> <p>2. CCPH pay KPSG cash amount of PHP 4.8B to KPSG in order to acquire all of KPPH's shareholding, and KPPH shall become 100% owned subsidiary of CCPH upon completion.</p>
Purpose of Amendment	To reduce potential taxable risks from Philippines side
Estimated Transaction Date	Estimated by Q1/2018 (as originally approved by the Company's shareholders meeting dated Aug. 10, 2017 and may relevant procedures under Philippines regulations), and is estimated to have the new CCPH shareholder structure by officially have KPPH to be the 100% owned subsidiary of CCPH within Q2/2018

The company structure after Amendment as follow:



- The Board of Directors approved the capital injection to the Company's joint venture affiliated company XYZprinting Inc. in consider to expand its operation. Details are as follow;

Joint ventured affiliate company	XYZprinting Inc.
Proposed Capital Injection	The Company and Kinpo Electronics Inc. each inject NTD 165M (or equivalent USD 5.5M or Baht 182,665,450).
Shareholding before injection	Each 44.74% shareholding owned by Company and Kinpo

Shareholding after injection	Each 46.61% shareholding owned by Company and Kinpo
Paid-up capital before injection	NTD 600M (or equivalent Baht 660,960,000)
Paid-up capital after injection	NTD 930M (or equivalent Baht 1,024,488,000)
Estimated completion date	Q1 / 2018

3. The Board of Directors had approved the related transaction as following detail;

1. Disposal on fixed asset

1st transaction

Partners of Contract	Seller: Cal-Comp Electronics & Communications Co., Ltd. ("CCTP") Buyer: XYZprinting Netherlands B.V. ("XYZ-Netherlands")
Type of fixed asset	1 sets of Digital subscriber line multiplexer at average 3 years of lifetime and 0.08 of used years
Transaction date	July 2017
Transaction amount	NTD 115,802 approximately Baht 127,567.48
Pricing policy	At Book Value and near market value
Payment term	By cash with 90 days of credit term
The reason	In order to reduce outstanding of unused equipments and create maximum benefits for the Company and its subsidiary, CCTP sold unused equipments to XYZ-Netherlands.

2nd transaction

Partners of Contract	Seller: Cal-Comp Electronics and Communications (Suzhou) Co., Ltd. ("CCCS") Buyer: Castlenet Technology, Inc. ("Castlenet")
Type of fixed asset	1 sets of Automatic Optical Inspection (AOI) machines at average 11 years of lifetime and 3.42 of used years
Transaction date	August 2017
Transaction amount	USD 23,000 approximately Baht 763,873.70
Pricing policy	At Book Value and near market value
Payment term	By cash with 90 days of credit term
The reason	In order to reduce outstanding of unused equipments and create maximum benefits for the Company and its subsidiary, CCCS sold the old and unused machines to Castlenet.

Transaction size of disposal on fixed assets is THB 891,441.18 which accounted to 0.0014% under the total value of consideration criteria.

2. Acquisition on fixed asset

1st transaction

Partners of Contract	Seller: Kinpo Electronics, Inc. ("Kinpo") Buyer: Cal-Comp Electronics & Communications Co., Ltd. ("CCTP")
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Type of fixed asset	1 set of R&D analysis equipment at average 1.5 years of lifetime and 0.25 of used years
Transaction date	July 2017
Transaction amount	NTD 661,926 approximately Baht 729,177.68
Pricing policy	At Book Value and near market value
Payment term	By cash with 90 days of credit term
The reason	In order to support production line's research and development, CCTP has purchased the analysis equipment from Kinpo for business development purpose.

2nd transaction

Partners of Contract	Seller: Kinpo Electronics, Inc. ("Kinpo") Buyer: Cal Comp (Malaysia) SDN. BHD. ("CCMY")
Type of fixed asset	2 set of high speed mounting machine at 10 years of lifetime and average 5 used years
Transaction date	August 2017
Transaction amount	USD 1,115,740 approximately Baht 37,055,845.31
Pricing policy	At Book Value and near market value
Payment term	By cash with 90 days of credit term
The reason	In order to support production line, CCMY has purchased the high speed mounting machine from Kinpo.

Transaction size of acquisition on fixed assets is THB 37,785,022.99 which accounted to 0.20% under the total value of consideration criteria.

Total size of disposal on fixed asset and acquisition for related party transaction criteria

Included 4 transactions of the Company and/or its subsidiaries with Kinpo Electronics, Inc., XYZprinting Netherlands B.V. and Castlenet Technology, Inc., the total transaction size is Baht 38,676,464.17 which is accounted to 0.21% of NTA (Q3/2017).

Opinion of the Board of director and Audit Committee

The connected transactions of the Company are reasonable in the normal course of business due to all transactions are taking to supporting the business operation and also the terms and conditions are satisfied.

Detail of related person and conflict of interest

- Name of related person: Kinpo Electronics, Inc.
- Relationship: Kinpo Electronics, Inc. holds 40.41% of the Company,
and nominates 3 people to be directors in the Company:
Mr. Hsu, Sheng-Hsiung, Mr. Hsu, Shen-Chieh, and
Mr. Shen, Shih-Yong

- Name of related person: XYZprinting Netherlands B.V.
- Relationship: XYZ-Netherlands is a subsidiary of Kinpo Electronics, Inc. through XYZprinting Inc. Kinpo Electronics, Inc. holds 40.41% in the Company and nominates 3 people to be directors in the Company: Mr. Hsu, Sheng-Hsiung, Mr. Hsu, Shen-Chieh, and Mr. Shen, Shih-Yong

- Name of related person: Castlenet Technology, Inc.
- Relationship: Castlenet is an associate company of Kinpo Electronics, Inc. Kinpo Electronics, Inc. holds 40.41% in the Company and nominates 3 people to be directors in the Company: Mr. Hsu, Sheng-Hsiung, Mr. Hsu, Shen-Chieh, and Mr. Shen, Shih-Yong

The directors who have conflict of interest did not join and vote for this agenda

3. Financial Assistance

The Board of Directors also approved the inter-company loans between the Company's subsidiary Cal-Comp Optical Electronics (Suzhou) Co., Ltd. and the associated company's subsidiary XYZ Printing (Suzhou) Co., Ltd. for an amount of CYN 25,000,000 with an interest of 2.05%. Details of the transaction are as follows:

1. Transaction Date:

Estimated transaction date by January 17, 2018.

2. Connected Parties:

Lender: Cal-Comp Optical Electronics (Suzhou) Co., Ltd ("CCOS")
Borrower: XYZprinting (Suzhou) Co., Ltd. ("XYZ-Suzhou")

3. General Characteristics of the transaction:

Amount: CNY 25,000,000 or Baht 125,937,500
 (Exchange rate = 5.0375 Baht / CNY)
 Duration: Within 5 years upon drawdown
 Interest rate: 2.05%
 Payment term: The principle and interest payment to be paid upon the maturity date

4. The relationship of related persons between the companies

4.1 CCOS is the subsidiary of the Company and XYZ-Suzhou is the subsidiary of XYZprinting Inc., the Company and XYZprinting Inc. got common major shareholder as follows;

- Kinpo Electronics Inc. holds 1,839,526,249 shares or 40.41% of the share in the Company
- Kinpo Electronics Inc. holds 26,846,760 shares or 44.74% of the share in XYZprinting Inc.

4.2 CCOS and XYZ-Suzhou got common director, Mr. Shen, Shih-Yong, and Mr. Huang, Yu-Hui

5. Total Value of transaction:

Total value of transaction shall be at CNY 27,562,500 (or equivalent to Baht 138,846,093.75 or 0.75 of NTA (Net Tangible Asset ended September 30, 2017 = Baht 18,546,017,000) calculated from the principle of CNY 25,000,000 and annual interest rate 2.05% of five-year duration.

This transaction comply with the Notification of the Board of Governors of the Stock Exchange of Thailand involving Disclosure of Information and other Acts of Listed Companies concerning the connected transactions B.E. 2546, which the operations are categorized as provision or receipt of financial assistance transaction, it is not exceed Baht 100 million or 3% of NTA whichever is lower. Therefore, the Company has proposed to the Board of Directors for approval and disclose the information to the Stock Exchange of Thailand according to the regulation.

6. Source of financing and adequacy of floating capital

Working capital

7. Director who was related person / in with conflict of interest did not attend nor cast votes at this agenda

<u>List of Directors having conflicts of interest</u>	<u>Type of Conflict of Interest</u>
a) Mr. Hsu, Shen-Hsiung	Chairman of XYZ-Suzhou
b) Mr. Yu, Shih-Tung	Director of XYZ-Suzhou

8. Comments of directors on the validity of the transaction

The Board of Directors considered that this transaction is reasonable and beneficial to the business processes of both companies in consider to optimize capital management and minimize financial cost. The risk of not receiving repayment according to this transaction is low.

9. Comments of the Audit Committee and/or directors of the Board of Directors, which are different from those of directors according to Article 7

- None -

Total size of related party transactions

Total size of related party transactions between the Company and/or its subsidiaries with Kinpo Electronics, Inc., XYZprinting Netherlands B.V., Castlenet Technology, Inc. and XYZprinting (Suzhou) Co., Ltd. for asset disposal, asset acquisition and financial assistance are at approximately Baht 177,522,557.92 which is accounted to 0.96% of NTA during the past six-month periods.

Note: Exchange Rate

USD/Baht = 33.2119

NTD/Baht = 1.1016

CNY/Baht = 5.0375

Please be informed accordingly.

Sincerely yours,

Mr. Khongsit Choukitcharoen
Managing Director