

Kang Yong Electric Public Company Limited

Financial statements for the year ended
31 March 2021
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Kang Yong Electric Public Company Limited

Opinion

I have audited the financial statements in which the equity method is applied and separate financial statements of Kang Yong Electric Public Company Limited (the "Company"), which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at 31 March 2021, the related statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2021 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements* section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements in which the equity method is applied and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matter

Key audit matter is those matter that, in my professional judgment, were of most significance in my audit of the financial statements in which the equity method is applied and separate financial statements of the current period. This matter was addressed in the context of my audit of the financial statements in which the equity method is applied and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

Adequacy of provision for warranties	
Refer to Notes 4 (o) and 14 to the financial statements in which the equity method is applied and separate financial statements.	
The key audit matter	How the matter was addressed in the audit
The provision for product warranty is material to the financial statements. The determination of the provision involves estimates by management of the amount and probability of claims. Therefore, I consider this matter to be a key audit matter.	<p>My audit procedures included, among others:</p> <ul style="list-style-type: none"> - Inquiring management to gain understanding on the process for estimation of provision for warranties. - Testing the reliability of actual warranties report by comparing actual claimed data with actual warranties report including testing on sampling basis of relevant documents. - Challenging management regarding the method used for estimation to evaluate the reasonableness of the method and assumptions used. - Considering the appropriateness of assumptions used for estimation of expected damage from warranty by comparing with historical actual claimed data. - Testing the calculation of provision for warranties by consider total sales of finished goods, total actual warranty expense and average claimed year. - Considering the adequacy of the Company's disclosures in accordance with the related Thai Financial Reporting Standards.

Other Information

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

My opinion on the financial statements in which the equity method is applied and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements in which the equity method is applied and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements in which the equity method is applied and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in which the equity method is applied and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements in which the equity method is applied and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements in which the equity method is applied and separate financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements in which the Equity Method is Applied and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and separate 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 TSAs 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 in which the equity method is applied and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and separate 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 Company'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 Company'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 in which the equity method is applied and separate 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and separate 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 equity-accounted investees of the Company to express an opinion on the financial statements in which the equity method is applied. I am responsible for the direction, supervision and performance of the audit of the financial statements in which the equity method is applied. 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 in which the equity method is applied and separate 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.

(Sophit Prompol)
Certified Public Accountant
Registration No. 10042

KPMG Phoomchai Audit Ltd.
Bangkok
20 May 2021

Kang Yong Electric Public Company Limited
Statement of financial position

Assets	Note	Financial statements			
		in which the equity method		Separate financial statements	
		is applied		31 March	
		2021	2020	2021	2020
(in Baht)					
Current assets					
Cash and cash equivalents	6	755,520,690	964,561,348	755,520,690	964,561,348
Trade accounts receivables	5, 7	1,095,952,394	1,118,691,767	1,095,952,394	1,118,691,767
Value added tax refundable		33,005,083	28,456,771	33,005,083	28,456,771
Other receivables	5	26,180,617	32,063,755	26,180,617	32,063,755
Dividend receivables	5	-	171,415,558	-	171,415,558
Short-term loan to related party	5	94,595,130	83,910,992	94,595,130	83,910,992
Inventories	8	768,601,533	784,724,911	768,601,533	784,724,911
Other current financial assets	25	3,600,000,000	2,330,000,000	3,600,000,000	2,330,000,000
Other current assets		11,734,905	8,696,889	11,734,905	8,696,889
Total current assets		6,385,590,352	5,522,521,991	6,385,590,352	5,522,521,991
Non-current assets					
Other non-current financial assets	25	2,607,144,061	159,008,571	2,607,144,061	159,008,571
Investment in associate	9	19,481,089	19,481,981	3,000,000	3,000,000
Investment properties	10	3,907,544	4,188,669	3,907,544	4,188,669
Property, plant and equipment	11	1,464,502,609	1,536,028,685	1,464,502,609	1,536,028,685
Right-of-use assets	12	19,982,016	-	19,982,016	-
Intangible assets	13	30,188,098	35,393,670	30,188,098	35,393,670
Deferred tax assets	22	-	85,043,070	-	85,043,070
Other non-current assets		12,244,113	19,387,244	12,244,113	19,387,244
Total non-current assets		4,157,449,530	1,858,531,890	4,140,968,441	1,842,049,909
Total assets		10,543,039,882	7,381,053,881	10,526,558,793	7,364,571,900

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

Kang Yong Electric Public Company Limited

Statement of financial position

	Note	Financial statements			
		in which the equity method		Separate financial statements	
		is applied		31 March	
		2021	2020	2021	2020
<i>(in Baht)</i>					
Liabilities and equity					
<i>Current liabilities</i>					
Trade accounts payables	5	892,684,104	789,303,681	892,684,104	789,303,681
Other payables	5	347,648,332	355,365,436	347,648,332	355,365,436
Current portion of lease liabilities	25	7,431,710	-	7,431,710	-
Income tax payable		56,922,326	48,953,434	56,922,326	48,953,434
Other current liabilities		7,481,416	11,336,472	7,481,416	11,336,472
Total current liabilities		1,312,167,888	1,204,959,023	1,312,167,888	1,204,959,023
<i>Non-current liabilities</i>					
Lease liabilities	25	12,976,010	-	12,976,010	-
Deferred tax liabilities	22	412,461,604	-	412,461,604	-
Provision for warranties	14	99,254,187	112,196,249	99,254,187	112,196,249
Non-current provisions for employee benefits	15	305,075,546	317,631,695	305,075,546	317,631,695
Provident funds		10,277,134	12,147,686	10,277,134	12,147,686
Total non-current liabilities		840,044,481	441,975,630	840,044,481	441,975,630
Total liabilities		2,152,212,369	1,646,934,653	2,152,212,369	1,646,934,653
<i>Equity</i>					
Share capital:	16				
Authorised share capital (19,800,000 ordinary shares, par value at Baht 10 per share)		198,000,000	198,000,000	198,000,000	198,000,000
Issued and paid-up share capital (19,800,000 ordinary shares, par value at Baht 10 per share)		198,000,000	198,000,000	198,000,000	198,000,000
Share premium:					
Share premium on ordinary shares	16	726,100,000	726,100,000	726,100,000	726,100,000
Retained earnings					
Appropriated					
Legal reserve	17	22,000,000	22,000,000	22,000,000	22,000,000
Other reserve		420,000,000	420,000,000	420,000,000	420,000,000
Unappropriated		5,069,114,011	4,370,914,119	5,052,632,922	4,354,432,138
Other component of equity	17	1,955,613,502	(2,894,891)	1,955,613,502	(2,894,891)
Total equity		8,390,827,513	5,734,119,228	8,374,346,424	5,717,637,247
Total liabilities and equity		10,543,039,882	7,381,053,881	10,526,558,793	7,364,571,900

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

Kang Yong Electric Public Company Limited
Statement of comprehensive income

	<i>Note</i>	Financial statements			
		in which the equity method			
		is applied		Separate financial statements	
		Year ended 31 March		Year ended 31 March	
		2021	2020	2021	2020
<i>(in Baht)</i>					
Revenue					
Revenue from sale of goods and rendering of services	5, 18	8,285,810,051	7,703,406,711	8,285,810,051	7,703,406,711
Investment income	5, 19	475,077,097	480,041,305	475,100,967	480,221,305
Net foreign exchange gain		5,287,785	21,875,724	5,287,785	21,875,724
Other income	5	55,808,195	39,872,261	55,808,195	39,872,261
Total revenue		8,821,983,128	8,245,196,001	8,822,006,998	8,245,376,001
Expenses					
Cost of sale of goods and rendering of services	5, 8, 21	6,620,422,403	6,435,414,054	6,620,422,403	6,435,414,054
Distribution costs	5, 21	435,062,683	418,443,081	435,062,683	418,443,081
Administrative expenses	5, 21	631,123,991	720,949,097	631,123,991	720,949,097
Total expenses		7,686,609,077	7,574,806,232	7,686,609,077	7,574,806,232
Profit from operating activities		1,135,374,051	670,389,769	1,135,397,921	670,569,769
Finance costs		334,460	-	334,460	-
Share of profit of associate	9	22,978	115,834	-	-
Profit before income tax expense		1,135,062,569	670,505,603	1,135,063,461	670,569,769
Tax expense	22	(136,782,206)	(49,219,952)	(136,782,206)	(49,219,952)
Profit for the year		998,280,363	621,285,651	998,281,255	621,349,817
Other comprehensive income					
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Gain (loss) on investments in equity instruments designated at FVOCI	25	2,448,135,490	(3,466,473)	2,448,135,490	(3,466,473)
Gain (loss) on remeasurements of defined benefit plans	15	13,474,412	(14,629,490)	13,474,412	(14,629,490)
Income tax relating to items that will not be reclassified	22	(492,321,980)	3,619,193	(492,321,980)	3,619,193
Total items that will be reclassified subsequently to profit or loss		1,969,287,922	(14,476,770)	1,969,287,922	(14,476,770)
Other comprehensive income (expense) for the year, net of tax		1,969,287,922	(14,476,770)	1,969,287,922	(14,476,770)
Total comprehensive income for the year		2,967,568,285	606,808,881	2,967,569,177	606,873,047
Basic earnings per share	23	50.42	31.38	50.42	31.38

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

Kang Yong Electric Public Company Limited

Statement of changes in equity

Financial statements in which the equity method is applied										
								Other component		
								of equity		
								Loss		
								on investments		
								in equity		
								instruments		
								designated		
								at FVOCI		
								Total		
Note	Issued and paid-up share capital	Treasury shares	Share premium on ordinary shares	Legal reserve	Treasury shares reserve <i>(in Baht)</i>	Other reserve	Unappropriated	Total		
Year ended 31 March 2020										
Balance at 1 April 2019	220,000,000	(970,420,000)	726,100,000	22,000,000	970,420,000	420,000,000	3,829,422,060	(121,713)	5,217,400,347	
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the Company</i>										
Write-off treasury shares - reduction of ordinary shares	16 (22,000,000)	970,420,000	-	-	(970,420,000)	-	22,000,000	-	-	
Dividends to owners of the Company	24 -	-	-	-	-	-	(90,090,000)	-	(90,090,000)	
Total distributions to owners of the Company	(22,000,000)	970,420,000	-	-	(970,420,000)	-	(68,090,000)	-	(90,090,000)	
Total transactions with owners, recorded directly in equity	(22,000,000)	970,420,000	-	-	(970,420,000)	-	(68,090,000)	-	(90,090,000)	
Comprehensive income (expense) for the year										
Profit	-	-	-	-	-	-	621,285,651	-	621,285,651	
Other comprehensive income (expense)	-	-	-	-	-	-	(11,703,592)	(2,773,178)	(14,476,770)	
Comprehensive income (expense) for the year	-	-	-	-	-	-	609,582,059	(2,773,178)	606,808,881	
Balance at 31 March 2020	198,000,000	-	726,100,000	22,000,000	-	420,000,000	4,370,914,119	(2,894,891)	5,734,119,228	

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

Kang Yong Electric Public Company Limited

Statement of changes in equity

	Financial statements in which the equity method is applied						Other component of equity	Total equity
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Retained earnings			
Other reserve <i>(in Baht)</i>					Unappropriated			
Year ended 31 March 2021								
Balance at 1 April 2020		198,000,000	726,100,000	22,000,000	420,000,000	4,370,914,119	(2,894,891)	5,734,119,228
Transaction with owners, recorded directly in equity								
<i>Distribution to owners of the Company</i>								
Dividends to owners of the Company	24	-	-	-	-	(310,860,000)	-	(310,860,000)
Total distribution to owners of the Company		-	-	-	-	(310,860,000)	-	(310,860,000)
Total transaction with owners, recorded directly in equity		-	-	-	-	(310,860,000)	-	(310,860,000)
Comprehensive income for the year								
Profit		-	-	-	-	998,280,363	-	998,280,363
Other comprehensive income		-	-	-	-	10,779,529	1,958,508,393	1,969,287,922
Comprehensive income for the year		-	-	-	-	1,009,059,892	1,958,508,393	2,967,568,285
Balance at 31 March 2021		198,000,000	726,100,000	22,000,000	420,000,000	5,069,114,011	1,955,613,502	8,390,827,513

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

Kang Yong Electric Public Company Limited
Statement of changes in equity

	Separate financial statements							Other component of equity	Total equity
	Issued and paid-up share capital	Treasury shares	Share premium on ordinary shares	Legal reserve	Treasury shares reserve <i>(in Baht)</i>	Other reserve	Unappropriated		
<i>Note</i>							Loss on investments in equity instruments designated at FVOCI		
Year ended 31 March 2020									
Balance at 1 April 2019	220,000,000	(970,420,000)	726,100,000	22,000,000	970,420,000	420,000,000	3,812,875,913	(121,713)	5,200,854,200
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the Company</i>									
Write-off treasury shares - reduction of ordinary shares	16 (22,000,000)	970,420,000	-	-	(970,420,000)	-	22,000,000	-	-
Dividends to owners of the Company	24 -	-	-	-	-	-	(90,090,000)	-	(90,090,000)
Total distributions to owners of the Company	(22,000,000)	970,420,000	-	-	(970,420,000)	-	(68,090,000)	-	(90,090,000)
Total transactions with owners, recorded directly in equity	(22,000,000)	970,420,000	-	-	(970,420,000)	-	(68,090,000)	-	(90,090,000)
Comprehensive income (expense) for the year									
Profit	-	-	-	-	-	-	621,349,817	-	621,349,817
Other comprehensive income (expense)	-	-	-	-	-	-	(11,703,592)	(2,773,178)	(14,476,770)
Comprehensive income (expense) for the year	-	-	-	-	-	-	609,646,225	(2,773,178)	606,873,047
Balance at 31 March 2020	198,000,000	-	726,100,000	22,000,000	-	420,000,000	4,354,432,138	(2,894,891)	5,717,637,247

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

Kang Yong Electric Public Company Limited

Statement of changes in equity

	Separate financial statements					Other component of equity	Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Other reserve <i>(in Baht)</i>	Unappropriated		
Year ended 31 March 2021							
Balance at 1 April 2020	198,000,000	726,100,000	22,000,000	420,000,000	4,354,432,138	(2,894,891)	5,717,637,247
Transaction with owners, recorded directly in equity							
<i>Distribution to owners of the Company</i>							
Dividends to owners of the Company	24 -	-	-	-	(310,860,000)	-	(310,860,000)
Total distribution to owners of the Company	-	-	-	-	(310,860,000)	-	(310,860,000)
Total transaction with owners, recorded directly in equity	-	-	-	-	(310,860,000)	-	(310,860,000)
Comprehensive income for the year							
Profit	-	-	-	-	998,281,255	-	998,281,255
Other comprehensive income	-	-	-	-	10,779,529	1,958,508,393	1,969,287,922
Comprehensive income for the year	-	-	-	-	1,009,060,784	1,958,508,393	2,967,569,177
Balance at 31 March 2021	198,000,000	726,100,000	22,000,000	420,000,000	5,052,632,922	1,955,613,502	8,374,346,424

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

Kang Yong Electric Public Company Limited
Statement of cash flows

	Financial statements			
	in which the equity method			
	is applied		Separate financial statements	
	Year ended 31 March		Year ended 31 March	
	2021	2020	2021	2020
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	998,280,363	621,285,651	998,281,255	621,349,817
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	136,782,206	49,219,952	136,782,206	49,219,952
Finance costs	334,460	-	334,460	-
Depreciation	389,645,556	352,080,559	389,645,556	352,080,559
Amortisation	8,124,828	8,224,722	8,124,828	8,224,722
Impairment loss recognised in profit or loss	281,125	-	281,125	-
Provision for warranties	69,406,704	87,286,255	69,406,704	87,286,255
Non-current provisions for employee benefits	25,989,448	83,381,669	25,989,448	83,381,669
Unrealised gain on exchange	(3,744,530)	(21,598,150)	(3,744,530)	(21,598,150)
Share of profit of associate	(22,978)	(115,834)	-	-
Reversal of losses on inventories devaluation	(12,943,892)	(8,838,716)	(12,943,892)	(8,838,716)
(Gain) loss on disposal of plant and equipment	(405,782)	297,162	(405,782)	297,162
Dividend income	(425,344,483)	(414,682,753)	(425,368,353)	(414,862,753)
Interest income	(32,555,094)	(48,181,032)	(32,555,094)	(48,181,032)
Rental income	(17,177,520)	(17,177,520)	(17,177,520)	(17,177,520)
	<u>1,136,650,411</u>	<u>691,181,965</u>	<u>1,136,650,411</u>	<u>691,181,965</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivables	20,588,068	215,351,769	20,588,068	215,351,769
Value added tax refundable	(4,548,312)	4,186,836	(4,548,312)	4,186,836
Other receivables	15,576,978	(9,559,562)	15,576,978	(9,559,562)
Inventories	29,067,270	120,727,026	29,067,270	120,727,026
Other current assets	(3,039,400)	(1,227,208)	(3,039,400)	(1,227,208)
Other non-current assets	7,143,131	1,747,230	7,143,131	1,747,230
Trade accounts payable	102,531,366	(90,645,722)	102,531,366	(90,645,722)
Other payables	(11,843,778)	(112,354,150)	(11,843,778)	(112,354,150)
Other current liabilities	(3,855,056)	(3,059,684)	(3,855,056)	(3,059,684)
Warranties paid	(82,348,766)	(78,652,767)	(82,348,766)	(78,652,767)
Employee benefits paid	(25,071,184)	(17,726,129)	(25,071,184)	(17,726,129)
Provident fund paid	(1,870,553)	(1,172,798)	(1,870,553)	(1,172,798)
Net cash generated from operating activities	<u>1,178,980,175</u>	<u>718,796,806</u>	<u>1,178,980,175</u>	<u>718,796,806</u>
Taxes paid	<u>(123,629,238)</u>	<u>(1,397,800)</u>	<u>(123,629,238)</u>	<u>(1,397,800)</u>
Net cash from operating activities	<u>1,055,350,937</u>	<u>717,399,006</u>	<u>1,055,350,937</u>	<u>717,399,006</u>

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

Kang Yong Electric Public Company Limited

Statement of cash flows

	Financial statements			
	in which the equity method			
	is applied		Separate financial statements	
	Year ended 31 March		Year ended 31 March	
	2021	2020	2021	2020
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Net cash outflow of other current financial assets	(1,270,000,000)	(230,000,000)	(1,270,000,000)	(230,000,000)
Proceeds from disposal of plant and equipment	861,608	1,282,330	861,608	1,282,330
Acquisitions of plant and equipment	(306,464,358)	(481,135,205)	(306,464,358)	(481,135,205)
Acquisitions of intangible assets	(2,919,256)	(2,444,498)	(2,919,256)	(2,444,498)
Short-term loan to related party	(267,489,295)	(353,450,140)	(267,489,295)	(353,450,140)
Proceeds from short-term loan to related party	256,805,157	292,761,142	256,805,157	292,761,142
Dividends received	596,783,910	243,447,195	596,783,910	243,447,195
Interest received	22,886,680	50,637,395	22,886,680	50,637,395
Rental received	17,152,096	17,187,450	17,152,096	17,187,450
Net cash used in investing activities	(952,383,458)	(461,714,331)	(952,383,458)	(461,714,331)
<i>Cash flows from financing activities</i>				
Payment of lease liabilities	(7,759,784)	-	(7,759,784)	-
Dividends paid to owners of the Company	(310,860,000)	(90,090,000)	(310,860,000)	(90,090,000)
Net cash used in financing activities	(318,619,784)	(90,090,000)	(318,619,784)	(90,090,000)
Net (decrease) increase in cash and cash equivalents, before effect of exchange rates	(215,652,305)	165,594,675	(215,652,305)	165,594,675
Effect of exchange rate changes on cash and cash equivalents	6,611,647	9,013,380	6,611,647	9,013,380
Net increase (decrease) in cash and cash equivalents	(209,040,658)	174,608,055	(209,040,658)	174,608,055
Cash and cash equivalents at 1 April	964,561,348	789,953,293	964,561,348	789,953,293
Cash and cash equivalents at 31 March	755,520,690	964,561,348	755,520,690	964,561,348
<i>Non-cash transactions</i>				
Dividend receivables	-	171,415,558	-	171,415,558
Plant and equipment purchased during the year are detailed as follows:				
Plant and equipment purchased during the year	(310,724,278)	(467,950,793)	(310,724,278)	(467,950,793)
Increase (decrease) in payables on purchases of plant and equipment	4,259,920	(13,184,412)	4,259,920	(13,184,412)
Net purchase of plant and equipment paid by cash	(306,464,358)	(481,135,205)	(306,464,358)	(481,135,205)

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

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Note	Contents	Page
1	General information	15
2	Basis of preparation of the financial statements	15
3	Changes in accounting policies	16
4	Significant accounting policies	18
5	Related parties	28
6	Cash and cash equivalents	33
7	Trade accounts receivable	33
8	Inventories	34
9	Investment in associate	35
10	Investment properties	36
11	Property, plant and equipment	38
12	Leases	39
13	Intangible assets	40
14	Provision for warranties	40
15	Non-current provisions for employee benefits	41
16	Share capital and treasury shares	42
17	Reserves	42
18	Segment information and disaggregation of revenue	43
19	Investment income	46
20	Employee benefit expenses	46
21	Expenses by nature	47
22	Income tax	48
23	Basic earnings per share	50
24	Dividends	50
25	Financial instruments	51
26	Capital management	55
27	Commitments with non-related parties	56

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 20 May 2021.

1 General information

Kang Yong Electric Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in October 1993. The Company’s registered office at 67 Moo 11, Debaratna Road, K.M. 20, Bangchalong, Bangplee, Samutprakarn.

The immediate parent company during the financial year was Mitsubishi Electric Corporation (45.70% shareholding), which was incorporated in Japan.

The principal activities of the Company are manufacturing and distributing household electrical appliances under the “Mitsubishi” trademark. The Company obtains the production licence and technology from its parent company.

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Company’s accounting policies. The impact from changes in accounting policies is disclosed in note 3.

In addition, the Company has not early adopted a number of new and revised TFRS which are not yet effective for the current period in preparing these financial statements. The Company expect that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency.

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Relevant information is included in the following notes:

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

- 14 Recognition and measurement of provision for warranties: key assumptions about the likelihood and magnitude of an outflow of resources;
- 15 Measurement of defined benefit obligations: key actuarial assumptions;
- 25 Determining the fair value of financial instruments on the basis of significant unobservable inputs.

3 Changes in accounting policies

From 1 April 2020, the Company has initially applied TFRS - Financial instruments standards and TFRS 16.

A. TFRS - Financial instruments standards

The Company has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings and other components of equity on 1 April 2020. Therefore, the Company did not adjust the information presented for 2019. However, there was no impact to be adjusted on retained earnings as at 1 April 2020.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

(1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

The following table shows measurement categories under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Company's financial assets and financial liabilities as at 1 April 2020.

Financial statements in which the equity method is applied and separate financial statements

Classification under previous standards at 31 March 2020	Carrying amounts	Classification under TFRS 9 at 1 April 2020		
		Fair value through profit or loss <i>(in thousand Baht)</i>	Fair value through other comprehensive income	Amortised cost - net
Cash and cash equivalents	964,561	-	-	964,561
Trade accounts receivables	1,118,692	-	-	1,118,692
Other receivables	32,064	-	-	32,064
Short-term loans to related party	83,911	-	-	83,911

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Financial statements in which the equity method is applied and separate financial statements				
Classification under previous standards at 31 March 2020		Classification under TFRS 9 at 1 April 2020		
	Carrying amounts	Fair value through profit or loss <i>(in thousand Baht)</i>	Fair value through other comprehensive income	Amortised cost - net
Other financial assets				
- Deposits at financial institutions	2,330,000	-	-	2,330,000
- Equity instruments available for sale	1,647	-	1,647	-
- Other non-marketable equity instruments	157,361	-	157,361	-
Total other financial assets	2,489,008	-	159,008	2,330,000
Total	4,688,236	-	159,008	4,529,228
Trade accounts payable	789,304	-	-	789,304
Other payables	355,365	-	-	355,365
Total	1,144,669	-	-	1,144,669

The Company intends to hold non-marketable equity securities amounted of Baht 157.36 million for the long-term strategic purposes. The Company has designated them as measured at FVOCI. The accumulated gain (loss) on measurement of these investments will not be reclassified to profit or loss.

(2) Impairment - Financial assets and contract assets

TFRS 9 introduces forward-looking 'expected credit loss' (ECL) model whereas previously the Company estimates allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at FVOCI, lease receivables, except for investments in equity instruments. The Company has determined that the application of TFRS 9's impairment requirements at 1 April 2020 results in no allowance for impairment loss.

B. TFRS 16 Leases

From 1 April 2020, the Company has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Previously, the Company, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Company assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Company allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 April 2020, the Company recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Company recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Company also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

<i>Impact from the adoption of TFRS 16</i>	Financial statements in which the equity method is applied	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>At 1 April 2020</i>		
Increase in right-of-use assets	26,241	26,241
Increase in lease liabilities	(26,241)	(26,241)

The operating lease commitments as at 31 March 2020 was discounted using the incremental borrowing rate and exemption for short-term leases. Therefore, the Company have recognised lease liabilities as at 1 April 2020 amounted to Baht 26.24 million. Incremental borrowing rate was 1.40% per annum.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) *Basis of preparation of the financial statements in which the equity method is applied*

The financial statements in which the equity method is applied relate to the Company and the Company's interests in an associate.

Interests in equity-accounted investee

The Company's interests in equity-accounted investee comprise interest in an associate.

Associate is an entity in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Interest in an associate is accounted for using the equity method. It is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements in which the equity method is applied include the Company's share of the profit or loss and other comprehensive income of equity-accounted investee, until the date on which significant influence ceases.

(b) *Investment in associate*

Investment in associate in the separate financial statements of the Company is measured at cost less allowance for impairment losses.

(c) *Foreign currencies*

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

(d) *Financial instruments*

Accounting policies applicable from 1 April 2020

(d.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivables (see note 4(f))) are initially recognised when the Company becomes a party to the contractual provisions of the instrument, and measured at fair value, taking into account for transaction costs that are directly attributable to its acquisition, except for financial assets and financial liabilities measured at FVTPL, which are initially and subsequently measured at fair value, and any transaction costs that are directly attributable to its acquisition are recognised in profit or loss.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or fair value through profit or loss (FVTPL). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses,
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Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

expected credit loss, gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.
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(d.2) Derecognition and offsetting

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and the Company intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Accounting policies applicable before 1 April 2020

Investments in equity securities

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses, are recognised directly in equity. Impairment losses are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments.

(f) Trade and other accounts receivables

A receivable is recognised when the Company has an unconditional right to receive consideration. If revenue has been recognised before the Company has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss (*2020: allowance for doubtful accounts which is determined based on an analysis of payment histories*).

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost is calculated using standard cost adjusted to approximate average cost and includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

An allowance is made for all deteriorated, damaged, obsolete and slow-moving inventories.

(h) Investments properties

Investment properties are such as land and buildings that the Company held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business or use in operation.

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of each property and recognised in profit or loss. The Company does not charge depreciation on freehold land.

The estimated useful lives are as follows:

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Buildings 20 years

Any gains or losses on disposal of investment properties are determined by comparing the net proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

(i) *Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of buildings and equipments, which comprises the cost of an asset, or other amount substituted for cost, less its residual value, and recognised in profit or loss using a straight-line basis (except for factory equipment - moulds and jigs using the double declining balance method) over the estimated useful lives of each component of an asset. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. No depreciation is provided on freehold land or assets under construction.

The estimated useful lives are as follows:

Land improvements	5 years
Buildings and improvements	5 - 20 years
Machinery and equipment	5 - 25 years
Factory equipment	5 years
Office equipment	5 years
Vehicles	5 years

(j) *Intangible assets*

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Intangible assets that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits.

Amortisation is based on the cost of the asset, less its residual value, and is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

The estimated useful lives are as follows

Software licences	10 years
Computer software	5 years
Golf course membership	5 years

(k) Leases

Accounting policies applicable from 1 April 2020

At inception of a contract, the Company assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Company has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Company uses the Company's incremental borrowing rate to discount the lease payments to the present value. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Company allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Company considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

Accounting policies applicable before 1 April 2020

As a lessee

Leases in terms of which the Company substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

As a lessor

At lease inception, the Company considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

Rental income under operating leases is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

(l) *Impairment of financial assets other than trade accounts receivables*

Accounting policies applicable from 1 April 2020

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, and lease receivables.

The Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Company considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Company recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 April 2020

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(m) *Impairment of non-financial assets*

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing 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 risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Employee benefits*

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Short-term employee benefits

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(o) *Provisions*

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Provision for warranties

A provision for product warranties is recognised when the underlying products or services are sold. The provision is based on historical actual claimed data and a weighting of all possible outcomes against their associated probabilities.

(p) *Measurement of fair values*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received.

(q) *Repurchase of share capital (treasury shares)*

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

equity. When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

(r) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers.

Revenue for rendering of services is recognised over. The related costs are recognised in profit or loss when they are incurred.

(s) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

(t) Investment income

Investment income comprises dividend and interest income from investments and bank deposits. Dividend income is recognised in profit or loss on the date the Company's right to receive payments is established. Interest income is recognised in profit or loss as it accrues.

(u) Interest

Accounting policies applicable from 1 April 2020

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

Accounting policies applicable before 1 April 2020

Interest income is recognised in profit or loss at the rate specified in the contract. Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred.

(v) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that they relate to items recognised directly in equity or in other comprehensive income.

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(w) *Earnings per share*

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

(x) *Related parties*

A related party is a person or entity that has direct or indirect control or has significant influence over the financial and managerial decision-making of the Company; a person or entity that are under common control or under the same significant influence as the Company; or the Company has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

(y) *Segment reporting*

Segment results that are reported to the Company's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly assets, liabilities, investment income, gain (loss) on exchange rate, other income, some of selling and administrative expenses.

5 Related parties

Relationship with an associate is described in note 9. Other related parties that the Company had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Japanese, Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Name of entities	Country of incorporation/ nationality	Nature of relationships indirectly, including any director (whether executive or otherwise) of the Company
Mitsubishi Electric Corporation	Japan	Parent, 45.70% shareholding
Kulthorn Kirby Public Company Limited	Thailand	Common director
Mitsubishi Electric Kang Yong Watana Co., Ltd.	Thailand	A subsidiary of the Company's parent and common director
Mitsubishi Electric Consumer Products (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent and common director
Siam Compressor Industry Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Life-Network Co., Ltd.	Japan	A subsidiary of the Company's parent
Mitsubishi Electric Engineering Co., Ltd.	Japan	A subsidiary of the Company's parent
Mitsubishi Electric Taiwan Co., Ltd.	Taiwan	A subsidiary of the Company's parent
Mitsubishi Electric Asia Pte. Ltd.	Singapore	A subsidiary of the Company's parent
Mitsubishi Electric Australia Pty. Ltd.	Australia	A subsidiary of the Company's parent
Mitsubishi Electric Sales Malaysia Sdn. Bhd.	Malaysia	A subsidiary of the Company's parent
Mitsubishi Electric (Malaysia) Sdn. Bhd.	Malaysia	A subsidiary of the Company's parent
Setsuyo Astec Corporation	Japan	A subsidiary of the Company's parent
Melco Thai Capital Co., Ltd.	Thailand	A subsidiary of the Company's parent
Melco Travel Co., Ltd.	Japan	A subsidiary of the Company's parent
Mitsubishi Electric (Hong Kong) Ltd.	Hongkong	A subsidiary of the Company's parent
Mitsubishi Electric Automation (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
K.G.M. Services Co., Ltd.	Thailand	A subsidiary of the Company's parent
Melco Logistics (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Trading Corp.	Japan	A subsidiary of the Company's parent
Melco Trading (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric & Electronic (Shanghai) Co., Ltd.	China	A subsidiary of the Company's parent
Mitsubishi Electric Vietnam Company Limited	Vietnam	A subsidiary of the Company's parent
PT. Mitsubishi Electric Indonesia	Indonesia	A subsidiary of the Company's parent
Setsuyo Astec (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric (Russia) LLC	Russia	A subsidiary of the Company's parent
Mitsubishi Electric Factory Automation (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Asia (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Domestic sales	Weighted average of standard cost plus margin for all products
Export sales	Resale price method which are dependent on market and competitive conditions of the particular country
Other income	Prices agreed between the parties

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Transactions	Pricing policies
Purchase of goods/raw materials	Prices agreed between the parties
Purchase of property, plant and equipment	Prices agreed between the parties
Royalty fee	Contractually agreed rate
Product development fee	Actual amount
Technical assistance fee	Contractually agreed rate
Rental fee	Based on the market value
Inventory management service fee	Based on the area used
Interest income/expense from pooling bank account with Mitsubishi Group	Based on the surplus funds or the funds used, at the interest rate of average deposit or loan interest rates offered by the financial institution
Interest income/expense from short-term loan to and loan from	Based on the interest rate of the financial institution
Product warranty expense	Actual amount
Distribution costs and administrative expenses	Prices agreed between the parties
Key management personnel compensation	The Nomination and Remuneration Committee and the Company's policy
Dividend income	Declared amount

Significant transactions with related parties <i>Year ended 31 March</i>	Financial statements in which the equity		Separate financial	
	method is applied		statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods	3,354,336	3,193,146	3,354,336	3,193,146
Other income	-	17	-	17
Royalty fee	178,763	167,939	178,763	167,939
Product development fee	233,558	270,494	233,558	270,494
Product warranty expense	55,333	56,758	55,333	56,758
Technical assistance fee	-	19,122	-	19,122
Distribution costs and administrative expenses	5,836	8,725	5,836	8,725
Associate				
Revenue from sale of goods	86	153	86	153
Rental income	17,178	171,178	17,178	171,178
Dividend income	-	-	24	180
Other income	628	555	628	555
Inventory management service fee	59,124	69,345	59,124	69,345
Distribution costs and administrative expenses	4,829	5,725	4,829	5,725
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	86,714	87,754	86,714	87,754
Post-employment benefits	1,445	1,622	1,445	1,622
Other long-term benefits	11	14	11	14
Total key management personnel compensation	<u>88,170</u>	<u>89,390</u>	<u>88,170</u>	<u>89,390</u>
Other related parties				
Revenue from sale of goods	4,928,328	4,507,301	4,928,328	4,507,301
Purchases of raw material	1,084,602	985,423	1,084,602	985,423

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

<i>Significant transactions with related parties</i> <i>Year ended 31 March</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Purchases of equipment	31,559	4,881	31,559	4,881
Dividend income	425,068	414,406	425,068	414,406
Interest income	1,092	492	1,092	492
Other income	6,741	239	6,741	239
Product warranty expense	13,712	9,962	13,712	9,962
Distribution costs and administrative expenses	63,167	82,858	63,167	82,858

Balances as at 31 March with related parties were as follows:

<i>Trade accounts receivables</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Parent	228,890	345,082
Associate	1	5
Other related parties	866,843	773,459
Total	1,095,734	1,118,546

<i>Other receivables</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Parent	-	1,232
Associate	1,510	1,485
Other related parties	150	1,446
Total	1,660	4,163

<i>Dividend receivables</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Other related parties	-	171,416

<i>Loans to</i>	Interest rate At 31 March <i>(% per annum)</i>	Financial statements in which the equity method is applied and separate financial statements			At 31 March
		At 1 April	Increase	Decrease	
			<i>(in thousand Baht)</i>		
2021					
Other related party	0.22 - 1.56	83,911	267,489	(256,805)	94,595

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

<i>Loans to</i>	Interest rate At 31 March (% per annum)	Financial statements in which the equity method is applied and separate financial statements			
		At 1 April	Increase	Decrease	At 31 March
2020					
Other related party	0.60 - 1.56	23,222	353,450	(292,761)	83,911

<i>Trade accounts payables</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
Other related parties	126,454	104,500

<i>Other payables</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
Parent	115,485	139,413
Associate	6,440	6,905
Other related parties	19,170	25,998
Total	141,095	172,316

Significant agreements with related parties

Technical assistance agreement

The Company entered into agreement with Mitsubishi Electric Corporation (MELCO) whereby such company agreed to provide the Company the technical information and know-how of production. In consideration thereof, the Company agreed to pay royalty fees, development fees and technical assistance fees computed based on agreed formula to MELCO. The term of the agreement was for a period of 5 years and is automatically extended for a successive period of 5 years each unless either party notifies in writing to the other party any intention of termination at least 6 months prior to expiration of the agreement.

Building rental agreement

The Company entered into a building rental agreement with Smile Super Express Co., Ltd., an associate, whereby the Company will provide building rental to the associate for use as a warehouse for its finished goods. The agreement was for a period of 2 years with rental rate as specified in the agreement. This agreement is renewed by either party notification in writing to the other party at least 60 days before expiration of this agreement. In May 2019, the Company notified to renew such agreement for a period of 2 years expiring on 31 July 2021.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Inventory management service agreement

The Company entered into an inventory management service agreement with Smile Super Express Co., Ltd., an associate. Under the term of the agreement, the Company agrees to pay an inventory management service fee in an amount and a condition as specified in the agreement. The agreement has a term of 1 year and shall be automatically extended for successive 1 year term unless terminated by either party.

Thai Baht pooling service agreement

In May 2002, the Company entered into the Thai Baht Pooling Service Agreement with Melco Thai Capital Co., Ltd. (MTC), other related party, whereby MTC agreed to provide management service relating to Thai Baht current account of the Company. In consideration thereof, the Company is committed to pay or earn the interest at the rate and method as specified in the agreement. There is no expiration of the agreement unless there are any cases complying with termination conditions as specified in the agreement.

Short term loan to related party

On 6 January 2021, the Company entered into a loan agreement with Melco Thai Capital Co., Ltd., other related party, whereby the related party issued the promissory note to the Company amounting to Baht 70 million which bears interest at the rate of 0.80% per annum and will be due on 6 January 2022.

6 Cash and cash equivalents

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Cash on hand	100	100
Cash at banks - current and savings accounts	180,421	199,461
Highly liquid short-term investments	575,000	765,000
Total	755,521	964,561

7 Trade accounts receivables

	Note	Financial statements in which the equity method is applied and separate financial statements	
		2021	2020
		<i>(in thousand Baht)</i>	
Related parties			
Within credit terms		1,095,734	1,094,222
Overdue:			
1 - 30 days		-	24,324
Total		1,095,734	1,118,546
Less allowance for expected credit loss (2020: allowance for doubtful accounts)		-	-
Net	5	1,095,734	1,118,546

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Other parties		
Within credit terms	218	146
Less allowance for expected credit loss (2020: allowance for doubtful accounts)	-	-
Net	218	146
Total	1,095,952	1,118,692

The normal credit term granted by the Company ranges from 30 days to 120 days.

8 Inventories

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Finished goods	278,752	280,024
Work in progress	47,412	50,611
Raw materials and factory supplies	416,798	440,408
Goods in transit	46,156	47,142
Total	789,118	818,185
Less allowance for decline in value	(20,516)	(33,460)
Net	768,602	784,725
Inventories recognised in 'cost of sales of goods':		
- Cost	6,633,366	6,444,253
- Reversal of write-down to net realisable value	(12,944)	(8,839)
Net	6,620,422	6,435,414

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

9 Investment in associate

Investment in an associate as at 31 March 2021 and 2020 and dividend income from the investment for the years then ended were as follows:

Financial statements in which the equity method is applied												
Investee	Type of business	Ownership interest		Paid-up capital		Cost		Equity		Dividend income for the year		
		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	
		(%)				<i>(in thousand Baht)</i>						
Smile Super Express Co., Ltd.	Logistic	27.12	27.12	11,060	11,060	<u>3,000</u>	<u>3,000</u>	<u>19,481</u>	<u>19,482</u>	<u>24</u>	<u>180</u>	
Separate financial statements												
Investee	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the year	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020

Smile Super Express Co. Ltd. was incorporated and operate in Thailand.

None of the Company's associate is publicly listed and consequently does not have published price quotation.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Associate

The following table summarises the financial information of the associate as included in its own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Company's interest in the associate.

	Smile Super Express Co., Ltd.	
	2021	2020
	<i>(in thousand Baht)</i>	
Revenue	154,214	173,842
Total comprehensive income (100%)	85	427
% hold	27.12	27.12
Company's share of total comprehensive income	23	116
Current assets	70,904	71,432
Non-current assets	21,717	21,775
Current liabilities	(12,664)	(13,268)
Non-current liabilities	(8,124)	(8,103)
Net assets (100%)	71,833	71,836
% hold	27.12	27.12
Carrying amount of interest in associate	19,481	19,482

10 Investment properties

	Financial statements in which the equity method is applied and separate financial statements		
	Land	Buildings	Total
	<i>(in thousand Baht)</i>		
Cost			
At 1 April 2019	9,578	91,436	101,014
At 31 March 2020 and 1 April 2020	9,578	91,436	101,014
At 31 March 2021	9,578	91,436	101,014
Depreciation and impairment losses			
At 1 April 2020	5,389	91,436	96,825
At 31 March 2020 and 1 April 2020	5,389	91,436	96,825
Impairment losses	281	-	281
At 31 March 2021	5,670	91,436	97,106
Net book value			
At 31 March 2020	4,189	-	4,189
At 31 March 2021	3,908	-	3,908

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

<i>Year ended 31 March</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Amounts recognised in profit or loss		
Rental income	17,178	17,178
<i>At 31 March</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Minimum lease payments under non-cancellable operating lease receivable:		
Within 1 year	5,726	17,178
1 - 5 years	-	5,726
Total	5,726	22,904

Investment properties comprise land and buildings that are leased to an associate and plots of land that are not used in operations. Renewals are negotiated with the lessee. No contingent rents are charged.

The fair value of investment properties as at 31 March 2021 of Baht 161.28 million (2020: Baht 155.56 million) was determined by independent professional valuers, at discounted cash flow using risk-adjusted discount rates for land and buildings that are leased to an associate and was considered by appraisal value of the Treasury Department for land not used in operations. The fair value of investment property has been categorised as a Level 3 fair value.

Valuation technique and significant unobservable inputs

The following table shows the valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Discounted cash flows</i> ; The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate and capitalisation rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the location, ability to generate	<ul style="list-style-type: none"> • Expected market rental growth (10% every 3 years). • Capitalisation rate (7%). • Risk- adjusted discount rates (10%). 	<p>The estimated fair value increase (decrease) if:</p> <ul style="list-style-type: none"> • Expected market rental growth were higher (lower); • Capitalisation rate were higher (lower); or • The risk-adjusted discount rate were lower (higher).

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

revenue stream, competitors
and risk-free rate.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

11 Property, plant and equipment

	Financial statements in which the equity method is applied and separate financial statements							
	Land and improvements	Buildings and improvements	Machinery and equipment	Factory equipment <i>(in thousand Baht)</i>	Office equipment	Vehicles	Assets under construction and installation	Total
Cost								
At 1 April 2019	186,909	747,294	1,771,302	3,442,064	144,791	1,645	50,831	6,344,836
Additions	-	1,519	12,863	40,409	11,565	-	401,595	467,951
Transfers	18,151	10,887	39,085	284,708	7,052	-	(359,883)	-
Disposals / write-off	-	(1,841)	(17,759)	(72,983)	(1,401)	-	-	(93,984)
At 31 March 2020 and 1 April 2020	205,060	757,859	1,805,491	3,694,198	162,007	1,645	92,543	6,718,803
Additions	960	3,803	13,388	41,371	7,586	-	243,617	310,725
Transfers	15,396	19,327	85,755	101,704	15,086	-	(237,268)	-
Disposals / write-off	(369)	(3,495)	(21,261)	(43,902)	(8,448)	(8)	-	(77,483)
At 31 March 2021	221,047	777,494	1,883,373	3,793,371	176,231	1,637	98,892	6,952,045
Depreciation								
At 1 April 2019	35,080	671,939	1,216,288	2,900,573	98,818	400	-	4,923,098
Depreciation charge for the year	1,184	16,983	81,510	234,740	17,351	313	-	352,081
Disposals / write-off	-	(1,758)	(16,966)	(72,407)	(1,274)	-	-	(92,405)
At 31 March 2020 and 1 April 2020	36,264	687,164	1,280,832	3,062,906	114,895	713	-	5,182,774
Depreciation charge for the year	2,134	16,480	80,024	263,746	19,097	313	-	381,794
Disposals / write-off	(368)	(3,495)	(20,971)	(43,804)	(8,380)	(8)	-	(77,026)
At 31 March 2021	38,030	700,149	1,339,885	3,282,848	125,612	1,018	-	5,487,542
Net book value								
At 31 March 2020	168,796	70,695	524,659	631,292	47,112	932	92,543	1,536,029
At 31 March 2021	183,017	77,345	543,488	510,523	50,619	619	98,892	1,464,503

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 March 2021 amounted to Baht 4,320.12 million (2020: Baht 3,966.44 million).

12 Leases

<i>At 31 March 2021</i>	Financial statements in which the equity method is applied	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Right-of-use assets</i>		
Land	9,985	9,985
Vehicles	9,997	9,997
Total	19,982	19,982

For the year ended 31 March 2021, additions to the right-of-use assets of the Company were Baht 1.59 million.

The Company leases a number of land and vehicles for 4 - 6 years, with extension options at the end of lease term for land lease contract. The rental is payable monthly as specified in the contract.

Extension options

Some property leases contain extension options exercisable by the Company up to one year before the end of the non-cancellable contract period. Where practicable, the Company seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Company and not by the lessors. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Company reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

<i>Year ended 31 March</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Land	2,496	-	2,496	-
- Vehicles	5,355	-	5,355	-
Interest on lease liabilities	334	-	334	-
Expenses relating to short-term leases	856	-	856	-
Lease expense	-	8,378	-	8,378

In 2021, total cash outflow for leases of the Company were Baht 7.76 million.

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

13 Intangible assets

	Financial statements in which the equity method is applied and separate financial statements			Total
	Software licences	Computer software	Golf course membership	
	<i>(in thousand Baht)</i>			
Cost				
At 1 April 2019	37,460	26,971	962	65,393
Additions	-	2,445	-	2,445
At 31 March 2020 and 1 April 2020	37,460	29,416	962	67,838
Additions	308	2,611	-	2,919
At 31 March 2021	37,768	32,027	962	70,757
Amortisation				
At 1 April 2019	7,850	15,748	621	24,219
Amortisation for the year	4,038	3,995	192	8,225
At 31 March 2020 and 1 April 2020	11,888	19,743	813	32,444
Amortisation for the year	4,095	3,881	149	8,125
At 31 March 2021	15,983	23,624	962	40,569
Net book value				
At 31 March 2020	25,572	9,673	149	35,394
At 31 March 2021	21,785	8,403	-	30,188

14 Provision for warranties

	Financial statements in which the equity method is applied and separate financial statements <i>(in thousand Baht)</i>
At 1 April 2019	103,563
Provisions made	87,286
Provisions used	(78,653)
At 31 March 2020 and 1 April 2020	112,196
Provisions made	69,407
Provisions used	(82,349)
At 31 March 2021	99,254

A provision for product warranties is recognised when the underlying products or services are sold. The provision is based on historical actual claimed data and a weighting of all possible outcomes against their associated probabilities. Management estimates the provision for warranties by estimation from the proportion of actual warranty claimed and total sales of products during average claimed years.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

15 Non-current provisions for employee benefits

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Post-employment benefits		
Defined benefit plan	288,474	301,369
Other long-term employee benefits	16,602	16,263
Total	305,076	317,632

Defined benefit plan

The Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
At 1 April	317,632	237,347
Included in profit or loss		
Current service cost	20,977	19,256
Past service cost	932	57,117
Interest on obligations	4,080	7,009
	25,989	83,382
Included in other comprehensive income		
Actuarial (gain) loss		
- Demographic assumptions	67	(8,694)
- Financial assumptions	(19,396)	30,704
- Experience adjustment	5,855	(7,381)
	(13,474)	14,629
Benefit paid	(25,071)	(17,726)
At 31 March	305,076	317,632

Principal actuarial assumptions

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(%)</i>	
Discount rate	1.68 - 2.11	1.09 - 1.35
Future salary growth	5.00	5.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

At 31 March 2021, the weighted-average duration of the defined benefit obligation was 9 - 13 years (2020: 10 - 14 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant.

<i>Effect to the defined benefit obligation</i>	Financial statements in which the equity method is applied and separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2021	2020	2021	2020
<i>At 31 March</i>				
		<i>(in thousand Baht)</i>		
Discount rate	(23,519)	(25,805)	27,290	30,048
Future salary growth	20,019	21,883	(17,604)	(19,205)

16 Share capital

	Par value per share <i>(in Baht)</i>	2021		2020	
		Number	Amount	Number	Amount
		<i>(thousand shares / in thousand Baht)</i>			
<i>Authorised</i>					
At 1 April					
- ordinary shares	10	19,800	198,000	22,000	220,000
Reduction of shares	10	-	-	(2,200)	(22,000)
At 31 March					
- ordinary shares	10	19,800	198,000	19,800	198,000
<i>Issued and paid-up</i>					
At 1 April					
- ordinary shares	10	19,800	198,000	22,000	220,000
Reduction of shares	10	-	-	(2,200)	(22,000)
At 31 March					
- ordinary shares	10	19,800	198,000	19,800	198,000

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

17 Reserves

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other component of equity

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Fair value reserve of 2021

The fair value reserve comprise:

- the cumulative net change in the fair value of equity securities designated at FVOCI.

Fair value reserve of 2020

The fair value changes in available-for-sale investments comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

18 Segment information and disaggregation of revenue

The Company operates in a single line of business, namely the manufacturing and selling of household electrical appliances, which is an integrated line of product. The Company sales goods in domestic and overseas. The chief operating decision maker (CODM) determines operating segment on a geographical basis as follows:

- Segment 1 Sale of goods and rendering of services in Thailand
- Segment 2 Sale of goods in Japan
- Segment 3 Sale of goods in other countries

The Company's strategic divisions are managed separately because they require different marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports at least on a monthly basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment operating profit, as included in the internal management reports that are reviewed by the Company's CODM. Segment operating profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

The Company's operations mainly involve business segments in manufacturing and selling of household electrical appliances in Thailand and sale goods in both domestic and oversea (Japan and other countries). Financial information of the Company by operating segments on a geographical basis for the years ended 31 March 2021 and 2020 was as follows:

	Domestic		Overseas				Total	
	2021	2020	Japan		Others		2021	2020
<i>For the year ended 31 March</i>			2021	2020	2021	2020	2021	2020
	<i>(in thousand Baht)</i>							
Revenue from sale of goods and rendering of services	<u>3,225,582</u>	<u>2,977,098</u>	<u>3,491,509</u>	<u>3,331,034</u>	<u>1,568,719</u>	<u>1,395,275</u>	<u>8,285,810</u>	<u>7,703,407</u>
Segment profit	527,112	451,142	774,218	560,955	41,700	(902)	1,343,030	1,011,195
Unallocated expenses							(743,830)	(882,594)
Investment income							475,077	480,041
Net foreign exchange gain							5,288	21,876
Other income							55,808	39,872
Finance costs							(334)	-
Share of profit of associate							23	116
Profit before tax expense							<u>1,135,062</u>	<u>670,506</u>
Tax expense							(136,782)	(49,220)
Profit for the year							<u>998,280</u>	<u>621,286</u>
Segment assets as at 31 March							<u>10,543,040</u>	<u>7,381,054</u>
Segment liabilities as at 31 March							<u>2,152,212</u>	<u>1,646,935</u>

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

<i>For the year ended 31 March</i>	Domestic		Overseas				Total		
	2021	2020	2021	Japan	2020	Others	2020	2021	2020
<i>Disaggregation of revenue</i>									
Timing of revenue recognition									
At a point in time	3,225,582	2,977,098	3,491,509	3,331,034	1,568,719	1,395,275	8,285,810	7,703,407	
Over time	-	-	-	-	-	-	-	-	-
Total revenue	<u>3,225,582</u>	<u>2,977,098</u>	<u>3,491,509</u>	<u>3,331,034</u>	<u>1,568,719</u>	<u>1,395,275</u>	<u>8,285,810</u>	<u>7,703,407</u>	

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Major customers

Revenues from major customers of the Company's 1 and 2 segments represents approximately Baht 6,571.09 million (2020: Baht 6,163.55 million) of the Company's total revenue.

Promotional privileges

The Company has been granted promotional certificates by the Office of the Board of Investment for manufacturing and distributing household electrical appliances business. The Company has been granted several privileges including exemption from payment of import duty on imported raw material for using in production for export from promoted operations with certain terms and conditions prescribed in the promotional certificates.

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificate.

19 Investment income

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
		<i>(in thousand Baht)</i>			
Rental income					
Rental income from operating lease of investment properties	5, 10	17,178	17,178	17,178	17,178
Dividend income					
Associate	9	-	-	24	180
Other related parties	5	425,068	414,406	425,068	414,406
Other parties		276	277	276	277
		<u>425,344</u>	<u>414,683</u>	<u>425,368</u>	<u>414,863</u>
Interest income					
Other related parties	5	1,092	492	1,092	492
Other parties		31,463	47,688	31,463	47,688
		<u>32,555</u>	<u>48,180</u>	<u>32,555</u>	<u>48,180</u>
Total		<u>475,077</u>	<u>480,041</u>	<u>475,101</u>	<u>480,221</u>

20 Employee benefit expenses

	Note	Financial statements in which the equity method is applied and separate financial statements	
		2021	2020
		<i>(in thousand Baht)</i>	
Wages and salaries		972,103	900,690
Defined contribution plans		27,191	26,207
Defined benefit plan	15	25,989	83,382
Others		86,192	89,843
Total		<u>1,111,475</u>	<u>1,100,122</u>

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Defined contribution plans

The provident fund presented under non-current liabilities includes a provident fund which the Company had established prior to 2000. Contributions were made by employees voluntarily at 3% of their monthly salaries and by the Company at rates ranging from 5% to 7% of salaries depending on length of service of the employees.

Since 2001, the defined contribution plan comprises a provident fund established by the Company for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at minimum rates ranging from 6% to 8%, but not exceed 15% of their basic salaries and by the Company at rates ranging from 6% to 8% of the employees' basic salaries depending on length of service of the employees. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

21 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
<i>Included in cost of sale of goods:</i>		
Changes in inventories of finished goods and work in progress	4,470	51,445
Raw materials and consumables used	5,049,564	4,897,537
Employee benefit expenses	903,792	877,251
Depreciation and amortisation	367,608	337,654
<i>Included in distribution costs:</i>		
Royalty fee	178,763	167,939
Transportation expenses	143,594	94,613
Product warranty expense	69,407	87,286
Advertising and sales promotion expenses	17,055	40,240
<i>Included in administrative expenses:</i>		
Product development fee	233,558	270,494
Employee benefit expenses	183,211	199,277
Warehouse rental charge	59,124	69,345

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

22 Income tax

<i>Income tax recognised in profit or loss</i>	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
Current tax expense		
Current year	131,599	46,559
Adjustment for prior years	-	8,076
	131,599	54,635
Deferred tax expense		
Movements in temporary differences	5,183	973
Movements in temporary differences - over provided in prior years	-	(6,388)
	5,183	(5,415)
Total tax expense	136,782	49,220

	Financial statements in which the equity method is applied and separate financial statements					
	Before tax	2021 Tax (expense) benefit	Net of tax	Before tax	2020 Tax (expense) benefit	Net of tax
<i>Income tax</i>						
			<i>(in thousand Baht)</i>			
Recognised in other comprehensive income						
Financial assets measured at FVOCI	2,448,135	(489,627)	1,958,508	-	-	-
Available-for-sale securities	-	-	-	(3,466)	693	(2,773)
Defined benefit plan actuarial gains (losses)	13,475	(2,695)	10,780	(14,629)	2,926	(11,703)
Total	2,461,610	(492,322)	1,969,288	(18,095)	3,619	(14,476)

<i>Reconciliation of effective tax rate</i>	Financial statements in which the equity method is applied			
	Rate (%)	2021 <i>(in thousand Baht)</i>	Rate (%)	2020 <i>(in thousand Baht)</i>
Profit before tax expense		1,135,063		670,506
Income tax using the Thai corporation tax rate	20.00	227,012	20.00	134,101
Income not subject to tax		(85,074)		(82,960)
Additional deduction expenses for tax purposes		(5,838)		(3,887)
Expenses not deductible for tax purposes		682		278
Under provided in prior years		-		1,688
Total	12.05	136,782	7.34	49,220

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

<i>Reconciliation of effective tax rate</i>	Separate financial statements			
	2021		2020	
	<i>Rate</i>	<i>(in thousand</i>	<i>Rate</i>	<i>(in thousand</i>
	<i>(%)</i>	<i>Baht)</i>	<i>(%)</i>	<i>Baht)</i>
Profit before tax expense		1,135,063		670,570
Income tax using the Thai corporation tax rate	20.00	227,012	20.00	134,114
Income not subject to tax		(85,074)		(82,973)
Additional deduction expenses for tax purposes		(5,838)		(3,887)
Expenses not deductible for tax purposes		682		278
Under provided in prior years		-		1,688
Total	12.05	136,782	7.34	49,220

**Financial statements in which the equity method is applied
and separate financial statements**

<i>Deferred tax</i> At 31 March	Assets		Liabilities	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Total	88,288	96,889	(500,750)	(11,846)
Set off of tax	(88,288)	(11,846)	88,288	11,846
Net deferred tax assets (liabilities)	-	85,043	(412,462)	-

**Financial statements in which the equity method is applied and
separate financial statements**
(Charged) / Credited to:

<i>Deferred tax assets</i>	At 1 April 2020	Other comprehensive income		At 31 March 2021
		Profit or loss	income	
	<i>(in thousand Baht)</i>			
Right-of-use assets	-	84	-	84
Inventories <i>(allowance for decline in value)</i>	6,692	(2,589)	-	4,103
Financial assets measured at FVOCI <i>(2020: Available-for-sale securities)</i>	723	-	(723)	-
Investment properties <i>(impairment losses on land not used in operations)</i>	1,078	56	-	1,134
Contract assets	-	44	-	44
Provision for warranties	22,439	(2,588)	-	19,851
Non-current provisions for employee benefits	63,527	184	(2,695)	61,016
Provident funds	2,430	(374)	-	2,056
Total	96,889	(5,183)	(3,418)	88,288
<i>Deferred tax liabilities</i>				
Property, plant and equipment <i>(depreciation gap)</i>	(11,846)	-	-	(11,846)
Financial assets measured at FVOCI <i>(2020: Available-for-sale securities)</i>	-	-	(488,904)	(488,904)
Total	(11,846)	-	(488,904)	(500,750)

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Net	85,043	(5,183)	(492,322)	(412,462)
Financial statements in which the equity method is applied and separate financial statements				
(Charged) / Credited to:				
At 1 April 2019	Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	At 31 March 2020	
Deferred tax assets				
Inventories <i>(allowance for decline in value)</i>	8,459	(1,767)	-	6,692
Available-for-sale securities <i>(revaluation)</i>	30	-	693	723
Investment properties <i>(impairment losses on land not used in operations)</i>	1,078	-	-	1,078
Provision for warranties	20,713	1,726	-	22,439
Non-current provisions for employee benefits	47,469	13,132	2,926	63,527
Provident funds	2,665	(235)	-	2,430
Loss carry forward	13,829	(13,829)	-	-
Total	94,243	(973)	3,619	96,889
Deferred tax liability				
Property, plant and equipment <i>(depreciation gap)</i>	(18,234)	6,388	-	(11,846)
Total	(18,234)	6,388	-	(11,846)
Net	76,009	5,415	3,619	85,043

23 Basic earnings per share

For the year ended 31 March	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	998,280	621,286	998,281	621,350
Number of ordinary shares outstanding	19,800	19,800	19,800	19,800
Earnings per share (basic) <i>(in Baht)</i>	50.42	31.38	50.42	31.38

24 Dividends

Details of dividends during 2021 and 2020 are as follows;

	Approval date	Payment schedule	Dividend rate per share <i>(Baht)</i>	Amount <i>(in million Baht)</i>
2021				
Annual dividend	23 July 2020	August 2020	15.70	310.86

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

2020

Annual dividend

25 July 2019

August 2019

4.55

90.09

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

25 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Financial statements in which the equity method is applied and separate financial statements					
	Carrying amount		Fair value			
<i>At 31 March 2021</i>	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Level 3	Total
			<i>(in thousand Baht)</i>			
Financial assets						
Other financial assets:						
Equity instruments	2,607,144	2,607,144	3,555	-	2,603,589	2,607,144
Total other financial assets	<u>2,607,144</u>	<u>2,607,144</u>				

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

**Financial statements in which the equity method is applied
and separate financial statements**

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
31 March 2020					
Financial assets measured at fair value					
Equity securities available-for-sale	1,647	1,647	-	-	1,647

Financial instruments not measured at fair value

The Company determined Level 3 fair values for investments in equity instruments which is not actively traded in market. The fair value of the investment was then determined using a valuation technique that used significantly unobservable input such as dividend discounted model, and market comparison technique.

Sensitivity analysis

For the fair values of financial assets measured at fair value Level 3, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects;

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Dividend discounted model	Discount rate	The estimated fair value would increase (decrease) if the discount rate was lower (higher)
Market comparison technique	Adjusted market multiple	The estimated fair value would increase (decrease) if the adjusted market multiple were higher (lower)

Reconciliation of Level 3 fair values

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
<i>(in thousand Baht)</i>		
Equity securities		
At the beginning of the year	157,362	157,362
Net change in fair value (including unrealised transactions)		
- recognised in OCI	2,446,227	-
At the end of the year	2,603,589	157,362

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

(b) *Financial risk management policies*

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) *Credit risk*

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(b.1.1) *Trade accounts receivables*

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's trade terms and conditions are offered. The Company's review sale limits for each customer regularly. Any sales exceeding those limits require approval.

Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 4 months. (2020: period between 1 to 120 days)

(b.1.2) *Cash and cash equivalent*

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

The Company's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions which the Company considers to have low credit risk.

(b.2) Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Financial statements in which the equity method is applied and separate financial statements					
Contractual cash flows					
<i>At 31 March 2021</i>	Carrying amount	Within 1 year	1 - 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
Non-derivative financial liabilities					
Trade payables	892,684	892,684	-	-	892,684
Other payables	347,638	347,638	-	-	347,638
Lease liabilities	20,870	7,669	13,201	-	20,870
	<u>1,261,192</u>	<u>1,247,991</u>	<u>13,201</u>	<u>-</u>	<u>1,261,192</u>

(b.3) Market risk

The Company is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Company primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

Financial statements in which the equity method is applied and separate financial statements					
2021					
<i>Exposure to foreign currency at 31 March</i>	USD	JPY	HKD	Other	Total
<i>(in thousand Baht)</i>					
Cash and cash equivalents	108,709	17,340	-	-	126,049
Trade accounts receivables	398,663	24,093	-	-	422,756

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2021

Financial statements in which the equity method is applied and separate financial statements 2021

<i>Exposure to foreign currency at 31 March</i>	USD	JPY	HKD <i>(in thousand Baht)</i>	Other	Total
Trade accounts payables	(98,835)	(6,465)	(1,377)	-	(106,677)
Other payables	(9,462)	(66,418)	-	(668)	(76,548)
Net statement of financial position exposure	399,075	(31,450)	(1,377)	(668)	365,580
Forward exchange selling contracts	(31,339)	-	-	-	(31,339)
Net exposure	367,736	(31,450)	(1,377)	(668)	334,241

Financial statements in which the equity method is applied and separate financial statements 2020

<i>Exposure to foreign currency at 31 March</i>	USD	JPY	HKD <i>(in thousand Baht)</i>	Other	Total
Cash and cash equivalents	102,670	-	-	-	102,670
Trade accounts receivables	375,280	22,776	-	1,729	399,785
Trade accounts payables	(71,878)	(7,321)	-	-	(79,199)
Other payables	(12,677)	(90,330)	(2,415)	(624)	(106,046)
Net exposure	393,395	(74,875)	(2,415)	1,105	317,210

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at 31 March 2021 would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	Movement (%)	Financial statements in which the equity method is applied and separate financial statements	
		Strengthening	Weakening
Baht per USD	1	3,679	(3,679)
Baht per JPY	1	(314)	314
Baht per HKD	1	(14)	14

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows because loan interest rates are mainly fixed. So the Company has low interest rate risk. The sensitivity impact to the increase or decrease in interest expenses from borrowings, as a result of changes in interest rates is immaterial on financial statements of the Company.

26 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2021

the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

27 Commitments with non-related parties

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	<i>(in thousand Baht)</i>	
<i>Capital commitments</i>		
Plant and equipment	<u>25,466</u>	<u>24,003</u>
<i>Other commitments</i>		
Short-term lease commitments <i>(2020: Non-cancellable operating leases)</i>	4,790	25,584
Bank guarantees	<u>15,765</u>	<u>15,765</u>
Total	<u>20,555</u>	<u>41,349</u>