

Kang Yong Electric Public Company Limited

Financial statements for the year ended
31 March 2022
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 2022, 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 2022 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 3 (n) and 13 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
19 May 2022

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		31 March	
		2022	2021	2022	2021
		(in Baht)			
Current assets					
Cash and cash equivalents	5	739,261,953	755,520,690	739,261,953	755,520,690
Trade accounts receivables	4, 6	1,202,340,918	1,095,952,394	1,202,340,918	1,095,952,394
Value added tax refundable		54,567,506	33,005,083	54,567,506	33,005,083
Other receivables	4	28,508,910	26,180,617	28,508,910	26,180,617
Short-term loan to related party	4	98,247,225	94,595,130	98,247,225	94,595,130
Inventories	7	1,180,546,756	768,601,533	1,180,546,756	768,601,533
Other current financial assets	22	3,030,000,000	3,600,000,000	3,030,000,000	3,600,000,000
Other current assets		17,873,022	11,734,905	17,873,022	11,734,905
Total current assets		6,351,346,290	6,385,590,352	6,351,346,290	6,385,590,352
Non-current assets					
Other non-current financial assets	22	2,328,411,088	2,607,144,061	2,328,411,088	2,607,144,061
Investment in associate	8	21,664,317	19,481,089	3,000,000	3,000,000
Investment properties	9	3,907,544	3,907,544	3,907,544	3,907,544
Property, plant and equipment	10	1,491,218,861	1,464,502,609	1,491,218,861	1,464,502,609
Right-of-use assets	11	17,692,017	19,982,016	17,692,017	19,982,016
Intangible assets	12	27,187,679	30,188,098	27,187,679	30,188,098
Other non-current assets		11,754,776	12,244,113	11,754,776	12,244,113
Total non-current assets		3,901,836,282	4,157,449,530	3,883,171,965	4,140,968,441
Total assets		10,253,182,572	10,543,039,882	10,234,518,255	10,526,558,793

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

Kang Yong Electric Public Company Limited
Statement of financial position

Financial statements					
in which the equity method					
is applied					
Liabilities and equity	<i>Note</i>	31 March		Separate financial statements	
		2022	2021	2022	2021
<i>(in Baht)</i>					
<i>Current liabilities</i>					
Trade accounts payables	4	1,147,049,528	892,684,104	1,147,049,528	892,684,104
Other payables	4	362,505,250	347,648,332	362,505,250	347,648,332
Current portion of lease liabilities	22	7,893,294	7,431,710	7,893,294	7,431,710
Income tax payable		-	56,922,326	-	56,922,326
Other current liabilities		10,738,755	7,481,416	10,738,755	7,481,416
Total current liabilities		<u>1,528,186,827</u>	<u>1,312,167,888</u>	<u>1,528,186,827</u>	<u>1,312,167,888</u>
<i>Non-current liabilities</i>					
Lease liabilities	22	10,465,449	12,976,010	10,465,449	12,976,010
Deferred tax liabilities	19	333,708,672	412,461,604	333,708,672	412,461,604
Provision for warranties	13	85,000,042	99,254,187	85,000,042	99,254,187
Non-current provisions for employee benefits	14	276,203,996	305,075,546	276,203,996	305,075,546
Provident funds		7,796,072	10,277,134	7,796,072	10,277,134
Total non-current liabilities		<u>713,174,231</u>	<u>840,044,481</u>	<u>713,174,231</u>	<u>840,044,481</u>
Total liabilities		<u>2,241,361,058</u>	<u>2,152,212,369</u>	<u>2,241,361,058</u>	<u>2,152,212,369</u>
<i>Equity</i>					
Share capital:					
Authorised share capital					
<i>(19,800,000 ordinary shares, par value at</i>					
<i>Baht 10 per share)</i>					
		<u>198,000,000</u>	<u>198,000,000</u>	<u>198,000,000</u>	<u>198,000,000</u>
Issued and paid-up share capital					
<i>(19,800,000 ordinary shares, par value at</i>					
<i>Baht 10 per share)</i>					
		198,000,000	198,000,000	198,000,000	198,000,000
Share premium:					
Share premium on ordinary shares	15	726,100,000	726,100,000	726,100,000	726,100,000
Retained earnings					
Appropriated					
Legal reserve	15	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		4,913,094,391	5,069,114,011	4,894,430,074	5,052,632,922
Other component of equity	15	1,732,627,123	1,955,613,502	1,732,627,123	1,955,613,502
Total equity		<u>8,011,821,514</u>	<u>8,390,827,513</u>	<u>7,993,157,197</u>	<u>8,374,346,424</u>
Total liabilities and equity		<u>10,253,182,572</u>	<u>10,543,039,882</u>	<u>10,234,518,255</u>	<u>10,526,558,793</u>

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		Separate financial statements	
		is applied			
		Year ended 31 March		Year ended 31 March	
		2022	2021	2022	2021
		<i>(in Baht)</i>			
Revenue					
Revenue from sale of goods and rendering of services	4, 16	7,897,890,430	8,285,810,051	7,897,890,430	8,285,810,051
Investment income	4, 17	478,499,987	475,077,097	478,506,587	475,100,967
Net foreign exchange gain		40,548,811	5,287,785	40,548,811	5,287,785
Other income	4	67,127,295	55,808,195	67,127,295	55,808,195
Total revenue		8,484,066,523	8,821,983,128	8,484,073,123	8,822,006,998
Expenses					
Cost of sale of goods and rendering of services	4, 7, 18	7,059,712,195	6,620,422,403	7,059,712,195	6,620,422,403
Distribution costs	4, 18	462,582,490	435,062,683	462,582,490	435,062,683
Administrative expenses	4, 18	651,235,139	631,123,991	651,235,139	631,123,991
Total expenses		8,173,529,824	7,686,609,077	8,173,529,824	7,686,609,077
Profit from operating activities		310,536,699	1,135,374,051	310,543,299	1,135,397,921
Finance costs		(310,800)	(334,460)	(310,800)	(334,460)
Share of profit of associate	8	2,189,828	22,978	-	-
Profit before income tax expense		312,415,727	1,135,062,569	310,232,499	1,135,063,461
Tax income (expense)	19	24,647,454	(136,782,206)	24,647,454	(136,782,206)
Profit for the year		337,063,181	998,280,363	334,879,953	998,281,255
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	22	(278,732,973)	2,448,135,490	(278,732,973)	2,448,135,490
Gain on remeasurements of defined benefit plans	14	8,583,998	13,474,412	8,583,998	13,474,412
Income tax relating to items that will not be reclassified	19	54,029,795	(492,321,980)	54,029,795	(492,321,980)
Total items that will not be reclassified subsequently to profit or loss		(216,119,180)	1,969,287,922	(216,119,180)	1,969,287,922
Other comprehensive income (expense) for the year, net of tax		(216,119,180)	1,969,287,922	(216,119,180)	1,969,287,922
Total comprehensive income for the year		120,944,001	2,967,568,285	118,760,773	2,967,569,177
Basic earnings per share	20	17.02	50.42	16.91	50.42

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	
						Gain (loss)	
						on investments	
						in equity	
						instruments	
						designated	Total
<i>Note</i>	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Other reserve <i>(in Baht)</i>	Unappropriated	at FVOCI	equity
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
Transactions with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
Dividends to owners of the Company	21	-	-	-	(310,860,000)	-	(310,860,000)
Total distributions to owners of the Company		-	-	-	(310,860,000)	-	(310,860,000)
Total transactions 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

Financial statements in which the equity method is applied							
						Other component	
						of equity	
						Gain (loss)	
						on investments	
						in equity	
						designated	Total
						at FVOCI	equity
	Retained earnings	Share	Legal reserve	Other	Unappropriated		
		premium		reserve			
		on ordinary		(in Baht)			
Note	Issued	shares					
	and paid-up						
	share capital	shares					
Year ended 31 March 2022							
Balance at 1 April 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
Transaction with owners, recorded directly in equity							
<i>Distribution to owners of the Company</i>							
Dividends to owners of the Company	21	-	-	-	(499,950,000)	-	(499,950,000)
<i>Total distribution to owners of the Company</i>		-	-	-	(499,950,000)	-	(499,950,000)
Total transaction with owners, recorded directly in equity		-	-	-	(499,950,000)	-	(499,950,000)
Comprehensive income (expense) for the year							
Profit		-	-	-	337,063,181	-	337,063,181
Other comprehensive income (expense)		-	-	-	6,867,199	(222,986,379)	(216,119,180)
Comprehensive income (expense) for the year		-	-	-	343,930,380	(222,986,379)	120,944,001
Balance at 31 March 2022	198,000,000	726,100,000	22,000,000	420,000,000	4,913,094,391	1,732,627,123	8,011,821,514

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		
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Retained earnings		of equity	
					Other reserve	Unappropriated	Gain (loss) on investments in equity instruments designated at FVOCI	Total equity
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
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	21	-	-	-	-	(310,860,000)	-	(310,860,000)
Total distributions to owners of the Company		-	-	-	-	(310,860,000)	-	(310,860,000)
Total transactions 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 changes in equity

	Note	Separate financial statements				Other component		Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Retained earnings		Gain (loss) on investments in equity instruments designated at FVOCI	
					Other reserve	Unappropriated		
<i>(in Baht)</i>								
Year ended 31 March 2022								
Balance at 1 April 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
Transaction with owners, recorded directly in equity								
<i>Distribution to owners of the Company</i>								
Dividends to owners of the Company	21	-	-	-	-	(499,950,000)	-	(499,950,000)
Total distribution to owners of the Company		-	-	-	-	(499,950,000)	-	(499,950,000)
Total transaction with owners, recorded directly in equity		-	-	-	-	(499,950,000)	-	(499,950,000)
Comprehensive income (expense) for the year								
Profit		-	-	-	-	334,879,953	-	334,879,953
Other comprehensive income (expense)		-	-	-	-	6,867,199	(222,986,379)	(216,119,180)
Comprehensive income (expense) for the year		-	-	-	-	341,747,152	(222,986,379)	118,760,773
Balance at 31 March 2022		198,000,000	726,100,000	22,000,000	420,000,000	4,894,430,074	1,732,627,123	7,993,157,197

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		Separate financial statements	
	is applied			
	Year ended 31 March		Year ended 31 March	
	2022	2021	2022	2021
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	337,063,181	998,280,363	334,879,953	998,281,255
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax (income) expense	(24,647,454)	136,782,206	(24,647,454)	136,782,206
Finance costs	310,800	334,460	310,800	334,460
Depreciation	359,220,130	389,645,556	359,220,130	389,645,556
Amortisation	7,898,646	8,124,828	7,898,646	8,124,828
Impairment loss recognised in profit or loss	-	281,125	-	281,125
Provision for warranties	48,844,347	69,406,704	48,844,347	69,406,704
Non-current provisions for employee benefits	24,386,205	25,989,448	24,386,205	25,989,448
Unrealised loss (gain) on exchange	11,858,723	(3,744,530)	11,858,723	(3,744,530)
Share of profit of associate	(2,189,828)	(22,978)	-	-
(Reversal of) losses on inventories devaluation	5,215,968	(12,943,892)	5,215,968	(12,943,892)
Loss (gain) on disposal of plant and equipment	2,025,412	(405,782)	2,025,412	(405,782)
Dividend income	(439,417,378)	(425,344,483)	(439,423,978)	(425,368,353)
Interest income	(21,905,089)	(32,555,094)	(21,905,089)	(32,555,094)
Rental income	(17,177,520)	(17,177,520)	(17,177,520)	(17,177,520)
	<u>291,486,143</u>	<u>1,136,650,411</u>	<u>291,486,143</u>	<u>1,136,650,411</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivables	(117,254,253)	20,588,068	(117,254,253)	20,588,068
Value added tax refundable	(21,562,424)	(4,548,312)	(21,562,424)	(4,548,312)
Other receivables	(10,835,401)	15,576,978	(10,835,401)	15,576,978
Inventories	(417,161,190)	29,067,270	(417,161,190)	29,067,270
Other current assets	(6,138,117)	(3,039,400)	(6,138,117)	(3,039,400)
Other non-current assets	489,338	7,143,131	489,338	7,143,131
Trade accounts payable	255,412,883	102,531,366	255,412,883	102,531,366
Other payables	(29,063,964)	(11,843,778)	(29,063,964)	(11,843,778)
Other current liabilities	3,257,339	(3,855,056)	3,257,339	(3,855,056)
Warranties paid	(63,098,491)	(82,348,766)	(63,098,491)	(82,348,766)
Employee benefits paid	(44,673,758)	(25,071,184)	(44,673,758)	(25,071,184)
Provident fund paid	(2,481,062)	(1,870,553)	(2,481,062)	(1,870,553)
Net cash (used in) generated from operating	<u>(161,622,957)</u>	<u>1,178,980,175</u>	<u>(161,622,957)</u>	<u>1,178,980,175</u>
Taxes paid	(56,998,008)	(123,629,238)	(56,998,008)	(123,629,238)
Net cash (used in) from operating activities	<u>(218,620,965)</u>	<u>1,055,350,937</u>	<u>(218,620,965)</u>	<u>1,055,350,937</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		Separate financial statements	
	is applied			
	Year ended 31 March		Year ended 31 March	
	2022	2021	2022	2021
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Net cash inflow (outflow) of other current financial assets	570,000,000	(1,270,000,000)	570,000,000	(1,270,000,000)
Proceeds from disposal of plant and equipment	1,963,368	861,608	1,963,368	861,608
Acquisitions of plant and equipment	(337,195,610)	(306,464,358)	(337,195,610)	(306,464,358)
Acquisitions of intangible assets	(4,898,227)	(2,919,256)	(4,898,227)	(2,919,256)
Short-term loan to related party	(343,333,674)	(267,489,295)	(343,333,674)	(267,489,295)
Proceeds from short-term loan to related party	339,681,579	256,805,157	339,681,579	256,805,157
Dividends received	439,423,978	596,783,910	439,423,978	596,783,910
Interest received	30,333,468	22,886,680	30,333,468	22,886,680
Rental received	17,256,249	17,152,096	17,256,249	17,152,096
Net cash from (used in) investing activities	713,231,131	(952,383,458)	713,231,131	(952,383,458)
<i>Cash flows from financing activities</i>				
Payment of lease liabilities	(8,726,743)	(7,759,784)	(8,726,743)	(7,759,784)
Dividends paid to owners of the Company	(499,950,000)	(310,860,000)	(499,950,000)	(310,860,000)
Net cash used in financing activities	(508,676,743)	(318,619,784)	(508,676,743)	(318,619,784)
Net decrease in cash and cash equivalents, before effect of exchange rates	(14,066,577)	(215,652,305)	(14,066,577)	(215,652,305)
Effect of exchange rate changes on cash and cash equivalents	(2,192,160)	6,611,647	(2,192,160)	6,611,647
Net decrease in cash and cash equivalents	(16,258,737)	(209,040,658)	(16,258,737)	(209,040,658)
Cash and cash equivalents at 1 April	755,520,690	964,561,348	755,520,690	964,561,348
Cash and cash equivalents at 31 March	739,261,953	755,520,690	739,261,953	755,520,690
<i>Non-cash transactions</i>				
Plant and equipment purchased during the year are detailed as follows:				
Plant and equipment purchased during the year	(381,268,197)	(310,724,278)	(381,268,197)	(310,724,278)
Increase in payables on purchases of plant and equipment	44,072,587	4,259,920	44,072,587	4,259,920
Net purchase of plant and equipment paid by cash	(337,195,610)	(306,464,358)	(337,195,610)	(306,464,358)

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 2022

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Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

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 19 May 2022.

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. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies are described in note 3 have been applied consistently to all periods presented in these financial statements.

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.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

3 Significant accounting policies

(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.

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. Dividend income is recognised in profit or loss on the date which the Company's right to receive payment is established.

(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

(d.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivables (see note 3(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 and any gain or loss on derecognition are recognised in profit or loss.

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For the year ended 31 March 2022

Financial assets measured at amortised costs 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, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividends are recognised as income in profit or loss on the date on which the Company right to receive payment is established, 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.

(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.

(d.3) Impairment of financial assets other than trade accounts receivables

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, debt investments measured at FVOCI and loan commitments issued which are not measured at FVTPL.

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.

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.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

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.

(d.4) Write offs

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.

(d.5) Interest

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.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which has a maturity of three months or less from the date of acquisition.

(f) Trade and other accounts receivables

A receivable is recognised when the Company has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

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. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost 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.

(h) Investments properties

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 assets includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of buildings of 20 years and recognised in profit or loss. No depreciation charged on freehold land.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

(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.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment 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 on 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 and recognised in profit or loss. 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 - 12 years
Office equipment	5 years
Vehicles	5 years

(j) Intangible assets

Intangible assets 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 calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

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

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

(k) Leases

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.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, 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.

The company derecognises and determines impairment on the lease receivables as disclosed in note 3(d).

(l) 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.

An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount.

Kang Yong Electric Public Company Limited
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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.

(m) Employee benefits

Defined contribution plans

Obligations for contributions to the Company's provident fund 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 OCI. 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.

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.

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted

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.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

(n) 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.

(o) 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.

(p) 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 time. The related costs are recognised in profit or loss when they are incurred.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

(q) 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.

(r) 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.

(s) 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.

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. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss

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.

(t) 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.

(u) 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.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

(v) *Segment reporting*

Segment results that are reported to the Company's CODM (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.

4 Related parties

Relationship with an associate is described in note 8. 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 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

Kang Yong Electric Public Company Limited

Notes to the financial statements

For the year ended 31 March 2022

Name of entities	Country of incorporation/ nationality	Nature of relationships
Mitsubishi Electric Asia (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Elevator (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
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

<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	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Parent				
Revenue from sale of goods	3,321,830	3,354,336	3,321,830	3,354,336
Other income	6	-	6	-
Purchases of equipment	1,350	-	1,350	-
Royalty fee	167,744	178,763	167,744	178,763
Product development fee	224,977	233,558	224,977	233,558
Product warranty expense	57,395	55,333	57,395	55,333
Technical assistance fee	86	-	86	-
Distribution costs and administrative expenses	4,916	5,836	4,916	5,836
Associate				
Revenue from sale of goods	48	86	48	86
Rental income	17,178	17,178	17,178	17,178
Dividend income	-	-	7	24
Other income	496	628	496	628
Inventory management service fee	57,172	59,124	57,172	59,124
Distribution costs and administrative expenses	4,732	4,829	4,732	4,829

Kang Yong Electric Public Company Limited
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For the year ended 31 March 2022

<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	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	90,924	86,714	90,924	86,714
Post-employment benefits	1,143	1,445	1,143	1,445
Other long-term benefits	8	11	8	11
Total key management personnel compensation	92,075	88,170	92,075	88,170
Other related parties				
Revenue from sale of goods	4,573,581	4,928,328	4,573,581	4,928,328
Purchases of goods	1,493,460	1,084,602	1,493,460	1,084,602
Purchases of equipment	28,668	31,559	28,668	31,559
Dividend income	439,148	425,068	439,148	425,068
Interest income	676	1,092	676	1,092
Other income	9,825	6,741	9,825	6,741
Product warranty expense	1,700	13,712	1,700	13,712
Distribution costs and administrative expenses	50,991	63,167	50,991	63,167

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

	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Trade accounts receivables		
Parent	274,141	228,890
Associate	36	1
Other related parties	928,018	866,843
Total	1,202,195	1,095,734
Other receivables		
Associate	1,485	1,510
Other related parties	147	150
Total	1,632	1,660
Loans to		
Other related parties	98,247	94,595
Trade accounts payables		
Other related parties	176,830	126,454
Other payables		
Parent	117,078	115,485
Associate	7,985	6,440
Other related parties	9,365	19,170
Total	134,428	141,095

Kang Yong Electric Public Company Limited
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For the year ended 31 March 2022

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 June 2021, the Company notified to renew such agreement for a period of 2 years expiring on 31 July 2023.

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 2022, 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 0.77% per annum and will be due on 6 January 2023.

On 28 February 2022, 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 15 million which bears interest at the rate of 0.77% per annum and will be due on 27 February 2023.

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

5 Cash and cash equivalents

	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Cash on hand	100	100
Cash at banks	219,162	180,421
Highly liquid short-term investments	520,000	575,000
Total	<u>739,262</u>	<u>755,521</u>

6 Trade accounts receivables

		Financial statements in which the equity method is applied and separate financial statements	
	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
At 31 March			
Related parties			
Within credit terms		1,194,341	1,095,734
Overdue:			
1 - 30 days		7,854	-
Total		<u>1,202,195</u>	<u>1,095,734</u>
Less allowance for expected credit loss		-	-
Net	4	<u>1,202,195</u>	<u>1,095,734</u>
Other parties			
Within credit terms		146	218
Less allowance for expected credit loss		-	-
Net		<u>146</u>	<u>218</u>
Total		<u>1,202,341</u>	<u>1,095,952</u>

7 Inventories

	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Finished goods	344,160	278,752
Work in progress	55,715	47,412
Raw materials and factory supplies	688,104	416,798
Goods in transit	118,300	46,156
Total	<u>1,206,279</u>	<u>789,118</u>
Less allowance for decline in value	(25,732)	(20,516)
Net	<u>1,180,547</u>	<u>768,602</u>
Inventories recognised in 'cost of sales of goods':		
- Cost	7,054,496	6,633,366
- (Reversal of) write-down to net realisable value	5,216	(12,944)
Net	<u>7,059,712</u>	<u>6,620,422</u>

Kang Yong Electric Public Company Limited
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8 Investment in associate

Investment in an associate as at 31 March 2022 and 2021 were as follows:

	Type of business	Ownership interest		Financial statements in which the equity method is applied		Separate financial statements					
		2022	2021	At equity method		Cost		Impairment		At cost - net	
		(%)		2022	2021	2022	2021	2022	2021	2022	2021
<i>Associate</i>											
Smile Super Express Co., Ltd.	Logistic	27.12	27.12	<u>21,664</u>	<u>19,481</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>

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
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For the year ended 31 March 2022

Material associate

The following table summarises the financial information of the material 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.	
	2022	2021
	<i>(in thousand Baht)</i>	
Revenue	270,167	154,214
Total comprehensive income (100%)	8,073	85
% hold	27.12	27.12
Company's share of total comprehensive income	2,190	23
Current assets	96,884	70,904
Non-current assets	19,082	21,717
Current liabilities	(29,028)	(12,664)
Non-current liabilities	(7,055)	(8,124)
Net assets (100%)	79,883	71,833
% hold	27.12	27.12
Carrying amount of interest in associate	21,664	19,481

9 Investment properties

	Financial statements in which the equity method is applied and separate financial statements		
	Land	Buildings	Total
	<i>(in thousand Baht)</i>		
<i>Cost</i>			
At 1 April 2020	9,578	91,436	101,014
At 31 March 2021 and 1 April 2021	9,578	91,436	101,014
At 31 March 2022	9,578	91,436	101,014
<i>Depreciation and impairment losses</i>			
At 1 April 2020	5,389	91,436	96,825
Impairment losses	281	-	281
At 31 March 2021 and 1 April 2021	5,670	91,436	97,106
At 31 March 2022	5,670	91,436	97,106
<i>Net book value</i>			
At 31 March 2021	3,908	-	3,908
At 31 March 2022	3,908	-	3,908

Kang Yong Electric Public Company Limited
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For the year ended 31 March 2022

<i>For the year ended 31 March</i>	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Rental income	17,178	17,178

<i>At 31 March</i>	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Minimum lease payments under non-cancellable operating lease receivable:</i>		
Within 1 year	17,178	5,726
1 - 5 years	5,726	-
Total	22,904	5,726

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 2022 of Baht 161.28 million (*2021: Baht 161.28 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.

Kang Yong Electric Public Company Limited
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For the year ended 31 March 2022

10 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
<i>Cost</i>								
At 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 and 1 April 2021	221,047	777,494	1,883,373	3,793,371	176,231	1,637	98,892	6,952,045
Additions	-	760	11,887	44,288	11,771	-	312,562	381,268
Transfers	-	16,189	70,702	177,373	8,711	-	(272,975)	-
Disposals / write-off	-	(4,505)	(34,026)	(39,747)	(4,978)	(12)	-	(83,268)
At 31 March 2022	221,047	789,938	1,931,936	3,975,285	191,735	1,625	138,479	7,250,045
<i>Depreciation</i>								
At 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 and 1 April 2021	38,030	700,149	1,339,885	3,282,848	125,612	1,018	-	5,487,542
Depreciation charge for the year	2,872	17,842	78,168	231,507	19,871	303	-	350,563
Disposals / write-off	-	(4,475)	(30,500)	(39,375)	(4,918)	(11)	-	(79,279)
At 31 March 2022	40,902	713,516	1,387,553	3,474,980	140,565	1,310	-	5,758,826
<i>Net book value</i>								
At 31 March 2021	183,017	77,345	543,488	510,523	50,619	619	98,892	1,464,503
At 31 March 2022	180,145	76,422	544,383	500,305	51,170	315	138,479	1,491,219

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The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 March 2022 amounted to Baht 4,563.99 million (2021: Baht 4,320.12 million).

11 Leases

<i>Right-of-use assets</i> <i>At 31 March</i>	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Land	8,486	9,985
Vehicles	9,206	9,997
Total	17,692	19,982

For the year ended 31 March 2022, additions to the right-of-use assets of the Company were Baht 6.37 million (2021: 1.59 million).

The Company leases a number of land and vehicles for 3 - 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>For the year ended 31 March</i>	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Depreciation of right-of-use assets:		
- Land	2,829	2,496
- Vehicles	5,828	5,355
Interest on lease liabilities	311	334
Expenses relating to short-term leases	59	856

For the year ended 31 March 2022, total cash outflow for leases of the Company were Baht 8.73 million (2021: Baht 7.76 million).

Kang Yong Electric Public Company Limited
Notes to the financial statements
For the year ended 31 March 2022

12 Intangible assets

	Financial statements in which the equity method is applied and separate financial statements			Total
	Software licences	Computer software <i>(in thousand Baht)</i>	Golf course membership	
<i>Cost</i>				
At 1 April 2020	37,460	29,416	962	67,838
Additions	308	2,611	-	2,919
At 31 March 2021 and 1 April 2021	37,768	32,027	962	70,757
Additions	-	4,898	-	4,898
At 31 March 2022	37,768	36,925	962	75,655
<i>Amortisation</i>				
At 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 and 1 April 2021	15,983	23,624	962	40,569
Amortisation for the year	4,099	3,799	-	7,898
At 31 March 2022	20,082	27,423	962	48,467
<i>Net book value</i>				
At 31 March 2021	21,785	8,403	-	30,188
At 31 March 2022	17,686	9,502	-	27,188

13 Provision for warranties

	Financial statements in which the equity method is applied and separate financial statements <i>(in thousand Baht)</i>
At 1 April 2020	112,196
Provisions made	69,407
Provisions used	(82,349)
At 31 March 2021 and 1 April 2021	99,254
Provisions made	48,844
Provisions used	(63,098)
At 31 March 2022	85,000

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.

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14 Non-current provisions for employee benefits

<i>At 31 March</i>	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Post-employment benefits		
Defined benefit plan	261,163	288,474
Other long-term employee benefits	15,041	16,602
Total	276,204	305,076

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.

<i>Present value of the defined benefit obligations</i>	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
At 1 April	305,076	317,632
<i>Recognised in profit or loss:</i>		
Current service cost	19,258	20,977
Past service cost	(781)	932
Interest on obligations	5,909	4,080
	24,386	25,989
<i>Recognised in other comprehensive income:</i>		
Actuarial (gain) loss		
- Demographic assumptions	-	67
- Financial assumptions	(10,925)	(19,396)
- Experience adjustment	2,341	5,855
	(8,584)	(13,474)
Benefit paid	(44,674)	(25,071)
At 31 March	276,204	305,076

<i>Principal actuarial assumptions</i>	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(%)</i>	
Discount rate	2.26 - 2.58	1.68 - 2.11
Future salary growth	5.00	5.00

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

At 31 March 2022, the weighted-average duration of the defined benefit obligation was 10 - 13 years (2021: 9 - 13 years).

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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 At 31 March</i>	Financial statements in which the equity method is applied and separate financial statements			
	1% increase in assumption		1% decrease in assumption	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Discount rate	(22,026)	(23,519)	25,518	27,290
Future salary growth	18,869	20,019	(16,606)	(17,604)

15 Share premium and reserves

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.

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

The fair value reserve comprise:

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

16 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.

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Major customers

Revenues from major customers of the Company's 1 and 2 segments represents approximately Baht 6,406.65 million (2021: Baht 6,571.09 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.

17 Investment income

		Financial statements in which the equity method is applied		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
<i>Rental income</i>					
Rental income from operating lease of investment properties	4, 9	17,178	17,178	17,178	17,178
<i>Dividend income</i>					
Associate	4	-	-	7	24
Other related parties	4	439,148	425,068	439,148	425,068
Other parties		269	276	269	276
		439,417	425,344	439,424	425,368
<i>Interest income</i>					
Other related parties	4	676	1,092	676	1,092
Other parties		21,229	31,463	21,229	31,463
		21,905	32,555	21,905	32,555
Total		478,500	475,077	478,507	475,101

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18 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	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Included in cost of sale of goods:</i>		
Changes in inventories of finished goods and work in progress	(73,711)	4,470
Raw materials and consumables used	5,537,088	5,049,564
Employee benefit expenses	958,910	903,792
Depreciation and amortisation	336,021	367,608
<i>Included in distribution costs:</i>		
Royalty fee	167,744	178,763
Transportation expenses	208,968	143,594
Product warranty expense	48,844	69,407
Advertising and sales promotion expenses	10,159	17,055
<i>Included in administrative expenses:</i>		
Product development fee	224,977	233,558
Employee benefit expenses	215,033	183,211
Warehouse rental charge	57,172	59,124

19 Income tax

	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Income tax recognised in profit or loss</i>		
Current tax expense		
Current year	-	131,599
Adjustment for prior years	76	-
	<u>76</u>	<u>131,599</u>
Deferred tax expense		
Movements in temporary differences	(24,723)	5,183
	<u>(24,723)</u>	<u>5,183</u>
Total tax (income) expense	<u>(24,647)</u>	<u>136,782</u>

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Financial statements in which the equity method is applied and separate financial statements						
	2022			2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Income tax						
<i>Recognised in other comprehensive income (expense)</i>						
Financial assets measured at FVOCI	(278,733)	55,747	(222,986)	2,448,135	(489,627)	1,958,508
Defined benefit plan actuarial gains (losses)	8,584	(1,717)	6,867	13,475	(2,695)	10,780
Total	(270,149)	54,030	(216,119)	2,461,610	(492,322)	1,969,288

Financial statements in which the equity method is applied					
Reconciliation of effective tax rate	2022		2021		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	
Profit before tax expense		312,416		1,135,063	
Income tax using the Thai corporation tax rate	20.00	62,483	20.00	227,012	
Income not subject to tax		(88,322)		(85,074)	
Additional deduction expenses for tax purposes		(231)		(5,838)	
Expenses not deductible for tax purposes		1,347		682	
Under provided in prior years		76		-	
Total	(7.89)	(24,647)	12.05	136,782	

Separate financial statements					
Reconciliation of effective tax rate	2022		2021		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	
Profit before tax expense		310,232		1,135,063	
Income tax using the Thai corporation tax rate	20.00	62,046	20.00	227,012	
Income not subject to tax		(87,885)		(85,074)	
Additional deduction expenses for tax purposes		(231)		(5,838)	
Expenses not deductible for tax purposes		1,347		682	
Under provided in prior years		76		-	
Total	(7.94)	(24,647)	12.05	136,782	

Financial statements in which the equity method is applied and separate financial statements				
Deferred tax	Assets		Liabilities	
	2022	2021	2022	2021
	At 31 March			
Total	111,294	88,288	(445,003)	(500,750)
Set off of tax	(111,294)	(88,288)	111,294	88,288
Net deferred tax assets (liabilities)	-	-	(333,709)	(412,462)

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<i>Deferred tax</i>	Financial statements in which the equity method is applied and separate financial statements			At 31 March 2022
	At 1 April 2021	<u>(Charged) / Credited to:</u>		
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
<i>Deferred tax assets</i>				
Right-of-use assets	84	49	-	133
Inventories <i>(allowance for decline in value)</i>	4,103	1,043	-	5,146
Investment properties <i>(impairment losses on land not used in operations)</i>	1,134	-	-	1,134
Contract assets	44	(44)	-	-
Provision for warranties	19,851	(2,851)	-	17,000
Non-current provisions for employee benefits	61,016	(4,059)	(1,717)	55,240
Provident funds	2,056	(495)	-	1,561
Loss carry forward	-	31,080	-	31,080
Total	88,288	24,723	(1,717)	111,294
<i>Deferred tax liabilities</i>				
Property, plant and equipment <i>(depreciation gap)</i>	(11,846)	-	-	(11,846)
Financial assets measured at FVOCI	(488,904)	-	55,747	(433,157)
Total	(500,750)	-	55,747	(445,003)
Net	(412,462)	24,723	54,030	(333,709)

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	Financial statements in which the equity method is applied and separate financial statements			At 31 March 2021
	At 1 April 2020	(Charged) / Credited to:		
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
<i>Deferred tax assets</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	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 liability</i>				
Property, plant and equipment <i>(depreciation gap)</i>	(11,846)	-	-	(11,846)
Financial assets measured at FVOCI	-	-	(488,904)	(488,904)
Total	(11,846)	-	(488,904)	(500,750)
Net	85,043	(5,183)	(492,322)	(412,462)

20 Basic earnings per share

<i>For the year ended 31 March</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	337,063	998,280	334,880	998,281
Number of ordinary shares outstanding	19,800	19,800	19,800	19,800
Earnings per share (basic) <i>(in Baht)</i>	17.02	50.42	16.91	50.42

21 Dividends

	Approval date	Payment schedule	Dividend rate per share <i>(in Baht)</i>	Amount <i>(in million Baht)</i>
2022				
Annual dividend for 2021	22 July 2021	August 2021	25.25	499.95
2021				
Annual dividend for 2020	23 July 2020	August 2020	15.70	310.86

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22 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.

<i>At 31 March</i>	Financial statements in which the equity method is applied and separate financial statements					
	Carrying amount		Fair value			
	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Level 3	Total
			<i>(in thousand Baht)</i>			
2022						
Financial assets						
Other financial assets:						
Equity instruments	2,328,411	2,328,411	3,885	-	2,324,526	2,328,411
Total other financial assets	<u>2,328,411</u>	<u>2,328,411</u>				
2021						
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>				

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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	
	2022	2021
	<i>(in thousand Baht)</i>	
Equity securities		
At the beginning of the year	2,603,589	157,362
Net change in fair value (including unrealised transactions) - recognised in OCI	(279,063)	2,446,227
At the end of the year	2,324,526	2,603,589

(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.

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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.

The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 4 months. 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.

Information relevant to trade accounts receivables are disclosed in note 6.

(b.1.2) Cash and cash equivalent

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.

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

Contractual cash flows

<i>At 31 March</i>	Carrying amount	Within 1 year	1 - 5 years	More than 5 years	Total
			<i>(in thousand Baht)</i>		
2022					
<i>Non-derivative financial liabilities</i>					
Trade payables	1,147,050	1,147,050	-	-	1,147,050
Other payables	362,505	362,505	-	-	362,505
Lease liabilities	18,734	8,109	10,625	-	18,734
	<u>1,528,289</u>	<u>1,517,664</u>	<u>10,625</u>	<u>-</u>	<u>1,528,289</u>
2021					
<i>Non-derivative financial liabilities</i>					
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**

	2022			2021		
<i>Exposure to foreign currency at 31 March</i>	USD	JPY	Other	USD	JPY	Other
	<i>(in thousand Baht)</i>					
Financial assets	579,636	35,889	5,358	507,372	41,433	-
Financial liabilities	<u>(119,015)</u>	<u>(73,335)</u>	<u>(863)</u>	<u>(108,297)</u>	<u>(72,883)</u>	<u>(2,045)</u>
Net statement of financial position exposure	460,621	(37,446)	4,495	399,075	(31,450)	(2,405)
Forward exchange selling contracts	<u>-</u>	<u>-</u>	<u>-</u>	<u>(31,339)</u>	<u>-</u>	<u>-</u>
Net exposure	<u>460,621</u>	<u>(37,446)</u>	<u>4,495</u>	<u>367,736</u>	<u>(31,450)</u>	<u>(2,405)</u>

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Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date 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 (in thousand Baht)	Weakening
<i>At 31 March 2022</i>			
USD	1	(4,606)	4,606
JPY	1	375	(375)
<i>At 31 March 2021</i>			
USD	1	3,679	(3,679)
JPY	1	(314)	314

(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.

23 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 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.

24 Commitments with non-related parties

	Financial statements in which the equity method is applied and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Capital commitments</i>		
Plant and equipment	<u>52,184</u>	<u>25,466</u>
<i>Other commitments</i>		
Short-term lease commitments	-	4,790
Bank guarantees	13,000	15,765
Total	<u>13,000</u>	<u>20,555</u>