

# **Kang Yong Electric Public Company Limited**

Condensed interim financial statements  
for the three-month and nine-month periods ended  
31 December 2021  
and  
Independent auditor's review report

## **Independent Auditor's Report on Review of Interim Financial Information**

### **To the Board of Directors of Kang Yong Electric Public Company Limited**

I have reviewed the accompanying statement of financial position in which the equity method is applied and separate statement of financial position of Kang Yong Electric Public Company Limited as at 31 December 2021; the related statements of comprehensive income for the three-month and nine-month periods ended 31 December 2021, the statements of changes in equity and cash flows for the nine-month period ended 31 December 2021; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

#### *Scope of Review*

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

#### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Sophit Prompol)  
Certified Public Accountant  
Registration No. 10042

KPMG Phoomchai Audit Ltd.  
Bangkok  
10 February 2022

# Kang Yong Electric Public Company Limited

## Statement of financial position

	<i>Note</i>	<b>Financial statements</b>			
		<b>in which the equity method</b>		<b>Separate financial statements</b>	
		<b>is applied</b>			
		31 December	31 March	31 December	31 March
<b>Assets</b>		2021	2021	2021	2021
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b><i>Current assets</i></b>					
Cash and cash equivalents		845,185	755,521	845,185	755,521
Trade accounts receivables	3	920,977	1,095,952	920,977	1,095,952
Value added tax refundable		70,433	33,005	70,433	33,005
Other receivables	3	220,904	26,181	220,904	26,181
Short-term loan to related party	3	92,514	94,595	92,514	94,595
Inventories		1,001,759	768,601	1,001,759	768,601
Other current financial assets		2,970,000	3,600,000	2,970,000	3,600,000
Other current assets		20,191	11,735	20,191	11,735
<b>Total current assets</b>		<b>6,141,963</b>	<b>6,385,590</b>	<b>6,141,963</b>	<b>6,385,590</b>
<b><i>Non-current assets</i></b>					
Other non-current financial assets	7	2,320,844	2,607,144	2,320,844	2,607,144
Investment in associate		19,216	19,481	3,000	3,000
Investment properties		3,908	3,908	3,908	3,908
Property, plant and equipment	4	1,481,203	1,464,503	1,481,203	1,464,503
Right-of-use assets		19,832	19,982	19,832	19,982
Intangible assets		26,487	30,188	26,487	30,188
Other non-current assets		11,403	12,244	11,403	12,244
<b>Total non-current assets</b>		<b>3,882,893</b>	<b>4,157,450</b>	<b>3,866,677</b>	<b>4,140,969</b>
<b>Total assets</b>		<b>10,024,856</b>	<b>10,543,040</b>	<b>10,008,640</b>	<b>10,526,559</b>

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

# Kang Yong Electric Public Company Limited

## Statement of financial position

	Note	Financial statements in which the equity method is applied				Separate financial statements	
		31 December 2021 (Unaudited)	31 March 2021	31 December 2021 (Unaudited)	31 March 2021		
		<i>(in thousand Baht)</i>					
<b>Liabilities and equity</b>							
<b>Current liabilities</b>							
Trade accounts payables	3	881,842	892,684	881,842	892,684		
Other payables	3	269,452	347,648	269,452	347,648		
Current portion of lease liabilities		8,581	7,432	8,581	7,432		
Income tax payable		-	56,922	-	56,922		
Other current liabilities		21,404	7,481	21,404	7,481		
<b>Total current liabilities</b>		<b>1,181,279</b>	<b>1,312,167</b>	<b>1,181,279</b>	<b>1,312,167</b>		
<b>Non-current liabilities</b>							
Lease liabilities		11,900	12,976	11,900	12,976		
Deferred tax liabilities		352,954	412,462	352,954	412,462		
Provision for warranties		92,021	99,254	92,021	99,254		
Non-current provisions for employee benefits		318,829	305,076	318,829	305,076		
Provident funds		9,782	10,277	9,782	10,277		
<b>Total non-current liabilities</b>		<b>785,486</b>	<b>840,045</b>	<b>785,486</b>	<b>840,045</b>		
<b>Total liabilities</b>		<b>1,966,765</b>	<b>2,152,212</b>	<b>1,966,765</b>	<b>2,152,212</b>		
<b>Equity</b>							
Share capital:							
Authorised share capital							
<i>(19,800,000 ordinary shares, par value at Baht 10 per share)</i>							
		198,000	198,000	198,000	198,000		
Issued and paid-up share capital							
<i>(19,800,000 ordinary shares, par value at Baht 10 per share)</i>							
		198,000	198,000	198,000	198,000		
Share premium:							
Share premium on ordinary shares		726,100	726,100	726,100	726,100		
Retained earnings							
Appropriated							
Legal reserve		22,000	22,000	22,000	22,000		
Other reserve		420,000	420,000	420,000	420,000		
Unappropriated		4,965,417	5,069,114	4,949,201	5,052,633		
Other component of equity		1,726,574	1,955,614	1,726,574	1,955,614		
<b>Total equity</b>		<b>8,058,091</b>	<b>8,390,828</b>	<b>8,041,875</b>	<b>8,374,347</b>		
<b>Total liabilities and equity</b>		<b>10,024,856</b>	<b>10,543,040</b>	<b>10,008,640</b>	<b>10,526,559</b>		

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

**Kang Yong Electric Public Company Limited**  
**Statement of comprehensive income (Unaudited)**

	<b>Financial statements</b>			
	<b>in which the equity method</b>		<b>Separate financial statements</b>	
	<b>is applied</b>			
	Three-month period ended 31 December 2021	2020	Three-month period ended 31 December 2021	2020
<i>(in thousand Baht)</i>				
<b>Revenue</b>				
Revenue from sales of goods and rendering of services	1,915,328	1,926,115	1,915,328	1,926,115
Investment income	203,584	119,677	203,584	119,677
Net foreign exchange gain	3,262	-	3,262	-
Other income	16,189	14,559	16,189	14,559
<b>Total revenue</b>	<b>2,138,363</b>	<b>2,060,351</b>	<b>2,138,363</b>	<b>2,060,351</b>
<b>Expenses</b>				
Cost of sale of goods and rendering of services	1,738,056	1,567,948	1,738,056	1,567,948
Distribution costs	104,119	115,321	104,119	115,321
Administrative expenses	152,922	153,153	152,922	153,153
Net foreign exchange loss	-	14,312	-	14,312
<b>Total expenses</b>	<b>1,995,097</b>	<b>1,850,734</b>	<b>1,995,097</b>	<b>1,850,734</b>
<b>Profit from operating activities</b>	<b>143,266</b>	<b>209,617</b>	<b>143,266</b>	<b>209,617</b>
Finance costs	(82)	(83)	(82)	(83)
Share of loss of associate	(144)	(334)	-	-
<b>Profit before income tax expense</b>	<b>143,040</b>	<b>209,200</b>	<b>143,184</b>	<b>209,534</b>
Tax income (expense)	3,504	(19,124)	3,504	(19,124)
<b>Profit for the period</b>	<b>146,544</b>	<b>190,076</b>	<b>146,688</b>	<b>190,410</b>
<b>Other comprehensive income</b>				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Gain (loss) on investments in equity instruments designated at FVOCI	(187,776)	171	(187,776)	171
Income tax relating to items that will not be reclassified	37,555	(34)	37,555	(34)
<b>Other comprehensive income (expense) for the period, net of tax</b>	<b>(150,221)</b>	<b>137</b>	<b>(150,221)</b>	<b>137</b>
<b>Total comprehensive income (expense) for the period</b>	<b>(3,677)</b>	<b>190,213</b>	<b>(3,533)</b>	<b>190,547</b>
<b>Basic earnings per share (in Baht)</b>	<b>7.40</b>	<b>9.60</b>	<b>7.41</b>	<b>9.62</b>

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

**Kang Yong Electric Public Company Limited**  
**Statement of comprehensive income (Unaudited)**

	<i>Note</i>	<b>Financial statements</b>			
		<b>in which the equity method</b>		<b>Separate financial statements</b>	
		<b>is applied</b>			
		Nine-month period ended		Nine-month period ended	
		31 December		31 December	
		2021	2020	2021	2020
<i>(in thousand Baht)</i>					
<b>Revenue</b>					
Revenue from sales of goods					
and rendering of services	3, 5	5,407,976	5,957,929	5,407,976	5,957,929
Investment income	3	469,730	464,246	469,737	464,270
Net foreign exchange gain		37,619	-	37,619	-
Other income	3	45,457	38,890	45,457	38,890
<b>Total revenue</b>		<b>5,960,782</b>	<b>6,461,065</b>	<b>5,960,789</b>	<b>6,461,089</b>
<b>Expenses</b>					
Cost of sale of goods and rendering of services	3	4,802,390	4,771,981	4,802,390	4,771,981
Distribution costs	3	299,671	301,232	299,671	301,232
Administrative expenses	3	464,220	459,953	464,220	459,953
Net foreign exchange loss		-	18,623	-	18,623
<b>Total expenses</b>		<b>5,566,281</b>	<b>5,551,789</b>	<b>5,566,281</b>	<b>5,551,789</b>
<b>Profit from operating activities</b>		<b>394,501</b>	<b>909,276</b>	<b>394,508</b>	<b>909,300</b>
Finance costs		(237)	(258)	(237)	(258)
Share of loss of associate		(258)	(2,827)	-	-
<b>Profit before income tax expense</b>		<b>394,006</b>	<b>906,191</b>	<b>394,271</b>	<b>909,042</b>
Tax income (expense)		2,247	(92,746)	2,247	(92,746)
<b>Profit for the period</b>		<b>396,253</b>	<b>813,445</b>	<b>396,518</b>	<b>816,296</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gain (loss) on investments in equity instruments					
designated at FVOCI		(286,300)	1,150	(286,300)	1,150
Income tax relating to items that will not be reclassified		57,260	(230)	57,260	(230)
<b>Other comprehensive income (expense)</b>					
<b>for the period, net of tax</b>		<b>(229,040)</b>	<b>920</b>	<b>(229,040)</b>	<b>920</b>
<b>Total comprehensive income for the period</b>		<b>167,213</b>	<b>814,365</b>	<b>167,478</b>	<b>817,216</b>
<b>Basic earnings per share (in Baht)</b>		<b>20.01</b>	<b>41.08</b>	<b>20.03</b>	<b>41.23</b>

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

**Kang Yong Electric Public Company Limited**  
**Statement of changes in equity (Unaudited)**

	<b>Financial statements in which the equity method is applied</b>						Other component of equity	Total equity
	Retained earnings					Gain (loss) on investments in equity instruments designated at FVOCI		
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Other reserve	Unappropriated			
<i>(in thousand Baht)</i>								
<b>Nine-month period ended 31 December 2020</b>								
<b>Balance at 1 April 2020</b>	<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>4,370,914</b>	<b>(2,895)</b>	<b>5,734,119</b>	
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	-	-	-	-	(310,860)	-	(310,860)	
<b>Total distributions to owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(310,860)</b>	<b>-</b>	<b>(310,860)</b>	
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(310,860)</b>	<b>-</b>	<b>(310,860)</b>	
<b>Comprehensive income for the period</b>								
Profit	-	-	-	-	813,445	-	813,445	
Other comprehensive income	-	-	-	-	-	920	920	
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>813,445</b>	<b>920</b>	<b>814,365</b>	
<b>Balance at 31 December 2020</b>	<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>4,873,499</b>	<b>(1,975)</b>	<b>6,237,624</b>	

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

**Kang Yong Electric Public Company Limited**  
**Statement of changes in equity (Unaudited)**

	<i>Note</i>	Financial statements in which the equity method is applied					Other component	Total
		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	
<i>(in thousand Baht)</i>								
<b>Nine-month period ended 31 December 2021</b>								
<b>Balance at 1 April 2021</b>		<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>5,069,114</b>	<b>1,955,614</b>	<b>8,390,828</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	6	-	-	-	-	(499,950)	-	(499,950)
<b>Total distributions to owners of the Company</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(499,950)</b>	<b>-</b>	<b>(499,950)</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(499,950)</b>	<b>-</b>	<b>(499,950)</b>
<b>Comprehensive income (expense) for the period</b>								
Profit		-	-	-	-	396,253	-	396,253
Other comprehensive income (expense)		-	-	-	-	-	(229,040)	(229,040)
<b>Total comprehensive income (expense) for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>396,253</b>	<b>(229,040)</b>	<b>167,213</b>
<b>Balance at 31 December 2021</b>		<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>4,965,417</b>	<b>1,726,574</b>	<b>8,058,091</b>

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



**Kang Yong Electric Public Company Limited**  
**Statement of changes in equity (Unaudited)**

	Separate financial statements					Other component of equity	Total equity	
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings					Gain (loss) on investments in equity instruments designated at FVOCI
			Legal reserve	Other reserve	Unappropriated			
<i>(in thousand Baht)</i>								
<b>Nine-month period ended 31 December 2020</b>								
<b>Balance at 1 April 2020</b>	<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>4,354,432</b>	<b>(2,895)</b>	<b>5,717,637</b>	
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	-	-	-	-	(310,860)	-	(310,860)	
<b>Total distributions to owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(310,860)</b>	<b>-</b>	<b>(310,860)</b>	
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(310,860)</b>	<b>-</b>	<b>(310,860)</b>	
<b>Comprehensive income for the period</b>								
Profit	-	-	-	-	816,296	-	816,296	
Other comprehensive income	-	-	-	-	-	920	920	
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>816,296</b>	<b>920</b>	<b>817,216</b>	
<b>Balance at 31 December 2020</b>	<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>4,859,868</b>	<b>(1,975)</b>	<b>6,223,993</b>	

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

**Kang Yong Electric Public Company Limited**  
**Statement of changes in equity (Unaudited)**

	Note	Separate financial statements				Other component		Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		of equity		
				Legal reserve	Other reserve	Unappropriated	Gain (loss) on investments in equity instruments designated at FVOCI	
<i>(in thousand Baht)</i>								
<b>Nine-month period ended 31 December 2021</b>								
<b>Balance at 1 April 2021</b>		<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>5,052,633</b>	<b>1,955,614</b>	<b>8,374,347</b>
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	6	-	-	-	-	(499,950)	-	(499,950)
<b>Total distributions to owners of the Company</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(499,950)</b>	<b>-</b>	<b>(499,950)</b>
<b>Total transactions with owners, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(499,950)</b>	<b>-</b>	<b>(499,950)</b>
<b>Comprehensive income (expense) for the period</b>								
Profit		-	-	-	-	396,518	-	396,518
Other comprehensive income (expense)		-	-	-	-	-	(229,040)	(229,040)
<b>Total comprehensive income (expense) for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>396,518</b>	<b>(229,040)</b>	<b>167,478</b>
<b>Balance at 31 December 2021</b>		<b>198,000</b>	<b>726,100</b>	<b>22,000</b>	<b>420,000</b>	<b>4,949,201</b>	<b>1,726,574</b>	<b>8,041,875</b>

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

**Kang Yong Electric Public Company Limited**  
**Statement of cash flows (Unaudited)**

	<b>Financial statements</b>			
	<b>in which the equity method</b>			
	<b>is applied</b>		<b>Separate financial statements</b>	
	Nine-month period ended		Nine-month period ended	
31 December		31 December		
2021	2020	2021	2020	
<i>(in thousand Baht)</i>				
<b><i>Cash flows from operating activities</i></b>				
Profit for the period	396,253	813,445	396,518	816,296
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax (income) expense	(2,247)	92,746	(2,247)	92,746
Finance costs	237	258	237	258
Depreciation	265,861	286,220	265,861	286,220
Amortisation	5,964	6,162	5,964	6,162
Impairment loss recognised in profit or loss	-	281	-	281
Provision for warranties	45,800	58,719	45,800	58,719
Non-current provisions for employee benefits	18,876	18,793	18,876	18,793
Unrealised loss on exchange	11,494	22,245	11,494	22,245
Share of loss of associate	258	2,827	-	-
(Reversal of) loss on inventories devaluation	5,205	(5,737)	5,205	(5,737)
Loss (gain) on disposal of plant and equipment	1,563	(257)	1,563	(257)
Dividend income	(439,417)	(425,344)	(439,424)	(425,368)
Interest income	(17,430)	(26,019)	(17,430)	(26,019)
Rental income	(12,883)	(12,883)	(12,883)	(12,883)
	279,534	831,456	279,534	831,456
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	161,783	121,282	161,783	121,282
Value added tax refundable	(37,428)	(10,562)	(37,428)	(10,562)
Other receivables	(7,414)	13,105	(7,414)	13,105
Inventories	(238,364)	70,728	(238,364)	70,728
Other current assets	(8,457)	1,409	(8,457)	1,409
Other non-current assets	841	5,458	841	5,458
Trade accounts payable	(8,358)	(138,994)	(8,358)	(138,994)
Other payables	(120,381)	(89,790)	(120,381)	(89,790)
Other current liabilities	13,923	8,128	13,923	8,128
Warranties paid	(53,033)	(64,560)	(53,033)	(64,560)
Employee benefits paid	(5,122)	(2,059)	(5,122)	(2,059)
Provident fund paid	(495)	(98)	(495)	(98)
Net cash (used in) generated from operating activities	(22,971)	745,503	(22,971)	745,503
Taxes paid	(56,922)	(123,370)	(56,922)	(123,370)
<b>Net cash (used in) from operating activities</b>	<b>(79,893)</b>	<b>622,133</b>	<b>(79,893)</b>	<b>622,133</b>

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

**Kang Yong Electric Public Company Limited**  
**Statement of cash flows (Unaudited)**

	<b>Financial statements</b>			
	<b>in which the equity method</b>		<b>Separate financial statements</b>	
	<b>is applied</b>			
	Nine-month period ended		Nine-month period ended	
	31 December		31 December	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Net cash inflow (outflow) of other current financial assets	630,000	(170,000)	630,000	(170,000)
Proceeds from disposal of plant and equipment	1,396	390	1,396	390
Acquisitions of plant and equipment	(235,904)	(230,425)	(235,904)	(230,425)
Acquisitions of intangible assets	(2,263)	(1,986)	(2,263)	(1,986)
Short-term loans to related party	(212,394)	(183,661)	(212,394)	(183,661)
Proceeds from short-term loans to related party	214,475	175,712	214,475	175,712
Dividends received	244,736	499,499	244,736	499,499
Interest received	24,730	18,237	24,730	18,237
Rental received	12,962	12,888	12,962	12,888
<b>Net cash from investing activities</b>	<b>677,738</b>	<b>120,654</b>	<b>677,738</b>	<b>120,654</b>
<b><i>Cash flows from financing activities</i></b>				
Payment of lease liabilities	(6,530)	(5,738)	(6,530)	(5,738)
Dividends paid to owners of the Company	(499,950)	(310,860)	(499,950)	(310,860)
<b>Net cash used in financing activities</b>	<b>(506,480)</b>	<b>(316,598)</b>	<b>(506,480)</b>	<b>(316,598)</b>
Net increase in cash and cash equivalents, before effect of exchange rates	91,365	426,189	91,365	426,189
Effect of exchange rate changes on cash and cash equivalents	(1,701)	256	(1,701)	256
<b>Net increase in cash and cash equivalents</b>	<b>89,664</b>	<b>426,445</b>	<b>89,664</b>	<b>426,445</b>
Cash and cash equivalents at 1 April	755,521	964,561	755,521	964,561
<b>Cash and cash equivalents at 31 December</b>	<b>845,185</b>	<b>1,391,006</b>	<b>845,185</b>	<b>1,391,006</b>
<b><i>Non-cash transactions</i></b>				
Plant and equipment purchased during the period are detailed as follows:				
Plant and equipment purchased during the period	(279,004)	(221,222)	(279,004)	(221,222)
Increase (decrease) in payables on purchases of plant and equipment	43,100	(9,203)	43,100	(9,203)
<b>Net purchase of plant and equipment paid by cash</b>	<b>(235,904)</b>	<b>(230,425)</b>	<b>(235,904)</b>	<b>(230,425)</b>

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

**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 31 December 2021 (Unaudited)**

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**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai 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 10 February 2022.

**1 General information**

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 interim financial statements**

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 March 2021.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Company’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 March 2021.

**3 Related parties**

For relationships with related parties, there was no material changes in relationships.

Pricing policies have no material changes during the nine-month period ended 31 December 2021.

<i>Significant transactions with related parties</i> <i>Nine-month period ended 31 December</i>	<b>Financial statements in which the equity method is applied</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<b>Parent</b>				
Revenue from sale of goods	2,342,447	2,489,083	2,342,447	2,489,083
Other income	6	-	6	-
Purchases of equipment	4,050	-	4,050	-
Royalty fee	114,796	129,183	114,796	129,183
Product development fee	164,333	173,012	164,333	173,012
Product warranty expense	47,811	48,926	47,811	48,926
Distribution costs and administrative expenses	4,558	4,891	4,558	4,891

**Associate**

**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
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<i>Significant transactions with related parties</i> <i>Nine-month period ended 31 December</i>	<b>Financial statements in which the equity method is applied</b>		<b>Separate financial statements</b>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Revenue from sale of goods	36	44	36	44
Rental income	12,883	12,883	12,883	12,883
Dividend income	-	-	7	24
Other income	374	431	374	431
<b>Associate</b>				
Inventory management service fee	37,849	41,551	37,849	41,551
Distribution costs and administrative expenses	2,998	3,512	2,998	3,512
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	61,446	57,401	61,446	57,401
Post-employment benefits	857	1,084	857	1,084
Other long-term benefits	6	8	6	8
<b>Total key management personnel compensation</b>	<b>62,309</b>	<b>58,493</b>	<b>62,309</b>	<b>58,493</b>
<b>Other related parties</b>				
Revenue from sale of goods	3,063,814	3,466,935	3,063,814	3,466,935
Purchases of raw material	953,958	789,453	953,958	789,453
Purchases of equipment	25,613	31,029	25,613	31,029
Dividend income	439,148	425,068	439,148	425,068
Interest income	497	906	497	906
Other income	8,706	303	8,706	303
Product warranty expense	1,487	3,778	1,487	3,778
Distribution costs and administrative expenses	32,801	41,297	32,801	41,297

Balances as at 31 December 2021 and 31 March 2021 with related parties were as follows:

<i>Trade accounts receivables</i>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	31 December 2021	31 March 2021
	<i>(in thousand Baht)</i>	
Parent	244,396	228,890
Associate	4	1
Other related parties	676,432	866,843
<b>Total</b>	<b>920,832</b>	<b>1,095,734</b>
<i>Other receivables</i>		
	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	31 December 2021	31 March 2021
	<i>(in thousand Baht)</i>	
Parent	45	-

# Kang Yong Electric Public Company Limited

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 31 December 2021 (Unaudited)

Associate	1,469	1,510
Other related parties	556	150
<b>Total</b>	<b>2,070</b>	<b>1,660</b>

### *Dividend receivables*

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

31 December 2021      31 March 2021

(in thousand Baht)

Other related parties	<b>194,688</b>	-
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### *Loans to*

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

31 December 2021      31 March 2021

(in thousand Baht)

Other related parties	<b>92,514</b>	<b>94,595</b>
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### *Trade accounts payables*

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

31 December 2021      31 March 2021

(in thousand Baht)

Other related parties	<b>118,550</b>	<b>126,454</b>
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### *Other payables*

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

31 December 2021      31 March 2021

(in thousand Baht)

Parent	93,128	115,485
Associate	6,323	6,440
Other related parties	21,619	19,170
<b>Total</b>	<b>121,070</b>	<b>141,095</b>

## 4 Property, plant and equipment

### *For the nine-month period ended 31 December 2021*

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

(in thousand Baht)

Acquisitions - at cost	279,004
Right-of-use assets - at cost	6,367
Disposals - net book value	(2,959)



**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 31 December 2021 (Unaudited)**

**5 Segment information and disaggregation of revenue**

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

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

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

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

**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 31 December 2021 (Unaudited)**

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

<i>nine-month period ended 31 December</i>	Domestic		Overseas				Total			
	2021	2020	Japan		Others		2021	2020		
			2021	2020	2021	2020	2021	2020		
			<i>(in thousand Baht)</i>							
Revenue from sales of goods and rendering of services	<u>2,140,106</u>	<u>2,220,931</u>	<u>2,397,557</u>	<u>2,578,704</u>	<u>870,313</u>	<u>1,158,294</u>	<u>5,407,976</u>	<u>5,957,929</u>		
Segment profit (loss)	136,347	364,505	297,646	546,984	(55,889)	58,693	378,104	970,182		
Unallocated expenses							(536,409)	(545,419)		
Investment income							469,730	464,246		
Net foreign exchange gain (loss)							37,619	(18,623)		
Other income							45,457	38,890		
Finance costs							(237)	(258)		
Share of loss of associate							(258)	(2,827)		
Profit before income tax expense							<u>394,006</u>	<u>906,191</u>		
Tax income (expense)							<u>2,247</u>	<u>(92,746)</u>		
<b>Profit for the period</b>							<b><u>396,253</u></b>	<b><u>813,445</u></b>		
Segment assets as at 31 December 2021 / 31 March 2021							<b><u>10,024,856</u></b>	<b><u>10,543,040</u></b>		
Segment liabilities as at 31 December 2021 / 31 March 2021							<b><u>1,966,765</u></b>	<b><u>2,152,212</u></b>		

**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 31 December 2021 (Unaudited)**

**6 Dividends**

Details of dividends during 2021 are as follows:

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

**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 31 December 2021 (Unaudited)**

**7 Financial instruments**

*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 for financial instruments measured at fair value. 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.

	<b>Financial statements in which the equity method is applied and separate financial statements</b>					
	<b>Carrying amount</b>		<b>Fair value</b>			
	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Level 3	Total
<i>(in thousand Baht)</i>						
<b>At 31 December 2021</b>						
<b>Financial assets</b>						
Other financial assets:						
Equity instruments	2,320,844	2,320,844	4,678	-	2,316,166	2,320,844
<b>Total other financial assets</b>	<b>2,320,844</b>	<b>2,320,844</b>				
<b>At 31 March 2021</b>						
<b>Financial assets</b>						
Other financial assets:						
Equity instruments	2,607,144	2,607,144	3,555	-	2,603,589	2,607,144
<b>Total other financial assets</b>	<b>2,607,144</b>	<b>2,607,144</b>				

**Kang Yong Electric Public Company Limited**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 31 December 2021 (Unaudited)**

**Financial instruments 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;

<b>Valuation technique</b>	<b>Significant unobservable inputs</b>	<b>Inter-relationship between significant unobservable inputs and fair value measurement</b>
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**

**Equity securities**

	<b>Financial statements in which the equity method is applied and separate financial statements (in thousand Baht)</b>
At 1 April 2021	2,603,589
Net change in fair value (including unrealised transactions) - recognised in OCI	(287,423)
<b>At 31 December 2021</b>	<b>2,316,166</b>

**8 Commitments with non-related parties**

**At 31 December 2021**

**Capital commitments**

	<b>Financial statements in which the equity method is applied and separate financial statements (in thousand Baht)</b>
Plant and equipment	77,769
<b>Other commitments</b>	
Bank guarantees	<b>13,000</b>