



**ANNIVERSARY**  
1964 - 2024

# Form 56-1 One Report 2025 (e-One Report)

**INNOVATING**  
FOR A **BETTER**  
**TOMORROW**

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## Part 1 Business Operations and Performance

# 1. Organizational structure and operation of the group of companies

## 1.1 Policy and business overview

### 1.1.1 Overview of the vision, objectives, goals and business strategies

#### Message from the chairman

Report of the Board of Directors

Kang Yong Electric Public Company Limited

In the fiscal year 2024 (B.E. 2567), the global and Thai economies continued to face persistent challenges stemming from multiple external factors, including global economic volatility, inflationary pressures, rising raw material costs, and geopolitical tensions, particularly between the United States and China. In response to the evident economic downturn, the Company adopted various adaptive measures, focusing on raw material cost management, maintaining high production efficiency despite lower output, cutting non-essential expenses, and deferring investments with low returns.

During the year, the Company was affected by rising costs of raw materials and energy, as well as fluctuations in exchange rates. Furthermore, changes in consumer behavior and the acceleration of digital transformation reshaped the operational landscape of the electrical home appliance industry. In response, the Company adjusted its strategy by focusing on reducing production lead time, a key initiative aimed at improving the efficiency of supply chain management. Additionally, the Company incorporated AI and IoT technologies into its manufacturing processes to enhance the speed and accuracy of product quality control. The Company also prioritized the development and value-added enhancement of its products to gain a competitive advantage and better address customer needs.

In the fiscal year 2024, the Company recorded a gross profit of 624 million baht, representing 10.3% of total revenue from sales and services, a decrease of 3.4 percentage points compared to 13.7% in fiscal year 2023. The decline was due to the ongoing economic recession, which negatively impacted consumer purchasing power. Nevertheless, net profit rose to 703 million baht, accounting for 11.6% of revenue from sales and services, representing a 1.13 percentage point increase from 10.42% in the previous fiscal year.

The Board of Directors has resolved to propose to the 2025 Annual General Meeting of Shareholders an allocation of profit in the form of a dividend of 17.80 baht per share, representing 50.17% of the net profit, totaling 352.4 million baht.

Looking ahead to fiscal year 2025, the Thai economy is expected to experience slower growth due to several factors, including political uncertainty, the burden of high household debt, and a decline in tourist arrivals, all of which are likely to reduce domestic purchasing power. Furthermore, exchange rate volatility, global economic recession, U.S. countervailing tax measures, and surging oil prices in various regions, driven by ongoing geopolitical conflicts, are anticipated to exert downward pressure on the Company's export performance. In response, the Company aims to retain the customer base, maintain sales volume, and expand high-margin, value-added product lines while improving manufacturing efficiency to lower production costs and enhance overall profitability.

The Company remains committed to conducting its business with a strong emphasis on environmental, social, and governance (ESG) principles. Key initiatives include investing in clean energy solutions, such as solar panel systems, adopting eco-friendly packaging, utilizing energy-efficient machinery, and supporting community engagement and stakeholder responsibility programs, underscoring the Company's commitment to sustainable growth.

The Company has established clear policies to reduce greenhouse gas emissions. This includes calculating both the organization's carbon footprint (CFO) and the product carbon footprint (CFP). The Company aims to achieve net-zero greenhouse gas emissions for Scope 1 and Scope 2 by 2030 and for Scope 3 by 2050. This will be accomplished by renewable energy, reduction of fossil fuel consumption, improvements in production efficiency, and the integration of environmentally friendly technologies. These efforts reflect the Company's commitment to environmental responsibility and sustainable development.

On behalf of the Board of Directors and management, I would like to express my heartfelt gratitude to all shareholders, business

partners, employees, and stakeholders for your ongoing support and trust. We are committed to fostering stable and sustainable business growth while creating value for all sectors through our new business philosophy: "Innovating for a Better Tomorrow."

Mr. Praphad Phodhivorakhun  
Chairman of the Board of Directors

Vision

Management Policy

Support the products and services that are safe, secure, healthy, and beneficial for customer's lives and contribute to the realization of a sustainable society that is friendly to the whole supply chain. under the slogan: "Innovating for a better tomorrow."

Objectives

-

Goals

Mission

1. Implement top priority to Safety first, Health first, Quality first, and compliance with the law and the code of conducts thoroughly.
2. Complete business structural reform by promoting process innovation: innovation of methods and efficiency related to business operations and production.
3. Aim to realize a recycling-oriented society and sustainability to achieve SDGs.

Business strategies

Priority Actions

1. Strengthen the implementation of Safety First, Health First, Compliance, Quality Assurance, and Information Security.
2. Strengthen business foundation and expand business profits by implementing structural reforms that can flexibly respond to changes in the environment.
3. Increase operational efficiency by promoting DX and JIT activities throughout the Company from direct to indirect departments.
4. Enhance employee engagement and create a workplace where employees can work energetically.
5. Drive ESG factors to secure the balance of solving social issues and profit by promoting the 3Rs, together with conducting CSR activities.

1.1.2 Material changes and developments

Details regarding material changes and developments

Year	Material changes and developments
2025	<p><b>January 2025</b></p> <ul style="list-style-type: none"><li>• Released the same 3-door bottom freezer refrigerator model (New Capless Door design, 300–400 litres) for the domestic market.</li><li>• Developed the new R2 Series water pump with improved performance and efficiency. All models received the highest 5-star rating under the No.5 energy saving label. The new housing design significantly reduces operating noise and is protected by a design patent granted by the Department of Intellectual Property.</li></ul> <p>The R2 Series continues to meet Mitsubishi Electric’s stringent safety and quality standards and complies with TIS 1548-2551. It has maintained its No.1 market position in Thailand for the 7th consecutive year, based on the 2023–2024 consumer survey by Marketeer magazine.</p> <ul style="list-style-type: none"><li>• Launched new desk fan models D16A-GC and tatami fan models R16A-GC with redesigned rear motor covers for a more modern look. The newly designed motors offer improved energy efficiency, earning the 5-star No.</li></ul>

Year	Material changes and developments
2025	<p>5 energy label.</p> <ul style="list-style-type: none"> <li>Began production of 18-inch living fan models LV18A-GC and LV18A-RC with both button and remote control options. These models feature specially designed plastic front grilles that deliver strong, wide airflow and have earned the 5-star No. 5 energy label.</li> <li>Launched 16-inch wall fan models W16A-GC and W16A-RC and 18-inch models W18A-GC and W18A-RC, both available in pull-cord and remote control versions. All models feature specially designed plastic grilles for enhanced airflow and carry the 5-star No. 5 energy label.</li> <li>Expanded colour options for fan products to 10 tones to enhance customer choice and stimulate sales.</li> </ul> <p><b>February 2025</b></p> <ul style="list-style-type: none"> <li>Developed a new 16-inch living fan model for export to Brunei. Key features include a modern design, Night Mode (which features dimmer light and silent operation for nighttime use), and a Child Lock to prevent accidental operation by children.</li> <li>Introduced two new 12-inch tatami fan models R12-HRC and R12-MC for export to Hong Kong. Both feature the new 1-Click blade system, which allows for easy disassembly and cleaning by simply pressing a single release button.</li> <li>Produced new plastic fan grille in black and brown for use with the following ventilation fan models: VD-10Z4T6, VD-10Z4T6-D, VD-15Z4T7, VD-15Z4T7-D, VD-15ZP4T7, VD-15ZP4T7-D, and EX-20SC7T. These colour options offer flexibility to match customers' interior design preferences.</li> </ul> <p><b>Manufacturing Process Improvements in the year 2024:</b></p> <ul style="list-style-type: none"> <li>April 2024: Upgraded the refrigerator Evacuation Line with new technology to enhance vacuum performance within the refrigeration system. This upgrade reduces vacuum time, energy consumption, and repair frequency while freeing up floor space for future process enhancements.</li> </ul>
2024	<p>On 26 July 2024, the Annual General Meeting of Shareholders resolved to approve profit appropriation for dividend payment at 29.85 baht per share, totalling 591 million baht, to shareholders on 22 August 2024.</p>
2024	<p><b>April 2024</b></p> <ul style="list-style-type: none"> <li>Launched a new 3-door bottom freezer refrigerator (New Capless Door design), 300–400 litre capacity, with a modern and robust look. Features a quick-freezing mode for faster cooling in the freezer compartment. Exported to Japan.</li> </ul> <p><b>May 2024</b></p> <ul style="list-style-type: none"> <li>Released a new 2-door bottom freezer refrigerator with a 421-litres capacity, designed for easy food storage and convenience. Exported to Australia.</li> </ul> <p><b>September 2024</b></p> <ul style="list-style-type: none"> <li>Introduced a new 4-door bottom freezer refrigerator (New Glass French Door design), 442-litre capacity, with improved usability and organization features, including a quick-freezing mode. Exported to Australia</li> </ul>

### 1.1.3 Spending of the raised fund to serve the objectives declared in the registration statement for securities offering

Is there an issuance of equity securities or debt securities? : No

### 1.1.4 The obligations to which the company has committed in the registration statement, including the compliance with such obligations or conditions in the following years

Are there any issued securities with obligations or conditions? : No

### 1.1.5 Company information

Company name	:	Kang Yong Electric Public Company Limited
Symbol	:	KYE
Address	:	67 Moo 11, Debaratna Road, Km. 20, Bangchalong, Bangplee
Province	:	Samut Prakarn
Postcode	:	10540
Business	:	The Company is the manufacturer of Mitsubishi Electric brand of electrical home appliances such as refrigerators, electric fan, ventilating fan and water pump. The Company, with technical licensed by her joint - ventured partner, Mitsubishi Electric Corporation, Japan , has customers both domestics and overseas.
Registration number	:	0107536001257
Telephone	:	02-337-2900
Facsimile number	:	02-337-2440
Website	:	<a href="https://www.mitsubishi-kye.com">https://www.mitsubishi-kye.com</a>
Email	:	information@kye.meap.com
<b>Total shares sold</b>		
Common stock	:	19,800,000
Preferred stock	:	0

Diagram of organization's logo



**บริษัท กันยงอีเลคทริก จำกัด (มหาชน)**  
**KANG YONG ELECTRIC PUBLIC COMPANY LIMITED**

## 1.2 Nature of business

### 1.2.1 Revenue structure

#### Revenue structure by product line or business group

	2022	2023	2024
Total revenue from operations (thousand baht)	8,764,722.61	7,770,542.78	6,964,260.34
Manufacturing and Distribution of Home Electric Appliances (thousand baht)	8,398,642.95	7,079,277.30	6,082,245.41
Others (thousand baht)	366,079.67	691,265.48	882,014.93
Total revenue from operations (%)	100.00%	100.00%	100.00%
Manufacturing and Distribution of Home Electric Appliances (%)	95.82%	91.10%	87.34%
Others (%)	4.18%	8.90%	12.66%

#### By geographical area or market

	2022	2023	2024
Total revenue (thousand baht)	8,764,722.61	7,770,542.78	6,964,260.34
Domestic (thousand baht)	3,333,212.40	2,962,093.41	2,717,690.36
International (thousand baht)	5,431,510.21	4,808,449.37	4,246,569.98
Total revenue (%)	100.00%	100.00%	100.00%
Domestic (%)	38.03%	38.12%	39.02%
International (%)	61.97%	61.88%	60.98%

#### Other income as specified in the financial statements

	2022	2023	2024
Total other income (thousand baht)	366,079.67	691,265.48	882,014.93
Other income from operations (thousand baht)	299,402.20	637,596.58	836,183.66
Other income not from operations (thousand baht)	66,677.47	53,668.90	45,831.27

#### Share of profit of joint ventures and associates accounted for using equity method

	2022	2023	2024
Share of profit (thousand baht)	2,270.66	969.13	1,659.31



## 1.2.2 Information on products and services

### 1.2.2.1 Product/service information and business innovation development

#### Home appliances

##### Description of Products and Services

The Company manufactures and distributes home electrical appliances comprising refrigerators, electric fans, ventilating fans, and water pumps under the “Mitsubishi Electric” trademark, with technological cooperation and support from Mitsubishi Electric Corporation, Japan, in product development, designing and manufacturing, with an emphasis placed on product quality, safety, use of cutting-edge technology, energy-saving, and environmental friendliness to ensure responsiveness to customers’ requirements and strengthen competitiveness against other producers.

##### Refrigerators

The Company focuses on research and development of refrigerator designation, aiming to meet diversified consumers’ demands and preferences as follows:

1. Capless Design: The exterior design provides a luxurious, striking appearance like no other. Particularly, the unique design of the door frame without plastic frames makes it more beautiful and modern.
2. 50:50 Door Design (Premium Design): This is a unique refrigerator design for the HS series, divided into 50:50 proportions of the refrigerator door, which is perfectly suited for the kitchen counter.
3. Easy to Use: The product’s design offers diversity in models, number of doors, and capacity to match consumers’ usage preferences and allow for accessibility, convenience and time-saving.
  - Select Zone: This function allows users to switch the operating mode between Soft Freezing at about -7 degrees celsius and Chilled Mode at 0 degrees celsius. Soft Freezing is a technology that helps extend the shelf life of food in this condition, so users can cook the food promptly without wasting time defrosting for the FS series and HS/HGS series
4. Healthy Technology: The combination of food preservation technologies employed for good food hygiene, food freshness, and clean interior spaces are as below:
  - Vegetable Drawer with Vitamin Factory: The separate vegetable drawer compartment, engineered with built-in LED lights, acts on the chlorophyll in vegetables to stimulate photosynthesis. This technology also maximizes the freshness of your greens by maintaining a higher humidity than the main refrigerator compartment, keeping your greens crisper for a longer time.
  - Blue Catalyst Deodorizer is a new technology that utilizes blue light and bacterial inhibition agents in the filter to prevent bacteria growth up to 99.9% and help reduce unpleasant odors.
  - Supercool Chilling Case: The latest technology for storing fresh prime cuts of meats and fish. Standard-setting the temperature between 0 degrees Celsius to -3 degrees Celsius allows you to preserve meat or fish ready for cooking without wasting time defrosting.
  - Auto Ice Maker: All compartments, including the ice tray, pump pipe and filter, are detachable for easy washing. The tray is also antibacterial for more cleanliness.
  - Anti-bacteria food liner: Silvery inorganic antibacterial material contained in the food liner of a freezer and cooling compartment to prevent and stop the growth of bacteria (Silvery inorganic anti - bacteria material).
  - Rapid Freeze Function: Enables ultra-fast freezing to minimize cell damage in ingredients or food. This function helps preserve original taste and texture, extends shelf life, and freezes food up to 20% faster than standard freezing methods.
  - Minus ion surround cooling system: Minus ion surround cooling system helps distribute coolness through all shelves, including the bottle compartment, to help increase moisture in inner cases and preserve foods for a longer period.
5. High Quality with Environmental Friendliness & Energy Saving: The Company offers a high standard of product quality that could gain customer trust and environmental friendliness and energy saving.
  - Neuro Inverter system: The system is operated by intelligent microchips to identify users’ behavior in combination with sensors to measure interior and exterior temperature. The data is sent to intelligent processor microchips of the neuro-fuzzy system and inverter compressors to ensure the maximum efficiency of a refrigerator in all functioning conditions.
  - Premium safety: It signifies Mitsubishi Electric’s exclusive premium standard that accentuates the maximum utilization safety for all consumers. All parts and materials carefully selected for the products, including non-flammable material, added components to prevent electric current leakage, a built-in circuit breaker to prevent over-limit power, an over-heating protection device, etc.
  - Products are developed in line with each country’s safety standards and energy-saving requirements, using environmentally friendly raw materials that meet RoHS standards and Persistent Organic Pollutants Regulation (POPs).

In addition to the Company's commitment to developing high-quality refrigerators with advanced technologies and safety that align with Mitsubishi Electric's standards, the past year saw the launch of models with diverse designs and enhanced functionality, such as: MR-LX442EY (New 4-Door Model): A compact-size 4-door refrigerator ideal for limited-space residences. It features advanced technologies, including Supercool Chilling, Automatic Ice Maker, Rapid Freeze, and Vitamin Factory. This model was first introduced to the Australian market in September 2024. The MR-CX33K/MR-CX37K (New 3-Door Models): Designed with a modern Capless Door design to enhance aesthetic appeal. These models also come equipped with the same suite of advanced technologies as the MR-LX442EY and were launched in the Japanese market in April 2024. The Rapid Freeze function significantly enhances user experience by freezing ingredients faster (up to 20% quicker than standard freezing), reducing cell damage, preserving flavor, and extending food shelf life.

### **Electric Fans**

The Company has further developed an electric fan line-up to suit diverse applications, comprising desk fans, Living fans, Tatami fans, wall fans, cycle fans, and ceiling fans. The blade of each model has a selectable size to fulfil the customer's various needs, along with the development of a closed motor design, which is Mitsubishi Electric's exclusive patent. It helps prevent the intrusion of dust and undesirable objects that cause damage to the product. As a result, it is highly durable.

The Company is committed to developing each electric fan model to be of high quality, durability, and safety according to Mitsubishi Electric standards. In the past year, the Company has designed and developed electric fans to be more diverse in terms of design and functionality, such as:

1. 18-inche Stand Fan (Flat Grille Design): LV18-GC and LV18-RC. Equipped with Child Lock for safety and Night Mode to reduce control light brightness and mute sound during sleep.

2. Wall Fans (Flat Grille Design)

- 2.1 16-inche models: W16A-GC, W16A-RC

- 2.2 18-inche models: W18A-GC, W18A-RC

These fans deliver airflow 30% farther than previous metal grille models and have earned the 5-star No.5 energy-saving label.

3. Color Expansion: to offer greater personalization and match various interior styles, the Company added four new fan colours which are Creamy Green, Creamy Brown, Creamy Pink, and Creamy Purple for several models, including: 12-inche, 16-inche, and 18-inche Desk Fans, 16-inche and 18-inche Tatami Fans. Additionally, White and Creamy Brown options were introduced for the LV16-GB and LV16-RB models.

### **Ventilating Fans**

The Company's ventilating fan is considered a valuable product that helps improve consumers' quality of life. Meticulous attention has been paid to product development to ensure excellent and efficient air circulation. The Company's ventilating fans are available in wall, window, ceiling, and duct types.

In February 2025, the Company introduced new ventilation fan grills available in Black (P-10GB-BK/P-15GB-BK) and Brown (P-10GB-BW/P-15GB-BW). These accessories are compatible with the following models: VD-10Z4T6, VD-10Z4T6-D, VD-15Z4T7, VD-15Z4T7-D, VD-15Z4T7-D, and EX-20SC7T. Designed for aesthetic flexibility, these grills allow customers to better coordinate with their interior designs.

### **Water Pumps**

The Company develops and manufactures a variety of water pumps to meet the diverse needs of users. These include models designed for drawing water from wells or water tanks, automatic pumps that operate in response to the opening and closing of faucets, constant pressure automatic pumps, and inverter type pumps equipped with electronic control systems to further enhance energy efficiency.

The R2-series water pump, first launched in Thailand in January 2025, features a newly designed Y shaped impeller that allows for smoother water flow and reduces noise during operation. This innovation results in quieter pump performance. Furthermore, the R2-series has been improved to deliver a higher flow rate than previous models, providing enhanced functionality to better serve customer requirements. Additionally, the R2-series has been certified with Thailand's highest energy efficiency rating 5-star Label No. 5 ensuring optimal energy savings and cost-effectiveness.

## **Diagram of Home appliances**



**Research and development policy in various areas, and details regarding innovation development in processes, products and/or services, or business models.**

Research and development (R&D) policy : Yes

#### **R&D expenses in the past 3 years**

	2022	2023	2024
Research and development (R&D) expenses over the past 3 years (Million Baht)	193.74	169.64	122.43

#### **1.2.2.2 Marketing policies of the major products or services during the preceding year**

The Company sells products in three principal markets: domestic, Japan, and other export markets. In the fiscal year 2024, its sales to these markets were 44:38:17, respectively, compared to the sales of the year 2023; the sales amount increased in domestic and Japan, while other markets decreased because of the economic recession, the higher cost of living, and the high stock level in the markets, which caused sales to be sluggish.

##### **Distribution channels**

###### **Domestic market**

The Company distributes its products through Mitsubishi Electric Kang Yong Watana Co., Ltd., its sole distributor, which has distribution channels of its own such as dealers, modern trade, and project sales across the country. Mitsubishi Electric Kang Yong Watana Co., Ltd. also established additional warehouses in Lampang and Khon Kaen provinces to reduce the time of transportation and distribution. In addition, the Company registered its products as MiT product (Made in Thailand product) which is the certification of products manufactured in Thailand by the Federation of Thai Industries to increase competitiveness and allows the product to be tendered in governmental procurement.

###### **Export markets**

The Company exports its products primarily through its subsidiaries in Mitsubishi Electric Group, which have dealers worldwide,

comprising Asia, Oceania, the Middle East, etc.

### The domestic/export sales ratio

Countries	Ratio (%)
Thailand	44.00
Japan	38.00

### The industry competition during the preceding year

#### Domestic Market

Domestic demand for electrical appliances faced challenges from the global economic slowdown and declining market demand. However, there are supporting factors such as hotter weather and consumer behavior that may help boost market growth in the future.

Overall, the growth rate in the domestic market demand for the Company's electrical appliances has decreased in the past year. However, the Company adjusted sales strategies to focus on selling profitable models as premium products. The brief domestic market conditions for each product are summarized below.

- Refrigerators: Overall, market demand for refrigerator products declined. However, the Company changed its sales strategy to focus on selling premium products, resulting in an increase in the proportion of sales of 3-door and 4-door refrigerators, which is in line with the Company's strategy. In January, the Company developed and launched a new model of 4-door refrigerators that are more compact in size to strengthen the product lineup.
- Water pumps: Overall, market demand for water pump products has slightly decreased compared to the previous year. A high market stock level caused a slow sell-out in the first half of the fiscal year. However, the proportion of sales of constant-pressure pumps increased in line with market demand. In January, the Company developed and launched a new model, R2-Series, to further meet the customer's needs.
- Electric fans: Overall market demand grew at a rate similar to that of last year, driven by positive factors resulting from prolonged hot weather conditions, which led to increased demand for fans in early 2024. In addition, new fan colours released in 2024, namely white and pastel colours, continued to be well-received by customers in Bangkok and its vicinity, as well as other provinces. The Company has, therefore, expanded customer options by adding four new colours in 2025.
- Ventilating fans: Overall, market demand increased compared to the previous year, particularly in modern trade channels, where the Company has been able to increase the number of display products in stores, and consumers have become more concerned about ventilation systems in their homes.

#### Japan Market

Japan's economy expanded at a slower pace last year than estimated, as inflation weighed on private consumption. The downward revision in GDP estimates underscores the challenge the economy faces in maintaining stable growth amid inflationary pressures on domestic demand. Wage increases have not kept pace with inflation, as the sharp decline in the yen has increased import costs, leading to price rises relative to household purchasing power. The government and the Bank of Japan (BOJ) must implement policies to boost household incomes and consumption, as well as provide government aid measures and sustain a recovery in tourism.

The Company exports products to Japan, including refrigerators, electric fans, and ventilating fans. In fiscal year 2024, the market situation for the Company's products in Japan is summarized as follows:

- Refrigerators: Overall, market demand has a lower growth rate than last year. Freezers, small 2-door refrigerators, and 3-door refrigerators have experienced a lower growth rate compared to last year, especially 3-door refrigerators, due to the country's overall economic downturn, the depreciation of the yen, and the higher cost of living, which has reduced the purchasing power of refrigerators. However, the demand for Freezers is still at a level close to or slightly higher than last year, allowing the Company to maintain sales of Freezers.
- Water pumps: Overall, market demand for water pump products has slightly decreased compared to the previous year. A high market stock level caused a slow sell-out in the first half of the fiscal year. However, the proportion of sales of constant-pressure pumps increased in line with market demand.
- Electric fans: Overall, market demand has decreased as the Company has changed its distribution channels, the economic situation has caused people to delay their spending, and stores have a high level of stock
- Ventilating Fans: Overall, market demand has a significantly higher growth rate than last year, as outstanding

orders from the previous year, delayed due to projects such as schools and health centres, are expected to be delivered in the first half of the year.

#### **Other Export Markets**

The slowdown in the economies of major trading partners, driven by global economic volatility, geopolitical conflicts, and political tensions in certain regions, has been significant. This downturn in the global economy has resulted in high inflation, leading to increased prices for commodities and food.

Despite these unfavorable conditions, the Company's export volume has risen compared to the previous year in nearly every product category, apart from ventilation fans. Over the past year, the Company has adjusted its selling prices and modified its strategy to focus on offering premium products. The marketing situation of each product in fiscal year 2024 can be summarized as follows:

- Refrigerators: The Company's sales have increased compared to the previous year because many countries, such as Hong Kong, Singapore, and Australia, have been ordered to replenish their stock after reducing their stock to normal levels from the previous year. However, sales remain challenging due to the economic crisis and price competition from other brands.
- Electric fans: The Company's sales have increased compared to the previous year because major countries, like Vietnam, have returned their stock levels to normal and are beginning to place orders again. However, sales were lower than expected due to prolonged cold weather in northern Vietnam and competition from other brands driving down prices.
- Ventilating fans: The Company's sales growth decreased mainly from Vietnam due to the impact of lower sales of various construction projects compared to the previous year.

### **1.2.2.3 Procurement of products or services**

#### **Nature of Product Procurement**

##### **Manufacturing Process**

The Company's manufacturing process begins with product design and development by receiving cooperation in product design and technical know-how from Mitsubishi Electric Corporation, Japan. Study and survey on market demand conducted so that product specifications agreement can be customized to suit customers' needs. After that, new product models are developed and then produced according to customers' purchase orders.

In the previous year, the Company developed and improved product safety to comply with Mitsubishi Electric's standards and each country's regulations to ensure the customer's safety and quality of our products.

Products are manufactured in mass production. The process starts with receiving customers' orders, followed by production planning, procurement of raw materials, components and parts, and manufacturing of products according to the production plan of each production line. The vital sub-process includes parts production, manufacturing equipment preparation, assembling, packaging, etc.

Recognizing the reliable product quality, the Company conducts the quality inspection at every step of the production process by applying the innovative machinery and tools for the quality control process to ensure that all marketable products meet the high-quality standards and customers' requirements.

##### **After-sales Services**

The Company set up a department to be responsible for product quality warranty and after-sales service provision. The department harmonizes with local and overseas distributors to provide technical information on each product, arrange specialized training for new products, exchange information from customers, and analyze the data to develop the new products. The department also renders advice and suggestions on product installation and application, supplies spare parts and after sales service provision, and coordinates and works jointly with the distributors to rigorously address any possible quality related problems. The Company has raised the security level that may cause any issues from the installations that do not comply with the requirements and may harm the users. Therefore, the Company arranged more training with especially cautious topics to educate the proper installation for dealers.

#### **The company's production capacity**

	Production capacity	Total utilization (Percent)
Refrigerator (Unit)	1,200,000.00	33.00
Electric fan & ventilating fan (Unit)	1,800,000.00	62.00
Water pump (Unit)	385,000.00	72.00

#### Acquisition of raw materials or provision of service

The Company still has to import the raw materials and parts such as compressor, electronic components etc. The products of the Company uniquely produce under the standard of Mitsubishi Electric Cooperation. Therefore, some of the raw materials and some of the parts are imported from reliable sources overseas. Furthermore, purchasing raw materials and parts in a massive volume through a MELCO subsidiary resulting in the production cost is lower.

#### Proportion of domestic and overseas procurement

Countries	Name of raw material	Value (Baht)
Thailand	Resin, Motors, Cast components, and Others	2,418,737.01
Japan	Steel, Electronic parts and Others	218,921.66
China	Compressor, Electronic parts, Motor and others	500,745.62
South Korea	Steel, Resin and Others	464,215.03
Malaysia	Electronic parts, Resin and Others	184,628.00

#### 1.2.2.4 Assets used in business undertaking

##### Core permanent assets

###### Property, Plant, and Equipment

- Land and Land improvement
- Buildings and Plants
- Machinery, equipment, and factory tools
- Molds and dies
- Assets under construction and installation
- Office equipment

As at 31 March 2025, the Company has some machinery and equipment which has been fully depreciated but still active. The book value before deduction of accumulated depreciation of such assets amounted to approximately 5,250 million baht (the year 2024 was 4,970 million baht).

##### The appraisal price of core permanent assets

List of assets	Book value / Appraised value	Ownership	Obligations	Additional details
Land and Land improvement	129,498,501.80	Ownership	-	-
Buildings and Plants	167,065,008.23	Ownership	-	-
Machinery, equipment, and factory tools	658,112,069.22	Ownership	-	-



List of assets	Book value / Appraised value	Ownership	Obligations	Additional details
Molds and dies	193,088,072.19	Ownership	-	-
Assets under construction and Installation	21,975,456.24	Ownership	-	-
Office equipment	33,085,174.17	Ownership	-	-

## Core intangible assets

### Intangible Assets

- Software licences
- Right of Use (Lease)

## The appraisal price of core intangible assets

List of assets	Types	Book value / Appraised value	Additional details
Software licences	Software	24,373,902.87	-
Right of Use (Lease)	Others : Right of Use (Lease)	16,705,184.35	-

## Investment policy in the subsidiaries and associated companies

Investment policy in the subsidiaries and associated : Yes  
companies

The Company's investment policy focuses on investing in related businesses or supporting the Company's operations in both the short term and long term. The Board of Directors has a mechanism for overseeing and controlling associated companies with responsibility for their operation in order to protect the Company's interest in such investment. The meeting of the Board of Executive Directors shall appoint a director or executive as representative of the Company to serve as a director of its associated company, having duty to determine policies that are crucial to business operation, approve, express opinion, and follow up on the operation, but not to the extent of controlling such policies. The investment ratio depends on the business that invests and how much capital it needs.

### 1.2.2.5 Under-construction projects

Under-construction projects : No

## Details of under-construction projects

Total projects : N/A

Values of total ongoing projects : N/A

Realized value : N/A

Unrealized value of remaining projects : N/A

Additional details : -

## 1.3 Shareholding structure

### 1.3.1 Shareholding structure of the group of companies

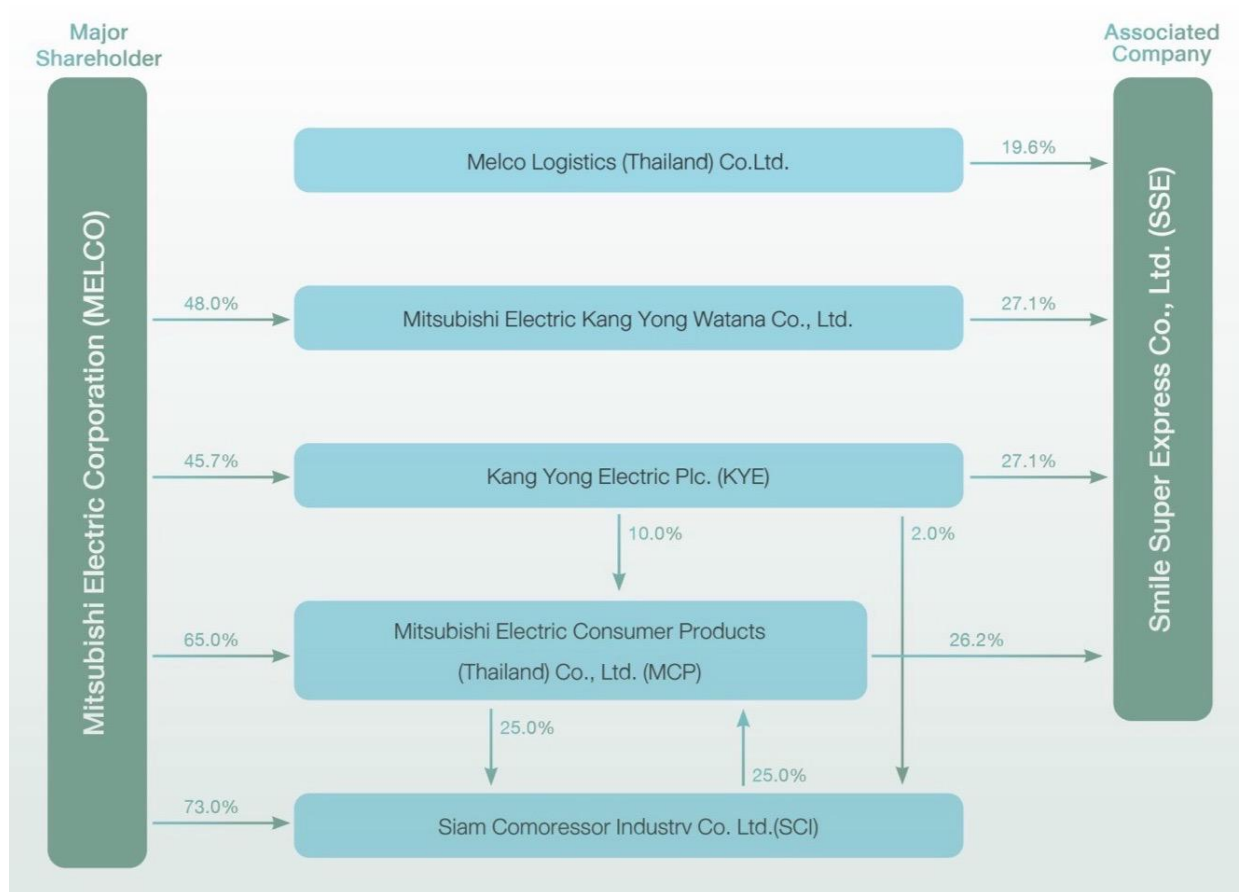
#### Policy on operational organization within the group of companies

The company is a manufacturer and distributor of home electrical appliances under “Mitsubishi Electric” trademark, with the copyright and manufacturing technology from Mitsubishi Electric Corporation (MELCO) which is the major shareholder of the company. The Company has significant business relationships with its major shareholders. The company cooperates with MKY and MCP which are the major shareholders to establish SSE for managing and maintains the inventory of all three companies to increase efficiency in managing and controlling the logistics costs of the company.

In March 2018, SSE changed its management by Melco Logistics (Thailand) Co., Ltd. (MELT) with to experience in inventory management and freight forwarding has come to manage, expand sales and profit in the future.

#### Shareholding diagram of the group of companies

##### Shareholding diagram



CAPITAL STRUCTURE

#### Associated companies

Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
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Company name	Juristic person who holds shares of the company	Shareholding proportion (%)	Voting right proportion (%)
Smile Super Express Co.,Ltd. (SSE)	KANG YONG ELECTRIC PUBLIC COMPANY LIMITED	27.10%	27.10%
	Mitsubishi Electric Kang Yong Watana Co., Ltd. (MKY)	27.10%	27.10%
	Mitsubishi Electric Consumer Products (Thailand) (MCP)	26.20%	26.20%
	Melco Logistics (Thailand) Co., Ltd. (MELT)	19.60%	19.60%

#### Company that holds 10% or more of the total shares sold

Name and the location of the head office	Type of business	Type of shares	The number of shares	The number of shares sold
Smile Super Express Co.,Ltd. (SSE) 68 Moo11, Debaratna K.M.20 Bangplee, Samut Prakarn 10540 Telephone : 023372441 Facsimile number : -	logistics and transportation company	Common shares	3,000	11,060

#### 1.3.2 Shareholding by a person with a potential conflict of interest holding exceeding 10 percent of the voting shares in a subsidiary or associated company

Does the company have a person with potential : No  
conflicts of interest holding shares in a subsidiary or  
associated company?

#### 1.3.3 Relationship with major shareholders' business

Does the company have a relationship with a business : No  
group of a major shareholder?

#### 1.3.4 Shareholders

##### List of major shareholders

Group/List of major shareholders	Number of shares (shares)	% of shares
1. MITSUBISHI ELECTRIC CORPORATION	8,978,020	45.34
2. PHODHIVORAKHUN COMPANY LIMITED	1,960,024	9.90
3. K.Y. INTERTRADE COMPANY LIMITED	1,773,024	8.95
4. KANG YONG COMPANY LIMITED	697,324	3.52
5. MR. SUPACHAI SUTHIPONGSCHAI	342,500	1.73
6. MR. SOMCHIN LEELAKET	340,000	1.72

Group/List of major shareholders	Number of shares (shares)	% of shares
7. BANK OF SINGAPORE LIMITED	307,500	1.55
8. MR. CHAYANIND PHODHIVORAKHUM	265,583	1.34
9. MRS. SRIRATANA VARIKARN	258,307	1.30
10. MR. PRAPHON POTIVORAKUN	204,115	1.03
11. MR. PRAPHAD PHODHIVORAKHUN	170,970	0.86
12. MS. YAJAI TANTRAPORN	170,800	0.86
13. MR. THIVA CHIRAPHADHANAKUL	158,000	0.80
14. นาย ก้องภพ ลิมทรง	156,800	0.79
15. นาง กิตติภิญญา สุทธสิทธิ์	120,273	0.61
16. MR. ARTHAKRIT VISUDTIBHAN	119,772	0.60
17. MR. ANANNIT VISUDTIBHAN	119,772	0.60
18. MS. KANOKNART VISUDTIBHAN	119,772	0.60
19. นาย ชัชวาล ปิยะประพันธ์พงษ์	115,100	0.58
20. MS. SUNEI SUTANCHAIYANONT	102,914	0.52

### Major shareholders' agreement

Does the company have major shareholders' : No  
agreements?

## 1.4 Amounts of registered capital and paid-up capital

### 1.4.1 Registered capital and paid-up capital

#### Registered capital and paid-up capital

Registered capital (Million Baht)	:	198,000,000.00
Paid-up capital (Million Baht)	:	198,000,000.00
Common shares (number of shares)	:	19,800,000
Value of common shares (per share) (baht)	:	10.00

#### Has the company listed in other stock exchange?

Has the company listed in other stock exchange? : No

### 1.4.2 Other types of share whose rights or terms differ from those of ordinary share

Other types of share whose rights or terms differ from those of : No  
ordinary share

### 1.4.3 Shareholding by Thai NVDR Company Limited (NVDR)

Are shares held by Thai NVDR Company Limited (NVDR)? : No

## 1.5 Issuance of other securities

### 1.5.1 Convertible securities

Convertible securities : No

### 1.5.2 Debt securities

Debt securities : No



## 1.6 Dividend policy

### The dividend policy of the company

The Company has a payment policy to pay dividends of approximately 50% of net profit after tax of financial statements in which the equity method is applied which upon the Company's operating results and economics situation.

### The dividend policy of subsidiaries

-

### Historical dividend payment information

	2020	2021	2022	2023	2024
Net profit per share (baht : share)	50.4200	17.0200	8.0600	35.2700	35.4800
Dividend per share (baht : share)	25.2500	8.5500	4.1000	29.8500	17.8000
Ratio of stock dividend payment (existing share : stock dividend)	0.0000	0.0000	0.0000	0.0000	0.0000
Value of stock dividend per share (baht : share)	0.0000	0.0000	0.0000	0.0000	0.0000
Total dividend payment (baht : share)	25.2500	8.5500	4.1000	29.8500	17.8000
Dividend payout ratio compared to net profit (%)	50.08	50.23	50.87	80.13	50.17

## 2. Risk management

### 2.1 Risk management policy and plan

#### Risk management policy and plan

##### Policy and Management Plan

The Company attaches importance to risk management, which is crucial to the achievement of its objectives and business operation with sustainable growth. Its risk management is under the governance by its Board of Directors, Audit Committee, and Internal Audit Office. The Company has reviewed and monitored emerging risks and uncertainties arising from internal and external factors that are changing rapidly amidst the global economic slowdown, as well as other risk facing the Company at present. This prevention aims to ensure that the Company has sound risk management, which can help prevent any possible damage to its business operation.

## 2.2 Risk factors

### 2.2.1 Risk that might affect the company's business, including environmental, social and corporate governance issues

#### Risk 1 Risk associated with keen competition

Related risk topics : [Strategic Risk](#)

- Volatility in the industry in which the company operates
- Competition risk

#### Risk characteristics

The home appliance industry is undergoing rapid and continuous change. There is significant competition from both established brands and new market entrants.

#### Risk-related consequences

Consumers have a wide range of choices and can easily compare prices and quality. With many players in the market, the competition for market share poses a substantial risk that could affect the Company's product prices and profits.

#### Risk management measures

To achieve sustainable and steady growth, the Company has revised its sales strategy by focusing on premium products and highlighting competitive models to boost sales and profits across different markets and product categories. Additionally, the intense competition in the technology sector for electrical appliances has prompted the Company to invest in research and development to meet the evolving needs of consumers.

#### Risk 2 Geopolitical Risk

Related risk topics : [Strategic Risk](#)

- Other : Geopolitical Risk

#### Risk characteristics

Over the past year, geopolitical risks have significantly impacted global trade. Key factors include the trade war between the United States and China, the Russia-Ukraine war, rising tensions in the Taiwan Strait, and political changes within the United States.

#### Risk-related consequences

These issues have affected shipping routes, the investment environment, supply chain stability, and trade policies, leading to a slowdown in global trade. Additionally, high inflation rates and economic recessions in many of the Company's trading partners have contributed to these challenges.

#### Risk management measures

The Company continuously monitors the situation and proactively adjusts its policies and strategies to remain aligned with the prevailing business environment.

#### Risk 3 Risks associated with reserving cargo space on vessels impact marketing

Related risk topics : [Strategic Risk](#)

- Volatility in the industry in which the company operates
- Government policy

#### Risk characteristics

Shipping rates have remained high this year due to demand-supply imbalances. In response, operators are cutting costs and improving efficiency by delaying new ship orders, decommissioning older vessels, optimizing cargo space, and occasionally skipping ports.

#### Risk-related consequences

These actions have caused delays in goods delivery to countries like Japan, Australia, and New Zealand. To manage this risk, the Company is keeping customers informed about the situation, helping them plan for faster shipping.

#### Risk management measures

Advance Export Planning Plan and book ocean freight space at least 1–2 months in advance to mitigate the risk of insufficient vessel space availability. Diversification of Logistics Partners Utilize multiple ocean freight service providers to reduce

reliance on a single operator and diversify transportation risk. Relationship Building with Shipping Lines and Forwarders Maintain strong relationships with shipping lines, agents, and freight forwarders to receive up-to-date market information and secure space allocation during periods of capacity shortage. Flexible Cost and Pricing Management Develop a flexible transportation cost management plan, such as budget reserves or price adjustment negotiations, to accommodate fluctuating freight costs during volatile market conditions. Monitoring of Market Trends and Freight Information Closely monitor market conditions and freight-related indicators, such as freight rates, to support timely planning and strategy adjustments.

#### **Risk 4 Risks associated with technological changes and product development**

Related risk topics : Strategic Risk  
• Changes in technologies

##### **Risk characteristics**

##### **Changing in production technology and product development technology**

Home electrical appliances are products with intense competition in product design and development. The Company has developed its products every year concerning functionality, appearance, and energy saving so that all its products can compete well in the market.

##### **Risk-related consequences**

Technological changes and product development could pose a risk of fast product obsolescence and rapid replacement by new models

##### **Risk management measures**

The Company must, therefore, keep abreast of all changing circumstances carefully and conduct a study on product development trends to match market demand yearly to mitigate such risk.

At present, consumers priorities energy-saving when choosing products that suit their preferences. The Company has strived to develop products with the best energy-saving features in line with such a trend. In the past year, The Electricity Generating Authority of Thailand (EGAT) has announced the adjustment of energy saving standards No. 5, the highest level of 3 stars, to the highest level of 5 stars, effective January 2024, which water pump products can proceed to support the criteria above until the new criteria are passed in all R-series models.

The Company aware of the risk associated with technology changes posed directly on the Company; the Company mapped out a plan for the modification and change in its production technology and future product line-up, with investment duly made in the following infrastructures:

- Increases accuracy and reliability for checking the correctness of installing electronic parts on the refrigerator circuit board from the Chip moulder through automatic recording of inspection results by bringing the First Board Inspection system into use, it is possible to reduce the time spent on inspections by employees and help preserve the environment by reducing the amount of paper used and also being able to check historical data.
- Implementing automated test monitoring and recording systems and a traceability system to verify the performance and safety of fan and ventilator fan, to keep track of production trends and keep valuable data for developing new products.
- Increase the efficiency of refrigerator production by using new technology to speed up air evacuation in the cooling system. The new method will shorten vacuuming time, reduce electricity use, minimize repairs, and free up space for optimizing other production processes.

#### **Risk 5 Inventory management risk**

Related risk topics : Operational Risk  
• Inventory risk

##### **Risk characteristics**

Potential for losses or inefficiencies resulting from the improper handling, forecasting, storage, or control of inventory within an organization

##### **Risk-related consequences**

Inefficient inventory management poses a risk that may lead to increased costs from excessive stockholding or lost revenue opportunities due to stock shortages. It may also negatively impact cash flow, production efficiency, and the ability to deliver products to customers on time.

##### **Risk management measures**

Inventory management improved in respect of Just-in-Time (JIT) manufacturing in several areas:

- Adoption of Kanban\* (throughput card) for management of inventory volume in the work in process and warehouse as

well as control of supply chain from receiving parts from part suppliers to passing on throughput in the production process, thus allowing for improvement of delivery schedule in that delivery frequency per day will be higher, hence fewer parts per lot, resulting in less space requirement and more expense saving in stockpiling. \*Note: Kanban is a tool to support running a pull production, thereby throughput volume for each process is matched with demand. It functions as a neurological pathway for lean management with the main benefit and target: producing what instructed, at the time instructed, and in the volume instructed only.

- The Company has considered changing the technology in the structure of part ordering system from part suppliers by using web ordering system and barcode system in receiving parts system as well as distributing parts system to increase accuracy, reduce workloads, and increase efficiency in managing raw materials and inventory.
- Improve the in-house logistic system from pushing system changed to pulling system. The Company changes from using a forklift to carry large quantities of transportation parts to an electric tow truck, then using parts shopping as needed to the production line instead to reduce work in process and reduce pollution that forklift release.

#### **Risk 6 Risk involved with raw materials and supply chain**

Related risk topics : Strategic Risk

- Business operations of partners in the supply chain
- Economic risk

Operational Risk

- Shortage or fluctuation in pricing of raw materials or productive resources
- Climate change and disasters

#### **Risk characteristics**

Raw material procurement risk has still been a priority for the company. It has kept a close watch on changing circumstances, especially the fluctuations in raw material prices over the past year, which the Company has to face with risks that are external factors that cannot be controlled, such as:

- Factors arising from the uncertain global economic situation, geopolitical conflicts, problems of inflation, and rising interest rates, including the impact of exchange rates.
- The risk from supply chain system involves the procurement parts and raw materials suppliers, such as earthquakes and natural perils in some countries.
- Risk from impacts of the policy from superpower countries such as trade war, sanction, as well as the changes in the US Federal Reserve's economic signals and interest rate policy.
- Risk of delayed delivery

#### **Risk-related consequences**

- These factors affect the price of critical raw materials that the company uses to produce products, especially plastic, resin, copper, aluminum, and steel, as well as other costs. That results in higher production costs
- The procurement parts and raw materials suppliers, such as earthquakes and natural perils in some countries.
- Impacts on raw material prices and production capacity, hence global volatility with a significant effect on the supply chain

#### **Risk management measures**

- The company continues to conduct cost-reduction activities to reduce the impact of rising raw material prices, such as sourcing raw materials from more than one source to minimize price volatility, increasing the proportion of domestic procurement, sourcing raw materials with the same quality and specifications but at a lower price, and collaborating with partners to improve the production process to be more efficient with lower costs while still maintaining the properties of the parts.
- The Company has drawn up a business continuity plan to manage the risks of trade partners both domestically and overseas.
- The Company monitors the global situation and is prepared to adapt to rapid and ongoing changes, minimizing any potential impacts.
- the Company to prepare a Business Continuity Plan, such as maintaining inventory levels of some key raw materials to ensure sufficient quantities of key raw materials, consolidating purchase orders with other companies in the Group to create bargaining power in the allocation and delivery of parts and raw materials, cooperating with internal departments and Mitsubishi Electric Corporation, Japan, to conduct testing and approve the use of substitute parts and raw materials, and selecting more than one manufacturer to reduce the risk of shortages of parts and raw materials, etc. In addition, it emphasizes good partnerships with key suppliers by fostering close cooperation and updating production data and advance purchase plans, allowing suppliers to plan production and prepare parts and raw materials more accurately.

By doing the countermeasures mentioned above, the Company can solve the supply problems and follow up on parts and raw materials to produce and deliver products in time to meet customer needs.

#### **Risk 7 Financial risk**

Related risk topics : Financial Risk

- Change in financial and investment policies of financial institutions that affect business operations
- Default on payment or exchange of goods
- Fluctuation in exchange rates, interest rates, or the inflation rate
- Liquidity risk

##### **Risk characteristics**

The Company exposes to reasonable business risk from changes in interest rates and foreign exchange rates, including from non-compliance with the contractual obligations of the contract parties

##### **Risk-related consequences**

- Foreign exchange risk to which the Company is exposed arises from its sales of products and settlement of purchase prices of goods, raw materials, and machinery and equipment in foreign currencies. The company has opened a foreign currency deposit account to reduce the risk of foreign currency exchange rates when receiving and paying for products and raw materials to reduce the difference in exchange rates. The company has opened a foreign currency deposit account to reduce the risk of foreign currency exchange rates when receiving and paying for products and raw materials to reduce the difference in exchange rates.
- Interest rate risk is the risk that arises in the future when the level of interest rates fluctuates, which will affect the Company's operation and cash flow. However, the Company believes that risk incidental to interest rates is insignificant because the Company does not borrow any loan and its deposits and other financial assets carry a short maturity period with interest based on the market rate. Therefore, the Company has not made any forward contract to prevent against such risk.
- Credit risk is risk arising from failure by customers or counterparties to repay debts to the Company as scheduled according to the agreed terms and conditions. The Company has mapped out a credit policy to regularly manage and control this risk by conducting a careful financial soundness analysis on all customers who apply for credit lines. The Company is confident that there will be no material impact from any uncollectible debts from its customers.
- Liquidity risk is managed by means of maintaining an adequate amount of cash and cash equivalents as required for business operations to minimize impact from cash flow fluctuation.

##### **Risk management measures**

Risk management is an essential part of business, which the Company has a system to control the balance of acceptable risk levels. By considering the cost of risk and the cost of risk management, the Company has constant control of the Company's risk management process to ensure that there is a balance between risk and risk control.

#### **Risk 8 Labour risk**

Related risk topics : Operational Risk

- Impact from population structure

##### **Risk characteristics**

Thailand is entering an ageing society due to the problem of a meagre population growth rate, and people like to pursue higher education. This may cause a labour shortage problem in the future

##### **Risk-related consequences**

The risk of labor shortage may lead to production disruptions, decreased operational efficiency, and delays in product delivery, potentially affecting customer satisfaction and the company's revenue.

##### **Risk management measures**

The company has used many measures, including providing compensation, incentives, and competitiveness. Therefore, it can maintain and recruit people to work continuously. In addition, the Company has successively built bilateral collaboration with vocational educational institutes aiming to enhance their teaching and learning as well as real practical skills, and recruited quality foreign labor such as Cambodian labor, resulting in relief of labor shortage risk to some extent.

#### **Risk 9 Risk concerned with changes in laws**

Related risk topics : Strategic Risk

- Government policy

Operational Risk

- Safety, occupational health, and working environment
- Impact on the environment
- Impact on human rights

Compliance Risk

- Change in laws and regulations

#### **Risk characteristics**

Thailand has introduced several new laws and regulations that have been significant for the Company over the past year. These include labor protection laws, personal data protection laws, environmental laws, occupational health and safety regulations, as well as laws related to renewable energy and energy conservation. Additionally, there are new industrial product standards and tax regulations, with various fee rates that will no longer be exempt due to the improvement of the COVID-19 situation. Companies listed on the Stock Exchange of Thailand must also comply with regulations from the Securities and Exchange Commission.

#### **Risk-related consequences**

- Risk of non-compliance being complained of, fined or having the license revoked
- Operations are being disrupted while waiting for regulations to be amended, or the production and export processes are temporarily halted.

#### **Risk management measures**

The Company recognizes as critically important across all areas of operation. To ensure compliance with applicable laws and regulations, the Company has established a dedicated unit responsible for overseeing and monitoring legal enforcement. This unit also issues internal regulations to maintain organizational confidentiality, create a personal data registry, and establish non-disclosure agreements with external individuals or organizations to prevent data leakage that could affect both internal and external parties. These efforts are considered an essential aspect of the Company's social responsibility.

### **2.2.2 Risk to securities holders**

Are there any risk factors affecting securities holders? : No

### **2.2.3 Risk to securities holders from investing in foreign securities (applicable to only foreign companies)**

Are there any risk factors affecting securities holders : No  
from investing in foreign securities?

## 3. Business sustainability development

### 3.1 Policy and goals of sustainable management

#### Sustainability Policy

Sustainability Policy : Yes

##### Corporate Sustainability Management Policy

To realize a prosperous society in which a "sustainable global environment" and a "safe, stable, and comfortable society" are compatible", as declared in one of the Company's management policies. The Company recognizes the importance of sustainable development to help the organization grow steadily as a guideline for the organization's operations to cover and balance in 3 dimensions: economy, society, and environment. Under the principles of good corporate governance throughout the business value chain and considering the impact on stakeholders, society and the environment, the Company announced the policy to drive the organization and conduct business under the management framework to be in the same direction.

In this regard, the Company's directors, executives, and all employees at all levels have a duty to support, encourage and implement in accordance with this policy, as well as transfer and communicate this policy to relevant parties and all groups of stakeholders to strengthen the potential of sustainable development together.

##### Scope of the report

The Company has an objective of operating its business with social and environmental responsibility under the philosophy of business operation as "Innovating For a Better Tomorrow." It is committed to developing personal capabilities, innovating products of value, supporting customers' wealth and growth, fostering quality of the society, and bringing sustainable returns to the shareholders so that the organization can stay happy with the community and the public, and concurrently bring ongoing prosperity to all stakeholders for the Sustainable Development. This report presents the results of the Company's sustainable business operations with a period from April 1, 2024 to March 31, 2025.

Reference link for sustainability policy : <https://www.mitsubishi-kyc.com/EN/corporate-sustainability.asp>

#### Sustainability management goals

Does the company set sustainability management goals : Yes

##### Sustainability management goals

The Company, as a manufacturer and distributor of electrical appliances under the trademark "Mitsubishi Electric", is committed to conducting business under the concept of sustainable development that is applied to cover its operations throughout the organization as follows.

1. People
2. Planet
3. Prosperity
4. Peace
5. Partnership

United Nations SDGs that align with the organization's sustainability management goals : Goal 1 No Poverty, Goal 2 Zero Hunger, Goal 3 Good Health and Well-being, Goal 4 Quality Education, Goal 5 Gender Equality, Goal 6 Clean Water and Sanitation, Goal 7 Affordable and Clean Energy, Goal 8 Decent Work and Economic Growth, Goal 9 Industry, Innovation and Infrastructure, Goal 10 Reduce Inequalities, Goal 11 Sustainable Cities and Communities, Goal 12 Responsible Consumption and Production, Goal 13 Climate Action, Goal 14 Life below Water, Goal 15 Life on Land, Goal 16 Peace, Justice and Strong Institutions, Goal 17 Partnerships for the Goals

#### Review of policy and/or goals of sustainable management over the past year



Has the company reviewed the policy and/or goals of sustainable management over the past year : Yes

Has the company changed and developed the policy and/or goals of sustainable management over the past year : No

## 3.2 Management of impacts on stakeholders in the business value chain

### 3.2.1 Business value chain

#### Management of impacts on stakeholders in the business value chain

##### Business Value Chain

Operation with stakeholders is a matter of great importance for the company. The company takes into account the groups of stakeholders as well as manages the sustainability of activities throughout the business value chain from upstream, namely the procurement of raw materials and transportation in the production process until downstream business activities such as product development procurement, product transportation and distribution of products and services to respond to the needs and expectations of all stakeholder groups and create a balance between value from operations. Businesses for all stakeholders can build good relationships and confidence in operations between the companies and stakeholders. It adheres to the principles of the circular economy throughout the value chain and product life cycle to promote the maximum use of resources and increase recycling and reuse, reduce waste, and reduce greenhouse gas emissions, ready to meet the needs of customers who care about the environment.

##### Stakeholder Connecting

In assessing the stakeholders, the Company's work units in charge of dealing and coordinating with each stakeholder groups through the joint meetings and email: [information@kye.meap.com](mailto:information@kye.meap.com). The Company has brought complaints, suggestions, and opinions as a guideline for improving operations and responding to the expectations of all stakeholders appropriately. According to the Company's business ethics, Article 7, "Relationships with Stakeholders", conducting business and coordinating relationships based on honesty and fairness promotes good cooperation that would bring about sustainable development and growth.

##### Sustainability issues from different 6 groups of stakeholders

1. Employees
2. Customers
3. Business partners
4. Shareholders
5. Community
6. Government agencies

### 3.2.2 Analysis of stakeholders in the business value chain

#### Details of stakeholder analysis in the business value chain

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
Internal stakeholders			
<ul style="list-style-type: none"> <li>• Employees</li> </ul>	<ul style="list-style-type: none"> <li>• Provide fair compensation and appropriate welfare in line with the economic situation.</li> <li>• Ensure job security and opportunities for career advancement.</li> <li>• Ensure workplace safety and employee well-being.</li> <li>• Provide continuous development of employees' knowledge and skills.</li> </ul>	<ul style="list-style-type: none"> <li>• Promote fundamental labor rights in accordance with established workplace regulations.</li> <li>• Determine compensation and other benefits in comparison with industry standards.</li> <li>• Provide a safe, hygienic, and conducive working environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Complaint Reception</li> <li>• Employee Engagement Survey</li> <li>• Satisfaction Survey</li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<b>External stakeholders</b>			
<ul style="list-style-type: none"> <li>Customers</li> </ul>	<ul style="list-style-type: none"> <li>Punctual delivery of safe and quality products in the required quantity</li> <li>Offering of products at reasonable prices</li> <li>Other services supportive to economic, social and environmental issues</li> <li>Trade agreements under fair conditions</li> <li>Accurate information on products and services</li> <li>Keeping customers' information confidential</li> </ul>	<ul style="list-style-type: none"> <li>Research, development and production of safe and energy-saving products</li> <li>Quality policy</li> <li>Training on technical knowledge and provision of knowledge on products to dealers</li> <li>Trade agreement rules and criteria</li> </ul>	<ul style="list-style-type: none"> <li>External Meeting</li> <li>Complaint Reception</li> </ul>
<ul style="list-style-type: none"> <li>Suppliers</li> </ul>	<ul style="list-style-type: none"> <li>Treat all business partners with equality and fairness in procurement practices.</li> <li>Offer fair returns and business agreements.</li> <li>Strictly adhere to all agreed-upon contracts and conditions.</li> </ul>	<ul style="list-style-type: none"> <li>Keeping abreast of procurement rules, regulations and criteria, such as those regarding selection of procurement sources</li> <li>Rules and regulations regarding inspection and follow-up of procurement sources</li> <li>Compliance with fair trade conditions</li> </ul>	<ul style="list-style-type: none"> <li>External Meeting</li> <li>Complaint Reception</li> </ul>
<ul style="list-style-type: none"> <li>Shareholders</li> </ul>	<ul style="list-style-type: none"> <li>Generate worthwhile returns on investment in both the short and long term.</li> <li>Foster business growth and long-term stability.</li> <li>Manage operations with transparency, fairness, and timely disclosure of sufficient information.</li> </ul>	<ul style="list-style-type: none"> <li>Disclosure of Company information in annual report, form 56-1 (One Report), and press release</li> <li>Availability of complaint filing channel</li> <li>Additional channel for communication and disclosure of information, such as website</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting (AGM)</li> <li>Complaint Reception</li> </ul>

Group of stakeholders	Stakeholders' expectations	Responses to stakeholder expectations	Channels for engagement and communication
<ul style="list-style-type: none"> <li>• Community</li> </ul>	<ul style="list-style-type: none"> <li>• Protect and preserve the environment.</li> <li>• Promote quality of life and maintain good relationships with local communities.</li> <li>• Engage with communities and respect local traditions and cultural heritage.</li> </ul>	<ul style="list-style-type: none"> <li>• Continuous communication with community leaders regarding community development</li> <li>• Regular cooperation with government sector in running activities of social and environmental contribution</li> </ul>	<ul style="list-style-type: none"> <li>• Complaint Reception</li> </ul>
<ul style="list-style-type: none"> <li>• Government agencies and Regulators</li> </ul>	<ul style="list-style-type: none"> <li>• Comply with all applicable laws and regulations.</li> <li>• Manage quality, environmental issues, and community care effectively.</li> </ul>	<ul style="list-style-type: none"> <li>• Keeping abreast of developments of laws, rules and regulations</li> <li>• Making reports completely and by the deadline set forth</li> <li>• No payment to government officers without reasonable grounds</li> </ul>	<ul style="list-style-type: none"> <li>• External Meeting</li> <li>• Training / Seminar</li> </ul>

## 3.3 Management of environmental sustainability

### 3.3.1 Environmental policy and guidelines

#### Environmental policy and guidelines

Environmental policy and guidelines	: Yes
Environmental guidelines	: Electricity management, Fuel management, Renewable/clean energy management, Water resources and water quality management, Waste management, Greenhouse gas and climate change management, Air quality management, Noise pollution management

#### The Overall of Environmental Policy and Practice

The Company is well aware of the importance of the environment; therefore, the policy and goals are clearly defined and reviewed for continuous improvement annually. Employees at all levels have to adhere.

According to the 2024 Environmental Management Policy, To realize a prosperous society in which a "sustainable global environment" and a "safe, stable, and comfortable society" by abiding with social norms and laws, as declared in one of the most important management policies, which the Company issues activities entitled to the system as follows:

1. Implement an environmental management system with periodic reviews and promote continuous improvement.
2. Strive to expand eco-friendly products that reduce the environmental impact of the entire product life cycle while creating products that create a comfortable living environment.
  - Strengthen development of energy-saving products to achieve a carbon neutral society.
  - Strengthen 3R development aimed at creating a circular economy.
  - Comply with environmental regulations related to products.
3. Promote an eco-factory and aim for a production system that conserves resources and has a low environmental impact.
  - Promote energy saving in manufacturing processes to achieve a decarbonized society.
  - Reduce CO2 emissions in transportation
  - Promote total waste generation control, resources recycling, efficient use of water and reduction of pollution load.
  - Reduce the use of chemical substances, substitution and appropriate management.
  - Reduce the emissions of greenhouse gases other than CO2
4. Disseminate the environmental policy, provide technical guidance, and strive for ecological improvement activities for all employees, affiliated companies, and cooperating companies as a whole SCM
5. Strengthen communication with local communities and raise awareness of environmental conservation by participating in local volunteer activities.
6. Comply with environmental laws, regulations, and other requirements, strengthen risk management, and improve environmental conservation.
7. Implement a Carbon Footprint Organization (CFO) and improve greenhouse gas management strategies and awareness.

#### The Environmental Policies and Practices under the following key areas:

##### 1. Energy Management

The company has implemented an energy management system in compliance with legal requirements (8-step process) and adopted the international standard ISO 50001:2018. An energy conservation policy has been established, focusing on departments with high energy-consuming machinery and equipment. These departments are required to identify energy-saving measures and continuously improve the energy efficiency of such equipment in accordance with the nature and volume of their electricity usage.

##### 2. Oil and Fuel Management

The company has adopted a policy for managing oil and fuel used in production processes. This includes improving the combustion efficiency of ovens and melting furnaces, as well as converting fuel-powered forklifts to electric ones in order to achieve zero fuel combustion by 2030, in line with the company's greenhouse gas reduction targets.

##### 3. Renewable/Clean Energy Management

The company promotes the continuous use of renewable energy to reduce external electricity consumption by installing solar power

generation systems on building rooftops.

#### 4. Water Resource and Water Quality Management

The company has implemented a management system aimed at efficient water usage, reducing water consumption in both production and

support activities. Efforts are made to increase the use of recycled water by treating and filtering it for safe reuse.

Additionally, wastewater discharged outside the facility is strictly monitored, with monthly quality inspections conducted by certified inspectors authorized by the Department of Industrial Works.

#### 5. Waste and Waste Material Management

The company promotes proper waste segregation among employees and organizes activities to reduce production waste and waste from employee consumption. The 3Rs principle (Reduce, Reuse, Recycle) is applied. Industrial waste is treated or disposed of by authorized service providers with a focus on reuse and recycling. No industrial waste is sent to landfills, and all service providers must be licensed by the Department of Industrial Works.

#### 6. Greenhouse Gas and Climate Change Management

The company has established environmental policies to address greenhouse gas management, including the calculation of the organization's carbon footprint. This identifies both emissions and offsets related to company activities. Environmental and energy action plans are then developed to reduce greenhouse gases, including initiatives such as raw material reduction, use of recycled water, electricity conservation, and reducing LPG gas consumption.

#### 7. Air Quality Management

The company manages air quality by regularly inspecting air pollution control equipment, replacing activated carbon in odor trapping systems as scheduled, and measuring air quality as required by law. All measurements are conducted by inspectors certified by the Department of Industrial Works.

#### 8. Noise Pollution Management

The company prevents noise pollution primarily at the source, ensuring machinery does not emit noise beyond legal standards. If risks are identified, sound barriers or covers are installed. Appropriate personal protective equipment is provided for high-noise areas. If the average noise level over an 8 hour shift reaches 85 dBA or more, or if hearing loss is detected ( $\geq 15$  dB compared to baseline in one or both ears), the affected work area will be included in the company's Hearing Conservation Program. A Noise Contour Map is also displayed to visualize overall noise levels in each area.

Reference link for environmental policy and guidelines : <https://www.mitsubishi-kye.com/EN/corporate-sustainability-environment.asp>

### Review of environmental policies, guidelines, and/or goals over the past year

Review of environmental policies, guidelines, and/or goals : Yes  
over the past year

Changes in environmental policies, guidelines, and/or goals : Electricity management, Fuel management, Renewable/clean energy management, Water resources and water quality management, Waste management, Greenhouse gas and climate change management, Air quality management, Noise pollution management

#### 1. Electrical Energy Management

A review of 2024 activities led to the following improvements for 2025

- Designating target product models aligned with the product development plan and establishing clear energy reduction goals (in percentage) to serve as 2025 targets.
- Designing and developing energy-efficient products to reduce CO2 emissions and achieve 3-Star Label No. 5 certification.

#### 2. Oil and Fuel Management

A review of 2024 activities led to the following improvements for 2025

- Converting fuel-powered vehicles to electric systems, such as tricycles, small trucks, and external business vehicles.

- Enhancing the efficiency of ovens and furnaces, along with studying the feasibility of switching to electric energy.

### 3. Renewable/Clean Energy Management

A review of 2024 activities led to the following improvements for 2025.

- Planning to expand the use of renewable energy by increasing the installation of rooftop solar panels annually, targeting a total capacity of 5.15 MW by 2030.
- Planning to purchase Renewable Energy Certificates (REC) to promote the production and use of renewable energy, which can also be used to offset greenhouse gas emissions from electricity consumption.

**4. Water Resource and Water Quality Management** A review of 2024 activities led to the following improvements for 2025 due to a lack of clarity in identifying the sources of wastewater:

- Considering the installation of additional water meters in production-related areas, identifying specific locations, and developing an installation plan.
- Considering the installation of additional water meters in non-production areas such as restrooms and canteens, along with identifying specific locations and developing an installation plan.
- Reducing the use of tap water by considering the use of recycled water for applications such as cooling towers and pre-treatment processes.

### 5. Waste and Waste Material Management

A review of 2024 activities led to the following improvements for 2025

- Categorizing waste generated from production into hazardous and non-hazardous types to facilitate process improvement.
- Increasing control and reducing waste generated by office (production support) departments.
- Conducting training and communicating environmental management practices to all relevant personnel and contractors.
- Adding a performance indicator to monitor food waste from consumption.

### 6. Greenhouse Gas and Climate Change Management

A review of 2024 activities led to the following improvements for 2025

- Applying the 3Rs principle (Reduce, Reuse, Recycle) to reduce and optimize raw material usage.
- Reducing electricity consumption in products by designing and developing energy-saving models to lower CO2 emissions and achieve 5-Star Label certification.
- Increasing the use of recycled water to reduce the consumption of natural water resources and environmental pollution.
- Substituting or reducing the use of hazardous chemicals with safer alternatives.
- Raising awareness among all employees about reducing general and industrial waste through campaigns and training.
- Improving the efficiency of transporting components and products to reduce greenhouse gas emissions.
- Using renewable energy through the installation of rooftop solar power systems.
- Reducing electricity consumption by replacing or upgrading machinery for better energy efficiency.
- Planning employee training to increase understanding of energy-related variables and to develop energy specialists.

### 7. Air Quality Management

A review of 2024 activities led to the following improvements for 2025

- Monitoring air emissions from the factory every six months in accordance with legal requirements.
- Inspecting ventilation and odor control systems every three months to ensure effective operation.
- Maintaining ventilation and odor control systems on a regular schedule by responsible departments.

### 8. Noise Pollution Management

The company manages noise pollution primarily by controlling the noise at its source. Machinery used must not exceed the legal noise limits. If noise risks are identified, the company will implement control measures such as installing covers or partitions. Appropriate personal protective equipment (PPE) is provided for work areas with high noise levels. If the average noise exposure over an 8 hour shift is 85 dBA or higher, or if a worker shows hearing loss of 15 dB or more compared to the baseline in either or both ears, the company will enroll the affected work area in a hearing conservation program. A noise contour map will also be installed to provide an overview of noise levels in the respective areas.



### 3.3.2 Environmental operating results

#### Information on energy management

##### Energy management plan

The company's energy management plan : Yes

The company has implemented an energy management system in compliance with legal requirements (8 steps) and has adopted the international standard ISO 50001:2018 for energy management. The system focuses on identifying and evaluating Significant Energy Use (SEU) equipment and machinery, measuring their energy performance, and identifying energy conservation measures for each department. The objective is to reduce energy consumption and improve energy efficiency in alignment with appropriate production levels.

Each energy conservation measure includes specific energy reduction targets, action plans, and post-implementation energy consumption measurements. These measurements are compared against the targets to evaluate effectiveness. The results are then consolidated to establish the company's overall energy reduction goals.

##### Electrical Measures

- Measure 1: Replacing the Hydraulic motor with a Servo motor on a 450-ton plastic injection machine to enhance the machine's energy efficiency, resulting in an annual electricity savings of 72,527 kilowatt-hours, a yearly cost savings of 297,360 baht, and a reduction in CO<sub>2</sub>e emissions of 43.41 tons of carbon dioxide equivalent.
- Measure 2: Fixing air leaks in the air compression system during the production process in Buildings 1, 2, 3, 4, 9, and 11 saves 152,418 kilowatt-hours of electricity per year, amounts to 624,914 baht per year in savings, and reduces CO<sub>2</sub>e emissions by 91.24 tons of carbon dioxide equivalent.
- Measure 3: Refraining from overtime work throughout the Company each month to be consistent with energy production and management, which can save 188,562 kilowatt-hours of electricity per year, save 773,317 baht/year and reduce CO<sub>2</sub>e emissions by 112.87 tons of carbon dioxide equivalent.
- Measure 4: Replace old motors of machines with high-efficiency motors (IE3) to reduce the energy consumption of machines with large motors, which can save 30,076 kilowatt-hours of electricity per year, equivalent to a cost savings of 123,312 baht per year and reduce CO<sub>2</sub>e emissions by 18.01 tons of carbon dioxide equivalent.
- Measure 5: Expand the installation of equipment to control the on-off time of water coolers in the production line, resulting in 63,394-kilowatt-hour electricity savings per year, equivalent to a cost savings of 259,915 baht per year and a reduction in CO<sub>2</sub>e emissions by 37.95 tons of carbon dioxide equivalent.
- Measure 6: Adjust the operating time of air conditioners (Precision Air) in the server room, which can save 6,431 kilowatt-hours of electricity per year, amounting to 26,367 baht per year, and reduce CO<sub>2</sub>e emissions by 3.85 tons of carbon dioxide equivalent.
- Measure 7: Replacing T5 fluorescent lamps with LED bulbs in all production departments can save 100% of the energy, resulting in 20,904 kilowatt-hours of electricity per year, equivalent to 85,706 baht per year in savings, and reduce CO<sub>2</sub>e emissions by 12.51 tons of carbon dioxide equivalent.
- Measure 8: Installing an inverter to control the motor speed, which adjusts according to the motor load, can save 5,224 kilowatt-hours of electricity per year, reduce expenses by 21,418 baht per year, and decrease CO<sub>2</sub>e emissions by 12.51 tons of carbon dioxide equivalent.

All measures can save 539,536 kilowatt-hours of electricity per year, equivalent to saving 2,212,098 baht per year, and a reduced CO<sub>2</sub>e emissions by 322.97 tons of carbon dioxide equivalent.

##### Thermal measures

- Measure 1: Controlling the opening and closing of the paint oven and aluminum smelting furnace to match the production volume, which can save 67,708 megajoules of heat energy per year, equivalent to a cost savings of 33,675 baht per year and reduce CO<sub>2</sub>e emissions by 7.27 tons of carbon dioxide equivalent.

##### Setting goals for managing electricity and/or oil and fuel <sup>(1)</sup>

Does the company set goals for electricity and/or fuel : Yes  
management

#### Details of setting goals for electricity and/or fuel management

Target(s)	Base year(s)	Target year(s)
Reduction of electricity purchased and fuel consumption	2023 : energy consumption 76,334,633.00 Mega Joules	2024 : Reduced by 1.63% or 1,337,206.00 Mega Joules
Increase of electricity consumption from renewable energy sources	2023 : electricity consumption from renewable sources 1,567,129.00 Mega Joules	2024 : Increased by 19.1% or 3,936,409.00 Mega Joules

Remark : <sup>(1)</sup> The target year is calculated in comparison with the 2024 energy baseline.

#### Performance and outcomes of energy management

Performance and outcomes of energy management : Yes

In 2024, the company set targets to reduce the consumption of electricity, oil, and fuel, as well as to increase the use of electricity generated from renewable energy sources. The results of the implementation are as follows:

- Reduction in electricity, oil, and fuel consumption Target: 1.63% (1,337,206 MJ) Achieved: 1.23% (934,672 MJ)
  - Electricity consumption reduction Target: 1.7% (350,659 kWh) Achieved: 1.27% (240,865 kWh)
  - Oil and fuel consumption reduction Target: 0.94% (74,833 MJ) Achieved: 0.91% (67,557 MJ)
- Increase in the use of electricity from renewable energy Target: 19.1% (3,936,409 kWh) Achieved: 18.69% (3,535,480 kWh)

#### Energy management: Fuel consumption

	2022	2023	2024
Diesel (Litres) <sup>(2)</sup>	7,422.00	29,668.00	27,301.00
Gasoline (Litres) <sup>(3)</sup>	3,710.00	25,775.00	25,178.00
LPG (Kilograms)	215,103.00	177,524.00	146,021.00

Remark : <sup>(2)</sup> In 2022, the amount of diesel consumption did not include the usage data of company vehicles used for business purposes.

<sup>(3)</sup> In 2022, the amount of gasoline consumption did not include the usage data of executive vehicles and company vehicles used for business purposes

#### Energy management: Electricity consumption

	2022	2023	2024
Total electricity consumption within the organization (Kilowatt-Hours) <sup>(4)</sup>	24,415,491.00	20,185,514.00	18,916,362.00
Electricity purchased for consumption from non-renewable energy sources (Kilowatt-Hours)	23,149,402.00	18,618,385.00	15,380,882.00
Electricity purchased or generated for consumption from renewable energy sources (Kilowatt-Hours)	1,266,089.00	1,567,129.00	3,535,480.00

Remark : <sup>(4)</sup> material quantity are quantity of refrigerator, electric fan, exhaust fan and water pump.

#### Information on water management

## Water management plan

The Company's water management plan : Yes

The company's water management plan is categorized into two main areas as follows:

### 1. Water Reduction

- Implement activities to reduce water usage in both production processes and supporting operations. Examples include reducing water consumption in cooling towers, surface cleaning processes, and water pump product testing.

### 2. Increasing the Use of Recycled Water

- The company has installed a recycled water filtration system to improve the quality of treated wastewater, ensuring it is safe for reuse. The recycled water is utilized in the following activities:

- 1) Flushing and cleaning restroom floors
- 2) Watering plants
- 3) Washing sludge press filter cloths
- 4) Cleaning solar panel surfaces
- 5) Cleaning the household waste collection area floor
- 6) Spraying water on rooftops to reduce heat

## Setting goals for water management

Does the company set goals for water management : Yes

### Details of setting goals for water management

Target(s)	Base year(s)	Target year(s)
Reduction of water withdrawal	2023 : Water withdrawal 71,306.00 Cubic meters	2024 : Reduced by 2% or 69,880.00 Cubic meters
Reduction of water consumption	2023 : Water consumption 71,306.00 Cubic meters	2024 : Reduced by 2% or 69,880.00 Cubic meters
Increase of recycled water for consumption	2023 : Recycled water for consumption 20,919.00 Cubic meters	2024 : Increased by 47% or 26,312.00 Cubic meters

## Performance and outcomes of water management

Performance and outcomes of water management : Yes

Water Management Performance and Results are categorized into two areas as follows:

### 1. Reduction in Water Consumption

For the fiscal year 2024, the company established a water reduction target as part of its environmental management plan with the following details:

- Target: Reduce water consumption by 2% compared to the previous year (fiscal year 2023)
- Result for Fiscal Year 2024 : Water consumption was 70,020 cubic meters per year, representing a -0.2% change compared to the target. This slightly exceeded the target due to the replacement of the main water supply pipe from steel to HDPE. After the installation, water had to be drained to clean out residual impurities in the pipes, such as dust and pipe debris.

### 2. Increase in Recycled Water Usage

- Target: Increase the usage of recycled water to 47% of the treated wastewater volume
- Result for Fiscal Year 2024 : Recycled water usage reached 45%, equivalent to 26,312 cubic meters per year. The target was not achieved due to a malfunction of the booster pump supplying recycled water to restrooms during May–June 2024, which led to a decrease in the proportion of recycled water used.

**Water management: Water withdrawal by source**

	2022	2023	2024
Total water withdrawal (Cubic meters)	79,144.00	71,306.00	70,020.00
Water withdrawal by third-party water (cubic meters)	79,144.00	71,306.00	70,020.00

**Water management: Water discharge by destinations**

	2022	2023	2024
Percentage of treated wastewater (%)	74.00	63.00	89.00
Total wastewater discharge (cubic meters)	35,577.00	24,244.00	32,464.00
Wastewater discharged to surface water (cubic meters)	35,577.00	24,244.00	32,464.00

**Water management: Water consumption**

	2022	2023	2024
Total water consumption (Cubic meters)	43,567.00	47,062.00	37,556.00

**Water management: Recycled water consumption**

	2022	2023	2024
Total recycled water for consumption (Cubic meters)	26,773.00	20,919.00	26,312.00

**Information on waste management****Waste management plan**

The company's waste management plan : Yes

The company promotes proper waste segregation among employees and also implements activities to reduce waste generated from both production processes and employee consumption, based on the 3Rs principle (Reduce, Reuse, Recycle). For industrial waste generated within the company, priority is given to treatment or disposal by authorized contractors who are capable of reusing or recycling the waste. The company does not support the disposal of industrial waste by landfill. Contractors must be officially licensed by the Department of Industrial Works before the waste can be removed from the premises.

**Setting goals for waste management <sup>(5)</sup>**

Does the company set goals for waste management : Yes

**Details of setting goals for waste management**

Target(s)	Base year(s)	Target year(s)	Waste management methods
Reduction of waste generation Waste type: Non-hazardous waste	2023 : non-hazardous waste 13.05 Kilograms	2024 : Reduced by 5% or 0.69 Kilograms	• Recycle

Remark : <sup>(5)</sup> The data used for setting waste and waste management targets pertains solely to general waste, with the unit of measurement being kilograms per person.

## Performance and outcomes of waste management

Performance and outcomes of waste management : Yes

The company systematically manages waste within the organization based on the 3R principles (Reduce, Reuse, Recycle), with an efficient waste segregation system in place. Efforts are made to raise awareness and instill a sense of responsibility among employees regarding waste separation, aiming to reduce waste disposal through landfilling. In 2024, the company generated a total waste volume of 2,301,108.4 kilograms. Compared to 2023, this represents a reduction of 207,973.95 kilograms in total waste and a decrease of 3,570 kilograms in waste sent to landfill.

## Diagram of Performance and outcomes of waste management



Raise awareness and instill a sense of responsibility regarding waste separation.





Promotes proper waste segregation

#### Waste management: Waste Generation

	2022	2023	2024
<b>Total waste generated (Kilograms)</b>	2,256,573.89	2,509,082.35	2,301,108.40
<b>Total non-hazardous waste (kilograms)</b>	1,862,653.14	2,400,575.85	2,181,839.30
Non-hazardous waste - Landfilling (Kilograms)	43,892.00	28,945.00	25,375.00
Non-hazardous waste - Incineration with energy recovery (Kilograms)	24,210.00	26,707.00	33,189.00
Non-hazardous waste – Others (kilograms)	1,794,551.14	2,344,923.85	2,123,275.30
<b>Total hazardous waste (kilograms)</b>	393,920.75	108,506.50	119,269.10
Hazardous waste - Incineration with energy recovery (Kilograms)	113,280.00	66,350.00	57,295.00
Hazardous waste - Incineration without energy recovery (Kilograms)	9,260.00	6,790.00	7,610.00
Hazardous waste – Others (kilograms)	271,380.75	35,366.50	54,364.10

#### Waste management: Waste reuse and recycling

	2022	2023	2024
<b>Total reused/recycled waste (Kilograms)</b>	2,065,932.39	2,380,190.85	2,171,346.40
<b>Reused/Recycled non-hazardous waste (Kilograms)</b>	1,794,551.14	2,344,923.85	2,117,072.30
Reused non-hazardous waste (Kilograms)	34,297.15	284,648.08	300,036.30
Recycled non-hazardous waste (Kilograms)	1,760,253.99	2,060,275.77	1,817,036.00
<b>Reused/Recycled hazardous waste (Kilograms)</b>	271,381.25	35,267.00	54,274.10
Reused hazardous waste (Kilograms)	315.50	507.00	591.10
Recycled hazardous waste (Kilograms)	271,065.75	34,760.00	53,683.00

## Information on greenhouse gas management

### Greenhouse gas management plan <sup>(6)</sup>

The company's greenhouse gas management plan : Yes

From the announcement of the policy and goals of Mitsubishi Electric Corporation, Japan in terms of greenhouse gas management to achieve Net-zero emission in Scope 1, Scope 2 by 2030 and Scope 3 by 2050, using 2023 as the base year, Kang Yong Electric Co., Ltd. (Public Company Limited) has used the Mitsubishi Electric Group policy to create a plan and set the company's goals. The details of the greenhouse gas management plan are as follows:

1. Create a Net-Zero Greenhouse Gas Emissions plan
  - 1.1 Initially, focus on reducing greenhouse gas emissions in Scope 1, 2 by 2030
  - 1.2 Implement in the energy management system plan and environmental management system
  - 1.3 Plan for the long term in renewable energy production and the use of renewable energy production certificates
2. Preparation of the organization's carbon footprint (Carbon Footprint for Organization)
  - 2.1 Identify all activities of the organization
  - 2.2 Data collection and calculation of carbon dioxide emissions
  - 2.3 Assess the amount of emissions and request data certification from the Greenhouse Gas Management Organization (Public Organization)
3. Energy management system according to the international standard ISO50001, consistent with Scope 1,2
  - 3.1 Collect data on electricity and heat consumption along with production volume
  - 3.2 Announce the energy management policy, energy conservation and renewable energy
  - 3.3 Plan and set goals for energy and heat conservation activities
  - 3.4 Conduct energy conservation activities according to the plan and hold a meeting to follow up every 3 months
  - 3.5 Summarize the results of the activities to compare with the goals
4. Environmental management system according to the international standard ISO14001 in line with Scope 3
  - 4.1 Collect data along with production volume
  - 4.2 Announce the environmental management policy, water management, waste management
  - 4.3 Plan and set goals for environmental activities
  - 4.4 Conduct water management, waste management activities according to the plan and hold a meeting to follow up every 3 months
  - 4.5 Summarize the results of the activities to compare with the goals

Remark : <sup>(6)</sup>For Scope 3, there is no long-term plan for greenhouse gas management. There is only a target set according to the Mitsubishi Electric Group policy.

### Compliance with principles and standards for greenhouse gas or climate change management

Principles and standards for greenhouse gas or climate change : Thailand Greenhouse Gas Management Organization (TGO)

## Setting greenhouse gas emission goals

Does the company set greenhouse gas management goals : Yes

Company's existing targets : Setting net-zero greenhouse gas emissions targets

## Setting net-zero greenhouse gas emissions targets

### Details of setting net-zero greenhouse gas emissions targets

Greenhouse gas emission scope	Base year(s)	Short-term target year	Long-term target year	Certification
Scope 1	2023 : Greenhouse gas emissions 981.00 tCO <sub>2</sub> e	-	2030 : Reduced by 100% or 981.00 tCO <sub>2</sub> e in comparison to the base year	<ul style="list-style-type: none"> <li>Thailand Greenhouse Gas Management Organization (TGO) : None</li> <li>Science-based Targets (SBTi) : None</li> </ul>
Scope 2	2023 : Greenhouse gas emissions 9,308.00 tCO <sub>2</sub> e	-	2030 : Reduced by 100% or 9,308.00 tCO <sub>2</sub> e in comparison to the base year	<ul style="list-style-type: none"> <li>Thailand Greenhouse Gas Management Organization (TGO) : None</li> <li>Science-based Targets (SBTi) : None</li> </ul>
Scope 3	2023 : Greenhouse gas emissions 171,412.00 tCO <sub>2</sub> e	-	2030 : Reduced by 100% or 171,412.00 tCO <sub>2</sub> e in comparison to the base year	<ul style="list-style-type: none"> <li>Thailand Greenhouse Gas Management Organization (TGO) : None</li> <li>Science-based Targets (SBTi) : None</li> </ul>

## Performance and outcomes of greenhouse gas management

Performance and outcomes of greenhouse gas management : Yes

### 1. Energy Management

1.1 Implement activities to improve production machinery and production support machinery to high-efficiency types

- Improve plastic injection machines from Hydraulic to Servo Motor
- Change low-efficiency motors to high-efficiency IE3 motors

1.2 Reduce the work of electrical appliances by setting the on-off time

- Set the on-off time of water coolers during non-use periods
- Set the on-off time of air conditioners during lunch breaks

1.3 Create awareness of efficient energy use, such as checking the use of air compressors and checking for air leaks in the system

1.4 Improve the production process and adjust overtime work to be appropriate for production volume

- Reduce overtime work to reduce energy use during low production periods
- Shut down some machines and combine production models

1.5 Use energy from Solar Rooftop with a production capacity of 3 MW and electricity production of 3,535 MWh or 1,767 tCO<sub>2</sub>e and plan for additional installations the target for CO<sub>2</sub> Scope 1,2 emissions in 2024 is 8,815 tCO<sub>2</sub>e, and from the results of activities to reduce CO<sub>2</sub> emissions, 8,401 tCO<sub>2</sub>e were released, which exceeded the target by 414 tCO<sub>2</sub>e and decreased by more than 1,887 tCO<sub>2</sub>e compared to 2023.

### 2. Environmental management

2.1 Efficient use of resources using the 3Rs principle

- Reduce consumption parts in both production process activities and production support activities

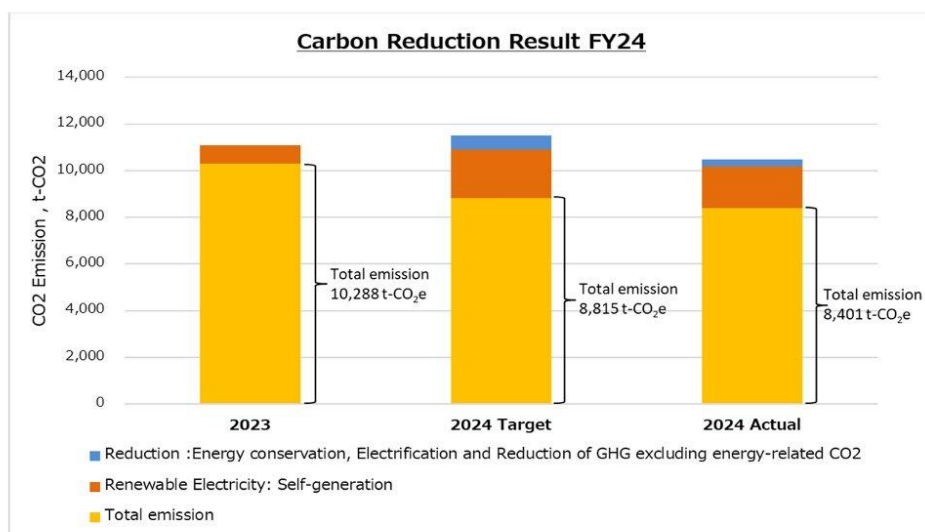
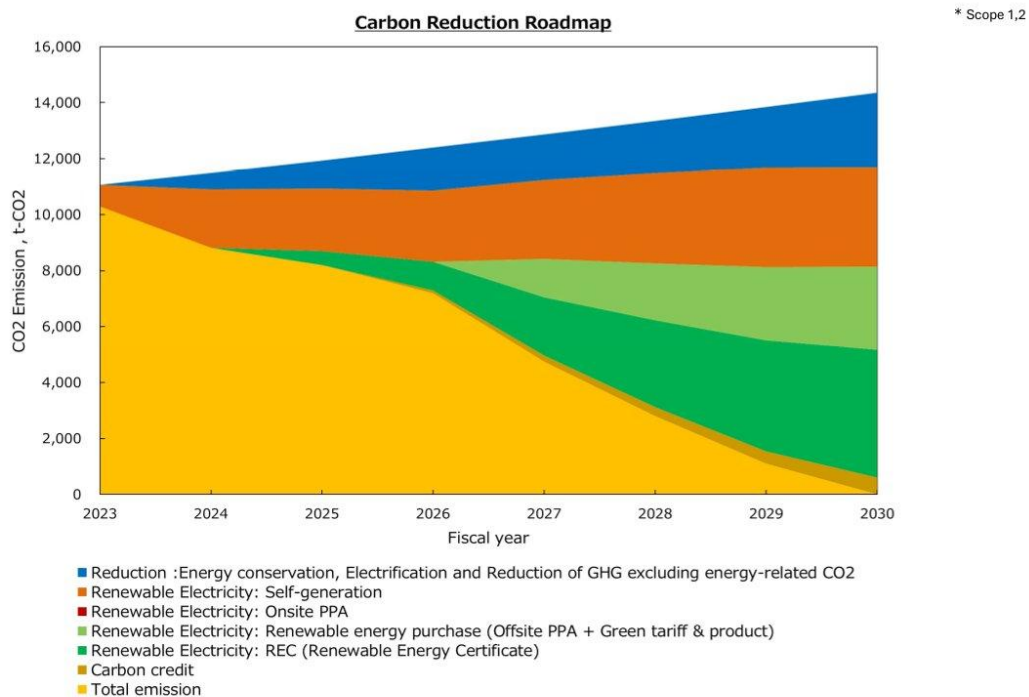


- Reduce electricity consumption in the product
  - Reduce raw material use in the production process
  - Efficient use of resources, such as recycling plastic, steel, brass parts, reusing packaging boxes
- 2.2 Use clean production technology practices (Cleaner Production, CP)
- Change or reduce the use of less hazardous chemicals
  - Increase green space within the company's area
  - Support more environmentally friendly procurement
  - Reduce general waste from employee consumption
- 2.3 Raising awareness (Environmental awareness)
- Inspection of waste sorting within the factory
  - Environmental training for new employees and environmental campaigns for employees within the company
- 2.4 Preparation for becoming a carbon footprint organization (CFO)
- 2.5 Being an organization certified Green Industry Level 4 (GI-4)

### **3. Carbon Footprint for Organization Certification**

3.1 The company received the Carbon Footprint for Organization certification in fiscal year 2024 on June 21, 2024. And received the certificate from the Greenhouse Gas Management Organization (Public Organization) on September 19, 2024. This was done for the first time (set as the base year) and will continue in fiscal year 2025.

### **Diagram of Performance and outcomes of greenhouse gas management**



Carbon Reduction Roadmap and Result of 2024

## การรับรองคาร์บอนฟุตพริ้นท์ขององค์กร (Carbon Footprint for Organization)



- 19 กันยายน 2567 ทางบริษัทฯ ได้รับการรับรองคาร์บอนฟุตพริ้นท์ขององค์กร (Carbon Footprint for Organization) และเข้ารับประกาศนียบัตรจากองค์การบริหารจัดการก๊าซเรือนกระจก (องค์การมหาชน) โดยจัดทำเป็นครั้งแรก (กำหนดเป็นปีฐาน) ซึ่งแสดงถึงความมุ่งมั่นในเรื่องของการลดก๊าซเรือนกระจก ผ่านการดำเนินกิจกรรมต่างๆ ของบริษัทฯ

Carbon Footprint for Organization (CFO) certification

Greenhouse gas management : Corporate greenhouse gas emission

	2022	2023	2024
Total greenhouse gas emissions (Metric tonnes of carbon dioxide equivalent)	0.00	181,701.00	155,885.00
Total greenhouse gas emissions - Scope 1 (Metric tonnes of carbon dioxide equivalent) <sup>(7)</sup>	N/A	981.00	835.00
Total greenhouse gas emissions - Scope 2 (Metric tonnes of carbon dioxide equivalent) <sup>(8)</sup>	N/A	9,308.00	7,689.00
Total greenhouse gas emissions - Scope 3 (Metric tonnes of carbon dioxide equivalent) <sup>(9)</sup>	N/A	171,412.00	147,361.00

Remark : <sup>(7)</sup> Data for 2024 must be verified

<sup>(8)</sup> Data for 2024 must be verified

<sup>(9)</sup> Data for 2024 must be verified

## Greenhouse gas management: Verification of the company's greenhouse gas emissions over the past year

Verification of the company's greenhouse gas emissions : Yes

List of greenhouse gas verifier entity : Research Unit for Energy Economic & Ecological Management Chiang Mai University

## Information on other environmental management

### Plans, performance, and outcomes related to other environmental management

In addition, the Company was honored to be invited to join the energy conservation network declaration activity, "Energy Beyond Standard 2024," organized by the Department of Alternative Energy Development and Energy Conservation, demonstrating the Company's commitment to energy conservation and its intention to join the energy conservation network. In addition, the Company organized EE Day activities to promote and raise awareness of energy and environmental conservation among employees, encouraging them to participate in sustainable energy and environmental conservation initiatives.

## Information on incidents related to legal violations or negative environmental impacts

### Number of cases and incidents of legal violations or negative environmental impacts

	2022	2023	2024
Number of cases or incidents of legal violations or negative environmental impact (cases)	0	0	0

## 3.4 Social sustainability management

### 3.4.1 Social policy and guidelines

Social and human rights policy and guidelines	:	Yes
Social and human rights guidelines	:	Employee rights, Migrant/foreign labor, Child labor, Consumer/customer rights, Community and environmental rights, Safety and occupational health at work, Non-discrimination, Supplier rights

To fulfil a social responsibility based on our management philosophy, the Company encourages all directors, managers, and employees to perform their duties under the following 8 business ethics.

#### 1. Agreement and Law Abiding

Aware that agreement and law-abiding are fundamental principles of morality, the Company will not enter into contracts that violate laws and social norms and will strive to earn the trust of business partners by faithfully fulfilling the contracts. In addition, the Company will adhere to managing business activities with a keen sensitivity to society's ethics and common sense.

#### 2. Respect for Human Rights

The Company will always respect human rights in all business activities without discrimination based on race, ethnicity, nationality, gender, age, creed, religion, social status, gender identity/sexual orientation, disability, etc. Furthermore, the Company will not engage in any behavior that disregards human character, such as harassment, defamation, or coercion.

#### 3. Contribution to society

The Company is concerned with developing society as a corporate social responsibility and pursuing appropriate profits for the organization.

#### 4. Coordination and harmonization with the local

As a corporate citizen, the Company will actively participate in local community events and contribute to the development of the community.

#### 5. Realizing a sustainable society

Aim to create a recycling-oriented society and contribute to the realization of a sustainable society through business activities.

#### 6. Awareness as a manufacturer

Realize the duty as a manufacturer to protect the assets such as personal information and tangible and intangible assets. Maintain a good image, data, and punctuality. Strictly enforce the distinction between public and private, such as prohibiting political action and disclosing only fact information.

#### 7. Relationship with stakeholders

Recognize the responsibility to society and the stakeholders by conducting business fairly and operating the Company in good cooperation, which affects the development and sustainable growth of the Company.

#### 8. Conflicts of interest management

Use verifiable transparent and fair business practices as a strict management control system that prohibits using powers and duties to seek benefits for their own or their companion.

Reference link for social and human rights policy and guidelines	:	<a href="https://www.mitsubishi-kye.com/EN/corporate-comp-manual.asp">https://www.mitsubishi-kye.com/EN/corporate-comp-manual.asp</a>
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### Review of social and human rights policies, guidelines, and/or goals over the past year

Review of social and human rights policies, guidelines, and/or goals over the past year	:	No
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## Human Rights Due Diligence : HRDD

Does the company have an HRDD process : No

### 3.4.2 Social operating results

#### Information on employees and labor

##### Employees and labor management plan

The company's employee and labor management plan : Yes

Employee and labor management plan implemented by the Company in the past year : Fair employee compensation, Employee training and development, Promoting employee relations and participation, Migrant/foreign labor, Child labor, Safety and occupational health at work

##### Fair Employment Practices

1. We shall comply with labor laws in each country and region where we operate, including internal company regulations and rules of employment.
2. We shall adhere to laws and regulations related to occupational safety and health, placing the utmost importance on the well-being of employees to ensure that all personnel can maintain both physical and mental health and perform their duties with strength and resilience.
3. We shall provide a safe and comfortable working environment that allows employees to carry out their responsibilities with peace of mind and a sense of satisfaction.

##### Setting employee and labor management goals

Does the company set employee and labor management goals : No

##### Performance and outcomes for employee and labor management

Performance and outcomes for employee and labor management : Yes

Thailand is entering an aging society, driven by a very low population growth rate and a growing trend of individuals pursuing higher education. This situation may lead to a future labor shortage, particularly in the private industrial sector, as fewer individuals enter the workforce. As a result, intense competition for labor has emerged, with companies offering higher compensation and enhanced benefits to attract workers. To address this challenge, the Company has implemented various measures, including offering competitive compensation and incentive benefits, which have enabled it to retain and recruit employees on a continuous basis.

In addition, the Company has actively pursued dual vocational education programs in collaboration with vocational colleges under the Office of the Vocational Education Commission. These programs aim to enhance practical skills and improve the effectiveness of vocational training. The Company has also recruited qualified foreign workers, such as Cambodian employees, to supplement the workforce—successfully mitigating the risks associated with labor shortages.

##### Employee and labor management: Employment

###### Hiring employees

	2022	2023	2024
Total employees (persons) <sup>(10)</sup>	2,005	1,811	1,728
Male employees (persons)	1,194	1,086	1,060

	2022	2023	2024
Female employees (persons)	811	725	668

Remark : <sup>(10)</sup> - Employees in FY2022 excluding Deputy Department Managers  
- Employees in FY2022 excluding TOP  
- Employees in FY2024 including all levels

#### Employment of workers with disabilities

	2022	2023	2024
Total employment of workers with disabilities (persons)	18	18	17
Total number of workers who are not employees with disabilities (persons)	18	18	17

#### Employee and labor management: Remuneration

##### Employee remuneration

	2022	2023	2024
Total employee remuneration (baht)	840,545,396.83	1,072,626,620.60	1,056,142,335.90

#### Employee and labor management: Employee training and development

##### Employee training and development

	2022	2023	2024
Average employee training hours (hours / person / year)	7.49	10.84	12.26
Training and development expenses for employees (baht)	1,276,152.00	1,411,843.00	1,301,295.00

#### Employee and labor management: Employee engagement and internal employee groups

##### Employee engagement

	2022	2023	2024
Total number of employee turnover leaving the company voluntarily (persons)	104	86	125
Total number of male employee turnover leaving the company voluntarily (persons)	75	51	72
Total number of female employee turnover leaving the company voluntarily (persons)	29	35	53
Proportion of voluntary resignations (%)	5.19	4.75	7.23

	2022	2023	2024
Evaluation result of employee engagement	Yes	Yes	Yes

## Employee internal groups

Employee internal groups : Yes

Types of employee internal groups : Welfare committee, Labor relations committee, Employee committee, Labor union

## Information about customers

### Customer management plan

Company's customer management plan : Yes

Customer management plan implemented by the company over the past year : Responsible production and services for customers, Communication of product and service impacts to customers/consumers, Development of customer satisfaction and customer relationship, Consumer data privacy and protection

#### Customer Management Information

The company collects data on product-related complaints, particularly those involving quality defects identified in products that have already been delivered to customers. This information is used to develop customer management plans and to conduct root cause analysis in order to implement corrective actions and prevent recurrence.

#### Customer Management Plan

In the event of a serious defect in a product sold through a sales company (including defects identified through after-sales service), where the issue falls within the scope of the company's operations and product liability, the company will promptly convene a meeting to establish a comprehensive management plan. This includes urgent response measures for affected customers, root cause analysis, corrective actions, recurrence prevention measures, and actions to manage any defective products that may have already entered the market.

### Setting customer management goals

Does the company set customer management goals : Yes

#### Details of setting customer management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
• Other : Quality, Process, Shipment, Service	Customer satisfaction	-	2024: Customer satisfaction score of not less than 3.4

### Performance and outcomes of customer management

Performance and outcomes of customer management : Yes

1. Customer satisfaction met the established targets, and there were no areas receiving a score of 1 (Needs Improvement).
2. Product development was carried out in response to customer needs, such as water pumps with enhanced performance and improved energy efficiency.

### Customer management: Customer satisfaction



## Customer satisfaction

	2022	2023	2024
Evaluation results of customer satisfaction	Yes	Yes	Yes

## Information on community and society

### Community and social management plan

Company's community and social management plan	:	Yes
Community and social management plan implemented by the company over the past year	:	Employment and professional skill development, Education, Religion and culture, Forests and natural resources, Sports and recreation, Occupational health, safety, health, and quality of life, Disadvantaged and vulnerable groups, Reducing inequality

#### Employment and Vocational Skills Development

Examples include employing persons with disabilities in accordance with Section 35 of the Persons with Disabilities Empowerment Act and hiring dual vocational education students for internships.

#### Education

Examples include annually granting scholarships to employees' children, offering internship opportunities to dual vocational education students at the workplace every year, and organizing the "My School for My Community" program, which has been held consistently for five consecutive years.

#### Religion and Culture

Examples include organizing Kathin (robe offering) ceremonies, candle offering ceremonies for Buddhist Lent, and almsgiving activities on important religious days, with invited monks from a temple that supports orphans in Ang Thong Province.

#### Forests and Natural Resources

Examples include participating in a reforestation activity in Ban Intrai Community, Pho Ngam Subdistrict, Prachantakham District, Prachinburi Province, in collaboration with the Mitsubishi Foundation and the Royal Forest Department.

#### Sports and Recreation

Examples include donating sports and recreational equipment as part of the "My School for My Community" initiative.

#### Occupational Health, Safety, Health, and Quality of Life

Examples include organizing a bus stop cleaning activity at 8 locations along Theparak Road.

#### Support for the Underprivileged, Vulnerable Groups, and Reducing Social Inequality

An example is the "KYE Virtual Walk & Run" activity, where proceeds were donated to purchase school uniforms, educational supplies, and daily necessities for orphans at Wat Tan Chet Chor, Ang Thong Province.

Reference link for company's community and social management plan : <https://www.mitsubishi-kye.com/EN/corporate-csr.asp>

### Setting community and social management goals

Does the company set community and social management goals : Yes

### Details of setting community and social management goals

Target(s)	Indicator(s)	Base year(s)	Target year(s)
<ul style="list-style-type: none"> <li>• Employment and professional skill development</li> <li>• Education</li> <li>• Religion and culture</li> <li>• Sports and recreation</li> <li>• Occupational health, safety, health, and quality of life</li> <li>• Disadvantaged and vulnerable groups</li> <li>• Reducing inequality</li> </ul>	My school for my community project	<p>2019: My school for my community project is a project that focuses on encouraging employees to volunteer for social and support cooperation with the society in the development of the country (SDGs), focusing on the target group who are disadvantaged in society. Therefore, there was an idea for this project that employees can develop their own school. Scheduled to be done continuously once a year</p>	<p>2024: CSR Activity under the Project “My School for My Community” – Year 5</p> <p>The Company organized a CSR activity On February 8, 2025, at Wat Don Chedi Ratburana School, located in Don Masang Subdistrict, Mueang Suphanburi District, Suphanburi Province. The school was nominated by a employee who had previously studied there. The employee proposed the school’s needs for improvement and development by submitting a request detailing the necessary support. After consideration, the company selected the school to receive assistance through product donations and budget allocations. The details are as follows:</p> <ol style="list-style-type: none"> <li>1. Budget for the renovation of the multipurpose building – THB 110,000</li> <li>2. Budget for constructing a base for the water storage tank – THB 10,000</li> <li>3. Budget for electrical installation – THB 10,000</li> <li>4. Donation of 12 wall-mounted fans – THB 11,604.12</li> <li>5. Donation of one water pump – THB 5,000.63</li> <li>6. Donation of computers and accessories – THB 80,000</li> <li>7. Educational scholarships – THB 60,000</li> </ol> <p>Total support THB 286,604.75</p>

## Performance and outcomes of community and social management

Performance and outcomes of community and social : Yes  
management

CSR-DIW CONTINUOUS AWARD (Continuing for 7th year)

### Diagram of performance and outcomes in community and social management



My School for My Community – Year 5





Bus Stop cleaning activities



Bus Stop cleaning activities





The presents for the 2024 National Children's Day have been granted



CSR-DIW Continuous AWARD 2024

Activity	People					Planet		Prosperity					Peace		Partnership		
	SDGs																
																	
Songkran Festival	✓	✓							✓	✓							
Buddhist lent ceremony at 9 temples (with MKY)		✓	✓							✓				✓			
Buddhist lent ceremony at Bang Nampheung Nai, Samut Prakan Province			✓							✓				✓			
Forest Planting Volunteer Activity with Mitsubishi Electric Foundation										✓				✓			
Offering dried food and necessary stuff to temple	✓	✓		✓													
CSR Day "My school for my community"	✓		✓	✓		✓				✓			✓				
Science Classroom	✓			✓		✓				✓			✓				✓
Blood Donation to Siriraj Hospital			✓								✓						
Kathin Sacrifice Ceremony											✓						
Big cleaning Day																	
Children's Day gift-giving activities to schools and communities in Samut Prakan Province	✓	✓		✓							✓						
KYE Scholarship Ceremony for employee's children				✓													
Internship project for students at high vocational degree and bachelor's degree				✓													
KYE Safety week			✓	✓													
Safety CSR Project (for Community)											✓						

## Sustainability management goals

Activity	People					Planet					Prosperity					Peace		Partnership
	SDGs																	
																		
Employee training in safety and occupational health such as basic fire extinguishing training, forklift driving training, chemicals and hazardous materials handling and storing training, Crane training, and work safety training for new employees Promote management to reduce greenhouse gas emissions to achieve a CO2-free society. Environmental management, such as controlling waste generation, promoting recycling, using water efficiently and reducing pollution Environmental management training for new employees Campaign for recycling waste sorting to reduce the amount of landfill waste, and setting up a clean and well-managed waste sorting center Perform environmental quality measurements, air quality exhaustion from chimneys and noise level, especially the quality of rain gutter water, wastewater, and disposal water, to be 20% more stringent than the law by measuring the water quality in real-time and notifying if the water quality is not within the control criteria. Perform environmental quality measurements in the workplace, including light, sound, heat, and chemical vapors, to provide safety for employees and report to related government agencies. Checking the condition of the shuttle bus to reduce the emission of black smoke. Reduce CO2 emissions by setting a goal to reduce the emissions by 50% (compared to 2013) by Year 2030. Continuous introduction of renewable energy inside the Company with an installation plan of solar power generation system phase 3-5 on the roof of Building 1,2,4 with a total capacity of 2.066 MWp, which is expected to be completed by 2028 with a total installed capacity of 9 phases at 5.1 MWp			✓								✓							
														✓				
						✓												
													✓					
												✓						
													✓					
						✓		✓										
								✓			✓	✓						

## Information on incidents related to legal or social and human rights violations

### Number of cases and incidents of significant legal or social and human rights violations

	2022	2023	2024
Total number of cases or incidents of significant legal or social and human rights violations (cases)	0	0	0
Total number of cases or incidents leading to significant labor disputes (cases)	0	0	0
Total number of incidents or complaints related to business partner's rights violations (cases)	0	0	0
The total number of cases or complaints related to partner rights violations (Cases)	0	0	0
Total number of cases or incidents leading to disputes with the community/society (cases)	0	0	0
Total number of cases or incidents related to cybersecurity or customer data breaches (cases)	0	0	0
Total number of cases or incidents related to workplace safety and occupational health (cases)	0	0	0

## 4. Management Discussion and Analysis (MD&A)

### 4.1 Operation, financial condition and material changes

#### Operational overview

##### Revenues

From sales and services For the fiscal year 2024, the Company's revenues from sales and rendering services decreased by 997.1 million baht or -14.1% from 7,079.3 million baht in the year 2023 to 6,082.2 million baht in the year 2024, divided into the following three major business groups as follows:

- In the domestic market, revenue from sales and rendering services decreased by 244.4 million baht or -8.3% from 2,962.1 million baht in 2023 to 2,717.7 million baht in 2024, mainly due to the sales reduction of the refrigerator and water pump.
- Export to Japan market, revenue from sales decreased from 3,136.4 million baht in 2023 to 2,318.5 million baht in 2024 or decreased 817.9 million baht or -26.1% due to the sales reduction in all products.
- Export to markets elsewhere, the sales increased from 980.8 million baht in 2023 to 1,046.1 million baht in 2024 or increased 65.3 million baht or 6.7%, mainly due to the sales expansion in all products.

##### Investment income and other

Income Investment income and other income for the fiscal year 2024 was 883.1 million baht, an increase of 191.4 million baht or 27.7% compared to 2023. The increased income mainly came from investment income increased by 230.0 million baht, net foreign exchange gains reduced by 31.4 million baht and while other income decreased by 7.8 million baht.

##### Cost of Sales and Expenses

The cost of sales and rendering services in 2024 accounted for 89.7% of revenues from sales and rendering services. The parts and raw materials prices were soaring; therefore, the cost of products ratio increased by 3.4% compared to the previous year.

Selling expenses decreased from 291.4 million baht in 2023 to 275.1 million baht in 2024, reducing 16.3 million baht or -5.6% as the royalty fee decreased 24.1 million baht.

Administrative expenses decreased from 575.1 million baht in 2023 to 527.2 million baht in 2024, decreasing by 47.9 million baht or -8.3%. The major reduction was the product development fee, 47.2 million baht.

##### Profit

In the fiscal year 2024, the Company posted a gross profit margin of 624.7 million baht or 10.3% of revenues from sales and rendering services, which was a -3.4% decrease compared to the previous year. After considering the reduction of the selling expenses, the reduction of administrative expenses, the growth of investment income and other income, and the reduction of income tax; therefore, the net profit for the year 2024 was 702.4 million baht or 11.5% of revenues from sales and rendering services which increased by 1.1% from the year 2023. The net profit rate per share has dropped from 37.25 baht per share in the year 2023 to 35.48 baht per share in the year 2024. The return on equity in the year 2024 decreased from 8.54% in the year 2023 to 7.41% in the year 2024.

##### Total assets

As of March 31, 2025, the Company recorded total assets of 11,243.4 million baht, increased 128.6 million baht or 1.2% from the corresponding period of the previous year, with changes in essential asset items as follows:

- Cash and cash equivalents as of March 31, 2025, was 243.1 million baht, increased from the previous year by 20.8 million baht or 9.4%.
- Other current financial assets as of March 31, 2025, was 3,228.9 million baht, decreased from the previous year by -1,183.9 million baht or -26.8%. Short-term deposits with financial institutions have decreased, with cash being used to lend short-term loans to related businesses.
- Trade accounts receivables and other receivables as of March 31, 2025 was 900.2 million baht, a decrease of -53.7 million baht or -5.6% from the previous year, mainly due to a reduction in trade accounts receivable. The trade accounts receivable as of March 31, 2025 accounted for 851.4 million baht, decreased -57.5 million baht from 908.8 million baht in the fiscal year 2023.
- Inventories as of March 31, 2025 amounted to 645.2 million baht, a decrease of 77.2 million baht or -10.7% from



the previous year due to a reduction of finished goods, resulting from efficient sales and inventory management; therefore the inventory was lower than the previous year.

- Other non-current financial assets as of March 31, 2025, was 3,356.6 million baht, increased by 142.0 million baht or 4.4 compared to March 31, 2024 due to the fair value adjustment of other investments.

#### **Total liabilities**

As of March 31, 2025, the Company had total liabilities of 1,654.8 million baht, a reduction of 91.7 million baht or -5.3% compared to the previous year. The significant changes are as below:

- Trade accounts payable and other payables as of March 31, 2025 was 715.3 million baht, a decrease of -109.1 million baht or -13.2%, mainly due to the trade liabilities decreased as of March 31, 2025, which was 454.5 million baht, decreased from 541.8 million baht in the last year by 87.4 million baht.
- Deferred tax liabilities as of March 31, 2025 was 577.7 million baht, an increase of 30.3 million baht or 5.5%, mainly due to an increase in Gain on equity securities measured at fair value through other comprehensive income.
- Other liabilities as of March 31, 2025 was 90.5 million baht, declined by -9.1 million baht or -9.1% from the last year due to the estimated damage insurance costs are reduced by -6.9 million baht and a decrease in corporate income tax payable of -2.6 million baht.

The cash cycle was four days faster, from 55 days in 2023 to 51 days in 2024, resulting from efficient production and inventory management. The current ratio changed from 7.65 times in year 2023 to 9.02 times in year 2024; as can be seen the Company still has excellent financial stability.

#### **Shareholders' equity**

As of March 31, 2025, the Company recorded shareholders' equity of 9,588.7 million baht, increased by 220.5 million baht or 2.4% from the previous year, due to various changes as follows:

- Shareholders' equity increased by 220.5 million baht from its comprehensive income for the year 2024 due to net profit of 702.5 million baht and other comprehensive income of 108.9 million baht.
- Shareholders' equity decreased from dividend payment in August 2024. The Company paid dividends to its shareholders in the total amount of 591.0 million baht at 29.85 baht per share, according to the shareholders' meeting as of July 26, 2024, approved the resolution.

#### **Issuance of debt securities with an obligation to maintain financial ratios**

Is there an issuance of debt securities with an obligation : No  
to maintain financial ratios?

## 4.2 Potential factors or incidents that may materially affect the financial condition or the operating results

### Significant factors or incidents that may materially affect the future financial condition or the operating results

#### Foreign Exchange

The Company engages in international transactions involving both imports and exports. As a result, it is inevitably exposed to the risk of fluctuations in foreign exchange rates.

#### Raw Material and Component Prices

The Company relies on various key raw materials and components such as steel, copper, plastic, and electronic parts. The prices of these inputs are subject to fluctuations based on global market mechanisms and are influenced by external factors such as inflation, energy prices, geopolitical tensions, and global demand and supply dynamics.

Foreign exchange rates and raw material prices are key factors that may significantly impact the Company's financial position and operating results in the future. The Company, therefore, closely monitors relevant developments and implements risk management plans to maintain cost and performance stability as much as possible amid an increasingly uncertain business environment.

## 4.3 Information from financial statements and significant financial ratios

### Information from financial statements

#### Summary of financial position statements

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
<b>Assets</b>			
Cash And Cash Equivalents (ThousandTHB)	630,630.85	222,311.62	243,096.11
Short-Term Investments - Net (ThousandTHB)	2,820,002.00	4,412,781.60	3,228,881.17
Trade And Other Receivables - Current - Net (ThousandTHB)	1,072,231.15	953,872.23	900,210.99
Other Current Receivables (ThousandTHB)	30,705.58	45,025.65	48,836.51
Short-Term Loan And Interest Receivables (ThousandTHB)	96,958.63	97,830.30	1,484,748.52
Related Parties (ThousandTHB)	96,958.63	97,830.30	1,484,748.52
Inventories - Net (ThousandTHB)	1,271,353.53	722,375.58	645,165.75
Other Tax Or Other Receivables Under Law And Regulations - Current (ThousandTHB)	49,795.29	37,185.38	82,151.51
Other Tax Receivables (ThousandTHB)	49,795.29	37,185.38	82,151.51
Other Current Assets (ThousandTHB)	17,617.56	6,700.61	6,979.34
Other Current Assets - Others (ThousandTHB)	17,617.56	6,700.61	6,979.34
<b>Total Current Assets</b> (ThousandTHB)	5,958,589.02	6,453,057.31	6,591,233.38
Long-Term Investments - Net (ThousandTHB)	2,195,940.62	3,214,612.01	3,356,627.16
Investment In Subsidiaries, Associates And Joint Ventures Using The Equity Method - Net (ThousandTHB)	23,260.88	23,520.18	24,889.69

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
Investment In Associates (ThousandTHB)	23,260.88	23,520.18	24,889.69
Investment Properties - Net (ThousandTHB)	3,907.54	3,907.54	3,907.54
Property, Plant And Equipment - Net (ThousandTHB)	1,405,273.44	1,365,547.93	1,202,824.32
Right-Of-Use Assets - Net (ThousandTHB)	20,904.03	14,941.73	16,705.18
Intangible Assets - Net (ThousandTHB)	27,167.68	29,226.92	24,373.90
Intangible Assets - Others (ThousandTHB)	27,167.68	29,226.92	24,373.90
Other Non-Current Assets (ThousandTHB)	10,410.82	9,942.80	22,818.85
Other Non-Current Assets - Others (ThousandTHB)	10,410.82	9,942.80	22,818.85
<b>Total Non-Current Assets</b> (ThousandTHB)	3,686,865.01	4,661,699.11	4,652,146.66
<b>Total Assets</b> (ThousandTHB)	9,645,454.02	11,114,756.43	11,243,380.04

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
<b>Liabilities</b>			
Trade And Other Payables - Current (ThousandTHB)	1,073,329.07	824,419.78	715,309.77
Other Current Payables (ThousandTHB)	304,332.21	282,570.40	260,822.99
Current Portion Of Lease Liabilities (ThousandTHB)	8,652.46	8,142.48	6,748.01
Other Current Liabilities (ThousandTHB)	8,835.13	8,051.51	8,284.14
<b>Total Current Liabilities</b> (ThousandTHB)	1,090,816.66	843,262.88	730,341.93
Non-Current Portion Of Lease Liabilities (ThousandTHB)	13,007.21	7,300.44	10,331.01
Long-Term Provisions (ThousandTHB)	75,811.98	68,619.71	61,714.85
Provisions For Employee Benefit Obligations - Non-Current (ThousandTHB)	276,379.69	279,957.99	274,670.86
Deferred Tax Liabilities (ThousandTHB)	290,353.05	547,406.77	577,715.75
<b>Total Non-Current Liabilities</b> (ThousandTHB)	655,551.93	903,284.91	924,432.46
<b>Total Liabilities</b> (ThousandTHB)	1,746,368.59	1,746,547.78	1,654,774.39

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
<b>Shareholders' equity</b>			
Authorised Share Capital (ThousandTHB)	198,000.00	198,000.00	198,000.00
Authorised Ordinary Shares (ThousandTHB)	198,000.00	198,000.00	198,000.00
Issued And Paid-Up Share Capital (ThousandTHB)	198,000.00	198,000.00	198,000.00
Paid-Up Ordinary Shares (ThousandTHB)	198,000.00	198,000.00	198,000.00
Premium (Discount) On Share Capital (ThousandTHB)	726,100.00	726,100.00	726,100.00
Premium (Discount) On Ordinary Shares (ThousandTHB)	726,100.00	726,100.00	726,100.00
Retained Earnings (Deficits) (ThousandTHB)	5,348,334.69	6,002,520.78	6,109,305.67
Retained Earnings - Appropriated (ThousandTHB)	442,000.00	442,000.00	442,000.00
Legal And Statutory Reserves (ThousandTHB)	22,000.00	22,000.00	22,000.00
Other Reserves (ThousandTHB)	420,000.00	420,000.00	420,000.00
Retained Earnings (Deficits) - Unappropriated (ThousandTHB)	4,906,334.69	5,560,520.78	5,667,305.67
Other Components Of Equity (ThousandTHB)	1,626,650.75	2,441,587.86	2,555,199.98
Other Components Of Equity - Others (ThousandTHB)	1,626,650.75	2,441,587.86	2,555,199.98
<b>Equity Attributable To Owners Of The Parent</b> (ThousandTHB)	7,899,085.44	9,368,208.64	9,588,605.65
<b>Total Equity</b> (ThousandTHB)	7,899,085.44	9,368,208.64	9,588,605.65
<b>Total Liabilities And Equity</b> (ThousandTHB)	9,645,454.02	11,114,756.43	11,243,380.04

## Summary of income statement

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
<b>Statement of Comprehensive Income</b>			
Revenue From Operations (ThousandTHB)	8,676,205.18	7,683,456.30	6,916,390.44
Revenue From Sales And Rendering Services (ThousandTHB)	8,398,642.95	7,079,277.30	6,082,245.41
Investment Income (ThousandTHB)	277,562.24	604,179.00	834,145.03
Other Income (ThousandTHB)	66,677.47	53,668.90	45,831.27
<b>Total Revenue</b> (ThousandTHB)	8,742,882.65	7,737,125.20	6,962,221.71
Costs (ThousandTHB)	7,517,445.31	6,108,778.66	5,457,515.25
Selling And Administrative Expenses (ThousandTHB)	1,107,239.62	866,531.25	802,272.50
Selling Expenses (ThousandTHB)	493,229.41	291,413.51	275,080.86
Administrative Expenses (ThousandTHB)	614,010.21	575,117.74	527,191.64
<b>Total Cost And Expenses</b> (ThousandTHB)	8,624,684.93	6,975,309.91	6,259,787.75
Share Of Profit (Loss) From Investments Accounted For Using The Equity Method (ThousandTHB)	2,270.66	969.13	1,659.31
Other Gains (Losses) (ThousandTHB)	21,839.97	33,417.58	2,038.64
Gains (Losses) On Foreign Currency Exchange (ThousandTHB)	21,839.97	33,417.58	2,038.64
<b>Profit (Loss) Before Finance Costs And Income Tax Expense</b> (ThousandTHB)	142,308.35	796,202.01	706,131.91
Finance Costs (ThousandTHB)	326.01	533.22	545.81
Income Tax Expense (ThousandTHB)	-17,598.81	58,052.35	3,079.00

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
<b>Profit (Loss) For The Period From Continuing Operations</b> (ThousandTHB)	159,581.15	737,616.44	702,507.10
<b>Net Profit (Loss) For The Period</b> (ThousandTHB)	159,581.15	737,616.44	702,507.10
Net Profit (Loss) For The Period / Profit (Loss) For The Period From Continuing Operations (ThousandTHB)	159,581.15	737,616.44	702,507.10
Gains (Losses) On Remeasuring Investment In Equity Instruments Measured At Fair Value Through Other Comprehensive Income (ThousandTHB)	-132,470.47	1,018,671.39	142,015.16
Remeasurement Of Employee Benefit Obligations (ThousandTHB)	3,686.44	-2,812.93	-5,865.26
Income Taxes Relating To Items That Will Not Be Subsequently Reclassified To Profit Or Loss (ThousandTHB)	25,756.81	-203,171.69	-27,229.98
<b>Other Comprehensive Income (Expense) - Net Of Tax</b> (ThousandTHB)	-103,027.23	812,686.77	108,919.91
<b>Total Comprehensive Income (Expense) For The Period</b> (ThousandTHB)	56,553.92	1,550,303.21	811,427.01
Net Profit (Loss) Attributable To : Owners Of The Parent (ThousandTHB)	159,581.15	737,616.44	702,507.10
Total Comprehensive Income (Expense) Attributable To : Owners Of The Parent (ThousandTHB)	56,553.92	1,550,303.21	811,427.01
<b>Basic Earnings (Loss) Per Share (Baht/Share)</b> (ThousandTHB)	8.06	37.25	35.48
EBITDA (ThousandTHB)	491,639.25	1,112,719.81	1,049,487.44



	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
Operating Profit (ThousandTHB)	51,520.26	708,146.39	656,602.69
Normalize Profit (ThousandTHB)	137,741.19	704,198.85	700,468.46

## Summary of cash flow statement

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
<b>Cash flow statement</b>			
Net Profit (Loss) Attributable To Owners Of The Parent For The Period (ThousandTHB)	159,581.15	737,616.44	702,507.10
Depreciation And Amortisation (ThousandTHB)	349,330.90	316,517.80	343,355.54
Depreciation (ThousandTHB)	341,015.50	306,223.56	331,419.28
Amortisation (ThousandTHB)	8,315.40	10,294.25	11,936.26
(Reversal Of) Loss From Diminution In Value Of Inventories (ThousandTHB)	9,331.65	-16,186.25	3,342.00
Share Of (Profit) Loss From Investments Accounted For Using The Equity Method (ThousandTHB)	-2,270.66	-969.13	-1,659.31
(Gains) Losses On Foreign Currency Exchange (ThousandTHB)	-172.18	-2,402.59	5,541.39
(Gains) Losses On Disposal And Write-Off Of Fixed Assets (ThousandTHB)	-273.96	-201.66	-782.27
(Gains) Losses On Disposal Of Fixed Assets (ThousandTHB)	-273.96	-201.66	-782.27
Dividend And Interest Income (ThousandTHB)	-263,715.04	-587,001.48	-817,514.71
Dividend Income (ThousandTHB)	-235,311.39	-509,488.05	-707,515.02
Interest Income (ThousandTHB)	-28,403.65	-77,513.43	-109,999.68
Finance Costs (ThousandTHB)	326.01	533.22	545.81
Income Tax Expense (ThousandTHB)	-17,598.81	58,052.35	3,079.00
Employee Benefit Expenses (ThousandTHB)	25,085.08	30,889.92	29,014.54

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
(Reversal Of) Provisions (ThousandTHB)	56,952.44	39,514.69	34,992.55
Other Reconciliation Items (ThousandTHB)	-13,847.20	-17,177.52	-16,630.32
<b>Cash Flows From (Used In) Operations Before Changes In Operating Assets And Liabilities</b> (ThousandTHB)	302,729.36	559,185.80	285,791.32
(Increase) Decrease In Trade And Other Receivables (ThousandTHB)	165,238.14	137,713.22	51,964.42
(Increase) Decrease In Inventories (ThousandTHB)	-100,138.42	565,164.20	73,867.83
(Increase) Decrease In Other Tax Or Other Receivables Under Law And Regulations (ThousandTHB)	4,772.21	12,609.91	-44,966.13
(Increase) Decrease In Other Operating Assets (ThousandTHB)	1,599.42	11,384.97	-1,283.51
Increase (Decrease) In Trade And Other Payables (ThousandTHB)	-399,697.16	-270,817.07	-84,298.67
Increase (Decrease) In Provisions For Employee Benefit Obligations (ThousandTHB)	-29,019.02	-30,124.55	-40,166.94
Increase (Decrease) In Provisions (ThousandTHB)	-66,140.50	-46,706.96	-41,897.41
Increase (Decrease) In Other Operating Liabilities (ThousandTHB)	-1,903.62	-783.62	232.63
<b>Cash Generated From (Used In) Operations</b> (ThousandTHB)	-122,559.59	937,625.90	199,243.54
Income Tax (Paid) Received (ThousandTHB)	-939.90	-1,521.18	-13,580.48
<b>Net Cash From (Used In) Operating Activities</b> (ThousandTHB)	-123,499.50	936,104.72	185,663.06

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
Proceeds From Investment (ThousandTHB)	209,998.00	-1,592,779.60	1,183,900.43
Proceeds From Disposal Of Investments (ThousandTHB)	N/A	-1,592,779.60	1,183,900.43
Loan Receivables Made (ThousandTHB)	-295,985.75	-85,177.01	-1,819,646.75
Short-Term Loan Receivables Made (ThousandTHB)	-295,985.75	-85,177.01	-1,819,646.75
Short-Term Loan Receivables Made - Related Parties (ThousandTHB)	-295,985.75	-85,177.01	-1,819,646.75
Loan Receivables Repayment Received (ThousandTHB)	297,274.34	84,305.35	432,728.53
Short-Term Loan Receivables Repayment Received (ThousandTHB)	297,274.34	84,305.35	432,728.53
Short-Term Loan Receivables Repayment Received - Related Parties (ThousandTHB)	297,274.34	84,305.35	432,728.53
Proceeds From Disposal Of Fixed Assets (ThousandTHB)	1,739.33	1,727.03	1,710.71
Property, Plant And Equipment (ThousandTHB)	1,739.33	1,727.03	1,710.71
Payment For Purchase Of Fixed Assets (ThousandTHB)	-290,002.77	-251,403.82	-191,815.45
Property, Plant And Equipment (ThousandTHB)	-281,707.37	-239,050.33	-184,732.21
Intangible Assets (ThousandTHB)	-8,295.40	-12,353.49	-7,083.24
Dividend Received (ThousandTHB)	235,985.49	510,197.88	707,804.82
Interest Received (ThousandTHB)	20,340.94	62,389.58	107,071.28

	THB		
	31 March 2023	31 March 2024	31 March 2025
	Equity	Equity	Equity
	AUDITED	AUDITED	AUDITED
Other Items (Investing Activities) (ThousandTHB)	13,847.20	17,177.52	16,630.32
<b>Net Cash From (Used In) Investing Activities</b> (ThousandTHB)	193,196.77	-1,253,563.06	438,383.90
Repayments On Lease Liabilities (ThousandTHB)	-8,947.16	-9,832.96	-9,871.33
Dividend Paid (ThousandTHB)	-169,290.00	-81,180.00	-591,030.00
<b>Net Cash From (Used In) Financing Activities</b> (ThousandTHB)	-178,237.16	-91,012.96	-600,901.33
<b>Net Increase (Decrease) In Cash And Cash Equivalent</b> (ThousandTHB)	-108,539.89	-408,471.29	23,145.62
Effect Of Exchange Rate Changes On Cash And Cash Equivalents (ThousandTHB)	-91.22	152.07	-2,361.14
Cash And Cash Equivalents, Beginning Balance (ThousandTHB)	739,261.95	630,630.85	222,311.62
<b>Cash And Cash Equivalents, Ending Balance</b> (ThousandTHB)	630,630.85	222,311.62	243,096.11

## Key financial ratios

	2023	2024	2025
<b>Liquidity ratio</b>			
Current ratio (times)	5.46	7.65	9.02
Quick ratio (times)	4.19	6.67	6.10
Average account receivable turnover (times)	7.29	6.99	6.56
Average collection period (days)	50.00	52.00	56.00
Average inventory turnover (times)	6.13	6.13	7.98
Average inventory turnover period (days)	60.00	60.00	46.00
Average account payable turnover (times)	5.82	6.44	7.09
Average payment period (days)	63.00	57.00	51.00
Average cash cycle (days)	47.00	55.00	51.00
<b>Profitability ratio</b>			
Gross profit margin (%)	10.49	13.71	10.27
Operating margin (%)	1.90	10.42	11.55
Other income to total income (%)	4.18	8.90	12.66
Cash from operation to operating profit (%)	-88.19	117.71	26.35
Net profit margin (%)	1.82	9.49	10.09
Return on equity (ROE) (%)	2.01	8.54	7.41
<b>Financial policy ratio</b>			
Total debts to total equity (times)	0.22	0.19	0.17
Interest coverage ratio (times)	N/A	N/A	N/A
Interest bearing debt to EBITDA ratio (times)	N/A	N/A	N/A
Debt service coverage ratio (times)	N/A	N/A	N/A

	2023	2024	2025
Dividend payout ratio (%)	50.87	80.13	50.17
<b>Efficiency ratio</b>			
Return on asset (ROA) (%)	1.60	7.11	6.28
Return On Fixed Assets (%)	34.57	75.35	78.55
Asset turnover (times)	0.88	0.75	0.62

## 5. General information and other material facts

### 5.1 General information

#### General information

#### Securities registrar

**Name of securities registrar** : Thailand Securities Depository Co., Ltd.  
**Address/location** : 93 Ratchadaphisek Road  
**Subdistrict** : Din Daeng  
**District** : Din Daeng  
**Province** : Bangkok  
**Postcode** : 10400  
**Telephone** : 02-009-9000  
**Facsimile number** : 02-009-9991

#### Auditing firm

**Name of auditing firm\*** : KPMG PHOOMCHAI AUDIT COMPANY LIMITED  
**Address/location** : -  
**Subdistrict** : YAN NAWA  
**District** : SATHON  
**Province** : Bangkok  
**Postcode** : 10120  
**Telephone** : 0 2677 2000  
**Facsimile number** : 0 2677 2222  
**List of auditors** : Miss KUNNATEE KERDCHANA  
**License number** : 12418  
**List of auditors** : Miss SOPHIT PROMPOL  
**License number** : 10042  
**List of auditors** : Miss PORNTHIP RIMDUSIT  
**License number** : 5565

#### Legal advisor or manager under management agreement

##### Name of legal advisor / manager under management agreement No. 1

**Name of legal advisor / manager under management agreement** : Mr. Prachak Dokphut  
**Address/location** : Kang Yong Electric Public Company Limited  
67 Moo 11 Km.20  
**Subdistrict** : Bangchalong  
**District** : Bangplee  
**Province** : Samut Prakarn  
**Postcode** : 10540  
**Telephone** : 02-337-2900 ต่อ 1502



Facsimile number : 02-337-2440

## Information of other key contacts

### Name of contact person or department No. 1

Name of contact person or department : Mr. Aniwat Sae lim

Address/location : Kang Yong Electric Public Company Limited  
67 Moo 11 Km.20

Subdistrict : Bangchalong

District : Bangplee

Province : Samut Prakarn

Postcode : 10540

Telephone : 023372900 ต่อ 1300

Facsimile number : 02-337-2440

## 5.2 Other material facts

### 5.2.1 Other information that may significantly influence investors' decision making

Other information that may influence investors' decision : No  
making

### 5.2.2 Restrictions of foreign shareholders

Are there restrictions on foreign shareholders? : No

## 5.3 Legal disputes

### Legal disputes

Is there any legal dispute? : No

## 5.4 Secondary market

### Secondary market

Has the company's security been listed on a stock exchange in : No  
another country?

## 5.5 Financial institution with regular contact (in case of debt securities offeror)

### Financial institution with regular contact

Are there any debt securities offered? : No

## Part 2 Corporate Governance

## 6. Corporate governance policy

### 6.1 Overview of the policy and guidelines

#### Overview of the policy and guidelines

Corporate governance policy and guidelines : Yes

The Company is determined to operate business in a fair, transparent and examinable manner under its corporate governance policy. The Board of Directors and the Board of Executive Directors adopt and direct the operational policy of the Company by giving importance to internal control, audit systems and supervising management to ensure that the Company's objectives and policies are efficiently satisfied within the purview of the laws and the code of business ethics. In the fiscal 2024, the Company complied with the following categories of corporate governance principles

Reference link for the full version of corporate governance policy and guidelines : <https://www.mitsubishi-kye.com/EN/corporate-comp.asp>

#### 6.1.1 Policy and guidelines related to the board of directors

Are there policy and guidelines related to the board of directors : Yes

Guidelines related to the board of directors : Nomination of directors, Determination of director remuneration, Board performance evaluation

#### Nomination of directors

##### Committee Member Composition

1. The committee shall consist of at least 5 members which are Member of the Board of Directors of the company. Three of them shall be independent Directors and two shall be Executive Directors. Chairman shall be an independent director.
2. At least half of the members shall be Independent Directors.
3. The secretary shall be the management of the company who has financial or management knowledge and be designated by the chairman of the committee to perform and support the meeting.

##### Committee Qualification

1. Shall be designated by the resolution of the Board.
2. Shall be knowledgeable in management experience.

Nomination and Remuneration Committee was appointed by the Board of Directors, composed of five members:

- |    |             |                |   |
|----|-------------|----------------|---|
| 1. | Mr. Manu    | Leopairote     | Chairman of the Nomination and Remuneration Committee |
| 2. | Mr. Praphad | Phodhivorakhun | Member of the Nomination and Remuneration Committee   |
| 3. | Mr. Keiji   | Oya            | Member of the Nomination and Remuneration Committee   |
| 4. | Dr. Apichai | Boontherawara  | Member of the Nomination and Remuneration Committee   |
| 5. | Mr. Pumipat | Sinacharoen    | Member of the Nomination and Remuneration Committee   |

##### Duty and Responsibility of the Nomination and Remuneration Committee

1. To establish, and ensure clarity and transparency of, the policy, rule and method for nomination and remuneration of the Directors, Executive Directors and members of other board committees and propose for the Board of Directors' approval.
2. To nominate, select and propose qualified persons, as defined by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), to serve as the Directors, Executive Directors and members of all board committees for approval by the Board of Directors.
3. To review the structure of the Board of Directors and remuneration in conformity with changes in rules and regulations of the SEC and the SET by basing on the core structure of the Board of Directors, Board of Executive Directors and all board committees, and to review and ensure that it fits with the Company's business status and is commensurate with their duties and responsibilities for further approval by the Board of Directors.
4. To review and amend the NRC Charter to conform to changes in rules and regulations of the SEC and the SET.
5. To perform any tasks as assigned by the Board of Directors and concerned with directors' nomination and remuneration.

#### Term of service

1. Shall be in accordance with the term of service of the member of the Board of Directors.
2. The retirement of committee member means the retirement from the board or expiration of the service term or resignation or discharge.

#### Meeting

1. The Chairman shall call the meeting when appropriate.
2. The present of two-third of all members shall constitute a quorum.
3. The Chairman shall call a special meeting with relevant managements when appropriate.

#### Report

1. Shall disclose policy of nomination and remuneration in the Annual Report.
2. Shall report the performance of the committee to the Board and report the determination of remuneration in the Annual Report

Reference link for the nomination of directors policy and : <https://www.mitsubishi-kye.com/EN/corporate-comp.asp>  
guidelines

### Determination of director remuneration

The Company places great importance on determining director remuneration based on the principles of fairness, transparency, and alignment with the responsibilities, duties, and scope of work of each director. This approach is intended to attract and retain qualified and competent individuals to effectively oversee the Company's operations. The key principles are as follows:

#### Remuneration Determination Criteria

1. Based on the scope of responsibilities of each director's position, as well as their knowledge, expertise, and experience beneficial to the Company.
2. Taking into account the Company's performance and business scale to ensure appropriateness.
3. Benchmarking against companies in the same industry and listed companies of similar size.

Types of Remuneration Director remuneration is categorized into the following types:

1. Monthly Remuneration: Paid to members of each board committee.
2. Meeting Allowance: Paid based on the number of meetings attended by each director.
3. Other Remuneration (if any).

#### Remuneration Approval Process

1. The Nomination and Remuneration Committee is responsible for proposing the remuneration framework and rates for directors to the Board of Directors.
2. The Board of Directors reviews and endorses the proposal before presenting it for approval at the shareholders' meeting.

#### Disclosure of Information

The Company shall disclose details of director remuneration clearly, transparently, and comprehensively in the Form 56-1 One Report and the Annual Report, including the total amount paid under each type of remuneration.

Reference link for determination of the director remuneration : <https://www.mitsubishi-kye.com/EN/corporate-comp.asp>  
policy and guidelines

### Board performance evaluation

In accordance with good corporate governance principles for listed companies, the Board of Directors and the sub-committees of a listed company should conduct a self-assessment at least once a year. This allows the Board to jointly review performance and identify areas for improvement. Accordingly, the Company has reviewed and adopted appropriate assessment criteria and topics in line with the self-assessment guidelines provided by the Stock Exchange of Thailand. At the Board of Directors' meeting held on February 13, 2025, the Board approved that the Board of Directors shall conduct an annual self-assessment, at least once a year. The year 2025 marks the ninth year that the Company has implemented this process. The assessment for this year was conducted on an individual basis. The Company, through the Corporate Secretary, distributed the self-assessment forms to the directors in February 2025 and has compiled the assessment results accordingly.

The Company by the Company Secretary sent the Board members the self-assessment form in February 2025 for the Board to evaluate



their 2024 performance, and the result of which was reported to the Board meeting on May 19, 2025.

The Board's self-assessment result for 2024 comprised three sections:

1. Board structure and qualifications
2. Board of Director meeting
3. Roles, duties, and responsibilities of the Board

In conclusion, the earned average score is 3.98 out of the full score of 4. All criteria points have good average score (in a 3.0-4.0 range), reflecting the Board's performance of duties according to the good corporate governance principles at a well to excellent level.

Note: Scoring system and definition:

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Fair or moderately conducted
- 3 = Agree or well conducted
- 4 = Strongly agree or excellently conducted

Attendance of Directors

In fiscal 2024, the Company held a total of 6 Board of Directors' meetings. Meetings of other board committees consisted of four meetings of the Audit Committee, three meetings of the Product Pricing Committee, and one meeting of the Nomination and Remuneration Committee. In contrast, the Board of Executive Directors holds meetings twice a month to enable the Company to carry on its operations with flexibility and efficiency. Most of the directors regularly attended meetings. Details of meeting attendance by the individual directors are as 8.1.2:

Reference link for the board performance evaluation policy : <https://www.mitsubishi-kye.com/EN/corporate-comp.asp>  
and guidelines

## 6.1.2 Policy and guidelines related to shareholders and stakeholders

Are there policy and guidelines and measures related to : Yes  
shareholders and stakeholders

Guidelines and measures related to shareholders and : Shareholders, Employee, Customer, Business competitors, Suppliers,  
stakeholders Creditors, Government agencies, Community and society, Other  
guidelines and measures related to shareholders and stakeholders

### Shareholders

The Company recognizes the caring and respect for rights of the shareholders in accordance with corporate governance principles, as described in the topics 'Rights of Shareholders' and 'Equitable Treatment of Shareholders'.

Rights of Shareholders

The Company recognizes the rights of shareholders to access correct and adequate information of the Company on a timely and equal basis. The Company submits notice of the shareholders' meeting together with documents containing complete and sufficient information for the meeting to the shareholders in advance as required by laws and providing important details of the proposed issues, rationale and necessity, and the opinion of the Board of Directors. Those who are not convenient may appoint a proxy or any of the Company's independent directors, who also are members of the Audit Committee, to attend the meeting and cast votes on their behalf. Moreover, the information is made available through the Stock Exchange of Thailand's SET Portal Straight Through system.

The Company sets to hold an annual general meeting of shareholders within 4 months from the end of the fiscal year. In 2024, the Company convened one annual general meeting of shareholders on Friday, July 25, 2025 via electronic media (E-AGM) in accordance with the Emergency Decree E-meetings, 2563 B.E. The meeting system and broadcast live were from meeting room 121, Kang Yong Electric Public Company Limited to enable the shareholders to consider, comment or vote on the proposed issues properly at the meeting. Members of the Board of Directors, the Audit Committee and other Board committees, as well as the certified public accountants and the management of the Company, were present at the meeting to answer all queries raised by the shareholders on an equitable basis. Questions and answers were correctly and completely recorded in the minutes of the shareholders' meeting. The

Board of Directors prepared the minutes of the shareholders' meeting and made it available on the Company's website within 14 days after the meeting date for the shareholders' ease of reference and examination.

The meeting was carried out as in the order set in the agenda without addition of any items. E-meeting for registration and to view the live audio-visual system from the meeting, using the E-Voting system to vote on each agenda

#### Equitable Treatment of Shareholders

The Company fully conforms to the code of best practices in relation to rights of the shareholders. In particular, the shareholders are given the right to propose agenda items for the annual general meeting and/or to nominate candidates for director election in advance, thus signifying a fair treatment of all shareholders. For the 2024 Annual General Meeting of Shareholders, the Company arranged for the shareholders to propose agenda items for the said meeting and/or nominate qualified persons for director election in advance during January 18 – March 17, 2024, and so notified the shareholders through the SET. Moreover, the Company posted information on its website at [www.mitsubishi-kye.com](http://www.mitsubishi-kye.com), giving details about the procedure and method of consideration in a clear and transparent manner. For the 2025 Annual General Meeting of Shareholders, none of the shareholders proposed agenda items for such meeting and/or nominated qualified candidates for director election.

As for the 2025 Annual General Meeting of Shareholders, scheduled to be held in this July, the Company has similarly given the shareholders the right to propose agenda items for the meeting and/or to nominate candidates for director election in advance, by forwarding their proposed agenda items and director nomination to e-mail address at [information@kye.meap.com](mailto:information@kye.meap.com) or by fax or registered mail during January 18 - March 17, 2025, the matter of which was already notified by the Company to the SET, none of the shareholders proposed agenda items for such meeting and/or nominated qualified candidates for director election.

The Company has also provided convenience to non-Thai shareholders by making available meeting notice and relevant meeting documents in English version to communicate with non-Thai shareholders with due regard to their equitable rights as the shareholders of the Company.

## Employee

1. Employees are provided with fair and reasonable compensation and welfare as follows:
  - Staff shuttle buses are provided for employee transport between the office and their residences.
  - Company canteens that offer hygiene food at a reasonable price.
  - Annual scholarships are granted to employees' children from elementary school to bachelor's degree level.
  - Other fringe benefits are also offered to employees at all levels, comprising wedding celebration, maternity leave, assistance in case of death of employees or any of their family members, provident fund, yearly health check-up, and savings cooperative.
2. A safe workplace has been maintained to ensure security of employees' life and properties.
3. Employee promotion, rotation, rewarding, and punishment are conducted in a fair and ethical manner based primarily on the individual employees' educational background, competence and justification.
4. Importance is given to employees' equal opportunity of knowledge, capability, and skill development on a consistent basis.
5. All applicable employee-related laws and regulations are strictly observed.

## Customer

1. Products of a quality that meets or exceeds customers' expectations are delivered to customers under fair terms and conditions.
2. Customers are provided with correct, adequate, and up-to-date information about products and services to be a basis for their buying decision. No exaggerated message should be sent, whether through advertising or any other communication media, which could cause misrepresentation of quality, quantity or any conditions about the products and services among the customers.
3. Customers' confidential information is strictly treated and is not unethically used for personal benefit or for the benefit of any related party.
4. Customers' requirements are promptly satisfied, and an efficient communication system and channel is provided for customers to file their complaints about product and service quality.
5. Consistent efforts are made on research, development, and production of quality and safe products.

## Business competitors

1. The Company abides by the fair competition rules.
2. The Company will not acquire its competitors' trade secrets by any unlawful or improper means.

3. The Company will not defame its competitors with any false or unethical accusation.
4. The Company has a policy in place to perform in compliance with the fair-trade rules and laws, both at home and in the regions where its business is located, as well as anti-monopoly law and other trade competition laws.
5. The Company will not infringe the intellectual property rights or any other rights in relation to intellectual property of others.

## Suppliers

1. Creditors are treated fairly and equitably with fair benefits to both parties.
2. All agreements and agreed terms and conditions are strictly honored. In the case where any condition cannot be fulfilled, the Company will promptly notify its business partners and/or creditors in order to jointly seek remedial measures.
3. In making any business deal, fraud by demanding, receiving, or seeking of any improper benefit must be avoided.
4. If any fraud by such demand, receipt or seeking of improper benefit is discovered, it must be notified to the creditors in order to jointly solve the problem in a fast and fair manner.
5. In the acquisition, procurement and selection of a trade partner company, such factors as quality, price, delivery period, technology and consistency in product supply will be taken into consideration.
6. A correct, complete, and punctual financial report must be regularly submitted to the creditors.

## Creditors

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## Government agencies

The Company recognizes the role and significance of government agencies and public authorities in regulating, promoting, and driving sustainable development. Accordingly, the Company has established clear policies and practices for its interactions with government entities, based on key principles of transparency, legal compliance, and the avoidance of conflicts of interest. These practices include:

1. Strict compliance with relevant laws, regulations, rules, and standards issued by public authorities
2. Professional and ethical coordination with government agencies
3. Providing employee training on anti-corruption and proper conduct in dealings with public sector representatives
4. Disclosing information appropriately and transparently in accordance with legal requirements
5. Establishing channels for complaints or whistleblowing related to improper conduct

## Community and society

1. The Company has inculcated in its employees social and environmental awareness and responsibility in accordance with the ISO 14001 standard.
2. The Company is responsible for and committed to preserving the environment as well as the custom and tradition of the local communities where it operates.
3. The Company regularly implements activities, both on its own and through joint effort with the government sector, for the development of society, community and environment so as to upgrade quality of life in the communities where it operates.
4. Attempts are made to prevent an accident and control waste discharge to be better than the acceptable level.
5. The Company will promptly and efficiently address any issue arising from its operation that affects the environment and the community and will fully cooperate with the government sector and other concerned agencies.

## Other guidelines and measures related to shareholders and stakeholders

### Compliance with other good corporate governance principles

The Company attaches importance and adheres to corporate governance and business ethics by considering the appropriateness with the Company's business environment and the benefit to the Company as a whole, as well as, the Company's shareholders and stakeholders. Those additional good practices are:

1. The Company gives precedence to the issuing of annual general meeting invitations to shareholders in advance to provide the shareholders with sufficient and appropriate time to study the information. Also, the Company sets a date for the shareholders' meeting during July of every year, which the shareholders tend to be able to attend the meeting conveniently. The invitation letter for the shareholders' meeting also subjects to be posted on the Company's website not less than 30 days prior for the shareholders to prepare the meeting information in advance.
2. The Company has consistently established measures to safeguard the rights of minority shareholders, such as allowing them to nominate individuals for election as directors and propose agenda items for the Annual General Meeting of Shareholders in advance.
3. The Company examines the rights of shareholders to attend the annual general meeting thoroughly, in order to ensure that the proxy is correct and does not violate the rights of other shareholders who participate in the meeting.

## 6.2 Business code of conduct

### Business code of conduct

Business code of conduct : Yes

The Company adheres to its management philosophy as the guiding principle in conducting business, with a strong awareness of its responsibilities toward society at large. It encourages directors, executives, and all employees to carry out their duties in accordance with the following eight principles of business ethics:

#### 1. Strict Compliance with Laws and Contracts

The Company places utmost importance on legal compliance as a fundamental principle. It shall not enter into any contracts or agreements that violate laws, regulations, or social norms, and shall build trust with business partners through honesty and strict adherence to agreements. Furthermore, it is committed to conducting business in alignment with widely accepted ethical standards.

#### 2. Respect for Human Rights

All business activities are conducted with respect for human rights, without discrimination based on nationality, ethnicity, race, gender, age, beliefs, religion, social status, gender identity, sexual orientation, disabilities, or any other grounds. The Company shall not be involved in any actions that disregard human dignity, such as harassment, defamation, threats, or coercion.

#### 3. Contributing to Society

The Company operates as an enterprise that generates fair profits while remaining mindful of its responsibility to contribute to the overall development and well-being of society.

#### 4. Promoting Harmony in Local Communities

The Company dedicates itself to being a responsible member of local communities by actively participating in community development and social contribution activities.

#### 5. Participation in Building a Sustainable Society

The Company conducts its business with consideration for creating a society that promotes circular resource use and contributes to long-term sustainability.

#### 6. Awareness of Workplace Responsibilities

The Company recognizes its duty as a business operator to protect and manage its assets, including personal data and both tangible and intangible corporate property. It upholds the Company's image, information integrity, and efficient use of time, refrains from political partisanship, ensures that only factual information is disseminated, and strictly maintains a clear separation between company matters and personal affairs.

#### 7. Fair Relationships with Stakeholders

The Company is aware of its responsibilities to society and all stakeholders, conducting business and building relationships based on fairness and integrity. This fosters cooperation that contributes to the sustainable growth and success of the Company.

#### 8. Managing Conflicts of Interest

The Company has established a strict internal control system to prevent the misuse of authority for personal or group gain. It is committed to transparent, fair, and accountable business practices.

Policy and guidelines related to business code of conduct : <https://www.mitsubishi-kye.com/EN/corporate-comp-manual.asp>

### Policy and guidelines related to business code of conduct

Guidelines related to business code of conduct : Prevention of conflicts of interest, Anti-corruption, Whistleblowing and Protection of Whistleblowers, Preventing the misuse of inside information, Money laundering prevention, Gift giving or receiving, entertainment, or business hospitality, Compliance with laws, regulations, and rules, Information and assets usage and protection, Anti-unfair competitiveness, Information and IT system security, Environmental management, Human rights, Safety and occupational health at work, Other guidelines related to business code of conduct

### Prevention of conflicts of interest

The directors and the management must make any decision and action for the Company's best interests. If there is a conflict of interest, directors or executives will bring such matters to the Board of Directors or the shareholders' meeting to consider the necessity of doing the said transaction and the impact that will occur, as the case may be. In considering and approving

transactions that may cause conflicts of interest, directors with interests in such transaction will not be able to vote in that resolution. In addition, the new Securities and Exchange Act has assigned the Company's directors and executives to prepare reports on their interests and related persons for the Company to acknowledge. The Act also stated that directors, the management, and their related persons are responsible for preparing a report on the change in holding the Company's securities within three business days after the transition to the Company. The corporate secretary is eligible for sending copies to the Chairman of the Board of Directors and the Chairman of the Audit Committee every six months regularly. Besides, the Company has reported the connected transactions following the Securities and Exchange Commission (SEC) rules, which were disclosed in the financial statements and the annual registration statement.

## Anti-corruption

### Anti-Corruption Policy

The Company has a policy against corruption announcing on the Company's website to enable all directors, executives, and employees to perform their duties under the Company's business ethics and to fight against corruption in all forms. To build confidence in the Company's stakeholders, the Company has set up the appropriate anti-corruption guidelines and measures, clear anti-corruption training for employees and anti-corruption communication both internally and externally.

### Anti-Corruption actions

The Company has Anti-Bribery Rules, which is a requirement and guideline for the Company, directors, and employees to comply with and requires all employees to operate their work with honesty and express their awareness of their duties and responsibilities.

### Other important actions

- Requested cooperation from the supplier to refrain from giving any gifts to executives or employees in the New Year season and any other festival.
- Provided training and campaigning for employees to realize the importance regularly through the ME-Learning system and an exhibition.

## Whistleblowing and Protection of Whistleblowers

### Compliance Whistleblower

The Company has regulations to support whistleblowing, either seeing any action or behavior from both the organization and the employee who imposes misconduct violates or may infringe on conduct against legal requirements or the Business Ethics. The more promptly the Company can gather and communicate, the more reducible effect will occur to the Company from that action or behavior. Therefore, the Company establishes a Whistle Blower channel for all stakeholders to report clues or complaints encountering any incidents or actions against the law and business ethics that may cause damage to the Company. The Company also has set guidelines and acknowledges all stakeholders every year. Those who witness the above events or actions shall gather information, clues, and evidence to verify the facts as much as possible, then notify directly to the Company by sending feedback or document complaints to the following address.

Attention to:           Manager of the Internal Audit Control Office  
                                  Kang Yong Electric Public Company Limited  
                                  P.O. Box 49, Bangna Tower 10541  
                                  Or send electronic information to  
                                  E-mail address: [hotline@kye.meap.com](mailto:hotline@kye.meap.com)

The Manager of the Internal Audit Office and the investigation team, appointed by the Chairman of the Board of Directors or Managing Director according to the Company announcement, will take into account. It is essential to protect and prevent any impact on the whistleblower as it is confidential information. The Company shall act fairly by referring and proving the information received and quickly decide to take further action on the matter or problem appropriately. To make whistleblowing information purely and fairly and certify the truthful information, the Company requests a specific full name with clear contact. If necessary, the Company may request additional information for consideration of the result of such action. In the past year, the Company receive any information has taken action.

## Preventing the misuse of inside information

The Company has in place measures and policies for managing security of its confidential business information, including not only trade secrets but also other significant information, so as to prevent any leak of such information as well as prevent any executive or work unit that has access to insider information from disclosing it to any third party or any person unrelated to

the Company's business. The Company has therefore established a hierarchy of information secrecy and a framework of responsibility, including individuals who are authorized to access the information to prevent the use of insider information for personal benefit or for the benefit of other parties, whether directly or indirectly.

In addition, the Company discloses the holding of securities by its directors, top management, and finance department manager in the annual report. Any change in such securities holding shall be reported to the SEC under the Section 59 of the Securities and Exchange Act B.E.2535, and also notified to the Company Secretary for preparing a report on change of securities holding and outstanding amount of securities holding by the directors and top management for further submission to the next meeting of the Board of Directors.

## Money laundering prevention

Anti-social Forces Resistance and Anti-money Laundering

1. We will not have any relationship with and will not conduct business with any anti-social forces (including crime syndicates, terrorists, drug dealers). If any demand is made by anti-social forces, we refuse such demand.
2. We comply with applicable anti-money laundering, anti-corruption and anti-social forces laws and regulations.

Reference link for money laundering prevention : [https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code\\_of\\_Conduct\\_en.pdf](https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code_of_Conduct_en.pdf)

Page number of the reference link : 33

## Gift giving or receiving, entertainment, or business hospitality

Prohibition of Bribery, Improper Gifts, or Entertainment

1. We shall not engage in bribery or make improper payments in any country or region where we conduct business. If we are requested to provide a bribe by government officials, individuals, or private companies, we shall firmly reject such requests.
2. We shall conduct business only with third parties who have been assessed as having integrity. We will carefully select and manage third parties—such as distributors, dealers, consultants, and other external partners—and take appropriate measures to ensure they do not make improper payments, such as bribes, on our behalf.
3. In cases involving the provision of gifts, entertainment/travel, sponsorship, or donations, we shall act appropriately in compliance with applicable laws and social norms. Such actions will be carried out in a manner that avoids any suspicion of improper payments.

Reference link for gift giving or receiving, entertainment, or business hospitality : [https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code\\_of\\_Conduct\\_en.pdf](https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code_of_Conduct_en.pdf)

Page number of the reference link : 17

## Compliance with laws, regulations, and rules

Compliance with the Law

The Company recognizes legal compliance as a fundamental principle and is committed to conducting its business in alignment with broadly accepted ethical standards in society.

## Information and assets usage and protection

Confidential Corporate Information Protection

1. We appropriately safeguard and protect our confidential corporate information against risks of external cyber attacks, internal misconducts, etc. The protection applies to information of all formats, including on paper, electronically in documents or in IT applications and systems.
2. We respect the confidential corporate information of others. We obtain necessary confidential corporate information of others in a lawful and appropriate manner, including by entering into confidentiality agreements with appropriate and reasonable terms, and protect and manage them in compliance with the confidentiality agreements.

Reference link for information and assets usage and protection : [https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code\\_of\\_Conduct\\_en.pdf](https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code_of_Conduct_en.pdf)

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## Anti-unfair competitiveness

The Company is steadfast in conducting business ethically and transparently based on its management philosophy with awareness of corporate responsibility for the society at large. It encourages the directors, management, and all staff members to perform duty under the code of ethics and in line with the Mitsubishi Electric Group Conduct Guidelines, which the Company first communicated to its employees as work rules in 2007 and has revised from time to time to suit the circumstances, as below:

### Fair Competition

- The Company adheres to the principle of conducting business in strict conformity with rules and laws governing trade competition and monopolization, both domestically and overseas, as specified in the “Mitsubishi Electric Group Conduct Guidelines”. The Company has put in place “criteria for compliance with trade competition law” for internal implementation regarding “do’s and don’ts” about meetings of trade associations or conferences and transactions with competitors to prevent Cartel grouping under trade competition and anti-monopoly law in its handbook for meetings and transactions with competitors since December 24, 2015. To ensure right understanding and practice according to such criteria, it has continually trained new executives and employees with self-learning system (E-Learning).
- The Company will not consent to, agree to, or exchange information with competitors in a way that could unreasonably restrict competition regarding products, prices, production, salability, sales conditions, bidding, or any other agreements, whether verbal or in writing, or expressed or implied. It will not have communication with competitors in any manner that could reasonably cause unfair competition.
- The Company will not violate any intellectual property rights, or any other rights related to the intellectual property of any person by complying with the rules on intellectual property management.

## Information and IT system security

### Confidential Corporate Information Protection

1. We appropriately safeguard and protect our confidential corporate information against risks of external cyber attacks, internal misconducts, etc. The protection applies to information of all formats, including on paper, electronically in documents or in IT applications and systems.
2. We respect the confidential corporate information of others. We obtain necessary confidential corporate information of others in a lawful and appropriate manner, including by entering into confidentiality agreements with appropriate and reasonable terms, and protect and manage them in compliance with the confidentiality agreements.

Reference link for information and IT system security : [https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code\\_of\\_Conduct\\_en.pdf](https://www.mitsubishielectric.com/global/common/pdf/sustainability/governance/compliance/education/Code_of_Conduct_en.pdf)

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## Environmental management

**Environmental Policy and Practice** The Company is well aware of the importance of the environment; therefore, the policy and goals are clearly defined and reviewed for continuous improvement annually. Employees at all levels have to adhere.

According to the 2024 Environmental Management Policy, To realize a prosperous society in which a "sustainable global environment" and a "safe, stable, and comfortable society" by abiding with social norms and laws, as declared in one of the most important management policies, which the Company issues activities entitled to the system as follows:

1. Implement an environmental management system with periodic reviews and promote continuous improvement.
2. Strive to expand eco-friendly products that reduce the environmental impact of the entire product life cycle while creating products that create a comfortable living environment.
  - Strengthen development of energy-saving products to achieve a carbon neutral society.
  - Strengthen 3R development aimed at creating a circular economy.
  - Comply with environmental regulations related to products.
3. Promote an eco-factory and aim for a production system that conserves resources and has a low environmental impact.
  - Promote energy saving in manufacturing processes to achieve a decarbonized society.
  - Reduce CO2 emissions in transportation
  - Promote total waste generation control, resources recycling, efficient use of water and reduction of pollution load.
  - Reduce the use of chemical substances, substitution and appropriate management.
  - Reduce the emissions of greenhouse gases other than CO2
4. Disseminate the environmental policy, provide technical guidance, and strive for ecological improvement activities for all



employees, affiliated companies, and cooperating companies as a whole SCM

5. Strengthen communication with local communities and raise awareness of environmental conservation by participating in local volunteer activities.
6. Comply with environmental laws, regulations, and other requirements, strengthen risk management, and improve environmental conservation.
7. Implement a Carbon Footprint Organization (CFO) and improve greenhouse gas management strategies and awareness.

#### Environmental Performances

The company continues to focus on implementing preventive environmental strategies to increase the efficiency of the production process and reduce risk to humans and the environment by using resources efficiently and clean production (Resource Efficient and Cleaner Production: RECP) and adopting the principle of 3Rs (Reduce, Reuse, Recycle) as a guideline for production activities to make the use of resources worthwhile such as;

- Encourage each department to carry out Paperless projects to reduce paper usage. Encourage each department to carry out Paperless project to reduce paper usage including the application of appropriate IT technology such as Simmpro program (Simmpro maintenance management system), E-Quotation request, Alfresco software, Memo online, Training application, etc.
- Reduce product electrical power.
- Reduce the weight of finished goods.
- Reduce plastic pellets, oil paints and powder paints, metal scrap, varnish, R134a refrigerant, resulting in the reduction of Greenhouse Gases (GHG) and carbon dioxide.
- Promote the reuse of plastic scrap, POM runner and plastic runner.
- Promote the reuse of treated water by installing a recycled water filtration system.
- Reduce the use of plastic bags, foam containers, thin plastic cups, and plastic straw inside the Company.
- Promote employees to reduce food waste in the company.
- Promote and support green procurement continuously by considering ordering office equipment and consumables that have been certified for environmentally friendly products such as green label products green basket labels Carbon Footprint Reduction labels, etc.
- Promote conservation of biodiversity by adding green areas within the Company.
- Promote the adoption of circular economy principles in business operations.
- Organize training for all new employees on environmental conservation.
- Perform activities focusing on controlling the operations of various activities to prevent environmental toxicity.
- Carry a campaign for recycling waste sorting to reduce the amount of landfill waste, and setting up a clean and well-managed waste sorting center
- Select industrial waste disposal operators that are authorized by the Department of Industry only and abolish landfill (Zero landfill).
- Promote changes in waste disposal methods from incineration to recycled instead.
- Change the metal material to a pre-coated metal (PCM) to cancel the painting process.
- Improve the quality of wastewater before discharging into public canals by controlling water quality before releasing it to be 20% more stringent than the law. Install a real-time water quality monitoring and alerting system. When the water quality is lower than the control criteria, the floodgate will close automatically to prevent it to the outside.
- Conduct environmental quality measurements, including wastewater quality, effluent quality, rainwater gutter, the air exhausted from the chimney, and noise level, to follow up and report to concerned government agencies.
- Checking the condition of the shuttle bus to reduce the emission of black smoke.
- The Company has been certified Green Industry Level 4 (Green Culture) by the Ministry of Industry, which represents an environmentally friendly business operation adhering to business operations with social responsibility inside and outside the Company, aiming for sustainable industrial development throughout the supply chain.

## Human rights

#### Social Policy and Practice

The Company focuses on doing business with respect for human rights and responsibility to stakeholders by adhering to the following practices:

##### 1. Respect for Human Rights

The Company has established a code of conduct in accordance with the model of the Mitsubishi Electric Group by fostering respect for human rights without discrimination as to nationality, race, religion, social status or disability of its employees. It makes sure that no harassment of human right or discriminative action takes place while upholding a fair practice and ensuring job security for employees at all levels. Job opportunities are provided for non-Thai labor and the disabled as part of its

workforce.

The Company assigns the employees duties of their capability based on the labour structure under Thai labour laws with proper welfare and benefits conducted by the welfare committee available under the same standards. Moreover, the Company arranges meetings with the labour union on a monthly basis, with a common goal of improving the quality of working life and building up good labour relations between the Company and the employees. As a testament to its relentless efforts in this issue, the Company has received the Workplace with Outstanding Labour Relations and Welfare Management Award from the Department of Labor Protection and Welfare, the Ministry of Labour, for 16 consecutive years. This award has demonstrated an outcome of the Company's determination in labour relations management with best practices so clearly, and of which the Company, the labour union, and the employees have been proud.

## 2. Fair Treatment of Labour

### Salary and Welfare

The Company has adjusted its salary structure to be compatible with competition in the labor market and to a rate above the authority's minimum wage payment as moral support for the employees' performance of duties. Performance of employees of all levels evaluated twice a year and the results of which used to determine annual promotion and salary increment.

Moreover, the Company has set up Workplace Welfare Committee following Labor Protection Act, B.E.2541, Section 96, with employee committee members and management representatives appointed to coordinate with Workplace Welfare Committee in determining welfare

structure guidelines beneficial to the employees. Such committee will jointly meet to consider rationalizing basic welfare package in each year in line with the rising cost of living as a way to help cut down expenses for the employees. Employees also provided with the cost of living allowance, diligence allowance, and lunch allowance, as well as improvement of welfare canteen more coverage of medical expenses, annual health check-up, etc.

To improve employees' quality of life, the Company offers additional benefits apart from the basic welfare as below.

- Establishing Kang Yong Electric Saving Cooperatives since 2002 to enhance economic and social benefits to members through self-support and support for one another according to the cooperatives principle, comprising lending of loans at lower interest rates than commercial banks, financial assistance for members affected by natural disasters, and occupational training for retired employees.
- Arranging a flea market with affordable price products for employees.
- Arranging recreational activities for skill development and entertainment purposes, which will have positive effects on their mental and physical wellness, etc.
- Establishing a walled-off area as a lactation corner for employees, who are breastfeeding mothers, a breastfeeding support program provided by the Company since October 2016.
- Establishing a gym in the building (fitness room) from November 2019.

## Safety and occupational health at work

### Occupational Health and Safety Policy

The Company is always aware that everyone working in the company are a group of people who are the key to moving the organization forward to success and prosperity. Therefore, the company is focusing on creating a workplace culture that "prioritizes the safety, physical health, and mental well-being of everyone working in the company". Aiming to create a safe, happy, and healthy environment that encourages energy and enthusiasm. This culture relies on everyone taking responsibility for their own safety and their colleagues while implementing initiatives to eliminate dangerous behaviors and hazards.

### [Safety Slogan]

Promoting continuous safety activities through risk-taking prevention and predictive activities.

### [Basic Policy]

1. Promote continuous improvement of safety and health, workplace management by disseminating, observing, and implementing occupational health and safety and environmental management systems as the foundation of management.
2. Pursue zero accidents by establishing culture that prioritize safety and individual awareness.
3. Support achieves the fundamental safety target (zero dangerous behaviors and zero hazards) by thoroughly implementing health and safety activities at the workplace and evaluating risk assessment with all employees and employees of affiliated companies.
4. Strengthen the prevention of traffic and occupational accidents through organizational efforts to raise individual awareness

of occupational health and safety and traffic safety.

5. Achieve sustainability by creating a workplace environment where people can work actively by maintaining fundamental physical and mental health and preventing occupational diseases, contagious diseases, and infectious diseases.

#### Occupational Health and Safety Operations

##### 1. Occupational Health, Safety and Environment

The Company incorporates occupational health, safety, and environment into the yearly policy and action plan so that the executives, supervisors, and staff at all levels will cooperate in the implementation according to the policy consistently and efficiently. The Occupational Health, Safety and Environment Committee has set up composed of senior executives, supervisors at all levels and the labor union to ensure compliance with ISO 14001 environmental management standards and occupational health, safety and environment rules and regulations, as follows:

- The 5S and Kiken Yoshi Training (KYT) programs are used as a basis for implementing tasks according to the organization structure with the rectification of any risk-prone area that may cause danger, upholding the rules and regulations, and ensuring staff wear personal safety equipment that is up to standards in a risky area on a strict basis.
- All systems and measures are improved to prevent any danger from the operation of machinery and tools, such as the installation of equipment separating the workspace of the machinery controller from the machinery spot. Staff are supervised and trained about using newly procured tools and machines with new technology based on risk assessment to mitigate risks at the average level or higher. Risks at all levels across the organization are contained, and annual occupational health, safety, and environmental objectives must be communicated to concerned staff to consistently perform this task and develop a knowledge base in operation.
- Safety knowledge and training are made available for all the employees. Safety exhibitions are regularly organized yearly to settle awareness of occupational health, safety, and environment, both theoretical and practical, in existing and new employees to prepare for actual operation
- The Company has simulated possible accident risk by setting up an unsafe realization room for the production line and office to build awareness of potential danger and underline the degree of workspace inspection by supervisors to ensure safety. Traffic in the Company premises is improved to ensure safety for work operators and visitors, with a precise specification of a pedestrian path around the building and a pedestrian crossing.
- Enhance the safety awareness for all employees and all departments by organizing Safety Talk to share the information that employees can practice. The content includes rules, regulations, and safety practices to ensure maximum workplace safety.
- The Company is committed to preventing accidents from working based on the idea that accidents from work-related can be avoided by encouraging ongoing safety activities continuously. Those activities are designed under the Occupational Health and Safety plan to reduce the statistics of accidents in the workplace to zero, leading to a safety culture for safe workers and good health. As a result, the Company received a plaque of honor from Zero Accident Campaign 2025 by receiving the award Platinum level for seven consecutive years.
- Enhance the awareness of occupational health for all employees, all departments by organizing Health Talk to maintain employees' physical, mental health and well-being in society and prevent health deviations caused by work.

##### 2. Safety Outside Office Hours

Individual employees are deemed not only as a driving force for the Company's business operation to move forward with success, but also as a tower of strength for their family. Therefore, they must be both mentally and physically healthy to be ready for their work, especially for those who work in risk-prone and unsafe areas or even those whose working areas are risk-free. The Company provides welfare and arranges health-concern activities for the employees, such as anti-drug sports competition, don't drive drunk campaign from the eve of long holidays to enhance social responsibility awareness in order to prevent accidents during employees' trips back home upcountry and back to work, random drug and alcohol testing on staff shuttle bus drivers, and safety helmet campaign for staff who use motorcycles. Traffic accidents should be reported in order to increase awareness of traffic accidents and ensure their highest safety.

In addition, emergency report is put in place in case of staff having an accident outside office so that first-aid and urgent support can be timely provided.

## Other guidelines related to business code of conduct

### Information Disclosure and Transparency

The Company has disclosed information as required by the SET, such as financial reports, changes of directors and members of board committees, approval of connected transactions, etc., via the SETLink system after every Board of Directors' meeting or shareholders' meeting and already published such information in the annual report and annual registration statement (One Report) covering report on operating results, financial statements, management's discussion and analysis, and report on the Board of

Directors' responsibility for the financial statements to ensure transparency for the benefits of the shareholders. Investors can also ask for more information by contacting its Investor Relations Division at telephone number 02-337-2900 Ext. 1120 or at e-mail: [information@kye.meap.com](mailto:information@kye.meap.com)

#### Responsibility for Supply Chain

The Company has systematically, scrupulously and formulated a socially responsible procurement policy, entailing procurement control, supply source assessment, supplier selection etc. In doing so, it adheres to the ethical standards on "discharge of duty with integrity and righteousness while maintaining a cordial relationship with business partners" through mutually supporting cooperation as if being alliances in terms of technology, safety, output expansion, environmental problem reduction, and quality standard upgrade, so that they could move together toward business strength and stability.

#### Innovation and Publicizing of Innovation from CSR Activities

The company is committed to promoting a culture of innovation within the organization to enhance competitiveness, respond to market dynamics, and create long-term value for all stakeholders. This is achieved through the following approaches:

1. Establishment of an Innovation Unit

- The Innovation Development Department was established to drive the creation and development of new approaches in manufacturing processes, management, and product design in collaboration with the production department.

2. Development of Learning and Experimentation Support Systems

- The company promotes learning in emerging technologies and concepts such as AI, Digital Manufacturing, and ESG principles through both internal and external training programs.

3. Creation of Platforms for Idea Exchange and Expansion

- Cross-departmental meetings are organized to facilitate the exchange of ideas and creative concepts, along with feasibility studies to assess potential integration into production processes.

4. Development of Collaborative Innovation Networks

- The company collaborates with ME Group affiliates and external partners, including research institutions and academic organizations, to expand knowledge and jointly develop new technologies.

5. Integration of Innovation into Corporate Strategy

- Innovation is positioned as a core corporate value and is integrated into strategic goals, including the development of environmentally friendly products that meet the needs of modern lifestyles.

6. Recognition and Motivation

- The President Awards are organized as a platform for employees to present innovative projects or ideas, aiming to foster motivation, creativity, and continuous improvement.

### **Promotion of compliance with the business code of conduct**

Promotion for the board of directors, executives, and : Yes  
employees to comply with the business code of conduct

#### **Responsibility of the Board of Directors**

The Company operates business by upholding the code of business ethics and business administration philosophy and is well aware of its corporate responsibility for the society at large. It encourages the directors, the management and all staff members to discharge duty under eight aspects of business ethics, encompassing compliance with laws, respect for human rights, contribution to society, creation of unity in the local community, participation in environmental problem solving, awareness of one's duty as a workplace member, promotion of good cooperation with stakeholders, and management of conflict of interest by putting in place a rigid control process to ensure a fair and transparent business operation.

At present, five out of the total 14 board members of the Company are independent directors, which is in compliance with the corporate governance practices requiring that at least one-third of the total number of directors should be independent directors. This helps to ensure that the shareholders' rights and benefits will be taken care of, and the Company's benefits fully protected. It also leads to checks and balances in the board structure since 9 of them are non-executive directors and 5 are executive directors. Under such board composition, the non-executive directors are able to render opinion fully and independently in the consideration on all issues at the board meeting.

The Company has segregated the position, power and duty, and persons between the board chairman and the president to maintain checks and balances between them. The Company also established the Board of Executive Directors to consider essential matters with due care and for the utmost benefit.

### **Participation in anti-corruption networks**

Participation or declaration of intent to join anti-corruption : No  
networks

## 6.3 Material changes and developments in policy and corporate governance system over the past year

### 6.3.1 Material changes and developments related to the review of policy and guidelines in corporate governance system or board of directors' charter

In the past year, did the company review the corporate governance policy and guidelines, or board of directors' charter : No

Material changes and developments in policy and guidelines over the past year : No

### 6.3.2 Implementation of the CG Code for listed companies

Implementation of the CG Code as prescribed by the SEC : Mostly used in practice

#### Good Corporate Governance

Kang Yong Electric Public Company Limited (the "Company") recognizes the importance of good corporate governance in accordance with the Corporate Governance Code (CG Code) for listed companies issued by the Securities and Exchange Commission (SEC). The Company has adopted and applied the CG Code appropriately to suit the nature of its business, aiming to conduct operations with transparency, accountability, and long-term value creation for shareholders and all stakeholders. The Company's key practices are as follows:

#### 1. Responsibilities of the Board of Directors

The Board of Directors is responsible for setting the Company's policies, strategic direction, and overseeing its operations to ensure efficiency, transparency, and adherence to governance principles. The Board performs its duties independently, prudently, and with accountability, focusing on the long-term best interests of shareholders.

#### 2. Defining Objectives to Promote Sustainability

The Company conducts business with a strong sense of responsibility toward society, the environment, and all stakeholder groups. Business objectives are aligned with sustainable value creation alongside economic growth.

#### 3. Board and Executive Recruitment

The Company has in place a structured process for the recruitment and evaluation of directors and senior executives, taking into account competence, integrity, and continuity in leadership.

#### 4. Board Performance Evaluation

The Company emphasizes regular performance evaluations of the Board of Directors and its subcommittees to enhance effectiveness and strengthen corporate governance practices.

#### 5. Promoting an Ethical Corporate Culture

The Company has established a Business Code of Conduct and an Ethics Handbook as operational guidelines for all employees. Directors and executives are expected to serve as role models and promote integrity throughout the organization.

#### 6. Risk Management and Internal Control

The Company continuously assesses and manages business risks and has implemented an effective internal control system under the oversight of the Audit Committee. This ensures operational efficiency and compliance with applicable laws and regulations.

#### 7. Disclosure and Communication

The Company is committed to accurate, complete, timely, and fair disclosure of information through appropriate channels such as the annual report, the Company's website, and shareholders' meetings. This fosters transparency and builds trust among stakeholders.

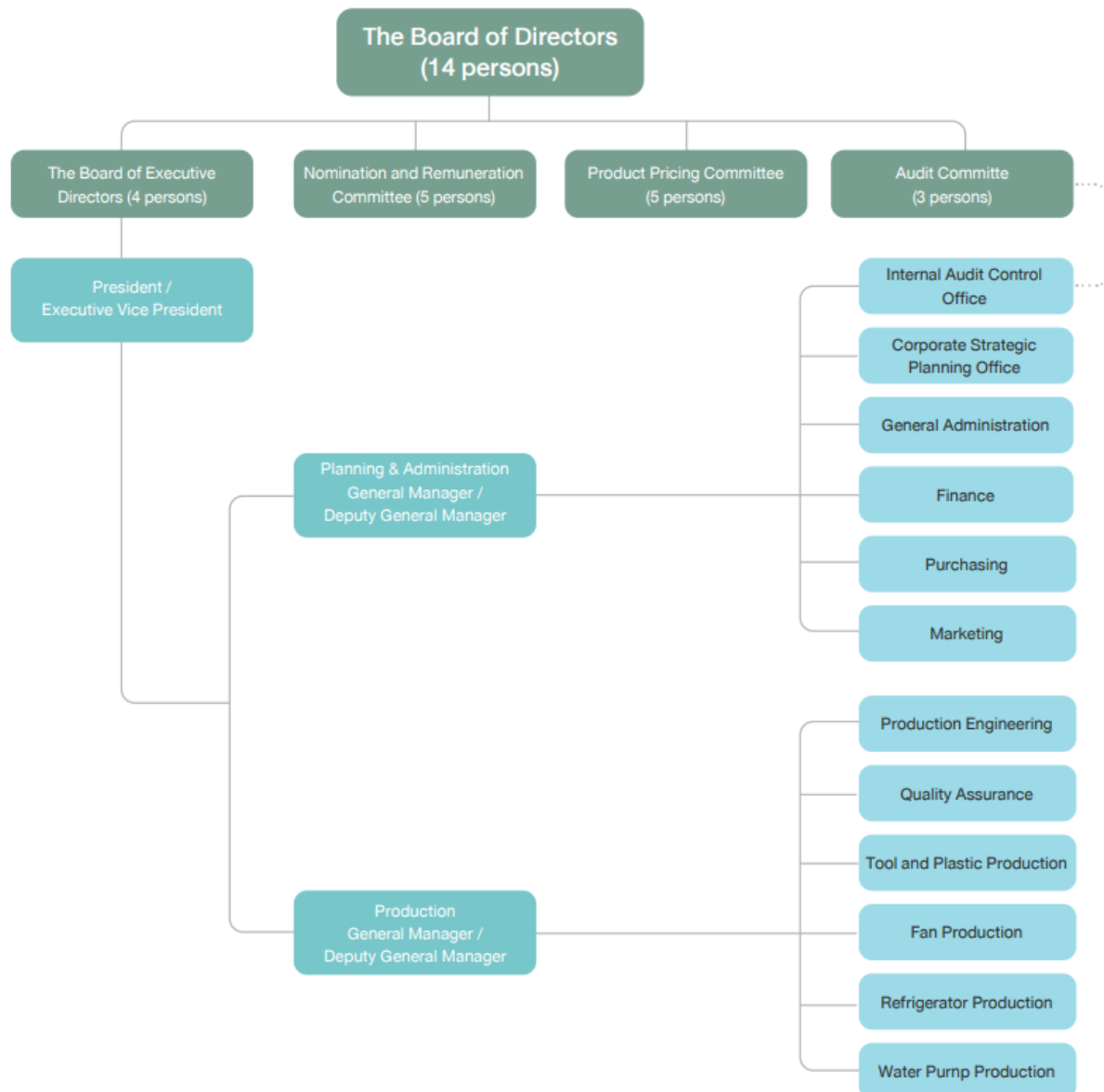
## 7. Corporate governance structure and significant information related to the board of directors, subcommittees, executives, employees, and others

### 7.1 Corporate governance structure

#### Corporate governance structure diagram

Corporate governance structure as of date : 1 April 2025

#### Corporate governance structure diagram



## 7.2 Information on the board of directors

### 7.2.1 Composition of the board of directors

	Number (persons)	Percent (%)
Total directors	15	100.00
Male directors	15	100.00
Female directors	0	0.00
Executive directors	6	40.00
Non-executive directors	9	60.00
Independent directors	5	33.33
Non-executive directors who have no position in independent directors	4	26.67

### 7.2.2 The information on each director and controlling person

#### List of the board of directors



List of directors	Position	First appointment date of director	Skills and expertise
<p>1. Mr. Praphad Phodhivorakhun  Gender: Male  Age : 78 years  Highest level of education : Doctoral degree  Study field of the highest level of education : Business Administration  Thai nationality : Yes  Residence in Thailand : Yes  Family relationship between directors and executives : Have  Legal offenses in the past 5 years <sup>(*)</sup> :  Doesn't Have  DAP course : No  DCP course : Yes</p> <p><b>Shareholding in a company</b>  • Direct shareholding : 170,970 Shares (0.863485 %)</p>	<p>Chairman of the board of directors  (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	20 Aug 1999	Leadership, Business Administration, Corporate Management
<p>2. Mr. Keiji Oya  Gender: Male  Age : 57 years  Highest level of education : Bachelor's degree  Study field of the highest level of education : Engineering  Thai nationality : No  Residence in Thailand : No  Family relationship between directors and executives : Doesn't Have  Legal offenses in the past 5 years <sup>(*)</sup> :  Doesn't Have  DAP course : No  DCP course : No</p> <p><b>Shareholding in a company</b>  • Direct shareholding : 0 Shares (0.000000 %)</p>	<p>Vice-chairman of the board of directors  (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	1 Apr 2022	Engineering, Business Administration, Leadership

List of directors	Position	First appointment date of director	Skills and expertise
<p>3. Mr. Yasuhito Negishi</p> <p>Gender: Male</p> <p>Age : 53 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	1 Apr 2022	Engineering
<p>4. Mr. Chayanind Phodhivorakhun</p> <p>Gender: Male</p> <p>Age : 46 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Management</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 265,583 Shares (1.341328 %)</li> </ul>	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : Yes</p> <p>Type of director : Existing director</p>	1 Apr 2021	Business Administration

List of directors	Position	First appointment date of director	Skills and expertise
<p>5. Mr. Hitoshi Maruyama</p> <p>Gender: Male</p> <p>Age : 59 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Executive Directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	20 May 2020	Engineering
<p>6. Mr. Arthakrit Visudtibhan</p> <p>Gender: Male</p> <p>Age : 68 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Public Administration</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 119,772 Shares (0.604909 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	27 Aug 2001	Audit

List of directors	Position	First appointment date of director	Skills and expertise
<p>7. Mr. Manu Leopaiprote</p> <p>Gender: Male</p> <p>Age : 81 years</p> <p>Highest level of education : Doctoral degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	24 May 2010	Economics, Audit, Business Administration
<p>8. Pol. Maj. Gen. Sahaschai Indrasukhsri</p> <p>Gender: Male</p> <p>Age : 74 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	25 Jul 2012	Law, Audit, Business Administration

List of directors	Position	First appointment date of director	Skills and expertise
<p>9. Dr. Apichai Boontherawara</p> <p>Gender: Male</p> <p>Age : 70 years</p> <p>Highest level of education : Doctoral degree</p> <p>Study field of the highest level of education : Economics</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : Yes</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	1 Apr 2021	Accounting, Audit, Economics
<p>10. Mr. Pumipat Sinacharoen</p> <p>Gender: Male</p> <p>Age : 54 years</p> <p>Highest level of education : Master's degree</p> <p>Study field of the highest level of education : Management</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : Yes</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors, Independent director)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	11 Nov 2021	Economics, Finance

List of directors	Position	First appointment date of director	Skills and expertise
<p>11. Mr. Kunihiro Seki</p> <p>Gender: Male</p> <p>Age : 60 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Business Administration</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	1 Apr 2022	Business Administration
<p>12. Mr. Osamu Sugimoto</p> <p>Gender: Male</p> <p>Age : 56 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Law</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	1 Apr 2022	Law

List of directors	Position	First appointment date of director	Skills and expertise
<p>13. Mr. Tatsuo Ono</p> <p>Gender: Male</p> <p>Age : 58 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : No</p> <p>Residence in Thailand : No</p> <p>Family relationship between directors and executives : Doesn't Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 0 Shares (0.000000 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	20 May 2021	Engineering
<p>14. Mr. Praphon Potivorakun</p> <p>Gender: Male</p> <p>Age : 74 years</p> <p>Highest level of education : Bachelor's degree</p> <p>Study field of the highest level of education : Engineering</p> <p>Thai nationality : Yes</p> <p>Residence in Thailand : Yes</p> <p>Family relationship between directors and executives : Have</p> <p>Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have</p> <p>DAP course : No</p> <p>DCP course : No</p> <p><b>Shareholding in a company</b></p> <ul style="list-style-type: none"> <li>• Direct shareholding : 204,115 Shares (1.030884 %)</li> </ul>	<p>Director (Non-executive directors)</p> <p>Authorized directors as per the company's certificate of registration : No</p> <p>Type of director : Existing director</p>	26 May 2011	Engineering

List of directors	Position	First appointment date of director	Skills and expertise
15. Mr. Hiroyuki Noda Gender: Male Age : 54 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : No Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have DAP course : No DCP course : No  <b>Shareholding in a company</b> • Direct shareholding : 0 Shares (0.000000 %) 	Director (Executive Directors)  Authorized directors as per the company's certificate of registration : Yes  Type of director : Newly appointed director to replace the ex-director 	8 Nov 2024	Engineering, Business Administration

Additional explanation :

(\*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:

(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(\*\*) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

## List of board of directors who resigned / vacated their position during the year

List of directors	Position	Date of resignation / termination	Replacement director
1. Mr. Yasuhito Negishi Gender: Male Age : 53 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : No Family relationship between directors and executives : Doesn't Have Legal offenses in the past 5 years <sup>(*)</sup> : Doesn't Have DAP course : No DCP course : No  <b>Shareholding in a company</b> • Direct shareholding : 0 Shares (0.000000 %) 	Director (Executive Directors)  Authorized directors as per the company's certificate of registration : Yes 	8 Nov 2024	Mr. Hiroyuki Noda  Appointment date of replacement director : 19 May 2025 

Additional explanation :

(\*) Any offense under the Securities and Exchange Act B.E. 2535 (1992) or the Derivatives Act B.E. 2546 (2003), only in the following cases:



(1) Dishonest act or gross negligence

(2) Disclosure or dissemination of false information or statements that may be misleading or conceal material facts that should be notified, which may affect decision making of shareholders, investors or other parties involved

(3) Unfair acts or exploitation of investors in trading securities or derivatives, or participation in, or support to, such acts.

(\*\*) Shareholdings by persons related to directors or executives as prescribed in Section 59 of the Securities and Exchange Act B.E. 2535 (1992), such as spouses or cohabiting couple (unmarried couples living together openly), minor children, etc.

## List of the board of directors by position

List of the board of directors	Position	Executive directors	Non-executive directors	Independent directors	Non-executive directors who have no position in independent directors	Authorized directors as per the company's certificate of registration
1. Mr. Praphad Phodhivorakhun	Chairman of the board of directors	✓				✓
2. Mr. Keiji Oya	Vice-chairman of the board of directors	✓				✓
3. Mr. Yasuhito Negishi	Director	✓				✓
4. Mr. Chayanind Phodhivorakhun	Director	✓				✓
5. Mr. Hitoshi Maruyama	Director	✓				
6. Mr. Arthakrit Visudtibhan	Director		✓	✓		
7. Mr. Manu Leoparote	Director		✓	✓		
8. Pol. Maj. Gen. Sahaschai Indrasukhsri	Director		✓	✓		
9. Dr. Apichai Boontherawara	Director		✓	✓		
10. Mr. Pumipat Sinacharoen	Director		✓	✓		
11. Mr. Kunihiro Seki	Director		✓		✓	
12. Mr. Osamu Sugimoto	Director		✓		✓	
13. Mr. Tatsuo Ono	Director		✓		✓	
14. Mr. Praphon Potivorakun	Director		✓		✓	
15. Mr. Hiroyuki Noda	Director	✓				✓
Total (persons)		6	9	5	4	5

## Overview of director skills and expertise

Skills and expertise	Number (persons)	Percent (%)
1. Economics	3	20.00
2. Law	2	13.33
3. Accounting	1	6.67
4. Finance	1	6.67
5. Corporate Management	1	6.67
6. Engineering	6	40.00
7. Leadership	2	13.33
8. Audit	4	26.67
9. Business Administration	7	46.67

### Information about the other directors

The chairman of the board and the highest-ranking executive : Yes  
are from the same person

The chairman of the board is an independent director : No

The chairman of the board and the highest-ranking executive : Yes  
are from the same family

Chairman is a member of the executive board or taskforce : Yes

The company appoints at least one independent director to : No  
determine the agenda of the board of directors' meeting

### The measures for balancing the power between the board of directors and the Management

The measures for balancing the power between the board of : Yes  
directors and the Management

Methods of balancing power between the board of directors : Others : Responsibilities of the Board of Directors  
and Management

The Company has established its Business Ethics Policy based on its core management philosophy, placing strong emphasis on the Company's responsibility toward society as a whole. Directors, executives, and employees are encouraged to carry out their duties in accordance with the Company's eight key principles of business ethics. These include strict compliance with laws and contractual obligations, respect for human rights, contribution to society, promotion of community harmony, participation in building a sustainable society, recognition of workplace responsibilities, maintaining fair stakeholder relationships, and proper management of conflicts of interest. To support ethical and transparent business conduct, the Company has implemented a robust control system that ensures fairness and accountability.

At present, the Company has five independent directors out of a total of fourteen board members. This complies with best practice guidelines on good corporate governance, which recommend that at least one-third of the board comprise independent directors. This structure helps assure shareholders that their rights and interests will be fairly protected and managed. Additionally, the board is structured to maintain a balance of power, with nine non-executive directors outnumbering five executive directors. This composition allows non-executive directors to express their views independently and effectively during board deliberations. Furthermore, the roles, responsibilities, and individuals serving as Chairman of the Board and Managing Director are clearly separated to establish a check-and-balance mechanism.

The Company has also established an Executive Committee tasked with carefully reviewing and deciding on significant corporate matters to ensure maximum benefit for the Company.

### 7.2.3 Information on the roles and duties of the board of directors

Board charter : No

## 7.3 Information on subcommittees

### 7.3.1 Information on roles of subcommittees

#### Roles of subcommittees

##### Board of Directors

###### Role

- Corporate governance
- Sustainability development
- Climate-related risks and opportunities governance

###### Scope of authorities, role, and duties

The Board of Directors has accountability to the shareholders in relation to the Company's business operation and monitor to ensure business is administered as targeted and brings maximum benefits to the shareholders with upholding of the code of business ethics and due consideration of the interests of all stakeholders.

The Board of Directors is duty-bound to comply with the laws, objectives and articles of association of the Company, and resolutions of the shareholders' meeting, as well as the criteria and regulations of the Stock Exchange of Thailand, Office of the Securities and Exchange Commission, and Capital Supervisory Board established pursuant to the Securities and Exchange Act, B. E. 2535 and the amendment by the Securities and Exchange Act (No. 4), B.E. 2551, and to discharge duties with integrity and prudence and in the best interests of the shareholders both at present and in the long run.

###### Reference link for the charter

-

##### Audit Committee

###### Role

- Audit of financial statements and internal controls
- Risk management

###### Scope of authorities, role, and duties

It has duty to review the adequacy of the Company's internal control and management system and risk management system established

by the management, review financial information, review the Company's legal and regulatory compliance to ensure the Company has in place a good corporate governance system and an appropriate, efficient and effective management as specified in the Audit Committee Charter, and then report the results to the Board of Directors for acknowledgement and/or for approval.

###### Reference link for the charter

-

## Executive Committee

### Role

- Others
  - Authorized to sign on behalf of the Company and legally bind the Company

### Scope of authorities, role, and duties

It has duty to manage the Company on behalf of the Board of Directors, determine all policies, monitor, and supervise the management to ensure the established policies are fulfilled, as well as screen and endorse any business to be further submitted to the Board of Directors for acknowledgement and/or for approval pursuant to the relevant criteria.

### Reference link for the charter

-

## Nomination and Remuneration Committee

### Role

- Director and executive nomination
- Remuneration

### Scope of authorities, role, and duties

1. To establish, and ensure clarity and transparency of, the policy, rule and method for nomination and remuneration of the Directors, Executive Directors and members of other board committees and propose for the Board of Directors' approval.
2. To nominate, select and propose qualified persons, as defined by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), to serve as the Directors, Executive Directors and members of all board committees for approval by the Board of Directors.
3. To review the structure of the Board of Directors and remuneration in conformity with changes in rules and regulations of the SEC and the SET by basing on the core structure of the Board of Directors, Board of Executive Directors and all board committees, and to review and ensure that it fits with the Company's business status and is commensurate with their duties and responsibilities for further approval by the Board of Directors.
4. To review and amend the NRC Charter to conform to changes in rules and regulations of the SEC and the SET.
5. To perform any tasks as assigned by the Board of Directors and concerned with directors' nomination and remuneration.

### Reference link for the charter

-

## Product Pricing Committee

### Role

- Others
  - Product Pricing Determination

### Scope of authorities, role, and duties

1. To monitor and ensure that the Company's management determines prices for Mitsubishi Electric Kang Yong Watana Co., Ltd. in compliance with the Company's pricing policy, whereby prices shall be set at standard production cost plus a weighted average margin on all product categories of at least 20%.
2. To sign off every agreeable pricing with Mitsubishi Electric Kang Yong Watana Co., Ltd., whereby if there is any change in price that causes the Company to be unable to comply with the pricing policy, the Company shall add the standard production cost with an additional weighted average margin on all product categories of at least 10% and shall provide rationale thereof and seek unanimous approval from the Product Pricing Committee.
3. To monitor and ensure that the Company's management implements the pricing policy with integrity and due care and for the benefit of the Company. In the event that the Board of Directors discovers any act or omission of an act that causes damage to the Company, the Board of Directors shall take action to ensure the Company is compensated for such damage.

### Reference link for the charter

-

## 7.3.2 Information on each subcommittee

### List of audit committee

List of directors	Position	Appointment date of audit committee member	Skills and expertise
1. Mr. Arthakrit Visudtibhan <sup>(*)</sup> Gender: Male Age : 68 years Highest level of education : Master's degree Study field of the highest level of education : Public Administration Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes	Chairman of the audit committee (Non-executive directors, Independent director)  Director type : Existing director	1 Apr 2021	Audit
2. Pol. Maj. Gen. Sahaschai Indrasukhsri Gender: Male Age : 74 years Highest level of education : Master's degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : No	Member of the audit committee (Non-executive directors, Independent director)  Director type : Existing director	1 Apr 2021	Law, Audit, Business Administration
3. Dr. Apichai Boontherawara <sup>(*)</sup> Gender: Male Age : 70 years Highest level of education : Doctoral degree Study field of the highest level of education : Economics Thai nationality : Yes Residence in Thailand : Yes Expertise in accounting information review : Yes	Member of the audit committee (Non-executive directors, Independent director)  Director type : Existing director	11 Nov 2021	Accounting, Audit, Economics

Additional explanation :

(\*) Directors with expertise in accounting information review

## List of executive committee members

List of directors	Position	Appointment date of executive committee member
1. Mr. Praphad Phodhivorakhun Gender: Male Age : 78 years Highest level of education : Doctoral degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residence in Thailand : Yes	The chairman of the executive committee	1 Oct 1999
2. Mr. Keiji Oya Gender: Male Age : 57 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : No	Vice-chairman of the executive committee	1 Apr 2022
3. Mr. Yasuhito Negishi Gender: Male Age : 53 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : No	Member of the executive committee	1 Apr 2022
4. Mr. Chayanind Phodhivorakhun Gender: Male Age : 46 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residence in Thailand : Yes	Member of the executive committee	1 Apr 2021
5. Mr. Hiroyuki Noda Gender: Male Age : 54 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residence in Thailand : No	Member of the executive committee	8 Nov 2024

## Other Subcommittees



Subcommittee name	Name list	Position
Nomination and Remuneration Committee	Mr. Manu Leopaiprote	The chairman of the subcommittee (Independent director)
	Mr. Praphad Phodhivorakhun	Member of the subcommittee
	Mr. Keiji Oya	Member of the subcommittee
	Dr. Apichai Boontharawara	Member of the subcommittee (Independent director)
	Mr. Pumipat Sinacharoen	Member of the subcommittee (Independent director)
Product Pricing Committee	Pol. Maj. Gen. Sahaschai Indrasuksri	The chairman of the subcommittee (Independent director)
	Mr. Keiji Oya	Member of the subcommittee
	Mr. Yasuhito Negishi	Member of the subcommittee
	Mr. Manu Leopaiprote	Member of the subcommittee (Independent director)
	Mr. Arthakrit Visudtibhan	Member of the subcommittee (Independent director)

## 7.4 Information on the executives

### 7.4.1 List and positions of the executive

List of the highest-ranking executive and the next four executives

List of executives	Position	First appointment date	Skills and expertise
1. Mr. Praphad Phodhivorakhun Gender: Male Age : 78 years Highest level of education : Doctoral degree Study field of the highest level of education : Business Administration Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	CHAIRMAN OF THE BOARD OF EXECUTIVE DIRECTORS (The highest-ranking executive)	20 Aug 1999	Leadership, Business Administration, Corporate Management
2. Mr. Keiji Oya Gender: Male Age : 57 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residing in Thailand : No Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	PRESIDENT	1 Apr 2022	Engineering, Business Administration, Leadership
3. Mr. Yasuhiro Negishi Gender: Male Age : 53 years Highest level of education : Bachelor's degree Study field of the highest level of education : Engineering Thai nationality : No Residing in Thailand : No Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Executive Vice President	1 Apr 2022	Engineering
4. Mr. Chayanind Phodhivorakhun Gender: Male Age : 46 years Highest level of education : Master's degree Study field of the highest level of education : Management Thai nationality : Yes Residing in Thailand : Yes Highest responsibility in corporate accounting and finance : No Accounting supervisor : No	Executive Director	1 Apr 2021	Business Administration

Additional Explanation :

(\*) Highest responsibility in corporate accounting and finance

(\*\*) Accounting supervisor

(\*\*\*) Appointed after the fiscal year end of the reporting year

## 7.4.2 Remuneration policy for executive directors and executives

The Company has established a fair and transparent remuneration policy for executive directors and senior executives, taking into account their responsibilities, individual and corporate performance, and alignment with the Company's long-term value creation for shareholders.

The Nomination and Remuneration Committee is responsible for proposing remuneration principles and criteria for executive directors and senior executives. The proposals are based on benchmarking with industry peers and companies with similar business characteristics, ensuring the Company can attract and retain

qualified and capable personnel essential for business development. The remuneration structure comprises:

1. Fixed remuneration, such as salaries and benefits as determined by the Company;
2. Variable remuneration, including annual bonuses, etc.

Does the board of directors or the remuneration committee : Have  
have an opinion on the remuneration policy for executive  
directors and executives

The Nomination and Remuneration Committee resolved to approve the payment of remuneration to the Executive Committee as proposed by the committee.

## 7.4.3 Remuneration of executive directors and executives

### Monetary remuneration of executive directors and executives

	2022	2023	2024
Total remuneration of executive directors and executives (baht)	96,791,011.36	96,476,155.90	101,212,271.91

### Other remunerations of executive directors and executives

	2022	2023	2024
Company's contribution to provident fund for executive directors and executives (Baht)	27,263,026.22	27,239,257.65	26,550,426.05

### Outstanding remuneration or benefits of executive directors and executives

Outstanding remuneration or benefits of executive directors : 0.00  
and executives in the past year

## 7.5 Information on employees

### Information on the company's employees

#### Employees

	2022	2023	2024
<b>Total employees</b> (persons) <sup>(10)</sup>	2,005	1,811	1,728
Male employees (persons)	1,194	1,086	1,060
Female employees (persons)	811	725	668

Remark : <sup>(10)</sup> - Employees in FY2022 excluding Deputy Department Managers  
- Employees in FY2022 excluding TOP  
- Employees in FY2024 including all levels

#### Significant changes in the number of employees

Significant changes in number of employees over the past 3 : No  
Years

### Information on employee remuneration

#### Employee remuneration

	2022	2023	2024
<b>Total employee remuneration</b> (baht)	840,545,396.83	1,072,626,620.60	1,056,142,335.90

#### Provident fund management policy

Provident fund management policy : Have

TISCO Master Pooled Provident Fund (Registered) Investment

##### Policy and Options Objectives

1. To promote savings.
2. To provide financial security for employees upon retirement.
3. To offer tax benefits through the provident fund scheme.

##### Before Applying for Membership

Employees must contact the Human Resources Office for the following matters:

1. Review the fund regulations (Regulations are available from the fund committee).
2. Understand the conditions upon termination of membership, such as: Conditions for resignation from the fund Options for receiving or retaining the fund Receiving payments in installments
3. Complete the application form and specify a beneficiary. Any changes must be promptly reported to the Human Resources Office.
4. The application form will be kept as official evidence by the company's Human Resources Office.

##### During Membership

1. Retain all documents received from the fund for your benefit.
2. Regularly monitor your fund balance to ensure proper retirement planning.
3. Members will receive a semi-annual statement (issued in June and December of each year).
4. In case of any changes to the designated beneficiary, notify the HR department immediately.

**Important Considerations Before Resigning from Employment / Resigning from the Fund / Terminating Membership** Review your employment

s work regulations and the fund regulations, which are available from the fund committee. Key points include:

1. Notice period required before resignation.
2. Conditions for receiving fund payments.
3. Tax benefits related to the fund.
4. The time frame for receiving the fund payment.

#### Provident fund for employees (PVD)

	2022	2023	2024
Number of employees joining in PVD (persons)	1,564	1,533	1,441
Proportion of employees who are PVD members (%)	78.00	84.65	83.39
Total amount of provident fund contributed by the company (baht) <sup>(11)</sup>	2,726,502.36	27,239,324.25	26,550,426.05

Remark : <sup>(11)</sup> Excludes Japanese employees, Cambodian employees, and dual vocational education students.

## 7.6 Other significant information

### 7.6.1 Assigned person

List of persons assigned for accounting oversight

General information	Email	Telephone number
1. Ms. Siriporn Jullavateelert	siriporn.j@kye.meap.com	02-337-2900

List of the company secretary

General information	Email	Telephone number
1. Mr. Aniwat Sae lim	aniwat@kye.meap.com	02-337-2900

List of the head of internal audit or outsourced internal auditor

General information	Email	Telephone number
1. Mr. Pensak Plavuthithothai	pensak@kye.meap.com	02-337-2900

List of the head of the compliance unit

General information	Email	Telephone number
1. Mr. Atakrit Siwasarit	atakrit@kye.meap.com	02-337-2900

### 7.6.2 Head of investor relations

Does the Company have an appointed head of investor relations : Yes

List of the head of investor relations

General information	Email	Telephone number
1. Mr. Mongkol Thadtayatikom	mongkol.t@kye.meap.com	02-337-2900

### 7.6.3 Company's auditor

Details of the company's auditor

Audit firms	Audit fee (Baht)	Other service fees	Names and general information of auditors
KPMG PHOOMCHAI AUDIT COMPANY LIMITED YAN NAWA SATHON Bangkok 10120 Telephone 0 2677 2000	1,500,000.00	-	<p>1. Ms. KUNNATEE KERDCHANA Email: kunnatee@kpmg.co.th License number: 12418</p> <p>2. Ms. SOPHIT PROMPOL Email: sophit@kpmg.co.th License number: 10042</p> <p>3. Ms. PORNTHIP RIMDUSIT Email: primdusit@kpmg.co.th License number: 5565</p>

#### 7.6.4 Assigned personnel in case of a foreign company

Does the company have any individual assigned to be : No  
representatives in Thailand



## 8. Report on key operating results on corporate governance

### 8.1 Summary of duty performance of the board of directors over the past year

#### Summary of duty performance of the board of directors over the past year

In the past year, the Board of Directors has performed its duties with prudence, transparency, and a strong commitment to the principles of good corporate governance. The Board has emphasized good governance practices, long-term sustainability, and the enhancement of the company's competitiveness. The key highlights of its operations are as follows:

1. Nomination and Appointment of Directors and Top Management
2. Self-Assessment of the Board of Directors
3. Attendance of Directors
4. Directors' remunerations
5. Monitoring of Associated Companies
6. Control of Insider Information
7. Information Disclosure and Transparency
8. Prevention of Conflicts of Interest
9. Anti-Corruption
10. Compliance Whistleblower
11. Responsibility of the Board of Directors

#### 8.1.1 Selection, development and evaluation of duty performance of the board of directors

##### Information about the selection of the board of directors

#### List of newly appointed director to replace the ex-director

List of directors	Position	First appointment date of director	Skills and expertise
Mr. Hiroyuki Noda	Director (Executive Directors)	8 Nov 2024	Engineering, Business Administration

#### Selection of independent directors

#### Criteria for selecting independent directors

##### Nomination of Independent Directors

The Company considers its independent directors' qualifications based on the criteria set forth in notification of the Capital Market Supervisory Board, as follows:

1. Not holding shares more than 1% of the total number of voting shares of the company's its subsidiary, major shareholders or controlling persons including shares held by related persons of the independent director.
2. Not being or having previously been an executive director, employee, staff or advisor who receives a regular salary of the Company or a controlling person of the Company or its associates or major shareholder, unless the foregoing status ended not less than two years prior to the date of appointment.
3. Not being a person related by blood or registration under law, such as a father, mother, spouse, sibling, or child, including spouses of children of others directors, executives, major shareholders, controlling persons, or persons to be nominated as directors, executives or controlling persons of the Company or its associates.
4. Not having or having previously had a business relationship with the Company, its subsidiary, major shareholder or controlling person, in a manner which may interfere with the independent director's independent judgment; and not being or having previously been a substantial shareholder or controlling person of the Company, unless the foregoing status ended not less than two years prior to the date of appointment.
5. Not being or having previously been an auditor of the Company, its associates, major shareholder or controlling person; nor

being a substantial shareholder, controlling person or partner of an audit firm which employs auditors of the Company, its associates, major shareholder or controlling person, unless the foregoing relationship ended not less than two years from the date of appointment.

6. Not being or having previously been any kind of professional advisor including a legal advisor or financial advisor who receives an annual service fee exceeding two million baht from the Company, its subsidiary, major shareholder or controlling person; and not being or having previously been a substantial shareholder, controlling person or partner of the professional advisor, unless the foregoing relationship ended not less than two years from the date of appointment.

7. Not being appointed as a representative of the Company's director, major shareholder or a shareholder who is a related person of the major shareholder.

8. Not conducting any business which is of the same nature as, or in competition with, the business of the Company or its associates in material aspect; nor being a substantial partner of a partnership, or an executive director, employee, staff or advisor who receives a regular salary, or a shareholder holding more than 1% of the total number of voting shares of any entity whose business is of the same nature as and in competition with the business of the Company or its subsidiary in any material aspect.

9. Not possessing any other characteristics which lead the independent director to be unable to render independent opinion regarding business affairs of the Company.

### **Business or professional relationships of independent directors over the past year**

Business or professional relationships of independent : No  
directors over the past year

### **Selection of directors and the highest-ranking executive**

#### **Method for selecting directors and the highest-ranking executive**

Method for selecting persons to be appointed as : Yes  
directors through the nomination committee  
Method for selecting persons to be appointed as the : Yes  
highest-ranking executive through the nomination  
committee

### **Number of directors from major shareholders**

Number of directors from each group of major : 4  
shareholders over the past year (persons)

### **Rights of minority shareholders on director appointment**

#### **Rights of Shareholders**

The Company recognizes the rights of shareholders to access correct and adequate information of the Company on a timely and equal basis. The Company submits notice of the shareholders' meeting together with documents containing complete and sufficient information for the meeting to the shareholders in advance as required by laws and providing important details of the proposed issues, rationale and necessity, and the opinion of the Board of Directors. Those who are not convenient may appoint a proxy or any of the Company's independent directors, who also are members of the Audit Committee, to attend the meeting and cast votes on their behalf. Moreover, the information is made available through the Stock Exchange of Thailand's SET Portal Straight Through system.

The Company sets to hold an annual general meeting of shareholders within 4 months from the end of the fiscal year. In 2024, the Company convened one annual general meeting of shareholders on Friday, July 26, 2024 via electronic media (E-AGM) in accordance with the Emergency Decree E-meetings, 2563 B.E. The meeting system and broadcast live were from meeting room 121, Kang Yong Electric Public Company Limited to enable the shareholders to consider, comment or vote on the proposed issues properly at the meeting. Members of the Board of Directors, the Audit Committee and other Board committees, as well as the certified public accountants and the management of the Company, were present at the meeting to answer all queries raised by the shareholders on an equitable basis. Questions and answers were correctly and completely recorded in the minutes of the shareholders' meeting. The

Board of Directors prepared the minutes of the shareholders' meeting and made it available on the Company's website within 14 days after the meeting date for the shareholders' ease of reference and examination.

The meeting was carried out as in the order set in the agenda without addition of any items. E-meeting for registration and to view the live audio-visual system from the meeting, using the E-Voting system to vote on each agenda

#### Equitable Treatment of Shareholders

The Company fully conforms to the code of best practices in relation to rights of the shareholders. In particular, the shareholders are given the right to propose agenda items for the annual general meeting and/or to nominate candidates for director election in advance, thus signifying a fair treatment of all shareholders. For the 2024 Annual General Meeting of Shareholders, the Company arranged for the shareholders to propose agenda items for the said meeting and/or nominate qualified persons for director election in advance during January 18 – March 17, 2024, and so notified the shareholders through the SET. Moreover, the Company posted information on its website at [www.mitsubishi-kye.com](http://www.mitsubishi-kye.com), giving details about the procedure and method of consideration in a clear and transparent manner. For the 2025 Annual General Meeting of Shareholders, none of the shareholders proposed agenda items for such meeting and/or nominated qualified candidates for director election.

As for the 2025 Annual General Meeting of Shareholders, scheduled to be held in this July, the Company has similarly given the shareholders the right to propose agenda items for the meeting and/or to nominate candidates for director election in advance, by forwarding their proposed agenda items and director nomination to e-mail address at [information@kye.meap.com](mailto:information@kye.meap.com) or by fax or registered mail during January 18 - March 17, 2025, the matter of which was already notified by the Company to the SET, none of the shareholders proposed agenda items for such meeting and/or nominated qualified candidates for director election.

The Company has also provided convenience to non-Thai shareholders by making available meeting notice and relevant meeting documents in English version to communicate with non-Thai shareholders with due regard to their equitable rights as the shareholders of the Company.

Method of director appointment : Method whereby each director requires approval votes more than half of the votes of attending shareholders and casting votes

## Information on the development of directors

### Development of directors over the past year

## Details of the development of directors over the past year

List of directors	Participation in training in the past financial year	History of training participation
1. Mr. Praphad Phodhivorakhun Chairman of the board of directors	Non-participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2005: Director Certification Program (DCP)</li> <li>• 2004: Role of the Chairman Program (RCP)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2007: Role of the Compensation Committee (RCC)</li> </ul>
2. Mr. Keiji Oya Vice-chairman of the board of directors	Non-participating	-
3. Mr. Yasuhito Negishi Director	Non-participating	-
4. Mr. Chayanind Phodhivorakhun Director	Non-participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2022: Director Certification Program (DCP)</li> </ul>
5. Mr. Hitoshi Maruyama Director	Non-participating	-
6. Mr. Arthakrit Visudtibhan Director	Non-participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2006: Director Accreditation Program (DAP)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2009: Audit Committee Program (ACP)</li> </ul>
7. Mr. Manu Leopaiprote Director	Non-participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2013: Director Certification Program (DCP)</li> <li>• 2011: Role of the Chairman Program (RCP)</li> </ul>
8. Pol. Maj. Gen. Sahaschai Indrasukhsri Director	Non-participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2004: Director Accreditation Program (DAP)</li> </ul>
9. Dr. Apichai Boontharawara Director	Participating	Thai Institute of Directors (IOD) <ul style="list-style-type: none"> <li>• 2025: Ethical Leadership Program (ELP)</li> <li>• 2024: Board Nomination and Compensation Program (BNCP)</li> <li>• 2023: Director Leadership Certification Program (DLCP)</li> <li>• 2022: Role of the Chairman Program (RCP)</li> <li>• 2022: Subsidiary Governance Program (SGP)</li> <li>• 2020: Strategic Board Master Class (SBM)</li> <li>• 2005: Director Certification Program (DCP)</li> <li>• 2004: Director Accreditation Program (DAP)</li> </ul> Other <ul style="list-style-type: none"> <li>• 2025: How to Develop a Risk Management Plan (HRP)</li> <li>• 2012: Monitoring the Internal Audit Function (MIA)</li> <li>• 2005: Audit Committee Program (ACP)</li> </ul>

List of directors	Participation in training in the past financial year	History of training participation
10. Mr. Pumipat Sinacharoen Director	Non-participating	Thai Institute of Directors (IOD) • 2005: Director Accreditation Program (DAP) Other • 2008: Company Secretary Program (CSP)
11. Mr. Kunihiro Seki Director	Non-participating	-
12. Mr. Osamu Sugimoto Director	Non-participating	-
13. Mr. Tatsuo Ono Director	Non-participating	-
14. Mr. Praphon Potivorakun Director	Non-participating	-
15. Mr. Hiroyuki Noda Director	Non-participating	-

## Information on the evaluation of duty performance of directors

### Criteria for evaluating the duty performance of the board of directors

#### Self-Assessment of the Board of Directors

According to the good corporate governance for listed companies, it is suggested that listed companies' board of directors and committee members should assess their performance at least once a year so as to allow them to jointly evaluate their performance and seek rectification and improvement measures. The Company has properly reviewed its Board self-assessment guidelines and criteria to be consistent with those of the Stock Exchange of Thailand. The Board meeting on February 13, 2025 accordingly approved for the Company to have self-assessment of the Board of Directors conducted at least once a year only as a whole Board in the first place as the Company has just implemented such an assessment for 2025, the nine year. The Company by the Company Secretary sent the Board members the self-assessment form in February 2025 for the Board to evaluate their 2024 performance, and the result of which was reported to the Board meeting on May 19, 2025. The Board's self-assessment result for 2024 comprised three sections:

1. Board structure and qualifications
2. Board of Director meeting
3. Roles, duties, and responsibilities of the Board

### Evaluation of the duty performance of the board of directors over the past year

In conclusion, the earned average score is 3.98 out of the full score of 4 All criteria points have good average score (in a 3.0-4.0 range), reflecting the Board's performance of duties according to the good corporate governance principles at a well to excellent level.

Note: Scoring system and definition:

- 0 = Strongly disagree or never conducted
- 1 = Disagree or seldom conducted
- 2 = Fair or moderately conducted
- 3 = Agree or well conducted

4 = Strongly agree or excellently conducted

In fiscal 2024, the Company held a total of 6 Board of Directors' meetings. Meetings of other board committees consisted of five meetings of the Audit Committee, three meetings of the Product Pricing Committee, and one meeting of the Nomination and Remuneration Committee. In contrast, the Board of Executive Directors holds meetings twice a month to enable the Company to carry on its operations with flexibility and efficiency. Most of the directors regularly attended meetings. Details of meeting attendance by the individual directors are as follows:

### 8.1.2 Meeting attendance and remuneration payment to each board member

#### Meeting attendance of the board of directors

#### Meeting attendance of the board of directors

Number of the board of directors meeting over the past : 6  
year (times)  
Date of AGM meeting : 26 Jul 2024  
EGM meeting : No

#### Details of the board of directors' meeting attendance

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
1. Mr. Praphad Phodhivorakhun (Chairman of the board of directors)	6	/	6	1	/	1	N/A	/	N/A
2. Mr. Keiji Oya (Vice-chairman of the board of directors)	6	/	6	1	/	1	N/A	/	N/A
3. Mr. Yasuhiro Negishi (Director)	4	/	4	1	/	1	N/A	/	N/A
4. Mr. Chayanind Phodhivorakhun (Director)	6	/	6	1	/	1	N/A	/	N/A
5. Mr. Hitoshi Maruyama (Director)	6	/	6	1	/	1	N/A	/	N/A
6. Mr. Arthakrit Visudtibhan (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A

List of directors	Meeting attendance of the board of directors			AGM meeting attendance			EGM meeting attendance		
	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)	Attendance (times)	/	Meeting rights (times)
7. Mr. Manu Leopaiprote (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
8. Pol. Maj. Gen. Sahaschai Indrasukhsri (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
9. Dr. Apichai Boontherawara (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
10. Mr. Pumipat Sinacharoen (Director, Independent director)	6	/	6	1	/	1	N/A	/	N/A
11. Mr. Kunihiro Seki (Director)	3	/	6	1	/	1	N/A	/	N/A
12. Mr. Osamu Sugimoto (Director)	6	/	6	1	/	1	N/A	/	N/A
13. Mr. Tatsuo Ono (Director)	4	/	6	0	/	1	N/A	/	N/A
14. Mr. Praphon Potivorakun (Director)	4	/	6	0	/	1	N/A	/	N/A
15. Mr. Hiroyuki Noda (Director)	2	/	2	0	/	0	N/A	/	N/A

## Detailed justification for the Company director's non-attendance at the Board of Directors' meeting

There is another critical meeting

## Remuneration of the board of directors

### Types of remuneration of the board of directors

**Director Remuneration Policy** The Company places importance on determining directors' remuneration based on principles of fairness, transparency, and alignment with the responsibilities, duties, and scope of work of each director. The objective is to incentivize qualified and competent individuals to effectively perform their duties in overseeing the Company's governance. The key principles are as follows:

#### 1. Remuneration Criteria

- Consideration is given to the scope of responsibility for each directorial position, as well as the knowledge, capabilities, and experience that benefit the Company.
- The remuneration must be appropriate and consistent with the Company's performance and business scale.
- Benchmarking is conducted against peers in the same industry and directors' remuneration data from listed companies of comparable size.

#### 2. Types of Remuneration

- Directors' remuneration is categorized into three types:
  - (1) Monthly Retainer Fees – paid to each member of the board and subcommittees.
  - (2) Meeting Allowances – determined based on the number of meetings attended by each director.
  - (3) Other Remuneration – if any.

#### 3. Remuneration Approval Process

- The Nomination and Remuneration Committee proposes the structure and rates of directors' remuneration to the Board of Directors.
- The Board of Directors considers and endorses the proposal before presenting it for approval at the Shareholders' Meeting.

#### 4. Disclosure

- The Company discloses all types of directors' remuneration clearly, transparently, and comprehensively in the Form 56-1 One Report and Annual Report, indicating the total amount paid for each type of remuneration.

### Remuneration of the board of directors

#### Details of the remuneration of each director over the past year

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
<b>1. Mr. Praphad Phodhivorakhun (Chairman of the board of directors)</b>			<b>548,000.00</b>		<b>N/A</b>
Board of Directors	252,000.00	180,000.00	432,000.00	No	
Executive Committee	0.00	0.00	0.00	No	
Nomination and Remuneration Committee	44,000.00	72,000.00	116,000.00	No	
<b>2. Mr. Keiji Oya (Vice-chairman of the board of directors)</b>			<b>569,000.00</b>		<b>N/A</b>
Board of Directors	216,000.00	156,000.00	372,000.00	No	
Executive Committee	0.00	0.00	0.00	No	
Product Pricing Committee	81,000.00	0.00	81,000.00	No	



Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
Nomination and Remuneration Committee	44,000.00	72,000.00	116,000.00	No	
<b>3. Mr. Yasuhito Negishi (Director)</b>			<b>244,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	70,000.00	190,000.00	No	
Executive Committee	0.00	0.00	0.00	No	
Product Pricing Committee	54,000.00	0.00	54,000.00	No	
<b>4. Mr. Chayanind Phodhivorakhun (Director)</b>			<b>300,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
Executive Committee	0.00	0.00	0.00	No	
<b>5. Mr. Hitoshi Maruyama (Director)</b>			<b>300,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
<b>6. Mr. Arthakrit Visudtibhan (Director)</b>			<b>749,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
Audit Committee	188,000.00	180,000.00	368,000.00	No	
Product Pricing Committee	81,000.00	0.00	81,000.00	No	
<b>7. Mr. Manu Leoparote (Director)</b>			<b>553,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
Nomination and Remuneration Committee	64,000.00	108,000.00	172,000.00	No	
Product Pricing Committee	81,000.00	0.00	81,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
<b>8. Pol. Maj. Gen. Sahaschai Indrasukhsri (Director)</b>			<b>659,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
Audit Committee	128,000.00	120,000.00	248,000.00	No	
Product Pricing Committee	111,000.00	0.00	111,000.00	No	
<b>9. Dr. Apichai Boontherawara (Director)</b>			<b>664,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
Audit Committee	128,000.00	120,000.00	248,000.00	No	
Nomination and Remuneration Committee	44,000.00	72,000.00	116,000.00	No	
<b>10. Mr. Pumipat Sinacharoen (Director)</b>			<b>416,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
Nomination and Remuneration Committee	44,000.00	72,000.00	116,000.00	No	
<b>11. Mr. Kunihiro Seki (Director)</b>			<b>210,000.00</b>		<b>N/A</b>
Board of Directors	90,000.00	120,000.00	210,000.00	No	
<b>12. Mr. Osamu Sugimoto (Director)</b>			<b>300,000.00</b>		<b>N/A</b>
Board of Directors	180,000.00	120,000.00	300,000.00	No	
<b>13. Mr. Tatsuo Ono (Director)</b>			<b>240,000.00</b>		<b>N/A</b>
Board of Directors	120,000.00	120,000.00	240,000.00	No	

Names of directors / Board of directors	Company				Total monetary remuneration from subsidiaries (Baht)
	Meeting allowance	Other monetary remuneration	Total (Baht)	Non-monetary remuneration	
14. Mr. Praphon Potivorakun (Director)			240,000.00		N/A
Board of Directors	120,000.00	120,000.00	240,000.00	No	
15. Mr. Hiroyuki Noda (Director)			110,000.00		N/A
Board of Directors	60,000.00	50,000.00	110,000.00	No	
Executive Committee	0.00	0.00	0.00	No	

#### Summary of the remuneration of each committee over the past year

Names of board members	Meeting allowance	Other monetary remuneration	Total (Baht)
1. Board of Directors	2,418,000.00	1,776,000.00	4,194,000.00
2. Audit Committee	444,000.00	420,000.00	864,000.00
3. Executive Committee	0.00	0.00	0.00
4. Nomination and Remuneration Committee	240,000.00	396,000.00	636,000.00
5. Product Pricing Committee	408,000.00	0.00	408,000.00

#### Remunerations or benefits pending payment to the board of directors

Remunerations or benefits pending payment to the : 0.00  
board of directors over the past year  
(Baht)

#### 8.1.3 Supervision of subsidiaries and associated companies

##### Mechanism for overseeing subsidiaries and associated companies

Does the Company have subsidiaries and associated : Yes  
companies

Mechanism for overseeing subsidiaries and associated : Yes  
companies

Mechanism for overseeing management and taking : The appointment of representatives as directors, executives, or controlling  
responsibility for operations in subsidiaries and persons in proportion to shareholding, The determination of the scope of  
associated companies approved by the board of duties and responsibilities of directors and executives as company

directors      representatives in establishing important policies

The Company's Board of Directors recognizes the importance of safeguarding the Company's investment interests in associate companies and has therefore established an effective governance mechanism to oversee and control their operations. The Executive Committee has resolved to appoint one director or senior executive of the Company to serve as a board member of the associate company. This representative is responsible for participating in the formulation of key business policies, approving or endorsing significant matters, providing opinions, and closely monitoring the associate company's performance. In addition, the appointed representative plays an active role in offering strategic guidance, tracking business progress, and regularly reporting to the Company's Board of Directors. This ensures timely evaluation of investment performance and enables sound strategic decision-making. Such oversight aligns with the principles of good corporate governance and supports the sustainable creation of long-term value for shareholders.

#### 8.1.4 The monitoring of compliance with corporate governance policy and guidelines

##### Prevention of conflicts of interest

##### Operations for conflict of interest prevention over the past year

Has the company operated in preventing conflicts of : Yes  
interest over the past year

The directors and the management must make any decision and action for the Company's best interests. If there is a conflict of interest, directors or executives will bring such matters to the Board of Directors or the shareholders' meeting to consider the necessity of doing the said transaction and the impact that will occur, as the case may be. In considering and approving transactions that may cause conflicts of interest, directors with interests in such transaction will not be able to vote in that resolution. In addition, the new Securities and Exchange Act has assigned the Company's directors and executives to prepare reports on their interests and related persons for the Company to acknowledge. The Act also stated that directors, the management, and their related persons are responsible for preparing a report on the change in holding the Company's securities within three business days after the transition to the Company. The corporate secretary is eligible for sending copies to the Chairman of the Board of Directors and the Chairman of the Audit Committee every six months regularly. Besides, the Company has reported the connected transactions following the Securities and Exchange Commission (SEC) rules, which were disclosed in the financial statements and the annual registration statement.

##### Number of cases or issues related to conflict of interest

	2022	2023	2024
Total number of cases or issues related to conflict of interest (cases)	0	0	0

##### Prevention of the use of inside information to seek benefits

##### Operations for prevention of the use of inside information to seek benefits over the past year

Has the company operated in preventing the use of : Yes  
inside information to seek benefits over the past year

##### Control of Insider Information

The Company has in place measures and policies for managing security of its confidential business information, including not only trade secrets but also other significant information, so as to prevent any leak of such information as well as prevent any executive or work unit that has access to insider information from disclosing it to any third party or any person unrelated to the Company's business. The Company has therefore established a hierarchy of information secrecy and a framework of responsibility, including individuals who are authorized to access the information to prevent the use of insider information for personal benefit or for the benefit of other parties, whether directly or indirectly.

In addition, the Company discloses the holding of securities by its directors, top management, and finance department manager in the annual report. Any change in such securities holding shall be reported to the SEC under the Section 59 of the Securities and Exchange Act B.E.2535, and also notified to the Company Secretary for preparing a report on change of securities holding and outstanding amount of securities holding by the directors and top management for further submission to the next meeting of the Board of Directors.

#### Number of cases or issues related to the use of inside information to seek benefits

	2022	2023	2024
Total number of cases or issues related to the use of inside information to seek benefits (cases)	0	0	0

### Anti-corruption action

#### Operations in anti-corruption in the past year

Has the company operated in anti-corruption over the : Yes  
past year

Form of operations in anti-corruption : Review of appropriateness in anti-corruption, Assessment and identification of corruption risk, Communication and training for employees on anti-corruption policy and guidelines, The monitoring of the evaluation of compliance with the anti-corruption policy, Review of the completeness and adequacy of the process by the Audit Committee or auditor

#### Anti-Corruption Policy

The Company has a policy against corruption announcing on the Company's website to enable all directors, executives, and employees to perform their duties under the Company's business ethics and to fight against corruption in all forms. To build confidence in the Company's stakeholders, the Company has set up the appropriate anti-corruption guidelines and measures, clear anti-corruption training for employees and anti-corruption communication both internally and externally.

#### Anti-Corruption actions

The Company has Anti-Bribery Rules, which is a requirement and guideline for the Company, directors, and employees to comply with and requires all employees to operate their work with honesty and express their awareness of their duties and responsibilities.

#### Other important actions

- Requested cooperation from the supplier to refrain from giving any gifts to executives or employees in the New Year season and any other festival.
- Provided training and campaigning for employees to realize the importance regularly through the ME-Learning system and an exhibition.

#### Number of cases or issues related to corruption

	2022	2023	2024
Total number of cases or issues related to corruption (cases)	0	0	0

### Whistleblowing

## Operations related to whistleblowing over the past year

Has the company implemented whistleblowing : Yes  
procedures over the past year

The Company has regulations to support whistleblowing, either seeing any action or behavior from both the organization and the employee who imposes misconduct violates or may infringe on conduct against legal requirements or the Business Ethics. The more promptly the Company can gather and communicate, the more reducible effect will occur to the Company from that action or behavior. Therefore, the Company establishes a Whistle Blower channel for all stakeholders to report clues or complaints encountering any incidents or actions against the law and business ethics that may cause damage to the Company. The Company also has set guidelines and acknowledges all stakeholders every year. Those who witness the above events or actions shall gather information, clues, and evidence to verify the facts as much as possible, then notify directly to the Company by sending feedback or document complaints to the following address.

Attention to: Manager of the Internal Audit Control Office  
Kang Yong Electric Public Company Limited  
P.O. Box 49, Bangna Tower 10541  
Or send electronic information to  
E-mail address: [hotline@kye.meap.com](mailto:hotline@kye.meap.com)

The Manager of the Internal Audit Office and the investigation team, appointed by the Chairman of the Board of Directors or Managing Director according to the Company announcement, will take into account. It is essential to protect and prevent any impact on the whistleblower as it is confidential information. The Company shall act fairly by referring and proving the information received and quickly decide to take further action on the matter or problem appropriately. To make whistleblowing information purely and fairly and certify the truthful information, the Company requests a specific full name with clear contact. If necessary, the Company may request additional information for consideration of the result of such action. In the past year, the Company receive any information has taken action.

## Number of cases or issues related to whistleblowing

	2022	2023	2024
Total number of cases or issues received through whistleblowing channels (cases)	0	0	0

## The monitoring of compliance with other corporate governance policy and guidelines

### Information Disclosure and Transparency

The Company has disclosed information as required by the SET, such as financial reports, changes of directors and members of board committees, approval of connected transactions, etc., via the SETLink system after every Board of Directors' meeting or shareholders' meeting and already published such information in the annual report and annual registration statement (One Report) covering report on operating results, financial statements, management's discussion and analysis, and report on the Board of Directors' responsibility for the financial statements to ensure transparency for the benefits of the shareholders. Investors can also ask for more information by contacting its Investor Relations Division at telephone number 02-337-2900 Ext. 1120 or at e-mail: [information@kye.meap.com](mailto:information@kye.meap.com)

## 8.2 Report on the results of duty performance of the audit committee in the past year

### 8.2.1 Meeting attendance of audit committee

Meeting attendance of audit committee (times) : 4

List of directors	Meeting attendance of audit committee		
	Meeting attendance (times)	/	Meeting attendance rights (times)
1 Mr. Arthakrit Visudtibhan (Chairman of the audit committee)	4	/	4
2 Pol. Maj. Gen. Sahaschai Indrasuksri (Member of the audit committee)	4	/	4
3 Dr. Apichai Boontherawara (Member of the audit committee)	4	/	4

### 8.2.2 The results of duty performance of the audit committee

#### Audit Committee's Report

The Audit Committee of Kang Yong Electric Public Company Limited as appointed by the Company's Board of Directors is composed of three independent directors, namely Mr. Arthakrit Visudtibhan as Chairman of Audit Committee, Police Major General Sahaschai Indrasuksri and Dr. Apichai Boontherawara. A Board of Directors meeting appointed Dr. Apichai Boontherawara as a financial advisor to review the reliability of the Company's financial statements to the Audit Committee as he has adequate knowledge and experience in such field.

The Audit Committee has performed the following duties independently in the scope of responsibilities prescribed in the Audit Committee Charter, which are consistent with the regulations of the Stock Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC). The operations of the Audit Committee in the fiscal year 2024 (April 2024 - March 2025) are summarized as below:

1. Financial Statement Review The Audit Committee reviewed important information on quarterly financial statements and annual financial report for the fiscal year 2024. With the explanation given by and inquiries made on significant points with the external auditors and Finance Department Manager of the Company, the Committee expressed an opinion that the Company's financial statements are accurate and complete, with adequate and reliable disclosure of information following the generally accepted accounting standards. The auditors also reported the independence in performing the duties and auditing related issues founded for the consideration of the Audit Committee in all respects.

Besides, the Audit Committee acknowledged the notable points and implementation relating to the changes in the relevant accounting and financial reporting standards.

#### 2. Risk Management Review

The Audit Committee considered the risk management policy, risk assessment, and risk management plan and approach. The Committee set up the Risk Management Committee with the President as a Chairman and working groups comprising management members from all departments. The roles of the Risk Management Committee are, to identify risks which might hinder business operations from achieving the Company's targets and objective. Second, to assess risk levels weighing on its potential to impact the organization materially. Lastly, to determine measures to deal with such risks by either managing, avoiding, mitigating, transferring or accepting them. These working groups shall report their risk assessment and management every six months.

In 2024, the Committee acknowledged the management's risk management activities such as risk prevention measures from the

coronavirus disease 2019, measures to relax soaring prices of parts and raw materials, measures to drive and stimulate sales, and compliance with legal requirements, etc.

The Committee expressed an opinion that the Company's risk management system has been adequate and appropriate to avoid any significant impact on the organization.

### 3. Internal Control and Internal Audit Review

The Audit Committee considered and endorsed the annual audit plan of Internal Audit Control Office which reviewed the internal control systems, according to the organizational structure and business operation in compliance with the laws and regulations relevant to its business.

The Committee considered the operating results to assess adequacy and appropriateness based on the quarterly internal audit report and the year-round overall internal control assessment report to follow-up the improvement actions as recommended from the internal audit report.

The Committee considered and viewed that the Company operated the business with an adequate and efficient internal control system. The management controlled and monitored risks that might cause damage to the Company in the all significant operations, as well as reviewed the practice of anti-bribery, reviewed of conflicts of interest, and trade competition protection which abides by current regulations and internal control standards.

All in all, the Company's operations contain an adequate and efficient internal control system. The management has conducted a review and improvement of the work system to be accurate and comply with the laws, regulations and code of business ethics.

### 4. Proposal for Appointment of Auditor and Auditor Remuneration for 2025

The Audit Committee considered the nomination of auditors from KPMG Phoomchai Audit Limited, to be appointed as the Company's auditors for the fiscal year 2025, and to determine appropriate auditor remuneration. The auditors are considered from qualifications, the scope of responsibilities, audit work quality in the previous year, and independence in performing audit work, as well as audit knowledge, technique, and outstanding experience in the area.

### 5. Consideration of Connected Transactions or Transactions with Potential Conflict of Interest

The Audit Committee considered to review and provide opinion on connected transactions that may cause a conflict of interest with the Company. In the fiscal year 2024, the Committee found that the connected transactions and the disclosure of such information are conducted with goodwill to the Company appropriately and reasonably following the criteria of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

### 6. Audit Committee Meeting

In the fiscal year 2024, the Audit Committee had a total of 4 meetings, including co-meeting with the management, the external auditors without attendance by the administration. No Committee members were absent from any of such meetings.

The Audit Committee arranged a self-assessment for their performance as the entire Committee for the fiscal year 2024 using the criteria and the best practice of the Stock Exchange of Thailand as the guidelines to ensure compliance with good corporate governance. The assessment result, the earned average score is 4 out of full score of 4 which all criteria points have good average score, reflecting the audit committee's performance of duties according to the Audit Committee Charter and the good corporate governance principles at a well to excellent level.

In conclusion, the Audit Committee performed duties entirely in the scope of duties and responsibilities as prescribed in the Audit Committee Charter, and as assigned by the Board of Directors in order to ensure that the Company could run its business with good corporate governance, efficient management, sufficient and appropriate internal control for business operations, effective risk management, and reliable accounting system and financial report, as well as compliance with the laws, rules and regulations relevant to the Company's business operations.



## 8.3 Summary of the results of duty performance of subcommittees

### 8.3.1 - 8.3.2 Meeting attendance and the results of duty performance of subcommittees

#### Meeting attendance Executive Committee

Meeting Executive Committee (times) : 20

List of Directors	Meeting attendance Executive Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. Praphad Phodhivorakhun (The chairman of the executive committee)	20	/	20
2 Mr. Keiji Oya (Vice-chairman of the executive committee)	20	/	20
3 Mr. Yasuhito Negishi (Member of the executive committee)	12	/	12
4 Mr. Chayanind Phodhivorakhun (Member of the executive committee)	20	/	20
5 Mr. Hiroyuki Noda (Member of the executive committee)	8	/	8

#### The results of duty performance of Executive Committee

In 2024, the Executive Committee consistently performed its duties in supervising, monitoring, and driving the Company's operations in alignment with strategic plans. The Committee focused on cost management, production efficiency, and mitigation of risks related to economic volatility and raw material prices. It also promoted adherence to good corporate governance and sustainability principles, while supporting the Company's digital transformation. These efforts aim to ensure stable and sustainable performance in the long term.

#### Meeting attendance Nomination and Remuneration Committee

Meeting Nomination and Remuneration Committee (times) : 2

List of Directors	Meeting attendance Nomination and Remuneration Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Mr. Manu Leopaibrote (The chairman of the subcommittee)	2	/	2
2 Mr. Praphad Phodhivorakhun (Member of the subcommittee)	2	/	2
3 Mr. Keiji Oya (Member of the subcommittee)	2	/	2

List of Directors	Meeting attendance Nomination and Remuneration Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
4 Dr. Apichai Boontherawara (Member of the subcommittee)	2	/	2
5 Mr. Pumipat Sinacharoen (Member of the subcommittee)	2	/	2

## The results of duty performance of Nomination and Remuneration Committee

In 2024, the Nomination and Remuneration Committee convened a total of two meetings, held on May 10, 2024, and November 7, 2024.

Key agenda items included:

1. Adopt of the minutes of the previous meeting.
2. Nomination of directors to replace those retiring by rotation, considering five directors whose terms had expired. 3. Consideration of directors' remuneration for 2024, proposing a total remuneration budget not exceeding THB 6.5 million, the same amount as in 2023.
3. Nomination of a new director to replace a resigned director
4. Appointment of a new secretary to the committee

Throughout the year, the Nomination and Remuneration Committee has performed its duties effectively, covering director nominations, annual remuneration proposals, and adjustments to the structure of various board committees. These efforts have ensured continuity, transparency, and adherence to principles of good corporate governance in the company's management.

## Meeting attendance Product Pricing Committee

Meeting Product Pricing Committee (times) : 3

List of Directors	Meeting attendance Product Pricing Committee		
	Meeting attendance (times)	/	Meeting attendance right (times)
1 Pol. Maj. Gen. Sahaschai Indrasuksri (The chairman of the subcommittee)	3	/	3
2 Mr. Keiji Oya (Member of the subcommittee)	3	/	3
3 Mr. Yasuhito Negishi (Member of the subcommittee)	2	/	2
4 Mr. Manu Leopairrote (Member of the subcommittee)	3	/	3
5 Mr. Arthakrit Visudtibhan (Member of the subcommittee)	3	/	3

## The results of duty performance of Product Pricing Committee

In 2024, the Product Pricing Committee held a total of three meetings and played a key role in reviewing pricing strategies for each product group to ensure alignment with changing market conditions and cost structures. The key highlights of the Committee's

performance are as follows:

1. Review of Product Pricing Performance (Markup on Cost: MoC) The Committee reviewed the markup on cost performance across various product categories to assess profitability and pricing effectiveness.
2. Oversight of Proactive Pricing Strategy Implementation The Committee closely monitored the execution of pricing strategies to ensure responsiveness to market dynamics and cost fluctuations—particularly with regard to volatile raw material prices, such as copper, and the impacts of foreign exchange rates.
3. Provision of Strategic Recommendations to Management Strategic advice was provided on key issues, such as controlling the sale of low-margin products, promoting high value-added products, and maintaining a balance between sales volume and profit margins to achieve efficient and sustainable pricing management.
4. Governance of Fair Pricing within the Group The Committee emphasized its role in corporate governance by monitoring and ensuring fair pricing practices, particularly to prevent inappropriate profit shifting among affiliated companies.

In conclusion, the Product Pricing Committee has fulfilled its duties with diligence, transparency, and efficiency, in accordance with good corporate governance principles, to support the company's sustainable growth.

## 9. Internal control and related party transactions

### 9.1 Internal control

#### Summary of the opinion of the board of directors regarding the internal control of the company

Internal Control and Risk Management

Opinion of the Board of Directors on the Company's Internal Control

The Company recognizes and places importance on continuous internal control and risk management. The Board of Directors has set up and assigned the Audit Committee to be responsible for reviewing adequacy and appropriateness of internal control and risk management. For ensuring efficiency and effectiveness in the conduct of business or discharge of duty in compliance with the policies, Articles of Association, and resolutions of the Board of Directors and the shareholders' meeting, including the applicable laws, notifications, and regulations. The Company's internal control and risk management in the previous year can sum up as follows:

Control within the organization

1.1 The Company is well aware of its corporate responsibility for the society as a whole, by ensuring its directors, executives and employees conduct ethical business. To ensure the Company's objectives and to be in line with the Mitsubishi Electric Group Conduct Guidelines, the Company communicates its policies and targets as well as gives a written clarification to the employees organization-wide. Also, the Company arranges training, and testing (E-Learning) thereon to the employees at all levels for their translation into action and follow up the results.

1.2 The Board of Directors has appointed four Board committees, namely the Board of Executive Directors, the Audit Committee, the Nomination, and Remuneration Committee, and the Product Pricing Committee, with duties and responsibilities designated to monitor and control business operation in line with the objectives.

1.3 The Board of Directors has assigned the Board of Executive Directors to undertake business administration on its behalf and to determine policies and targets on business administration, quality assurance, environmental management, health and safety, energy conservation, confidentiality security management, business ethics management, and anti-fraud and anti-corruption. The Board has also formulated the organizational structure by dividing management duties and responsibilities into 2 main lines as follows:

1.3.1 Administration and planning line composed of 6 departments which are Corporate Strategic Planning Office, Internal Audit Control Office, General Administration Department, Finance Department, Purchase Department and Marketing Department.

1.3.2 Engineering line composed of 6 departments which are, Production Engineering, Quality Assurance Department, Tool & Plastic Production, Fan Production, Refrigerator Production, and Water Pump Production.

1.4 The Company has established a selection and nomination process to recruit personnel with required knowledge, skills, expertise and experience, from operating staff to supervisory and executive levels allocated appropriately according to the organization structure. It has a process in place for performance evaluation, salary increment and promotion, and a succession plan, with key talents selected to undergo a training course in Japan. Wages and salaries as well as other remuneration and benefits are made available as appropriate to employees at all levels without discrimination. At the same time, a fair penalty system applies to any case where an employee performs in violation of the work rules and regulations.

1.5 The Company has an independent work unit handling internal audit and following up on other work units' operations in terms of internal control, risk management and compliance with applicable laws. Such internal audit unit shall implement in line with the annual audit plan, and shall report the audit result and follow-up result of subsequent corrective action to both the Board of Executive Directors and the Audit Committee for acknowledgement, as well as comments and recommendation for the management's improvement and remedial action accordingly.

1.6 The Audit Committee shall perform duties with independence in the scope of power and duties prescribed in the Audit Committee Charter. It has reviewed financial reports, risk management, internal control and audit systems, proposed appointment of external auditors and auditor remuneration, and connected transactions or transactions that may have a conflict of interest, on a quarterly and annual basis. Results of such review by the Audit Committee are also proposed to the meeting of the Board of Directors for acknowledgement and consideration every quarter and published in the Audit Committee's annual report. (See details in "Audit Committee's Report.")

2. Risk assessment

In risk management, on a semi-annual basis, all departments of the Company reviewed risk identification, risk assessment, and risk management in line with risk assessment forms to fit with the Company's policies and cover all of its corporate targets.

Risk Management Committee reviewed risk identification and risk level assessment, as well as risk management measures, of working groups in all departments. It also examined risk management to ensure efficiency and suitability with the organization, closely followed up on risk management performance, and reported risk management activities of all departments as the significant agenda items to the meetings of the Audit Committee and the Board of Directors for acknowledgement and consideration.

### 3. Control activities

3.1 The Board of Executive Directors and executives at various managerial levels map out yearly policies, objectives, and targets of all departments, and communicate them to staff members for further translation into practice to achieve such aims. The operation monitoring system is in place with reporting at meetings held at all levels on a weekly, monthly, quarterly and semi-annual basis. The staff reports the progress of their operation and the executives shall give instructions and assignments to ensure that the Company's goals and objectives entirely achieved.

3.2 The Company arranges written corporate rules to control operations in financial transactions, procurement, production, quality control, sales of goods and general administration, with a scope of power, duties, responsibilities, and approval amount limit for each level. A limit exceeding budget request subjects to consideration and approval of the meeting of Budget Committee chaired by the President and held every week to consider budget spending proposals.

3.3 The Company has appointed representatives as directors in associated companies to follow up the operations of such companies.

3.4 The Company Secretary has been assigned to keep and regularly update information on the significant shareholder, directors, executives, and connected persons, to facilitate monitoring and review of related transactions or transactions prone to conflict of interest.

4. Information and communication The Company has established an adequate information and communication system. It has prepared accurate, complete, and reliable information within an appropriate period, and made it available to the Board of Directors, the management and staff members to support decision-making on a timely basis. Secure access to information in various work systems is determined precisely and as prescribed by relevant laws via such channels as e-mail, Intranet, and communication through activities and joint meetings to strengthen coordination and operation to achieve the targets set forth.

For external parties, the Company has disclosed and communicated its information comprehensively and equitably to the stakeholders through its communication channel, i.e., [www.mitsubishi-kye.com](http://www.mitsubishi-kye.com), and in case of disclosure according to the criteria of the Stock Exchange of Thailand (SET), such as financial report, annual report of operating results, and minutes of the annual general meeting of shareholders, via the SET's information system and the Company's website.

Moreover, the Company has a channel for stakeholders to report any incident or any act prone to a violation of the laws and regulations, code of business ethics which may cause damage to the Company. They may inform the Internal Audit Control Office by post: P.O. Box 49, Bangna Tower 10541. The Company has a system in place to process such cases and make an investigation thereof before deciding on any appropriate action.

5. Monitoring activities The Company has a process to monitor business operations at directors, executives, and managerial levels through various meetings, namely Board of Directors meeting (quarterly), Board Committee meetings, business plan meeting, departmental policy and implementation plan meeting, weekly manager meeting, monthly business unit meeting, weekly and monthly quality meeting, and so forth.

Directors and executives will acknowledge operating results covering achievements and/or problems from the minutes of the meetings. They will then at the respective meetings instruct the relevant parties to take improvement or solution actions to meet the Company's objectives and targets.

At the Board of Directors meeting 1/2024, on May 20, 2024, which the three Audit Committee members attended, assessed the Company's internal control system in five areas based on the Audit Committee's report and expressed an opinion that the Company's internal control system has been adequate and appropriate. The system contained with an efficient management system with sufficient transactions with persons that may have a conflict of interest and connected parties, and there is no any deficiency

in the internal control system that could cause a significant impact on the Company.

#### Head of Internal Audit Control

The Board of Executive Directors, with the consent of the Audit Committee, has appointed Mr. Pensak Plavuthithothai as a Manager of the Internal Audit Control Office, and taking effect on April 1, 2020. Mr. Pensak has 34 years of work experience and knowledge of the Company's business activities and operations. Thus, He is qualified and appropriate to perform duties in this position. Appointment, removal, or rotation of Manager of Internal Audit Control Office shall be subject to approval or consent from the Audit Committee.

### 9.1.1 Adequacy and appropriateness of the company's internal control system

Company's internal control system : The Committee of Sponsoring Organizations of the Treadway Commission (COSO)

#### The Committee of Sponsoring Organizations of the Treadway Commission (COSO)

Internal Control in accordance with COSO Framework The Company maintains an internal control system based on the COSO framework, which includes the following components:

##### 1. Control Environment

- The Company has established written policies and management objectives, which are communicated clearly and thoroughly to all employees.
- The Company has appointed four sub-committees: the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, and the Product Pricing Committee. These committees are assigned specific responsibilities to supervise and ensure that the Company's operations align with its objectives. The Company has also defined a clear organizational structure with segregation of duties and responsibilities at all levels of management.
- The Company has a structured recruitment and selection process to ensure that qualified and capable personnel are hired at all levels from executives and supervisors to operational staff. Fair and appropriate remuneration, benefits, and welfare are also provided to all employees.
- An independent internal audit unit is established to monitor and evaluate the effectiveness of internal control systems, risk management, and legal compliance. The internal audit unit reports its findings directly to the Executive Committee and the Audit Committee.

##### 2. Risk Assessment

- Every six months, all departments review and assess potential risks. Mitigation measures and control plans are developed to align with the Company's policies and performance targets.

##### 3. Control Activities

- The Company has implemented formal written procedures and regulations to govern operations across various business functions, including finance, procurement, production, quality control, sales, and general management. These procedures define the authority levels, approval limits, and budget request processes, which must be reviewed and approved by the Budget Committee.

##### 4. Information and Communication

- The Company has established effective information systems and communication channels. Data is accurately and reliably collected, processed, and reported to management and the Board of Directors in a timely manner. Access rights are defined for each system, and communication is facilitated through email, internal communication systems (Intranet), and corporate engagement activities.
- For external stakeholders, the Company ensures equal and transparent disclosure through the Stock Exchange of Thailand's information system and the Company's official website: [www.mitsubishi-kye.com](http://www.mitsubishi-kye.com)

##### 5. Monitoring Activities

- The Company conducts regular monitoring of operations at the board, executive, and management levels through various meetings, including: quarterly Board of Directors meetings, sub-committee meetings, business planning sessions, policy and departmental activity planning meetings, weekly management meetings, monthly business unit meetings, and weekly/monthly quality review meetings.

### 9.1.2 Deficiencies related to the internal control system

	2022	2023	2024
Total number of deficiencies related to the internal control system (cases)	0	0	0

### 9.1.3 Opinions of the audit committee and auditor's observations on internal control

Does the audit committee have opinions on internal control : No  
different from the board of directors' opinions?

Does the auditor have any observations on the company's : No  
internal control?

### 9.1.4 Opinions of the audit committee on the position of the head of the internal audit unit

Head of the internal audit unit : Internal personnel

The Executive Committee, with the approval of the Audit Committee, appointed the Head of the Internal Audit Unit. The appointee possesses extensive work experience and a thorough understanding of the Company's activities and operations, and is therefore considered well-qualified and suitably capable of performing the duties of this position effectively.

### 9.1.5 Appointment, discharge, and transfer of the head of the internal audit unit

Does the appointment, discharge, and transfer of the head of : Yes  
the internal audit unit require the audit committee approval?

The consideration and approval for the appointment, dismissal, or rotation of the Head of the Internal Audit Unit shall be undertaken by management, subject to the approval of the Audit Committee.

## 9.2 Related party transactions

### Related party transactions

Does the company have any related party transactions? : Yes

9.2.1 - 9.2.2 Names of the group of persons who may have a conflict of interest, nature of relationship, and information on related party transactions



## Persons/entities with potential conflicts

Name of person or entity/type of business	Nature of relationship	Information as of date
Mitsubishi Electric Corporation Sale of Product and Spare parts	Parent, 45.72 % shareholding	31 Mar 2025
Mitsubishi Electric Kang Yong Watana Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent and common directors (MELCO was MKY 48% shareholding)	31 Mar 2025
Melco Thai Capital Co.,Ltd. Provision of financial services	A subsidiary of the Company, in which MELCO holds a 99.99% equity interest.	31 Mar 2025
Setsuyo Astec (Thailand) Co., Ltd. Sale of machinery, mechanical equipment, tools, and devices.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Australia Pty. Ltd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Life Network Co.,Ltd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric & Electronics (Shanghai) Co.Ltd. Sale of parts and raw materials	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric (Hong Kong) Ltd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric (Malaysia) Sdn.Bhd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025

Name of person or entity/type of business	Nature of relationship	Information as of date
Mitsubishi Electric Asia Pte.,Ltd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Corporation (Nakatsugawa) Sale of machinery and equipment	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric India Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Sales Malaysia Sdn.Bhd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Taiwan Co., Ltd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Trading Corporation Sale of parts and raw materials	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Trading Corporation (Shizuoka) Sale of parts, raw materials, machinery, and equipment.	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Vietnam Co., Ltd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025
P.T.Mitsubishi Electric Indonesia Co.,Ltd. Authorized distributor of Mitsubishi Electric electrical appliances.	A subsidiary of the Company's parent	31 Mar 2025

Name of person or entity/type of business	Nature of relationship	Information as of date
Setsuyo Astec Corporation Sale of parts and raw materials	A subsidiary of the Company's parent	31 Mar 2025
Setsuyo Astec Corporation Japan Branch Sale of machinery and equipment	A subsidiary of the Company's parent	31 Mar 2025
Setsuyo Astec Corporation Seoul Branch Sale of parts and raw materials	A subsidiary of the Company's parent	31 Mar 2025
KGM.Service Co.,Ltd. Transportation services and logistics operations	A subsidiary of the Company's parent	31 Mar 2025
K.Y. Intertrade Co.,Ltd. Sale of machinery and equipment	Common director	31 Mar 2025
Nitto Seiko (Thailand) Co.,Ltd. Sale of parts and raw materials	Common director	31 Mar 2025
Mitsubishi Electric Asia (Thailand).Ltd Services	A subsidiary of the Company's parent	31 Mar 2025
Mitsubishi Electric Automation (Thailand) Co.,Ltd. Sale of parts, raw materials, machinery and equipment	A subsidiary of the Company's parent	31 Mar 2025
Melco Trading (Thailand) Co., Ltd. Sale of parts, raw materials, machinery and equipment	A subsidiary of the Company's parent	31 Mar 2025
Melco Logistic (Thailand) Co., Ltd. To provide cargo transportation and handling services by land, sea, and air, both domestically and internationally; to provide export services from ports in accordance with customs procedures and all types of freight arrangement services.	A subsidiary of the Company's parent	31 Mar 2025
Smile Super Express Co.,Ltd. Transportation	Associate, 27.12% shareholding.	31 Mar 2025
Others Services	A subsidiary of the Company's parent	31 Mar 2025



## Details of related party transactions

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
Mitsubishi Electric Corporation			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Sale of Product and Spare parts  <u>Details</u>  KYE sell electric home appliance products, comprising electric fans, exhaust fans , refrigerators, water pump and spare part to related parties companies.  <u>Necessity/reasonableness</u>  MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	3,465.10	3,076.78	2,318.46
<b>Transaction 2</b>  <u>Nature of transaction</u>  Complementing Fee  <u>Details</u>  - Royalty fee, after service and Technician fee - Development fee (in accordance with Technical Assistance Agreement)  <u>Necessity/reasonableness</u>	435.79	379.40	298.75

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>- KYE entered into Technical Assistant Agreement with MELCO under this agreement, KYE able to sales the products under “Mitsubishi Electric” trademark which is well known worldwide and obtained assistance of manufacturing technology and marketing including manufacturing technology training. Therefore , it is a reasonableness transaction for payment of royalty fee and technician fee to MELCO.</p> <p>- Research and Development of products and are vital to the business operations of the Company for producing improved modern to meet consumers demands. However, the Company is not able to develop high technology product by their own. It is necessary to rely on MELCO who owns technology and trademark.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Kang Yong Watana			
<p><b>Transaction 1</b></p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies.</p> <p><u>Necessity/reasonableness</u></p> <p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade"</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>	3,324.20	2,949.82	2,705.93
<p><b>Transaction 2</b></p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p>	6.39	6.36	6.48

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p><u>Details</u></p> <p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p> <p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 3</b></p> <p>1.83</p> <p>0.01</p> <p>0.10</p> <p><u>Nature of transaction</u></p> <p>Procurement of asset</p> <p><u>Details</u></p> <p>Air Condition</p> <p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Melco Thai Capital Co.,Ltd.			
<p><b>Transaction 1</b></p> <p>96.96</p> <p>97.83</p> <p>1,484.75</p> <p><u>Nature of transaction</u></p> <p>Giving or receiving of financial assistance</p> <p><u>Details</u></p> <p>Loan Receivable to MTC by interest rate of loan 1.10% - 2.5% per year</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Increasing liquidity of cash flow and reduce financial costs by providing a better interest rate of loan and deposit than commercial banks. It is cause a better benefit to the company</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>1.09</p> <p>2.16</p> <p>11.13</p> <p><u>Nature of transaction</u></p> <p>Interest Received</p> <p><u>Details</u></p> <p>Interest Received</p> <p><u>Necessity/reasonableness</u></p> <p>Refer as item 1</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Setsuyo Astec (Thailand) Co.,Ltd.			
<p><b>Transaction 1</b></p> <p>215.70</p> <p>187.37</p> <p>311.70</p> <p><u>Nature of transaction</u></p> <p>Procurement parts and raw materials</p> <p><u>Details</u></p> <p>Steel plate for assembly refrigerator.</p> <p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>0.09</p> <p>0.12</p> <p>0.05</p> <p><u>Nature of transaction</u></p> <p>Procurement of asset</p>			



Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<u>Details</u> <p>Equipment DX Improvement Injection Machine.</p> <u>Necessity/reasonableness</u> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods.</p> <u>Audit committee's opinion</u> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric & Electronics (Shanghai) Co.Ltd.			
<b>Transaction 1</b> <u>Nature of transaction</u> <p>Sale of Product and Spare parts</p> <u>Details</u> <p>Aluminum tap for assembly refrigerator.</p> <u>Necessity/reasonableness</u> <p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of "Mitsubishi Electric". Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p> <u>Audit committee's opinion</u> <p>In accordance with the criteria for connected Transactions.</p>	49.20	55.86	46.52
Mitsubishi Electric (Hong Kong) Ltd.			
<b>Transaction 1</b> <u>Nature of transaction</u> <p>Procurement parts and raw materials</p> <u>Details</u> <p>Electronic parts used for assembly and refrigerator.</p> <u>Necessity/reasonableness</u>	214.70	177.18	190.95

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>0.15                      0.00                      0.06</p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p> <p><u>Details</u></p> <p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p> <p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 3</b></p> <p>12.40                      13.58                      9.91</p> <p><u>Nature of transaction</u></p> <p>Procurement parts and raw materials</p> <p><u>Details</u></p> <p>Electronic parts used for assembly and refrigerator.</p> <p><u>Necessity/reasonableness</u></p> <p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.			
Mitsubishi Electric (Malaysia) Sdn.Bhd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Sale of Product and Spare parts  <u>Details</u>  KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies.  <u>Necessity/reasonableness</u>  MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	5.00	4.54	3.28
Mitsubishi Electric Asia Pte.,Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Sale of Product and Spare parts  <u>Details</u>  KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies.  <u>Necessity/reasonableness</u>  MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".	249.70	201.23	209.88

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.			
<b>Transaction 2</b>  <u>Nature of transaction</u>  Complementing Fee  <u>Details</u>  Advertising support, After Service Fee and other expenses.  <u>Necessity/reasonableness</u>  Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	0.50	0.09	0.79
<b>Transaction 3</b>  <u>Nature of transaction</u>  Procurement parts and raw materials  <u>Details</u>  Electronic parts used for assembly electric fan and refrigerator.  <u>Necessity/reasonableness</u>  The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	92.40	55.32	40.31
<b>Transaction 4</b>	1.79	0.98	0.00

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p><u>Nature of transaction</u></p> <p>Procurement of asset</p> <p><u>Details</u></p> <p>Die Punching for PWB.</p> <p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Australia Pty.Ltd.			
<p><b>Transaction 1</b></p> <p>316.70</p> <p>197.10</p> <p>258.43</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p> <p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>1.77</p> <p>0.00</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p> <p><u>Details</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p> <p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Corporation (Nakatsugawa)			
<p><b>Transaction 1</b></p> <p>1.03</p> <p>0.00</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Procurement of asset</p> <p><u>Details</u></p> <p>Die Frame Bracket</p> <p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric India			
<p><b>Transaction 1</b></p> <p>0.00</p> <p>1.60</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Life Network Co.,Ltd.			
<p><b>Transaction 1</b></p> <p>70.80</p> <p>59.61</p> <p>0.02</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p> <p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>3.30</p> <p>1.92</p> <p>0.54</p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p> <p><u>Details</u></p> <p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Sales Malaysia Sdn.Bhd.			
<p><b>Transaction 1</b></p> <p>153.50</p> <p>104.34</p> <p>81.48</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p> <p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>0.00</p> <p>0.00</p> <p>0.03</p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p> <p><u>Details</u></p> <p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p>			



Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Taiwan Co.,Ltd.			
<p><b>Transaction 1</b></p> <p>115.10                      102.68                      100.21</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p> <p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Trading Corporation			
<p><b>Transaction 1</b></p> <p>17.70                      15.13                      13.85</p> <p><u>Nature of transaction</u></p> <p>Procurement parts and raw materials</p> <p><u>Details</u></p> <p>Electronic parts used for assembly and refrigerator</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Trading Corporation (Shizuoka)			
<p><b>Transaction 1</b></p> <p>5.48</p> <p>0.18</p> <p>0.42</p> <p><u>Nature of transaction</u></p> <p>Procurement of asset</p> <p><u>Details</u></p> <p>Soft Writing Jig for printed Board</p> <p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Mitsubishi Electric Vietnam Co.,Ltd.			
<p><b>Transaction 1</b></p> <p>464.60</p> <p>177.09</p> <p>185.83</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>0.74                      0.15                      0.21</p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p> <p><u>Details</u></p> <p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p> <p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
P.T.Mitsubishi Electric Indonesia Co.,Ltd.			
<p><b>Transaction 1</b></p> <p>10.20                      15.03                      16.01</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>0.00</p> <p>0.00</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p> <p><u>Details</u></p> <p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p> <p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Setsuyo Astec Corporation			
<p><b>Transaction 1</b></p> <p>46.30</p> <p>29.04</p> <p>29.83</p> <p><u>Nature of transaction</u></p> <p>Procurement parts and raw materials</p> <p><u>Details</u></p> <p>Electronic parts used for assembly electric fan and refrigerator</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Setsuyo Astec Corporation Japan Branch			
<p><b>Transaction 1</b></p> <p>0.01</p> <p>0.00</p> <p>0.06</p> <p><u>Nature of transaction</u></p> <p>Procurement of asset</p> <p><u>Details</u></p> <p>Spare Part of Jig Cutting Shalt</p> <p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Setsuyo Astec Corporation Seoul Branch			
<p><b>Transaction 1</b></p> <p>785.20</p> <p>350.71</p> <p>210.92</p> <p><u>Nature of transaction</u></p> <p>Procurement parts and raw materials</p> <p><u>Details</u></p> <p>steel plate for assembly refrigerator</p> <p><u>Necessity/reasonableness</u></p> <p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p> <p><u>Audit committee's opinion</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
In accordance with the criteria for connected Transactions.			
KGM.Service Co.,Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Complementing Fee  <u>Details</u>  Logistic Fee  <u>Necessity/reasonableness</u>  KYE has been dealing with this company in order to smoothen the operation progress of export shipment. Besides, KYE has also had contracts with other companies, who are not related to MELCO , upon to destination of each market.  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	2.01	0.26	0.26
K.Y. Intertrade Co.,Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Procurement of asset  <u>Details</u>  Improved PLC for Hot Water  <u>Necessity/reasonableness</u>  Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods.  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	0.00	4.52	0.58
Nitto Seiko (Thailand) Co.,Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Procurement parts and raw materials	0.00	0.04	0.50

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<u>Details</u>  Nut and Screw for assembly refrigerator  <u>Necessity/reasonableness</u>  The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.			
Mitsubishi Electric Asia (Thailand).Ltd			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Complementing Fee  <u>Details</u>  Advertising support , After Service Fee and other expenses.  <u>Necessity/reasonableness</u>  Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	1.49	1.71	1.10
Mitsubishi Electric Automation (Thailand) Co.,Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Procurement of asset  <u>Details</u>  Submersible pump	0.01	0.00	0.00

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>1.50</p> <p>1.31</p> <p>1.43</p> <p><u>Nature of transaction</u></p> <p>Procurement parts and raw materials</p> <p><u>Details</u></p> <p>steel plate for assembly refrigerator</p> <p><u>Necessity/reasonableness</u></p> <p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of "Mitsubishi Electric". Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Melco Trading (Thailand) Co.,Ltd.			
<p><b>Transaction 1</b></p> <p>5.80</p> <p>6.20</p> <p>2.88</p> <p><u>Nature of transaction</u></p> <p>Sale of Product and Spare parts</p> <p><u>Details</u></p> <p>KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .</p> <p><u>Necessity/reasonableness</u></p>			



Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of Melco who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 2</b></p> <p>242.50</p> <p>173.58</p> <p>152.61</p> <p><u>Nature of transaction</u></p> <p>Procurement parts and raw materials</p> <p><u>Details</u></p> <p>Electronic parts used for assembly and refrigerator</p> <p><u>Necessity/reasonableness</u></p> <p>The Company had necessity to purchase parts and raw materials from related companies. As its has produced of electrical appliances under the standard of “Mitsubishi Electric”. Procurement from MELCO's subsidiaries in massive quantity helps to reduce production cost and control the quality standard as specified.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 3</b></p> <p>0.01</p> <p>0.00</p> <p>0.00</p> <p><u>Nature of transaction</u></p> <p>Procurement of asset</p> <p><u>Details</u></p> <p>Jig and Program for test remote AAA</p> <p><u>Necessity/reasonableness</u></p> <p>Procurement of unique machinery that has complex process for producing and installation. Therefore, KYE is required to hire such company representative which specializes in supply such goods.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
Melco Logistic (Thailand) Co.,Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Complementing Fee  <u>Details</u>  Logistic Fee  <u>Necessity/reasonableness</u>  KYE has been dealing with this company in order to smoothen the operation progress of export shipment. Besides, KYE has also had contracts with other companies, who are not related to MELCO , upon to destination of each market.  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	42.02	37.18	39.84
Smile Super Express Co.,Ltd.			
<b>Transaction 1</b>  <u>Nature of transaction</u>  Sale of Product and Spare parts  <u>Details</u>  KYE sell electric home appliance products, comprising electric fans, exhaust fans, refrigerators, water pump and spare part to related parties companies .  <u>Necessity/reasonableness</u>  MELCO has clearly defined the characteristics of the product sale that the Company will sell the product through its subsidiaries or an associate of MELCO who are high experienced. The Company earned benefited from the sales growth throughout. Moreover, the Company has a policy to determine the price based on the principle of "market transactions or under the terms of general trade".  <u>Audit committee's opinion</u>  In accordance with the criteria for connected Transactions.	0.10	0.14	0.17
<b>Transaction 2</b>  <u>Nature of transaction</u>	88.09	66.18	64.99

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Complementing Fee</p> <p><u>Details</u></p> <p>Storage, Handling &amp; Transportation Charge.</p> <p><u>Necessity/reasonableness</u></p> <p>KYE needs a place for storing its finished goods before delivery to customers by hiring SSE for management with fairly rate.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
<p><b>Transaction 3</b></p> <p>13.85</p> <p>17.18</p> <p>16.63</p> <p><u>Nature of transaction</u></p> <p>Lease or lease out of real estate for not over 3 years</p> <p><u>Details</u></p> <p>SSE has rented land and buildings from KYE.</p> <p><u>Necessity/reasonableness</u></p> <p>KYE accordingly leases out its assets to SSE for business operation as the management and storage products for KYE by using the building as a warehouse. As a result, KYE able to reduce cost of management and storing goods.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			
Others			
<p><b>Transaction 1</b></p> <p>3.50</p> <p>3.04</p> <p>1.99</p> <p><u>Nature of transaction</u></p> <p>Complementing Fee</p> <p><u>Details</u></p> <p>Advertising support, After Service Fee and other expenses.</p> <p><u>Necessity/reasonableness</u></p>			

Related party transactions	Transaction value at the end of the fiscal year (million baht)		
	2022	2023	2024
<p>Competition situation in each market has vary violent at each period time which the promotion support expense is a necessary tool for business operation. Currently, taking the expenditure for obtain better sales or maintain desired market share is become more necessary to such transaction under a clear scope and certainly criteria.</p> <p><u>Audit committee's opinion</u></p> <p>In accordance with the criteria for connected Transactions.</p>			

### 9.2.3 Policy and future trends of related party transactions and the compliance with the obligations specified in the prospectus of the company

#### Measures and procedures for approving related party transactions or connected transactions

##### Related Transaction

The Company has specified rule including guidelines clearly on the related transaction with the associated persons, subject to strictly comply with the notification and regulation of the Stock Exchange of Thailand and the Securities and Exchange Commission is principal, summarized as followings.

- Proposing a connected transaction under the rules to the Board of Directors and/or the shareholders' meeting for the approval. Through the consideration of the Audit Committee for fairness, price reasonableness and the best merits to the Company. The directors with interests have no right to cast a vote at the meeting.
- Disclosure of connected transactions with related companies adequately both of financial statements and annual reports, comply with the regulations of the Securities and Exchange Commission and the accounting standards on information disclosure about related parties or businesses, announced by the Federation of Accounting Professions.

#### Future trends in related party transactions

##### Policy on Future Connected Transaction

The future connected transactions will still strictly adhere to the connected transactions regulations, based on fairness and price reasonableness. The Company will control the operations of the connected transactions to maximize the benefits with criteria as followings.

- Normal business transactions and complementing normal business transactions, mostly are purchasing and selling of goods and service among the Company and affiliated companies that complied with general trading term conditions. The Board of Directors will approve these transactions.
- Non-normal business and/or none general trading conditions. The management, by the Company Secretary and the Finance Department Manager, acts as the administrator and review operations to ensure compliance with relevant regulatory requirements.

### 9.2.4 Information on appraised assets and appraisal price in conjunction with the execution of related party transactions

Can be referred in attachment 4: assets for business undertaking and details of asset appraisal

## Part 3 Financial Statement

Board of Directors' Responsibility Statement for the  
Financial Report

## Report of the Board of Directors' Responsibility for Financial Statements

The Board of Directors is responsible for the financial statements of Kang Yong Electric Public Company Limited including the financial information presented in the Annual Report. The financial statements have been prepared in accordance with the generally accepted accounting standards under the Accounting Act, B.E. 2543 and the requirements of the Securities and Exchange Commission regarding preparation and presentation of financial statements under the Securities and Exchange Act, B.E. 2535 by consideration to use of accounting policy appropriate and have been applied consistently including cautious discretion and reasonable estimates in the preparation, as well as disclosure of significant information adequate in the notes to the financial statements. The financial statements has been audited and expressed opinion in the auditor's report with unconditional by the independent certified public accountant.

The Board of Directors has put in place the risk management and internal control systems in order to assure that the accounting information is accurate , completely, timely and sufficiently to sustain the Company's assets including prevent frauds or any significant irregularities operation .

In this regard, the Board of Directors has appointed the Audit Committee comprising independent directors to be responsible for the quality of the financial report, the assessment of the internal control and internal audit to ensure efficiency, effectiveness and reliability. The Audit Committee has reported the performance to the Board of Directors, and given opinions on these issues in the Audit Committee's report presented in the Annual Report 2024.

The Board of Directors is of the opinion that the internal control system and internal audit of the Company are adequate and appropriate , able to ensure rationally that the financial statements for the year ended March 31, 2025 of Kang Yong Electric Public Company Limited are reasonably reliable and accurate in material aspects in accordance with the generally accepted accounting standards.



(Mr. Praphad Phodhivorakhun)

Chairman of the Board of Directors



(Mr. Keiji Oya)

President

June 12, 2025

## 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 2024, 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 2024 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 including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) 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 the Code of Ethics for Professional Accountants. 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.	
<b>The key audit matter</b>	<b>How the matter was addressed in the audit</b>
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"> <li>- Inquiring management to gain understanding on the process for estimation of provision for warranties.</li> <li>- Testing the reliability of actual warranties report by comparing actual claimed data with actual warranties report including testing on sampling basis of relevant documents.</li> <li>- Challenging management regarding the method used for estimation to evaluate the reasonableness of the method and assumptions used.</li> <li>- Considering the appropriateness of assumptions used for estimation of expected damage from warranty by comparing with historical actual claimed data.</li> <li>- Testing the calculation of provision for warranties by consider total sales of finished goods, total actual warranty expense and average claimed year.</li> <li>- Considering the adequacy of the Company's disclosures in accordance with the related Thai Financial Reporting Standards.</li> </ul>

### *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, actions taken to eliminate threats or safeguards applied.

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

(Sophit Prompol)  
 Certified Public Accountant  
 Registration No. 10042

KPMG Phoomchai Audit Ltd.  
 Bangkok  
 20 May 2024

## Financial Statements

# Kang Yong Electric Public Company Limited

## Statement of financial position

Financial statements					
in which the equity method					
is applied					
Separate financial statements					
31 March					
Assets	Note	2024	2023	2024	2023
(in Baht)					
Current assets					
Cash and cash equivalents	5	222,311,620	630,630,846	222,311,620	630,630,846
Trade accounts receivables	4, 6	908,846,578	1,041,525,570	908,846,578	1,041,525,570
Value added tax refundable		37,185,382	49,795,294	37,185,382	49,795,294
Other receivables	4	45,025,650	30,705,583	45,025,650	30,705,583
Short-term loan to related party	4	97,830,297	96,958,631	97,830,297	96,958,631
Inventories	7	722,375,582	1,271,353,532	722,375,582	1,271,353,532
Other current financial assets	22	4,412,781,595	2,820,002,000	4,412,781,595	2,820,002,000
Other current assets		6,700,608	17,617,562	6,700,608	17,617,562
Total current assets		6,453,057,312	5,958,589,018	6,453,057,312	5,958,589,018
Non-current assets					
Other non-current financial assets	22	3,214,612,008	2,195,940,615	3,214,612,008	2,195,940,615
Investment in associate	8	23,520,183	23,260,880	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	1,365,547,931	1,405,273,437	1,365,547,931	1,405,273,437
Right-of-use assets	11	14,941,729	20,904,031	14,941,729	20,904,031
Intangible assets	12	29,226,921	27,167,683	29,226,921	27,167,683
Other non-current assets		9,942,797	10,410,815	9,942,797	10,410,815
Total non-current assets		4,661,699,113	3,686,865,005	4,641,178,930	3,666,604,125
Total assets		11,114,756,425	9,645,454,023	11,094,236,242	9,625,193,143

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					
Liabilities and equity	Note	is applied		Separate financial statements	
		31 March		31 March	
		2024	2023	2024	2023
(in Baht)					
<b>Current liabilities</b>					
Trade accounts payables	4	541,849,380	768,996,865	541,849,380	768,996,865
Other payables	4	282,570,403	304,332,205	282,570,403	304,332,205
Current portion of lease liabilities	22	8,142,475	8,652,458	8,142,475	8,652,458
Income tax payable		2,649,107	-	2,649,107	-
Other current liabilities		8,051,512	8,835,132	8,051,512	8,835,132
<b>Total current liabilities</b>		<b>843,262,877</b>	<b>1,090,816,660</b>	<b>843,262,877</b>	<b>1,090,816,660</b>
<b>Non-current liabilities</b>					
Lease liabilities	22	7,300,439	13,007,208	7,300,439	13,007,208
Deferred tax liabilities	19	547,406,770	290,353,054	547,406,770	290,353,054
Provision for warranties	13	68,619,708	75,811,981	68,619,708	75,811,981
Non-current provisions for employee benefits	14	275,124,712	270,028,922	275,124,712	270,028,922
Provident funds		4,833,277	6,350,763	4,833,277	6,350,763
<b>Total non-current liabilities</b>		<b>903,284,906</b>	<b>655,551,928</b>	<b>903,284,906</b>	<b>655,551,928</b>
<b>Total liabilities</b>		<b>1,746,547,783</b>	<b>1,746,368,588</b>	<b>1,746,547,783</b>	<b>1,746,368,588</b>
<b>Equity</b>					
Share capital:					
Authorised share capital					
(19,800,000 ordinary shares, par value at Baht 10 per share)					
		198,000,000	198,000,000	198,000,000	198,000,000
Issued and paid-up share capital					
(19,800,000 ordinary shares, par value at Baht 10 per share)					
		198,000,000	198,000,000	198,000,000	198,000,000
Share premium:					
Share premium on ordinary shares	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		5,560,520,783	4,906,334,690	5,540,000,600	4,886,073,810
Other component of equity	15	2,441,587,859	1,626,650,745	2,441,587,859	1,626,650,745
<b>Total equity</b>		<b>9,368,208,642</b>	<b>7,899,085,435</b>	<b>9,347,688,459</b>	<b>7,878,824,555</b>
<b>Total liabilities and equity</b>		<b>11,114,756,425</b>	<b>9,645,454,023</b>	<b>11,094,236,242</b>	<b>9,625,193,143</b>

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

**Kang Yong Electric Public Company Limited**  
**Statement of comprehensive income**

<b>Financial statements</b>					
<b>in which the equity method</b>					
<b>is applied</b>			<b>Separate financial statements</b>		
Year ended 31 March			Year ended 31 March		
<i>Note</i>	2024	2023	2024	2023	
<i>(in Baht)</i>					
<b>Revenue</b>					
Revenue from sale of goods and rendering of services	4, 16	7,079,277,300	8,398,642,945	7,079,277,300	8,398,642,945
Investment income	4, 17	604,178,995	277,562,238	604,888,826	278,236,338
Net foreign exchange gain		33,417,583	21,839,965	33,417,583	21,839,965
Other income	4	53,668,903	66,677,466	53,668,903	66,677,466
<b>Total revenue</b>		<b>7,770,542,781</b>	<b>8,764,722,614</b>	<b>7,771,252,612</b>	<b>8,765,396,714</b>
<b>Expenses</b>					
Cost of sale of goods and rendering of services	4, 7, 18	6,108,778,656	7,517,445,312	6,108,778,656	7,517,445,312
Distribution costs	4, 18	291,413,512	493,229,408	291,413,512	493,229,408
Administrative expenses	4, 18	575,117,740	614,010,208	575,117,740	614,010,208
<b>Total expenses</b>		<b>6,975,309,908</b>	<b>8,624,684,928</b>	<b>6,975,309,908</b>	<b>8,624,684,928</b>
<b>Profit from operating activities</b>		<b>795,232,873</b>	<b>140,037,686</b>	<b>795,942,704</b>	<b>140,711,786</b>
Finance costs		(533,220)	(326,010)	(533,220)	(326,010)
Share of profit of associate	8	969,134	2,270,663	-	-
<b>Profit before income tax expense</b>		<b>795,668,787</b>	<b>141,982,339</b>	<b>795,409,484</b>	<b>140,385,776</b>
Tax income (expense)	19	(58,052,350)	17,598,811	(58,052,350)	17,598,811
<b>Profit for the year</b>		<b>737,616,437</b>	<b>159,581,150</b>	<b>737,357,134</b>	<b>157,984,587</b>
<b>Other comprehensive income</b>					
<b>Item that will not be reclassified subsequently to profit or loss</b>					
Gain (loss) on investments in equity instruments					
designated at FVOCI	22	1,018,671,393	(132,470,472)	1,018,671,393	(132,470,472)
Gain (loss) on remeasurements of defined benefit plans	14	(2,812,931)	3,686,436	(2,812,931)	3,686,436
Income tax relating to items that will not be reclassified	19	(203,171,692)	25,756,807	(203,171,692)	25,756,807
<b>Total items that will not be reclassified subsequently to profit or loss</b>		<b>812,686,770</b>	<b>(103,027,229)</b>	<b>812,686,770</b>	<b>(103,027,229)</b>
<b>Other comprehensive income (expense) for the year, net of tax</b>		<b>812,686,770</b>	<b>(103,027,229)</b>	<b>812,686,770</b>	<b>(103,027,229)</b>
<b>Total comprehensive income for the year</b>		<b>1,550,303,207</b>	<b>56,553,921</b>	<b>1,550,043,904</b>	<b>54,957,358</b>
<b>Basic earnings per share</b>	20	<b>37.25</b>	<b>8.06</b>	<b>37.24</b>	<b>7.98</b>

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								
				Retained earnings		Other component of equity		
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Other reserve  (in Baht)	Unappropriated	Gain (loss) on investments in equity instruments designated at FVOCI	Total equity
<b>Year ended 31 March 2023</b>								
<b>Balance at 1 April 2022</b>		<b>198,000,000</b>	<b>726,100,000</b>	<b>22,000,000</b>	<b>420,000,000</b>	<b>4,913,094,391</b>	<b>1,732,627,123</b>	<b>8,011,821,514</b>
<b>Transaction with owners, recorded directly in equity</b>								
<i>Distribution to owners of the Company</i>								
Dividends to owners of the Company	21	-	-	-	-	(169,290,000)	-	(169,290,000)
<i>Total distribution to owners of the Company</i>		-	-	-	-	(169,290,000)	-	(169,290,000)
<b>Total transaction with owners, recorded directly in equity</b>		-	-	-	-	(169,290,000)	-	(169,290,000)
<b>Comprehensive income (expense) for the year</b>								
Profit		-	-	-	-	159,581,150	-	159,581,150
Other comprehensive income (expense)		-	-	-	-	2,949,149	(105,976,378)	(103,027,229)
<b>Comprehensive income (expense) for the year</b>		-	-	-	-	<b>162,530,299</b>	<b>(105,976,378)</b>	<b>56,553,921</b>
<b>Balance at 31 March 2023</b>		<b>198,000,000</b>	<b>726,100,000</b>	<b>22,000,000</b>	<b>420,000,000</b>	<b>4,906,334,690</b>	<b>1,626,650,745</b>	<b>7,899,085,435</b>

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								
				Retained earnings		Other component of equity		
		Share premium on ordinary shares	Legal reserve	Other reserve  (in Baht)	Unappropriated	Gain on investments in equity instruments designated at FVOCI	Total equity	
	Note	Issued and paid-up share capital						
<b>Year ended 31 March 2024</b>								
Balance at 1 April 2023		198,000,000	726,100,000	22,000,000	420,000,000	4,906,334,690	1,626,650,745	7,899,085,435
<b>Transaction with owners, recorded directly in equity</b>								
<i>Distribution to owners of the Company</i>								
Dividends to owners of the Company	21	-	-	-	-	(81,180,000)	-	(81,180,000)
<i>Total distribution to owners of the Company</i>		-	-	-	-	(81,180,000)	-	(81,180,000)
<b>Total transaction with owners, recorded directly in equity</b>		-	-	-	-	(81,180,000)	-	(81,180,000)
<b>Comprehensive income (expense) for the year</b>								
Profit		-	-	-	-	737,616,437	-	737,616,437
Other comprehensive income (expense)		-	-	-	-	(2,250,344)	814,937,114	812,686,770
<b>Comprehensive income (expense) for the year</b>		-	-	-	-	735,366,093	814,937,114	1,550,303,207
<b>Balance at 31 March 2024</b>		198,000,000	726,100,000	22,000,000	420,000,000	5,560,520,783	2,441,587,859	9,368,208,642

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								
				Retained earnings		Other component of equity		
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Other reserve  (in Baht)	Unappropriated	Gain (loss) on investments in equity instruments designated at FVOCI	Total equity
Year ended 31 March 2023								
Balance at 1 April 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
Transaction with owners, recorded directly in equity								
Distribution to owners of the Company								
Dividends to owners of the Company	21	-	-	-	-	(169,290,000)	-	(169,290,000)
Total distribution to owners of the Company		-	-	-	-	(169,290,000)	-	(169,290,000)
Total transaction with owners, recorded directly in equity		-	-	-	-	(169,290,000)	-	(169,290,000)
Comprehensive income (expense) for the year								
Profit		-	-	-	-	157,984,587	-	157,984,587
Other comprehensive income (expense)		-	-	-	-	2,949,149	(105,976,378)	(103,027,229)
Comprehensive income (expense) for the year		-	-	-	-	160,933,736	(105,976,378)	54,957,358
Balance at 31 March 2023		198,000,000	726,100,000	22,000,000	420,000,000	4,886,073,810	1,626,650,745	7,878,824,555

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	
		Retained earnings				of equity		
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Other reserve	Unappropriated	Gain on investments in equity instruments designated at FVOCI	Total equity
	Note				(in Baht)			
Year ended 31 March 2024								
Balance at 1 April 2023		198,000,000	726,100,000	22,000,000	420,000,000	4,886,073,810	1,626,650,745	7,878,824,555
Transaction with owners, recorded directly in equity								
Distribution to owners of the Company								
Dividends to owners of the Company	21	-	-	-	-	(81,180,000)	-	(81,180,000)
Total distribution to owners of the Company		-	-	-	-	(81,180,000)	-	(81,180,000)
Total transaction with owners, recorded directly in equity		-	-	-	-	(81,180,000)	-	(81,180,000)
Comprehensive income (expense) for the year								
Profit		-	-	-	-	737,357,134	-	737,357,134
Other comprehensive income (expense)		-	-	-	-	(2,250,344)	814,937,114	812,686,770
Comprehensive income (expense) for the year		-	-	-	-	735,106,790	814,937,114	1,550,043,904
Balance at 31 March 2024		198,000,000	726,100,000	22,000,000	420,000,000	5,540,000,600	2,441,587,859	9,347,688,459

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	
	2024	2023	2024	2023
	<i>(in Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit for the year	737,616,437	159,581,150	737,357,134	157,984,587
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax (income) expense	58,052,350	(17,598,811)	58,052,350	(17,598,811)
Finance costs	533,220	326,010	533,220	326,010
Depreciation	306,223,555	341,015,502	306,223,555	341,015,502
Amortisation	10,294,248	8,315,395	10,294,248	8,315,395
Provision for warranties	39,514,689	56,952,436	39,514,689	56,952,436
Non-current provisions for employee benefits	30,889,924	25,085,076	30,889,924	25,085,076
Unrealised gain on exchange	(2,402,592)	(172,183)	(2,402,592)	(172,183)
Share of profit of associate	(969,134)	(2,270,663)	-	-
Loss (reversal of) on inventories devaluation	(16,186,251)	9,331,645	(16,186,251)	9,331,645
Gain on disposal of plant and equipment	(201,655)	(273,957)	(201,655)	(273,957)
Dividend income	(509,488,048)	(235,311,388)	(510,197,879)	(235,985,488)
Interest income	(77,513,427)	(28,403,651)	(77,513,427)	(28,403,651)
Rental income	(17,177,520)	(13,847,200)	(17,177,520)	(13,847,200)
	559,185,796	302,729,361	559,185,796	302,729,361
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivables	136,909,448	158,432,191	136,909,448	158,432,191
Value added tax refundable	12,609,912	4,772,213	12,609,912	4,772,213
Other receivables	803,776	6,805,944	803,776	6,805,944
Inventories	565,164,201	(100,138,421)	565,164,201	(100,138,421)
Other current assets	10,916,954	255,459	10,916,954	255,459
Other non-current assets	468,018	1,343,961	468,018	1,343,961
Trade accounts payable	(229,045,172)	(375,756,633)	(229,045,172)	(375,756,633)
Other payables	(41,771,895)	(23,940,525)	(41,771,895)	(23,940,525)
Other current liabilities	(783,620)	(1,903,623)	(783,620)	(1,903,623)
Warranties paid	(46,706,962)	(66,140,498)	(46,706,962)	(66,140,498)
Employee benefits paid	(28,607,065)	(27,573,714)	(28,607,065)	(27,573,714)
Provident fund paid	(1,517,487)	(1,445,309)	(1,517,487)	(1,445,309)
Net cash generated from (used in) operations	937,625,904	(122,559,594)	937,625,904	(122,559,594)
Taxes paid	(1,521,180)	(939,904)	(1,521,180)	(939,904)
<b>Net cash from (used in) operating activities</b>	<b>936,104,724</b>	<b>(123,499,498)</b>	<b>936,104,724</b>	<b>(123,499,498)</b>

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	
	2024	2023	2024	2023
	<i>(in Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Net cash inflow (outflow) of other current financial assets	(1,592,779,595)	209,998,000	(1,592,779,595)	209,998,000
Proceeds from disposal of plant and equipment	1,727,034	1,739,325	1,727,034	1,739,325
Acquisitions of plant and equipment	(239,050,333)	(281,707,371)	(239,050,333)	(281,707,371)
Acquisitions of intangible assets	(12,353,486)	(8,295,400)	(12,353,486)	(8,295,400)
Short-term loan to related party	(85,177,014)	(295,985,750)	(85,177,014)	(295,985,750)
Proceeds from repayment of short-term loan to related party	84,305,348	297,274,344	84,305,348	297,274,344
Dividends received	510,197,879	235,985,488	510,197,879	235,985,488
Interest received	62,389,584	20,340,938	62,389,584	20,340,938
Rental received	17,177,520	13,847,200	17,177,520	13,847,200
<b>Net cash from (used in) investing activities</b>	<b>(1,253,563,063)</b>	<b>193,196,774</b>	<b>(1,253,563,063)</b>	<b>193,196,774</b>
<b><i>Cash flows from financing activities</i></b>				
Payment of lease liabilities	(9,832,955)	(8,947,163)	(9,832,955)	(8,947,163)
Dividends paid to owners of the Company	(81,180,000)	(169,290,000)	(81,180,000)	(169,290,000)
<b>Net cash used in financing activities</b>	<b>(91,012,955)</b>	<b>(178,237,163)</b>	<b>(91,012,955)</b>	<b>(178,237,163)</b>
Net decrease in cash and cash equivalents, before effect of exchange rates	(408,471,294)	(108,539,887)	(408,471,294)	(108,539,887)
Effect of exchange rate changes on cash and cash equivalents	152,068	(91,220)	152,068	(91,220)
<b>Net decrease in cash and cash equivalents</b>	<b>(408,319,226)</b>	<b>(108,631,107)</b>	<b>(408,319,226)</b>	<b>(108,631,107)</b>
Cash and cash equivalents at 1 April	630,630,846	739,261,953	630,630,846	739,261,953
<b>Cash and cash equivalents at 31 March</b>	<b>222,311,620</b>	<b>630,630,846</b>	<b>222,311,620</b>	<b>630,630,846</b>
<b><i>Non-cash transactions</i></b>				
Plant and equipment purchased during the year are detailed as follows:				
Plant and equipment purchased during the year	(258,980,044)	(247,825,384)	(258,980,044)	(247,825,384)
Increase (decrease) in payables on purchases of plant and equipment	19,929,711	(33,881,987)	19,929,711	(33,881,987)
<b>Net purchase of plant and equipment paid by cash</b>	<b>(239,050,333)</b>	<b>(281,707,371)</b>	<b>(239,050,333)</b>	<b>(281,707,371)</b>

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

## Notes to the Financial Statements

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

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# **Kang Yong Electric Public Company Limited**

## **Notes to the financial statements**

### **For the year ended 31 March 2024**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 20 May 2024.

## **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**

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.

## **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.

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**(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 plus or minus, for financial assets and financial liabilities not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or 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.

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. Dividend income is 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.

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

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.

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.

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

**(e) Cash and cash equivalents**

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have a maturities 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 the ECLs rates. 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 is charged on freehold land.

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

**(i) Property, plant and equipment**

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

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

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

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

*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

**(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 are recognised as an expenses on a straight-line basis over the respective lease terms.

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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.

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.

An impairment loss of asset 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.

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

**(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.

**(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.

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

**(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.

**(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 it relates to items recognised directly in equity or in other comprehensive income.



**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

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 earnings per share (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.

**(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.

# Kang Yong Electric Public Company Limited

## Notes to the financial statements

For the year ended 31 March 2024

### 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
Mitsubishi Electric (Hong Kong) Ltd.	Hongkong	A subsidiary of the Company's parent
Mitsubishi Electric Automation (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
K.G.M. Services Co., Ltd.	Thailand	A subsidiary of the Company's parent
Melco Logistics (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Trading Corp.	Japan	A subsidiary of the Company's parent
Melco Trading (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric & Electronic (Shanghai) Co., Ltd.	China	A subsidiary of the Company's parent
Mitsubishi Electric Vietnam Company Limited	Vietnam	A subsidiary of the Company's parent
PT. Mitsubishi Electric Indonesia	Indonesia	A subsidiary of the Company's parent
Setsuyo Astec (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric (Russia) LLC	Russia	A subsidiary of the Company's parent
Mitsubishi Electric Factory Automation (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Electric Asia (Thailand) Co., Ltd.	Thailand	A subsidiary of the Company's parent
Mitsubishi Elevator (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 2024

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

<b>Transactions</b>	<b>Pricing policies</b>
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 / contractually agreed 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

<b>Significant transactions with related parties</b> <b>Year ended 31 March</b>	<b>Financial statements in which the equity method is applied</b>		<b>Separate financial statements</b>	
	2024	2023	2024	2023
	<i>(in thousand Baht)</i>			
<b>Parent</b>				
Revenue from sale of goods	3,076,781	3,465,070	3,076,781	3,465,070
Other income	-	300	-	300
Purchases of equipment	-	1,033	-	1,033
Royalty fee	151,394	178,355	151,394	178,355
Product development fee	169,642	193,739	169,642	193,739
Product warranty expense	40,678	55,383	40,678	55,383
Technical assistance fee	9,944	3,037	9,944	3,037
Distribution costs and administrative expenses	7,744	5,345	7,744	5,345
<b>Associate</b>				
Revenue from sale of goods	140	126	140	126
Rental income	17,178	13,847	17,178	13,847
Dividend income	-	-	710	674
Other income	828	609	828	609
Inventory management service fee	61,016	77,726	61,016	77,726
Distribution costs and administrative expenses	5,281	10,349	5,281	10,349
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	95,785	96,016	95,785	96,016
Post-employment benefits	683	768	683	768
Other long-term benefits	8	7	8	7
<b>Total key management personnel compensation</b>	<b>96,476</b>	<b>96,791</b>	<b>96,476</b>	<b>96,791</b>

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

<i>Significant transactions with related parties</i> <i>Year ended 31 March</i>	<b>Financial statements in which the equity method is applied</b>		<b>Separate financial statements</b>	
	2024	2023	2024	2023
	<i>(in thousand Baht)</i>			
<b>Other related parties</b>				
Revenue from sale of goods	3,996,427	4,930,354	3,996,427	4,930,354
Purchases of goods	886,590	1,462,858	886,590	1,462,858
Purchases of equipment	5,821	9,212	5,821	9,212
Dividend income	509,215	235,041	509,215	235,041
Interest income	2,162	1,088	2,162	1,088
Other income	153	6,277	153	6,277
Product warranty expense	1,923	4,050	1,923	4,050
Technical assistance fee	172	-	172	-
Distribution costs and administrative expenses	48,491	57,850	48,491	57,850

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

	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
<b>Trade accounts receivables</b>		
Parent	248,397	306,892
Associate	18	11
Other related parties	660,359	734,404
<b>Total</b>	<b>908,774</b>	<b>1,041,307</b>
<b>Other receivables</b>		
Associate	1,473	1,502
Other related parties	552	272
<b>Total</b>	<b>2,025</b>	<b>1,774</b>
<b>Loans to</b>		
Other related parties	<b>97,830</b>	<b>96,959</b>
<b>Trade accounts payables</b>		
Other related parties	<b>70,583</b>	<b>136,952</b>
<b>Other payables</b>		
Parent	88,142	102,113
Associate	5,864	8,875
Other related parties	3,474	13,292
<b>Total</b>	<b>97,480</b>	<b>124,280</b>

**Kang Yong Electric Public Company Limited**  
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***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 2023, the Company notified to renew such agreement for a period of 2 years expiring on 31 July 2025.

*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 22 January 2024, 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 90 million which bears interest at the rate of 2.50% per annum and will be due on 23 January 2025.

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

**5 Cash and cash equivalents**

	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
Cash on hand	50	100
Cash at banks	152,262	283,531
Highly liquid short-term investments	70,000	347,000
<b>Total</b>	<b>222,312</b>	<b>630,631</b>

**6 Trade accounts receivables**

		<b>Financial statements in which the equity method is applied and separate financial statements</b>	
		2024	2023
		<i>(in thousand Baht)</i>	
<i>At 31 March</i>	<i>Note</i>		
<b>Related parties</b>			
Within credit terms		908,774	1,041,307
Less allowance for expected credit loss		-	-
<b>Net</b>	<b>4</b>	<b>908,774</b>	<b>1,041,307</b>
<b>Other parties</b>			
Within credit terms		73	219
Less allowance for expected credit loss		-	-
<b>Net</b>		<b>73</b>	<b>219</b>
<b>Total</b>		<b>908,847</b>	<b>1,041,526</b>

**7 Inventories**

	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
Finished goods	170,144	508,682
Work in progress	56,618	59,901
Raw materials and factory supplies	490,383	711,190
Goods in transit	24,109	26,645
<b>Total</b>	<b>741,254</b>	<b>1,306,418</b>
Less allowance for decline in value	(18,878)	(35,064)
<b>Net</b>	<b>722,376</b>	<b>1,271,354</b>
Inventories recognised in ‘cost of sales of goods’:		
- Cost	6,124,965	7,508,113
- (Reversal of) write-down to net realisable value	(16,186)	9,332
<b>Net</b>	<b>6,108,779</b>	<b>7,517,445</b>

**Kang Yong Electric Public Company Limited**  
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**For the year ended 31 March 2024**

**8 Investment in associate**

Investment in an associate as at 31 March 2024 and 2023 were as follows:

	Type of business	Financial statements in which the equity method is applied									
		Separate financial statements									
		Ownership interest		At equity method		Cost		Impairment		At cost - net	
		2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
		(%)								(in thousand Baht)	
<i>Associate</i>											
Smile Super Express Co., Ltd.	Logistic	27.12	27.12	23,520	23,261	3,000	3,000	-	-	3,000	3,000

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

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

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

*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.	
	2024	2023
	<i>(in thousand Baht)</i>	
Revenue	272,862	292,924
Total comprehensive income (100%)	3,573	8,371
% hold	27.12	27.12
<b>Company's share of total comprehensive income</b>	<b>969</b>	<b>2,270</b>
Current assets	100,991	98,336
Non-current assets	16,448	20,906
Current liabilities	(25,369)	(28,176)
Non-current liabilities	(5,343)	(5,296)
Net assets (100%)	86,727	85,770
% hold	27.12	27.12
<b>Carrying amount of interest in associate</b>	<b>23,520</b>	<b>23,261</b>

**9 Investment properties**

	Financial statements in which the equity method is applied and separate financial statements		
	Land	Buildings	Total
	<i>(in thousand Baht)</i>		
<b>Cost</b>			
At 1 April 2022	9,578	91,436	101,014
At 31 March 2023 and 1 April 2023	9,578	91,436	101,014
At 31 March 2024	9,578	91,436	101,014
<b>Depreciation and impairment losses</b>			
At 1 April 2022	5,670	91,436	97,106
At 31 March 2023 and 1 April 2023	5,670	91,436	97,106
At 31 March 2024	5,670	91,436	97,106
<b>Net book value</b>			
At 31 March 2023	3,908	-	3,908
At 31 March 2024	3,908	-	3,908



**Kang Yong Electric Public Company Limited**  
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**For the year ended 31 March 2024**

<i>For the year ended 31 March</i>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Rental income	17,178	13,847
<i>At 31 March</i>		
<i>Minimum lease payments under non-cancellable operating lease receivable:</i>		
Within 1 year	17,178	5,726
1 - 5 years	5,726	-
<b>Total</b>	<b>22,904</b>	<b>5,726</b>

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 2024 of Baht 144.30 million (2023: 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**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

**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 (in thousand Baht)	Office equipment	Vehicles	Assets under construction and installation	Total
<b><i>Cost</i></b>								
At 1 April 2022	221,047	789,938	1,931,936	3,975,285	191,735	1,625	138,479	7,250,045
Additions	-	1,683	4,771	37,198	9,454	-	194,719	247,825
Transfers	14,894	22,828	39,657	118,845	14,356	-	(210,580)	-
Disposals / write-off	-	(3,070)	(19,346)	(74,045)	(7,010)	(3)	-	(103,474)
<b>At 31 March 2023 and 1 April 2023</b>	<b>235,941</b>	<b>811,379</b>	<b>1,957,018</b>	<b>4,057,283</b>	<b>208,535</b>	<b>1,622</b>	<b>122,618</b>	<b>7,394,396</b>
Additions	-	268	6,982	27,946	10,472	-	213,312	258,980
Transfers	25,906	6,696	22,897	193,760	334	-	(249,593)	-
Disposals / write-off	(1,400)	(694)	(10,622)	(148,430)	(8,157)	-	-	(169,303)
<b>At 31 March 2024</b>	<b>260,447</b>	<b>817,649</b>	<b>1,976,275</b>	<b>4,130,559</b>	<b>211,184</b>	<b>1,622</b>	<b>86,337</b>	<b>7,484,073</b>
<b><i>Depreciation</i></b>								
At 1 April 2022	40,902	713,516	1,387,553	3,474,980	140,565	1,310	-	5,758,826
Depreciation charge for the year	3,364	15,980	76,732	217,449	18,487	294	-	332,306
Disposals / write-off	-	(3,070)	(18,470)	(73,598)	(6,868)	(3)	-	(102,009)
<b>At 31 March 2023 and 1 April 2023</b>	<b>44,266</b>	<b>726,426</b>	<b>1,445,815</b>	<b>3,618,831</b>	<b>152,184</b>	<b>1,601</b>	<b>-</b>	<b>5,989,123</b>
Depreciation charge for the year	4,363	16,271	73,609	184,048	19,381	21	-	297,693
Disposals / write-off	(1,400)	(691)	(10,563)	(147,574)	(8,063)	-	-	(168,291)
<b>At 31 March 2024</b>	<b>47,229</b>	<b>742,006</b>	<b>1,508,861</b>	<b>3,655,305</b>	<b>163,502</b>	<b>1,622</b>	<b>-</b>	<b>6,118,525</b>
<b><i>Net book value</i></b>								
<b>At 31 March 2023</b>	<b>191,675</b>	<b>84,953</b>	<b>511,203</b>	<b>438,452</b>	<b>56,351</b>	<b>21</b>	<b>122,618</b>	<b>1,405,273</b>
<b>At 31 March 2024</b>	<b>213,218</b>	<b>75,643</b>	<b>467,414</b>	<b>475,254</b>	<b>47,682</b>	<b>-</b>	<b>86,337</b>	<b>1,365,548</b>

**Kang Yong Electric Public Company Limited**  
**Notes to the financial statements**  
**For the year ended 31 March 2024**

**11 Leases**

<i>Right-of-use assets</i> <i>At 31 March</i>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
Land	2,607	5,546
Vehicles	10,907	14,589
Copy machines	939	-
Computers	489	769
<b>Total</b>	<b>14,942</b>	<b>20,904</b>

For the year ended 31 March 2024, additions to the right-of-use assets of the Company were Baht 3.08 million (2023: 11.92 million).

The Company leases a number of land, vehicles, copy machines and computers 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>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Depreciation of right-of-use assets:		
- Land	2,939	2,939
- Vehicles	5,111	5,702
- Copy machines	154	-
- Computers	279	69
Interest on lease liabilities	533	326

For the year ended 31 March 2024, total cash outflow for leases of the Company were Baht 9.83 million (2023: Baht 8.95 million).

# Kang Yong Electric Public Company Limited

## Notes to the financial statements

For the year ended 31 March 2024

### 12 Intangible assets

	Financial statements in which the equity method is applied and separate financial statements (in thousand Baht)			
	Software licences	Computer software	Golf course membership	Total
<b>Cost</b>				
At 1 April 2022	37,768	36,925	962	75,655
Additions	-	8,295	-	8,295
Write-off	-	(2,856)	(962)	(3,818)
<b>At 31 March 2023 and 1 April 2023</b>	<b>37,768</b>	<b>42,364</b>	<b>-</b>	<b>80,132</b>
Additions	-	12,353	-	12,353
Write-off	-	(1,068)	-	(1,068)
<b>At 31 March 2024</b>	<b>37,768</b>	<b>53,649</b>	<b>-</b>	<b>91,417</b>
<b>Amortisation</b>				
At 1 April 2022	20,082	27,423	962	48,467
Amortisation for the year	3,903	4,412	-	8,315
Write-off	-	(2,856)	(962)	(3,818)
<b>At 31 March 2023 and 1 April 2023</b>	<b>23,985</b>	<b>28,979</b>	<b>-</b>	<b>52,964</b>
Amortisation for the year	3,693	6,601	-	10,294
Write-off	-	(1,068)	-	(1,068)
<b>At 31 March 2024</b>	<b>27,678</b>	<b>34,512</b>	<b>-</b>	<b>62,190</b>
<b>Net book value</b>				
<b>At 31 March 2023</b>	<b>13,783</b>	<b>13,385</b>	<b>-</b>	<b>27,168</b>
<b>At 31 March 2024</b>	<b>10,090</b>	<b>19,137</b>	<b>-</b>	<b>29,227</b>

### 13 Provision for warranties

	Financial statements in which the equity method is applied and separate financial statements (in thousand Baht)
At 1 April 2022	85,000
Provisions made	56,952
Provisions used	(66,140)
<b>At 31 March 2023 and 1 April 2023</b>	<b>75,812</b>
Provisions made	39,515
Provisions used	(46,707)
<b>At 31 March 2024</b>	<b>68,620</b>

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

**Kang Yong Electric Public Company Limited**  
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**14 Non-current provisions for employee benefits**

<i>At 31 March</i>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
Post-employment benefits		
Defined benefit plan	260,222	255,533
Other long-term employee benefits	14,903	14,496
<b>Total</b>	<b>275,125</b>	<b>270,029</b>

***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 and interest rate risk.

<i>Present value of the defined benefit obligations</i>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
At 1 April	270,029	276,204
<b><i>Recognised in profit or loss:</i></b>		
Current service cost	17,822	18,318
Past service cost	5,694	-
Interest on obligations	7,374	6,767
	<b>30,890</b>	<b>25,085</b>
<b><i>Recognised in other comprehensive income:</i></b>		
Actuarial (gain) loss		
- Financial assumptions	2,729	(7,226)
- Experience adjustment	84	3,540
	<b>2,813</b>	<b>(3,686)</b>
Benefit paid	(28,607)	(27,574)
<b>At 31 March</b>	<b>275,125</b>	<b>270,029</b>

<i>Principal actuarial assumptions</i>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(%)</i>	
Discount rate	2.60 - 2.81	2.53 - 2.93
Future salary growth	5.00	5.00

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

At 31 March 2024, the weighted-average duration of the defined benefit obligation was 9 - 13 years (2023: 9 - 13 years).

**Kang Yong Electric Public Company Limited**  
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***Sensitivity analysis***

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

<b><i>Effect to the defined benefit obligation At 31 March</i></b>	<b>Financial statements in which the equity method is applied and separate financial statements</b>			
	1% increase in assumption		1% decrease in assumption	
	2024	2023	2024	2023
		<i>(in thousand Baht)</i>		
Discount rate	(22,095)	(21,231)	25,551	24,540
Future salary growth	18,608	18,107	(16,399)	(15,965)

**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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The Company's operations mainly involve business segments in manufacturing and selling of household electrical appliances in Thailand and sale goods in both domestic and oversea (Japan and other countries). Financial information of the Company by operating segments on a geographical basis for the years ended 31 March 2024 and 2023 was as follows:

	Domestic		Overseas				Total	
	2024	2023	Japan		Others		2024	2023
<b><i>For the year ended 31 March</i></b>			2024	2023	2024	2023	2024	2023
			<i>(in thousand Baht)</i>					
Revenue from sale of goods and rendering of services	<u>2,962,093</u>	<u>3,333,212</u>	<u>3,136,395</u>	<u>3,535,875</u>	<u>980,789</u>	<u>1,529,556</u>	<u>7,079,277</u>	<u>8,398,643</u>
Segment profit	345,166	187,278	294,139	270,091	117,398	35,351	756,703	492,720
Unallocated expenses							(652,737)	(718,762)
Investment income							604,179	277,562
Net foreign exchange gain							33,418	21,840
Other income							53,669	66,677
Finance costs							(533)	(326)
Share of profit of associate							969	2,271
Profit before tax expense							795,668	141,982
Tax (expense) income							<u>(58,052)</u>	<u>17,599</u>
<b>Profit for the year</b>							<b><u>737,616</u></b>	<b><u>159,581</u></b>
Segment assets as at 31 March							<b><u>11,114,757</u></b>	<b><u>9,645,454</u></b>
Segment liabilities as at 31 March							<b><u>1,746,548</u></b>	<b><u>1,746,369</u></b>

**Kang Yong Electric Public Company Limited**  
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***Major customers***

Revenues from major customers of the Company's 1 and 2 segments represents approximately Baht 6,026.60 million (2023: Baht 6,789.91 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	
	Note	2024	2023	2024	2023
		(in thousand Baht)			
<b>Rental income</b>					
Rental income from operating lease of investment properties	4, 9	17,178	13,847	17,178	13,847
<b>Dividend income</b>					
Associate	4	-	-	710	674
Other related parties	4	509,215	235,041	509,215	235,041
Other parties		273	270	273	270
		509,488	235,311	510,198	235,985
<b>Interest income</b>					
Other related parties	4	2,162	1,088	2,162	1,088
Other parties		75,351	27,316	75,351	27,316
		77,513	28,404	77,513	28,404
<b>Total</b>		<b>604,179</b>	<b>277,562</b>	<b>604,889</b>	<b>278,236</b>



**Kang Yong Electric Public Company Limited**  
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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:

	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
<b><i>Included in cost of sale of goods:</i></b>		
Changes in inventories of finished goods and work in progress	341,821	(168,707)
Raw materials and consumables used	4,432,856	6,174,976
Employee benefit expenses	786,044	879,874
Depreciation and amortisation	284,075	320,343
<b><i>Included in distribution costs:</i></b>		
Royalty fee	151,394	178,355
Transportation expenses	67,560	220,320
Product warranty expense	39,515	56,952
Advertising and sales promotion expenses	8,026	9,907
<b><i>Included in administrative expenses:</i></b>		
Product development fee	169,642	193,739
Employee benefit expenses	168,925	173,460
Warehouse rental charge	61,016	77,726

**19 Income tax**

	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
<b><i>Income tax recognised in profit or loss</i></b>		
<b>Current tax expense</b>		
Current year	4,169	-
	<b>4,169</b>	-
<b>Deferred tax expense</b>		
Movements in temporary differences	53,883	(17,599)
	<b>53,883</b>	<b>(17,599)</b>
<b>Total tax (income) expense</b>	<b>58,052</b>	<b>(17,599)</b>

# Kang Yong Electric Public Company Limited

## Notes to the financial statements

For the year ended 31 March 2024

Financial statements in which the equity method is applied and separate financial statements						
	Before tax	2024 Tax (expense) benefit	Net of tax (in thousand Baht)	Before tax	2023 Tax (expense) benefit	Net of tax
<b>Income tax</b>						
<b>Recognised in other comprehensive income (expense)</b>						
Financial assets measured at FVOCI	1,018,671	(203,734)	814,937	(132,470)	26,494	(105,976)
Defined benefit plan actuarial gains (losses)	(2,813)	563	(2,250)	3,686	(737)	2,949
<b>Total</b>	<b>1,015,858</b>	<b>(203,171)</b>	<b>812,687</b>	<b>(128,784)</b>	<b>25,757</b>	<b>(103,027)</b>

Financial statements in which the equity method is applied					
	2024		2023		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	
Profit before tax expense		795,669		141,982	
Income tax using the Thai corporation tax rate	20.00	159,134	20.00	28,396	
Income not subject to tax		(102,093)		(47,516)	
Additional deduction expenses for tax purposes		(275)		(264)	
Expenses not deductible for tax purposes		1,286		1,785	
<b>Total</b>	<b>7.30</b>	<b>58,052</b>	<b>(12.40)</b>	<b>(17,599)</b>	

Separate financial statements					
	2024		2023		
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)	
Profit before tax expense		795,409		140,386	
Income tax using the Thai corporation tax rate	20.00	159,082	20.00	28,077	
Income not subject to tax		(102,041)		(47,197)	
Additional deduction expenses for tax purposes		(275)		(264)	
Expenses not deductible for tax purposes		1,286		1,785	
Tax loss carried forward		49,419		-	
Utilisation of tax loss carried forward		(49,309)		-	
Other		(110)		-	
<b>Total</b>	<b>7.30</b>	<b>58,052</b>	<b>(12.54)</b>	<b>(17,599)</b>	

Financial statements in which the equity method is applied and separate financial statements				
	Assets		Liabilities	
<b>Deferred tax</b>	2024	2023	2024	2023
<b>At 31 March</b>				
		(in thousand Baht)		
Total	74,836	128,156	(622,243)	(418,509)
Set off of tax	(74,836)	(128,156)	74,836	128,156
<b>Net deferred tax assets (liabilities)</b>	<b>-</b>	<b>-</b>	<b>(547,407)</b>	<b>(290,353)</b>

**Kang Yong Electric Public Company Limited**  
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	Financial statements in which the equity method is applied and separate financial statements			
		(Charged) / Credited to:		
	At 1 April 2023	Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	At 31 March 2024
<b>Deferred tax</b>				
<b>Deferred tax assets</b>				
Right-of-use assets	151	(51)	-	100
Inventories <i>(allowance for decline in value)</i>	7,013	(3,237)	-	3,776
Investment properties <i>(impairment losses on land not used in operations)</i>	1,134	-	-	1,134
Provision for warranties	15,162	(1,438)	-	13,724
Non-current provisions for employee benefits	54,006	456	563	55,025
Provident funds	1,271	(304)	-	967
Loss carry forward	49,419	(49,309)	-	110
<b>Total</b>	<b>128,156</b>	<b>(53,883)</b>	<b>563</b>	<b>74,836</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment <i>(depreciation gap)</i>	(11,846)	-	-	(11,846)
Financial assets measured at FVOCI	(406,663)	-	(203,734)	(610,397)
<b>Total</b>	<b>(418,509)</b>	<b>-</b>	<b>(203,734)</b>	<b>(622,243)</b>
<b>Net</b>	<b>(290,353)</b>	<b>(53,883)</b>	<b>(203,171)</b>	<b>(547,407)</b>

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	Financial statements in which the equity method is applied and separate financial statements			
		(Charged) / Credited to:		
	At 1 April 2022	Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	At 31 March 2023
<b>Deferred tax</b>				
<b>Deferred tax assets</b>				
Right-of-use assets	133	18	-	151
Inventories <i>(allowance for decline in value)</i>	5,146	1,867	-	7,013
Investment properties <i>(impairment losses on land not used in operations)</i>	1,134	-	-	1,134
Provision for warranties	17,000	(1,838)	-	15,162
Non-current provisions for employee benefits	55,240	(497)	(737)	54,006
Provident funds	1,561	(290)	-	1,271
Loss carry forward	31,080	18,339	-	49,419
<b>Total</b>	<b>111,294</b>	<b>17,599</b>	<b>(737)</b>	<b>128,156</b>
<b>Deferred tax liabilities</b>				
Property, plant and equipment <i>(depreciation gap)</i>	(11,846)	-	-	(11,846)
Financial assets measured at FVOCI	(433,157)	-	26,494	(406,663)
<b>Total</b>	<b>(445,003)</b>	<b>-</b>	<b>26,494</b>	<b>(418,509)</b>
<b>Net</b>	<b>(333,709)</b>	<b>17,599</b>	<b>25,757</b>	<b>(290,353)</b>

**20 Basic earnings per share**

<b>For the year ended 31 March</b>	Financial statements in which the equity method is applied		Separate financial statements	
	2024	2023	2024	2023
	(in thousand Baht / thousand shares)			
<b>Profit attributable to ordinary shareholders of the Company (basic)</b>	<b>737,616</b>	<b>159,581</b>	<b>737,357</b>	<b>157,985</b>
<b>Number of ordinary shares outstanding</b>	<b>19,800</b>	<b>19,800</b>	<b>19,800</b>	<b>19,800</b>
<b>Earnings per share (basic) (in Baht)</b>	<b>37.25</b>	<b>8.06</b>	<b>37.24</b>	<b>7.98</b>

**21 Dividends**

	Approval date	Payment schedule	Dividend rate per share (in Baht)	Amount (in million Baht)
<b>2024</b>				
Annual dividend for 2023	26 July 2023	August 2023	4.10	81.18
<b>2023</b>				
Annual dividend for 2022	26 July 2022	August 2022	8.55	169.29

**Kang Yong Electric Public Company Limited**  
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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.

	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>At 31 March</i>			<i>(in thousand Baht)</i>			
<b>2024</b>						
<b>Financial assets</b>						
Other financial assets:						
Equity instruments	3,214,612	3,214,612	1,240	-	3,213,372	3,214,612
<b>Total other financial assets</b>	<b>3,214,612</b>	<b>3,214,612</b>				
<b>2023</b>						
<b>Financial assets</b>						
Other financial assets:						
Equity instruments	2,195,941	2,195,941	1,658	-	2,194,283	2,195,941
<b>Total other financial assets</b>	<b>2,195,941</b>	<b>2,195,941</b>				

**Kang Yong Electric Public Company Limited**  
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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;

<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)

<b>Reconciliation of Level 3 fair values</b>	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	<b>2024</b>	<b>2023</b>
	<i>(in thousand Baht)</i>	
<b>Equity securities</b>		
At the beginning of the year	2,194,283	2,324,526
Net change in fair value (including unrealised transactions)		
- recognised in OCI	1,019,089	(130,243)
<b>At the end of the year</b>	<b>3,213,372</b>	<b>2,194,283</b>

*(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.

# Kang Yong Electric Public Company Limited

## Notes to the financial statements

For the year ended 31 March 2024

At 31 March	Financial statements in which the equity method is applied and separate financial statements				
	Carrying amount	1 year or less	Contractual cash flows More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
<b>2024</b>					
<b>Non-derivative financial liabilities</b>					
Trade payables	541,849	541,849	-	-	541,849
Other payables	282,570	282,570	-	-	282,570
Lease liabilities	15,443	8,493	7,548	-	16,041
	<u>839,862</u>	<u>832,912</u>	<u>7,548</u>	<u>-</u>	<u>840,460</u>
<b>2023</b>					
<b>Non-derivative financial liabilities</b>					
Trade payables	768,997	768,997	-	-	768,997
Other payables	304,332	304,332	-	-	304,332
Lease liabilities	21,660	9,096	13,426	-	22,522
	<u>1,094,989</u>	<u>1,082,425</u>	<u>13,426</u>	<u>-</u>	<u>1,095,851</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.

Exposure to foreign currency at 31 March	Financial statements in which the equity method is applied and separate financial statements			
	2023		2022	
	USD	JPY (in thousand Baht)	USD	JPY
Financial assets	307,895	7,174	451,512	50,828
Financial liabilities	(41,273)	(52,203)	(98,880)	(66,540)
<b>Net statement of financial position exposure</b>	<b>266,622</b>	<b>(45,029)</b>	<b>352,632</b>	<b>(15,712)</b>
Forward exchange selling contracts	-	-	-	-
<b>Net exposure</b>	<b>266,622</b>	<b>(45,029)</b>	<b>352,632</b>	<b>(15,712)</b>



**Kang Yong Electric Public Company Limited**  
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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 (%)	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
		Strengthening (in thousand Baht)	Weakening
<i>At 31 March 2024</i>			
USD	1	(2,666)	2,666
JPY	1	450	(450)
<i>At 31 March 2023</i>			
USD	1	(3,526)	3,526
JPY	1	157	(157)

(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

	<b>Financial statements in which the equity method is applied and separate financial statements</b>	
	2024	2023
	<i>(in thousand Baht)</i>	
<i>Capital commitments</i>		
Plant and equipment	<u>46,232</u>	<u>28,551</u>
<i>Other commitments</i>		
Bank guarantees	<u>10,000</u>	<u>13,000</u>

Back up attachment

## Back up attachment

Attachment 1 : Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, and the representative for contact and coordination in case of a foreign company

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0386/2024/1751243648316.pdf>



Attachment 2 : Details of the directors of subsidiaries

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0386/2024/1750723723402.pdf>



Attachment 3 : Details of the Heads of the Internal Audit and Compliance Units

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0386/2024/1750723723404.pdf>



Attachment 4 : Assets for business undertaking and details of asset appraisal

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0386/2024/1750723723406.pdf>



Attachment 5 : Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0386/2024/1750723723408.pdf>



Attachment 6 : Report of the Audit Committee

Link to attachment: <https://eonemedia.setlink.set.or.th/report/0386/2024/1750723723410.pdf>



