

**Muramoto Electron (Thailand) Public Company Limited
and its Subsidiary**

Financial statements for the year ended
30 September 2021
and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of Muramoto Electron (Thailand) Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Muramoto Electron (Thailand) Public Company Limited and its subsidiary (the “Group”) and of Muramoto Electron (Thailand) Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 30 September 2021, the consolidated and separate 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 consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 30 September 2021 and their 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 Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of inventories	
Refer to Notes 4 (f) and 8 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>The products of the Group are metal and plastic parts for automobile electronic equipment and office automation appliances which are subject to rapid technological developments. Having substantial inventories may result in an increased risk of obsolescence and deterioration in the quality of raw materials, parts and manufactured products during storage. The carrying value of inventories is significant and the net realisable value of inventories requires management's discretion and judgment. Therefore, I considered this as a key audit matter.</p>	<p>My audit procedures included obtaining an understanding of the Group's approach for determining the net realisable value, the Group's inventory management policies through inquiry of management responsible for this area and test of design and implementation of controls regarding the approval of reports about slow moving inventory and net realizable values.</p> <p>I tested the slow-moving inventory reports on mathematical accuracy. I tested the correctness of the reports by checking the details against supporting documents for a sample. I observed inventories at the end of the year and compared the stock write-off in the current year with the allowance of decline in value for slow-moving of prior year.</p> <p>In addition, I tested the net realisable value by sampling the actual selling prices during the post-year-end period with supporting documents and the estimated costs to make the sale. I also assessed the adequacy of disclosures in accordance with Thai Financial Reporting Standards.</p>

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 consolidated 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 consolidated 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 consolidated 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 consolidated 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 Consolidated and Separate Financial Statements

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group's and 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 Group's and 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 consolidated 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 Group and the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated 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 the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated 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.

A handwritten signature in blue ink, appearing to read 'Siripen', followed by a long horizontal line.

(Siripen Sukcharoenyingyong)
Certified Public Accountant
Registration No. 3636

KPMG Phoomchai Audit Ltd.
Bangkok
26 November 2021

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 September		30 September	
		2021	2020	2021	2020
<i>(in Baht)</i>					
Current assets					
Cash and cash equivalents	6	2,427,162,985	2,518,240,563	2,091,954,413	2,227,121,161
Trade accounts receivable	5, 7	1,861,998,773	1,852,411,332	1,420,681,415	1,523,789,793
Other receivables	5	203,465,492	104,726,405	183,554,206	93,994,194
Inventories	8	1,554,249,065	1,191,279,037	1,103,691,092	802,953,426
Total current assets		6,046,876,315	5,666,657,337	4,799,881,126	4,647,858,574
Non-current assets					
Investment in subsidiary	9	-	-	299,998,000	299,998,000
Property, plant and equipment	10	2,483,707,498	2,152,184,205	1,864,451,120	1,517,326,077
Intangible assets		19,375,755	18,199,213	15,903,467	13,676,388
Deferred tax assets	17	32,489,189	8,648,382	15,878,265	-
Other non-current assets		12,443,636	13,261,995	4,567,636	5,541,995
Total non-current assets		2,548,016,078	2,192,293,795	2,200,798,488	1,836,542,460
Total assets		8,594,892,393	7,858,951,132	7,000,679,614	6,484,401,034

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September		30 September	
		2021	2020	2021	2020
(in Baht)					
Liabilities and equity					
<i>Current liabilities</i>					
Trade accounts payable	5	1,551,182,265	1,449,562,213	1,258,540,705	1,277,377,249
Other payables	5	320,953,606	252,318,502	251,248,045	224,164,131
Payable for property, plant and equipment	5	38,200,266	47,803,708	30,888,561	46,953,167
Current portion of lease liabilities	11	89,109,069	53,892,992	17,528,527	-
Current income tax payable		66,833,954	12,590,031	51,687,634	5,505,325
Total current liabilities		2,066,279,160	1,816,167,446	1,609,893,472	1,553,999,872
<i>Non-current liabilities</i>					
Lease liabilities	11	185,006,707	122,646,805	37,947,733	-
Deferred tax liabilities	17	-	9,524,160	-	9,524,160
Non-current provisions for employee benefits	12	371,231,548	378,726,232	302,668,824	319,114,462
Total non-current liabilities		556,238,255	510,897,197	340,616,557	328,638,622
Total liabilities		2,622,517,415	2,327,064,643	1,950,510,029	1,882,638,494
<i>Equity</i>					
Share capital					
Authorised share capital (23,898 thousand ordinary shares, par value at Baht 10 per share)		238,981,000	238,981,000	238,981,000	238,981,000
Issued and paid-up share capital (20,898 thousand ordinary shares, par value at Baht 10 per share)		208,981,000	208,981,000	208,981,000	208,981,000
Share premium					
Share premium on ordinary shares	13	653,700,000	653,700,000	653,700,000	653,700,000
Retained earnings					
Appropriated					
Legal reserve	14	25,000,000	25,000,000	25,000,000	25,000,000
Unappropriated		5,084,693,978	4,644,205,489	4,162,488,585	3,714,081,540
Total equity		5,972,374,978	5,531,886,489	5,050,169,585	4,601,762,540
Total liabilities and equity		8,594,892,393	7,858,951,132	7,000,679,614	6,484,401,034

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of comprehensive income

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 30 September		Year ended 30 September	
		2021	2020	2021	2020
<i>(in Baht)</i>					
Revenue					
Revenue from sale of goods	5, 15	17,013,023,426	11,613,823,349	14,464,606,987	9,720,138,004
Dividend income	5, 9	-	-	49,999,667	49,999,667
Other income	5	141,129,037	154,169,803	115,580,031	144,721,082
Total revenue		17,154,152,463	11,767,993,152	14,630,186,685	9,914,858,753
Expenses					
Cost of sale of goods	5, 16	15,601,014,861	10,983,887,889	13,188,545,518	9,187,478,873
Distribution costs	5, 16	387,891,345	167,006,375	367,128,814	152,871,295
Administrative expenses	5, 16	398,379,950	332,374,866	322,066,993	293,252,313
Finance costs		6,539,599	4,528,147	843,501	-
Total expenses		16,393,825,755	11,487,797,277	13,878,584,826	9,633,602,481
Profit before income tax expense		760,326,708	280,195,875	751,601,859	281,256,272
Tax expense	17	118,546,174	30,004,199	106,205,437	19,664,261
Profit for the year		641,780,534	250,191,676	645,396,422	261,592,011
Other comprehensive income					
<i>Items that will not be reclassified to profit or loss</i>					
Gain on remeasurements of defined benefit plans	12	9,611,610	37,005,896	14,989,529	37,307,062
Income tax on other comprehensive income		(1,922,322)	(7,461,412)	(2,997,906)	(7,461,412)
Other comprehensive income for the year, net of tax		7,689,288	29,544,484	11,991,623	29,845,650
Total comprehensive income for the year		649,469,822	279,736,160	657,388,045	291,437,661
Basic earnings per share (in Baht)	18	30.71	11.97	30.88	12.52

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of changes in equity

	Note	Consolidated financial statements				Total equity
		Issued and paid-up share capital	Share premium	<u>Retained earnings</u>		
				Legal reserve <i>(in Baht)</i>	Unappropriated	
Year ended 30 September 2020						
Balance at 1 October 2019		208,981,000	653,700,000	25,000,000	4,573,450,662	5,461,131,662
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the parent</i>						
Dividends	19	-	-	-	(208,981,333)	(208,981,333)
Total distributions to owners of the parent		-	-	-	(208,981,333)	(208,981,333)
Comprehensive income for the year						
Profit		-	-	-	250,191,676	250,191,676
Other comprehensive income		-	-	-	29,544,484	29,544,484
Total comprehensive income for the year		-	-	-	279,736,160	279,736,160
Balance at 30 September 2020		208,981,000	653,700,000	25,000,000	4,644,205,489	5,531,886,489

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of changes in equity

	Note	Consolidated financial statements				Total equity
		Issued and paid-up share capital	Share premium	<u>Retained earnings</u>		
				Legal reserve <i>(in Baht)</i>	Unappropriated	
Year ended 30 September 2021						
Balance at 1 October 2020		208,981,000	653,700,000	25,000,000	4,644,205,489	5,531,886,489
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the parent</i>						
Dividends	19	-	-	-	(208,981,333)	(208,981,333)
Total distributions to owners of the parent		-	-	-	(208,981,333)	(208,981,333)
Comprehensive income for the year						
Profit		-	-	-	641,780,534	641,780,534
Other comprehensive income		-	-	-	7,689,288	7,689,288
Total comprehensive income for the year		-	-	-	649,469,822	649,469,822
Balance at 30 September 2021		208,981,000	653,700,000	25,000,000	5,084,693,978	5,972,374,978

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of changes in equity

	Note	Issued and paid-up share capital	Share premium	Separate financial statements		Total equity
				Legal reserve <i>(in Baht)</i>	Unappropriated	
Year ended 30 September 2020						
Balance at 1 October 2019		208,981,000	653,700,000	25,000,000	3,631,624,879	4,519,305,879
Transactions with owners, recorded directly in equity						
<i>Distributions to owners</i>						
Dividends	19	-	-	-	(208,981,000)	(208,981,000)
Total distributions to owners		-	-	-	(208,981,000)	(208,981,000)
Comprehensive income for the year						
Profit		-	-	-	261,592,011	261,592,011
Other comprehensive income		-	-	-	29,845,650	29,845,650
Total comprehensive income for the year		-	-	-	291,437,661	291,437,661
Balance at 30 September 2020		208,981,000	653,700,000	25,000,000	3,714,081,540	4,601,762,540

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of changes in equity

	Note	Issued and paid-up share capital	Share premium	Separate financial statements		Total equity
				Legal reserve <i>(in Baht)</i>	Unappropriated	
Year ended 30 September 2021						
Balance at 1 October 2020		208,981,000	653,700,000	25,000,000	3,714,081,540	4,601,762,540
Transactions with owners, recorded directly in equity						
<i>Distributions to owners</i>						
Dividends	19	-	-	-	(208,981,000)	(208,981,000)
Total distributions to owners		-	-	-	(208,981,000)	(208,981,000)
Comprehensive income for the year						
Profit		-	-	-	645,396,422	645,396,422
Other comprehensive income		-	-	-	11,991,623	11,991,623
Total comprehensive income for the year		-	-	-	657,388,045	657,388,045
Balance at 30 September 2021		208,981,000	653,700,000	25,000,000	4,162,488,585	5,050,169,585

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 30 September		Year ended 30 September	
Note	2021	2020	2021	2020
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	641,780,534	250,191,676	645,396,422	261,592,011
<i>Adjustments to reconcile profit to cash receipts</i>				
Tax expense	118,546,174	30,004,199	106,205,437	19,664,261
Finance costs	6,539,599	4,528,147	843,501	-
Depreciation and amortisation	409,335,393	369,089,393	269,120,599	237,225,608
Unrealised gain on exchange rate	(14,604,711)	(30,226,397)	(11,838,125)	(26,309,343)
Reversal of loss on inventories devaluation	(983,606)	(6,852,393)	(590,743)	(5,669,567)
(Gain) loss on disposal of property, plant and equipment	6,711,085	(19,027,871)	6,711,728	(20,746,238)
Employee benefit expenses	12 29,814,106	32,616,734	24,624,017	27,169,603
Dividend income	5 -	-	(49,999,667)	(49,999,667)
	1,197,138,574	630,323,488	990,473,169	442,926,668
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(4,754,547)	(448,111,549)	107,828,984	(472,274,836)
Other receivables	(100,494,208)	(1,841,159)	(89,536,625)	(23,695,171)
Inventories	(361,986,422)	(157,664,103)	(300,146,923)	(176,972,093)
Other non-current assets	802,804	(1,162,440)	958,804	(1,297,440)
Trade accounts payable	107,212,687	532,786,225	(24,054,556)	545,122,693
Other payables	68,700,731	24,833,043	27,000,473	31,615,936
Employee benefit paid	12 (27,697,180)	(16,295,918)	(26,080,126)	(13,456,116)
Tax paid	(97,811,003)	-	(88,423,459)	-
Net cash from operating activities	781,111,436	562,867,587	598,019,741	331,969,641

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Statements of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	For the year ended 30 September		For the year ended 30 September	
Note	2021	2020	2021	2020
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Proceeds from sale of property, plant and equipment	4,760,884	27,187,482	4,760,234	22,396,363
Acquisition of property, plant and equipment	(572,386,630)	(244,432,297)	(561,006,722)	(205,717,524)
Acquisition of intangible assets	(12,792,919)	(6,797,720)	(11,661,920)	(2,607,720)
Dividends received	-	-	49,999,667	49,999,667
Net cash used in investing activities	<u>(580,418,665)</u>	<u>(224,042,535)</u>	<u>(517,908,741)</u>	<u>(135,929,214)</u>
<i>Cash flows from financing activities</i>				
Payment of lease liabilities	(87,346,987)	(50,895,982)	(17,848,831)	-
Dividends paid	19 (208,981,333)	(208,981,333)	(208,981,000)	(208,981,000)
Financial cost paid	(6,539,599)	(4,528,147)	(843,501)	-
Net cash used in financing activities	<u>(302,867,919)</u>	<u>(264,405,462)</u>	<u>(227,673,332)</u>	<u>(208,981,000)</u>
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates changes	(102,175,148)	74,419,590	(147,562,332)	(12,940,573)
Effect of exchange rate changes on cash and cash equivalents	11,097,570	25,120,533	12,395,584	24,538,713
Net increase (decrease) in cash and cash equivalents	<u>(91,077,578)</u>	<u>99,540,123</u>	<u>(135,166,748)</u>	<u>11,598,140</u>
Cash and cash equivalents at the beginning of the year	<u>2,518,240,563</u>	<u>2,418,700,440</u>	<u>2,227,121,161</u>	<u>2,215,523,021</u>
Cash and cash equivalents at the end of the year	<u>6 2,427,162,985</u>	<u>2,518,240,563</u>	<u>2,091,954,413</u>	<u>2,227,121,161</u>

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

Muramoto Electron (Thailand) Public Company Limited and its Subsidiary
Notes to the financial statements
For the year ended 30 September 2021

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Muramoto Electron (Thailand) Public Company Limited and its Subsidiary

Notes to the financial statements

For the year ended 30 September 2021

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 26 November 2021.

1 General information

Muramoto Electron (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in August 1992. The Company’s registered office at No. 886 Ramindhra Road, Khwaeng Kannayao, Khet Kannayao, Bangkok 10230, Thailand. Its plants are located at 1 Mu 6 Bangna-Trat Road Km.25, Tambol Bangsaowthong, Amphur Bangsaowthong, Samutprakarn 10570 and 99/7 Mu 3 Bangna-Trat Road Km.23, Tambol Bangsaowthong, Amphur Bangsaowthong, Samutprakarn 10570.

The parent company during the financial year was Muramoto Industry Co., Ltd. (incorporated in Japan).

The principal activities of the Company are manufacturing of metal and plastic parts for audio/visual equipment and electronic equipment for automobiles and office automation appliances. Details of the Company’s subsidiary is given in note 9.

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

The Group has initially applied revised TFRS that are effective for annual periods beginning on or after 1 October 2020 and disclosed impact from changes in accounting policies in note 3.

(b) Functional and presentation currency

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

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Relevant information is included in the note 12 Key actuarial assumptions.

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3 Changes in accounting policies

From 1 October 2020, the Group has initially applied TFRS - Financial instruments standards which have no material impact on the financial statements and adopted TFRS 16 *Leases* on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

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

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

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- do not recognise right-of-use assets and lease liabilities for low value amount; and
- apply a single discount rate to a portfolio of leases with similar characteristics.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Impact from the adoption of TFRS 16</i>		
<i>At 1 October 2020</i>		
Increase in property, plant and equipment	34,044	30,679
Increase in lease liabilities	34,044	30,679
<i>Measurement of lease liability</i>		
Operating lease commitment as disclosed at 30 September 2020	49,539	44,099
Recognition exemption for short-term leases	(8,461)	(7,758)
Recognition exemption for leases of low-value assets	(5,283)	(4,738)
	35,795	31,603
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 October 2020	34,044	30,679
Finance lease liabilities recognised as at 30 September 2020	176,540	-
Lease liabilities recognised at 1 October 2020	210,584	30,679
Weighted-average incremental borrowing rate (<i>% per annum</i>)	1.30, 1.74	1.74

Right-of-use assets and lease liabilities shown above were presented as part of Electronic parts for automotive business and Electronic parts for office automation business segments, respectively.

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4 Significant accounting policies

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

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiary (together referred to as the “Group”).

Subsidiary

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation.

(b) Foreign currencies

Transactions 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.

(c) Financial instruments

Accounting policies applicable from 1 October 2020

(c.1) Classification and measurement

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

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

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

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Financial assets measured at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss, gain or loss on derecognition are recognised in profit or loss.
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(c.2) Derecognition and offsetting

The Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group 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 Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(c.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Accounting policies applicable before 1 October 2020

Derivatives

Derivatives are used to manage exposure to foreign exchange arising from operational in a hedge of the variability in exchange rate. The derivative held is forward exchange contracts which is not recognised in the financial statements at the contract date.

Forward exchange contracts

Forward exchange contracts are the hedging instrument in a hedge of variability in exchange rates of future foreign currency transactions. The difference between the contractual forward rate and the actual rate at maturity date of the contract is recognised in profit and loss when incurred.

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

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(e) Trade accounts receivable

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

A trade receivable is measured at transaction price less allowance for expected credit loss (2020: allowance for doubtful accounts which is determined based on an analysis of payment histories). Bad debts are written off when incurred.

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

(f) Inventories

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

Costs of raw materials and supplies are calculated using the first in first out principle. Cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost is calculated using standard cost adjusted to approximate average cost, 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.

(g) Investments

Investments in subsidiary

Investments in subsidiary in the separate financial statements of the Company are accounted for using the cost method.

(h) 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 and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

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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 Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount of buildings and equipments, which comprises the cost of an asset less its residual value, and recognised in profit or loss using a straight-line basis over the estimated useful lives of each component of an asset. Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. No depreciation is provided on freehold land or construction in progress.

The estimated useful lives are as follows:

Land improvements	10, 20 years
Buildings and structures	4 - 31 years
Machinery and equipment	2 - 20 years
Transportation equipment	5 years
Furniture, fixtures and office equipment	3, 5 years

(i) Intangible assets

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

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

The estimated useful lives are as follows:

Software licences	3, 5 years
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(j) Leases

Accounting policies applicable from 1 October 2020

At inception of a contract, the Group 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.

At commencement or on modification of a contract, the Group 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, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

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

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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 Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group 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 change in lease term, change in lease payments. 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.

Accounting policies applicable before 1 October 2020

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

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease.

(k) *Impairment of non-financial assets*

The carrying amounts of the Group'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. For intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

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

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

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

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(l) Employee benefits

Defined contribution plans

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

Defined benefit plans

The Group'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 recognized immediately in OCI.

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 Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

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 Group 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.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group 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 a finance cost.

(n) Fair value measurement

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 Group 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 Group 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.

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The Group 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 Group 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.

(o) Revenue

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

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue for this transaction and remains recognition of inventory for the estimated products to be returned.

(p) Other income

Other income, which comprises dividend, interest income and others is generally recognised based on accrual basis, except for dividend income which is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(q) Interest

Accounting policies applicable from 1 October 2020

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

Accounting policies applicable before 1 October 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(r) Income tax

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

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

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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 affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group 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.

(s) Earnings per share

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

(t) Related parties

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

(u) Segment reporting

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5 Related parties

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

Name of entities	Country of incorporation	Nature of relationships
Muramoto Industry Co., Ltd.	Japan	Parent of the group, some common directors
Muramoto Asia Pte Ltd.	Singapore	Parent is major shareholder, common director
Muramoto USA Inc.	USA	Parent is major shareholder, common director
Muramoto Audio-Visual Philippines Inc.	Philippines	Parent is major shareholder, common director

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Name of entities	Country of incorporation	Nature of relationships
Key management personnel		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 Group/ Company.

<i>Significant transactions with related parties</i> <i>Year ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Parent				
Sales of goods	1,360,970	793,685	1,360,357	793,635
Purchases of goods and fixed assets	128,051	187,657	124,626	185,467
Service fees	266,706	136,083	264,374	134,825
Technical fees	9,713	5,014	7,493	4,726
Other income	3,489	364	3,489	315
Subsidiary				
Sales of goods	-	-	185	709
Purchases of goods and fixed assets	-	-	131,112	83,789
Dividend income	-	-	50,000	50,000
Other income	-	-	-	38
Other related parties				
Sales of goods	819,180	1,369,399	819,180	1,369,399
Other income	-	1,477	-	1,477
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	63,336	59,735	32,692	37,911
Post-employment benefits	117	117	56	57
Total key management personnel compensation	<u>63,453</u>	<u>59,852</u>	<u>32,748</u>	<u>37,968</u>

Balances as at 30 September with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Trade accounts receivable				
Parent	307,455	220,556	307,455	220,556
Subsidiary	-	-	9	61
Other related parties	37,511	227,703	37,511	227,703
Total	<u>344,966</u>	<u>448,259</u>	<u>344,975</u>	<u>448,320</u>

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	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Other receivables</i>				
Parent	30	-	30	-
Subsidiary	-	-	34	40
Other related parties	1	-	1	-
Total	31	-	65	40
<i>Trade accounts payable</i>				
Parent	10,247	12,844	9,788	12,630
Subsidiary	-	-	22,080	22,023
Other related parties	709	-	709	-
Total	10,956	12,844	32,577	34,653
<i>Other payables</i>				
Parent	60,180	45,207	58,059	44,159
Other related parties	226	37	226	37
Total	60,406	45,244	58,285	44,196
<i>Other payables for property, plant and equipment</i>				
Parent	17,870	-	16,304	-
Total	17,870	-	16,304	-

Significant agreements with related parties

As at 30 September 2021, the parent company has guaranteed USD 6.1 million (*equivalent to Baht 207.95 million*) and Baht 775 million of credit facilities extended by the financial institutions to the Company (30 September 2020: USD 6.1 million (*equivalent to Baht 194.14 million*) and Baht 775 million).

Service agreements

The Company and its subsidiary have entered into service agreements with the parent company whereby the parent company agrees to provide full assistance and furnish the Company and its subsidiary with all technical advice and business support for the production and marketing of electronic parts. Under the term of the agreements, the Company agrees to pay a fee equal to 1% - 2% and the subsidiary agrees to pay a fee equal to 0.75% of total sales in each fiscal year. The agreements are automatically renewed on a year-to-year basis, unless either of the parties hereto gives the other party prior written notice.

The Company has entered into providing Enterprise Resource Planning (ERP) service agreement with the parent company. The parent company had purchased ERP system which would be able to improve productivity by simplifying manufacturing processes and save cost. The parent company grant the company permission to use ERP system through the cloud service and the Company use ERP service such as Accounting, Financial, Material management, Production, Planning & Control and Sales & distribution operation under the term of the agreement, the Company agrees to pay the service fee according to the size of using. The agreement shall be one year and shall be extended automatically for successive periods of one year each unless either party gives the other party notice of non-extension in writing at least thirty days prior to the expiration of the original or any extended term of this Agreement.

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6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Cash on hand	382	467	152	239
Cash at banks	2,426,781	2,517,774	2,091,802	2,226,882
Total	2,427,163	2,518,241	2,091,954	2,227,121

7 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>At 30 September</i>				
Within credit terms	1,861,146	1,831,735	1,419,828	1,503,114
Overdue:				
1 - 30 days	15	6,191	15	6,191
61 - 90 days	-	9,310	-	9,310
91 - 365 days	-	5,175	-	5,175
More than 365 days	838	-	838	-
Total	1,861,999	1,852,411	1,420,681	1,523,790

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Raw materials	718,836	455,023	539,281	328,477
Work in process	279,906	234,849	149,178	120,878
Finished goods	466,824	435,638	364,733	321,212
Supplies	65,264	43,917	55,391	28,434
Goods in transit	61,621	61,038	31,714	41,149
	1,592,451	1,230,465	1,140,297	840,150
Less allowance for decline in value	(38,202)	(39,186)	(36,606)	(37,197)
Net	1,554,249	1,191,279	1,103,691	802,953
Inventories recognised in ‘cost of sales of goods’:				
- Cost	15,601,999	10,990,740	13,189,137	9,193,149
- Reversal of write-down	(984)	(6,852)	(591)	(5,670)
Net	15,601,015	10,983,888	13,188,546	9,187,479

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9 Investment in subsidiary

Subsidiary	Ownership interest		Paid-up capital		Cost method		Dividend income for the year	
	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(%)</i>				<i>(in thousand Baht)</i>			
Sima Technology Co.,Ltd.	99.99	99.99	300,000	300,000	299,998	299,998	50,000	50,000

Subsidiary engages in manufacture of electronic parts and was incorporated in Thailand. It isn't publicly listed consequently do not has published price quotation.

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10 Property, plant and equipment

	Consolidated financial statements							Total
	Land	Land improvements	Buildings and structures	Machinery & equipment (in thousand Baht)	Transportation equipment	Furniture, fixtures and office equipment	Construction in progress	
Cost								
At 1 October 2019	278,500	41,943	3,381,034	6,095,033	8,009	117,804	46,646	9,968,969
Additions	-	-	9,704	190,268	-	8,272	147,121	355,365
Transfers, net	-	-	4,917	117,738	-	2,866	(125,521)	-
Disposals	-	-	(6,620)	(314,393)	(1,191)	(1,555)	-	(323,759)
At 30 September 2020 and 1 October 2020	278,500	41,943	3,389,035	6,088,646	6,818	127,387	68,246	10,000,575
Recognition of right-of-use asset on initial application of TFRS 16 (see note 3)	10,379	-	-	1,082	22,583	-	-	34,044
At 1 October 2020 - as adjusted	288,879	41,943	3,389,035	6,089,728	29,401	127,387	68,246	10,034,619
Additions	133,850	6,000	5,867	134,707	49,117	15,148	361,967	706,656
Transfers, net	-	-	81,800	82,015	-	332	(164,147)	-
Disposals	-	-	(10,862)	(58,616)	(70)	(154)	-	(69,702)
At 30 September 2021	422,729	47,943	3,465,840	6,247,834	78,448	142,713	266,066	10,671,573
Depreciation and impairment losses								
At 1 October 2019	-	39,258	2,231,877	5,424,237	7,967	100,295	-	7,803,634
Depreciation charge for the year	-	914	109,238	238,029	25	12,150	-	360,356
Disposals	-	-	(3,308)	(309,578)	(1,191)	(1,522)	-	(315,599)
At 30 September 2020 and 1 October 2020	-	40,172	2,337,807	5,352,688	6,801	110,923	-	7,848,391
Depreciation charge for the year	2,542	1,377	107,163	258,948	18,414	9,261	-	397,705
Disposals	-	-	(3,193)	(54,821)	(62)	(154)	-	(58,230)
At 30 September 2021	2,542	41,549	2,441,777	5,556,815	25,153	120,030	-	8,187,866

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	Consolidated financial statements							
	Land	Land improvements	Buildings and structures	Machinery & equipment <i>(in thousand Baht)</i>	Transportation equipment	Furniture, fixtures and office equipment	Construction in progress	Total
<i>Net book value</i>								
At 30 September 2020								
Owned assets	278,500	1,771	1,047,616	572,740	17	16,464	68,246	1,985,354
Assets under finance leases	-	-	3,612	163,218	-	-	-	166,830
	<u>278,500</u>	<u>1,771</u>	<u>1,051,228</u>	<u>735,958</u>	<u>17</u>	<u>16,464</u>	<u>68,246</u>	<u>2,152,184</u>
At 30 September 2021								
Owned assets	412,350	6,394	1,021,273	497,231	77	22,337	266,066	2,225,728
Right-of-use assets	7,837	-	2,790	193,788	53,218	346	-	257,979
	<u>420,187</u>	<u>6,394</u>	<u>1,024,063</u>	<u>691,019</u>	<u>53,295</u>	<u>22,683</u>	<u>266,066</u>	<u>2,483,707</u>

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 30 September 2021 amounted to Baht 5,407 million (2020: Baht 5,047 million).

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	Separate financial statements						Construction in progress	Total
	Land	Land improvements	Buildings and structures	Machinery & equipment	Transportation equipment	Furniture, fixtures and office equipment		
<i>Cost</i>								
At 1 October 2019	246,807	41,943	2,343,745	4,194,377	5,067	101,560	46,646	6,980,145
Additions	-	-	2,153	119,917	-	7,789	106,757	236,616
Transfers, net	-	-	4,782	77,924	-	2,866	(85,572)	-
Disposals	-	-	(1,955)	(306,515)	(1,191)	(1,413)	-	(311,074)
At 30 September 2020 and 1 October 2020	246,807	41,943	2,348,725	4,085,703	3,876	110,802	67,831	6,905,687
Recognition of right-of-use asset on initial application of TFRS 16 (see note 3)	10,379	-	-	-	20,300	-	-	30,679
At 1 October 2020 - as adjusted	257,186	41,943	2,348,725	4,085,703	24,176	110,802	67,831	6,936,366
Additions	133,850	6,000	2,998	65,175	42,738	13,952	322,875	587,588
Transfers, net	-	-	81,205	46,390	-	269	(127,864)	-
Disposals	-	-	(10,862)	(58,616)	(70)	(39)	-	(69,587)
At 30 September 2021	391,036	47,943	2,422,066	4,138,652	66,844	124,984	262,842	7,454,367
<i>Depreciation and impairment losses</i>								
At 1 October 2019	-	39,258	1,552,114	3,784,991	5,045	86,467	-	5,467,875
Depreciation charge for the year	-	914	60,488	158,016	14	10,478	-	229,910
Disposals	-	-	(865)	(305,987)	(1,191)	(1,381)	-	(309,424)
At 30 September 2020 and 1 October 2020	-	40,172	1,611,737	3,637,020	3,868	95,564	-	5,388,361
Depreciation charge for the year	2,542	1,377	61,499	169,999	15,670	8,583	-	259,670
Disposals	-	-	(3,193)	(54,821)	(62)	(39)	-	(58,115)
At 30 September 2021	2,542	41,549	1,670,043	3,752,198	19,476	104,108	-	5,589,916

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	Separate financial statements					Furniture, fixtures and office equipment	Construction in progress	Total
	Land	Land improvements	Buildings and structures	Machinery & equipment <i>(in thousand Baht)</i>	Transportation equipment			
<i>Net book value</i>								
At 30 September 2020	<u>246,807</u>	<u>1,771</u>	<u>736,988</u>	<u>448,683</u>	<u>8</u>	<u>15,238</u>	<u>67,831</u>	<u>1,517,326</u>
At 30 September 2021								
Owned assets	380,657	6,394	752,023	386,454	74	20,876	262,842	1,809,320
Right-of-use assets	<u>7,837</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,294</u>	<u>-</u>	<u>-</u>	<u>55,131</u>
	<u>388,494</u>	<u>6,394</u>	<u>752,023</u>	<u>386,454</u>	<u>47,368</u>	<u>20,876</u>	<u>262,842</u>	<u>1,864,451</u>

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 30 September 2021 amounted to Baht 3,579 million (2020: Baht 3,343 million).

The Group leases land and transportation equipment for 3 years to 5 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

During 2021, the Group leased buildings and structures, machinery & equipment and furniture, fixtures and office equipment for 3 years to 5 years and paid fixed lease payment over the lease term. These payment terms are common in Thailand.

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<i>Year ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Amounts recognised in profit or loss				
Depreciation of right-of-use assets:				
- Land	2,542	-	2,542	-
- Buildings and structures	822	-	-	-
- Machinery & equipment	58,092	-	-	-
- Transportation equipment	18,389	-	15,652	-
- Furniture, fixtures and office equipment	40	-	-	-
Interest on lease liabilities	6,540	-	844	-
Expenses relating to short-term leases and leases of low-value assets	18,241	-	16,616	-

In 2021, total cash outflow for leases of the Group and the Company were Baht 93.9 million and Baht 18.7 million, respectively.

11 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Lease liabilities (2020: Finance lease liabilities)	274,116	176,540	55,476	-
Total interest-bearing liabilities	274,116	176,540	55,476	-

As at 30 September 2021, the Company has unutilised credit facilities (short-term loan, bank overdraft and letter of guarantee) of Baht 1,579 million (2020: Baht 1,565 million).

<i>Finance lease liabilities</i>	Consolidated financial statements		
	Minimum lease payments	Interest	Present value of minimum lease payments
	<i>(in thousand Baht)</i>		
<i>At 30 September 2020</i>			
Within 1 year	57,937	4,044	53,893
1 - 5 years	127,950	5,303	122,647
Total	185,887	9,347	176,540

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12 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Post-employment benefits	<u>371,232</u>	<u>378,726</u>	<u>302,669</u>	<u>319,114</u>

Defined benefit plan

The Group and the Company operate a defined benefit plans 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 Group to actuarial risks, such as longevity risk, currency risk and interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
At the beginning of the year	378,726	399,411	319,114	342,708
Include in profit or loss				
Current service cost	23,648	26,699	19,412	22,119
Interest on obligation	5,584	5,918	4,630	5,050
Curtailement loss	583	-	583	-
	<u>29,815</u>	<u>32,617</u>	<u>24,625</u>	<u>27,169</u>
Included in other comprehensive income				
Actuarial loss (gain)				
- Financial assumptions	(17,722)	(26,140)	(13,959)	(29,620)
- Experience adjustment	8,110	(10,866)	(1,031)	(7,687)
	<u>(9,612)</u>	<u>(37,006)</u>	<u>(14,990)</u>	<u>(37,307)</u>
Benefit paid	<u>(27,697)</u>	<u>(16,296)</u>	<u>(26,080)</u>	<u>(13,456)</u>
	<u>(27,697)</u>	<u>(16,296)</u>	<u>(26,080)</u>	<u>(13,456)</u>
At the end of the year	<u>371,232</u>	<u>378,726</u>	<u>302,669</u>	<u>319,114</u>

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	2.0, 2.1	1.5, 1.6	2.0	1.5
Future salary growth	2.5, 4.0	2.5, 4.0	4.0	4.0
Employee turnover	0 - 17.0	0 - 20.0	0 - 17.0	0 - 20.0

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

At 30 September 2021, the weighted-average duration of the defined benefit obligation were during 10 to 11 years (2020: 13 to 14 years).

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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation At 30 September</i>	Consolidated financial statements			
	<i>0.5% increase in assumption</i>		<i>0.5% decrease in assumption</i>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(16,716)	(17,766)	17,962	19,132
Future salary growth	16,649	17,986	(15,658)	(16,886)
Employee turnover	(16,489)	(17,489)	9,619	10,444

<i>Effect to the defined benefit obligation At 30 September</i>	Separate financial statements			
	<i>0.5% increase in assumption</i>		<i>0.5% decrease in assumption</i>	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Discount rate	(13,220)	(14,352)	14,199	15,441
Future salary growth	13,172	14,347	(12,396)	(13,485)
Employee turnover	(13,019)	(14,101)	7,518	8,300

13 Share capital

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.

14 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.

15 Segment information and disaggregation of revenue

Management determined that the Group has three reportable segments which are the Group’s strategic divisions for different products, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments.

- *Segment 1* Electric parts for automotive business
- *Segment 2* Electronic parts for office automation business
- *Segment 3* Other business

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit before tax 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. Inter-segment pricing is determined on an arm’s length basis.

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<i>Year ended 30 September</i>	Consolidated financial statements											
	Electric parts for automotive		Electronic parts for office automation		Other electronic parts		Total		Eliminations		Net	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(in million Baht)</i>											
Information about reportable segments												
External revenue	3,786	2,525	12,283	8,648	944	441	17,013	11,614	-	-	17,013	11,614
Inter-segment revenue	30	23	101	61	-	-	131	84	(131)	(84)	-	-
Total revenue	3,816	2,548	12,384	8,709	944	441	17,144	11,698	(131)	(84)	17,013	11,614
Disaggregation of revenue												
Primary geographical markets												
Thailand	1,068	625	9,953	6,133	513	76	11,534	6,834	(131)	(84)	11,403	6,750
Japan	1,876	1,128	2,430	1,927	427	364	4,733	3,419	-	-	4,733	3,419
US	106	105	-	62	-	-	106	167	-	-	106	167
Other	766	690	1	587	4	1	771	1,278	-	-	771	1,278
Total revenue	3,816	2,548	12,384	8,709	944	441	17,144	11,698	(131)	(84)	17,013	11,614
Timing of revenue recognition												
At a point in time	3,816	2,548	12,384	8,709	944	441	17,144	11,698	(131)	(84)	17,013	11,614
Total revenue	3,816	2,548	12,384	8,709	944	441	17,144	11,698	(131)	(84)	17,013	11,614
Segment profit (loss) before income tax	100	(59)	696	365	14	23	810	329	(50)	(49)	760	280
Interest income	1	3	2	7	-	-	3	10	-	-	3	10
Interest expense	(1)	-	(6)	(5)	-	-	(7)	(5)	-	-	(7)	(5)
Depreciation and amortisation	(70)	(259)	(297)	(102)	(42)	(9)	(409)	(370)	-	1	(409)	(369)
Tax expense	(28)	(5)	(84)	(24)	(7)	(1)	(119)	(30)	-	-	(119)	(30)
Segment assets	672	1,214	3,188	2,279	1,147	1,726	5,007	5,219	(23)	(23)	4,984	5,196
Segment liabilities	(342)	(249)	(1,305)	(1,189)	(98)	(34)	(1,745)	(1,472)	22	22	(1,723)	(1,450)

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<i>For the year ended 30 September</i>	Separate financial statements							
	Electric parts for automotive		Electronic parts for office automation		Other electronic parts		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	<i>(in million Baht)</i>							
Disaggregation of revenue								
Primary geographical markets								
Thailand	929	525	9,852	6,072	513	76	11,294	6,673
Japan	1,876	1,128	26	110	392	364	2,294	1,602
US	106	104	-	62	-	-	106	166
Other	766	690	1	588	4	1	771	1,279
Total revenue	3,677	2,447	9,879	6,832	909	441	14,465	9,720
Timing of revenue recognition								
At a point in time	3,677	2,447	9,879	6,832	909	441	14,465	9,720
Total revenue	3,677	2,447	9,879	6,832	909	441	14,465	9,720

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Reconciliations of reportable segment assets and liabilities

	Consolidated financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
		<i>(in million Baht)</i>		
Reportable segments	4,984	5,196	1,723	1,450
Other unallocated amounts	3,611	2,663	900	877
Total	8,595	7,859	2,623	2,327

Geographical information

Segments 1,2 and 3 are managed on a worldwide basis but operate manufacturing facilities and sales offices in Thailand.

Major customer

Revenues from three customers of the Group's Electronic parts for automotive, Electronic parts for office automation and other electronic parts segments represents approximately Baht 13,613 million (2020: Baht 8,163 million) of the Group's total revenue.

Promotional privileges

The Company has been granted promotional certificates by the Office of the Board of Investment for manufacturing of metal, plastic, and assembly parts of electronic parts. The Company has been granted several privileges including exemption import duty of necessary material used in production of promoted products for export and exception from payment of import duty on machinery approved by the Board throughout the period of the privileges.

The subsidiary has been granted promotional certificates by the Office of the Board of Investment for manufacturing of electronic parts. The subsidiary has been granted several privileges including exemption from certain taxes for a period of eight years from the date of commencement of promoted revenue. As a promoted company, the subsidiary company must comply with certain terms and conditions prescribed in the promotional certificate.

16 Expenses by nature

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
		<i>(in thousand Baht)</i>		
Changes in inventories of finished goods and work in progress	76,243	110,889	71,821	119,029
Raw materials and consumables used	12,327,427	8,286,199	10,764,113	7,161,102
Employee benefit expenses	2,107,630	1,709,900	1,688,582	1,395,092
Depreciation and amortisation	409,335	369,089	269,121	237,226
Service fees	272,006	136,083	269,942	134,825
Transportation expenses	59,724	29,251	52,206	26,731
Professional fees	9,534	10,376	6,063	5,841
Lease-related expenses (2020: Rental expenses)	31,401	46,888	29,558	40,701
Others	1,093,986	784,594	726,335	513,055
Total cost of sales of goods, distribution costs and administrative expenses	16,387,286	11,483,269	13,877,741	9,633,602

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17 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	153,833	16,438	134,605	8,584
	153,833	16,438	134,605	8,584
Deferred tax expense				
Movements in temporary differences	(35,287)	13,566	(28,400)	11,080
	118,546	30,004	106,205	19,664

<i>Income tax</i>	Consolidated financial statements					
	Before tax	2021 Tax expense	Net of tax	Before tax	2020 Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial gains	9,612	(1,923)	7,689	37,006	(7,461)	29,545
Total	9,612	(1,923)	7,689	37,006	(7,461)	29,545

<i>Income tax</i>	Separate financial statements					
	Before tax	2021 Tax expense	Net of tax	Before tax	2020 Tax expense	Net of tax
	<i>(in thousand Baht)</i>					
Recognised in other comprehensive income						
Defined benefit plan actuarial gains	14,990	(2,998)	11,992	37,307	(7,461)	29,846
Total	14,990	(2,998)	11,992	37,307	(7,461)	29,846

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<i>Reconciliation of effective tax rate</i>	Consolidated financial statements				Separate financial statements			
	2021		2020		2021		2020	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		<u>760,327</u>		<u>280,196</u>		<u>751,602</u>		<u>281,256</u>
Income tax using the Thai corporation tax rate	20	152,065	20	56,039	20	150,320	20	56,251
Income not subject to tax		-		-		(10,000)		(10,000)
Expenses additionally deductible for tax purposes		(1,150)		(6,306)		(1,150)		(6,306)
Expenses not deductible for tax purposes and others		8,763		3,156		1,907		2,253
Temporary difference which no deferred tax was recognised		-		7,094		-		6,224
Temporary difference which deferred tax was recognised		(41,132)		-		(34,872)		-
Utilisation of previous tax losses		-		(29,979)		-		(28,758)
Total	16	118,546	11	30,004	14	106,205	7	19,664

<i>Deferred tax At 30 September</i>	Consolidated financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Total	82,722	42,315	(50,233)	(43,191)
Set off of tax	(50,233)	(33,667)	50,233	33,667
Net deferred tax assets (liabilities)	32,489	8,648	-	(9,524)

<i>Deferred tax At 30 September</i>	Separate financial statements			
	Assets		Liabilities	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Total	67,924	36,390	(52,046)	(45,914)
Set off of tax	(52,046)	(36,390)	52,046	36,390
Net deferred tax assets (liabilities)	15,878	-	-	(9,524)

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	Consolidated financial statements			At the end of the year
	At the beginning of the year	(Charged) / Credited to		
<i>Deferred tax</i>		Profit or loss	Other comprehensive income	
		<i>(in thousand Baht)</i>		
2021				
<i>Deferred tax assets</i>				
Inventories	5,508	1,813	-	7,321
Non-current provisions for employee benefits	36,807	39,362	(1,923)	74,246
Lease liabilities	-	1,155	-	1,155
Total	42,315	42,330	(1,923)	82,722
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(43,080)	(7,153)	-	(50,233)
Lease liabilities	(111)	111	-	-
Total	(43,191)	(7,042)	-	(50,233)
Net	(876)	35,288	(1,923)	32,489
2020				
<i>Deferred tax assets</i>				
Inventories	5,693	(185)	-	5,508
Non-current provisions for employee benefits	49,260	(4,992)	(7,461)	36,807
Total	54,953	(5,177)	(7,461)	42,315
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(34,691)	(8,389)	-	(43,080)
Finance lease liabilities	(111)	-	-	(111)
Total	(34,802)	(8,389)	-	(43,191)
Net	20,151	(13,566)	(7,461)	(876)
Separate financial statements				
		(Charged) / Credited to		
<i>Deferred tax</i>	At the beginning of the year	Profit or loss	Other comprehensive income	At the end of the year
		<i>(in thousand Baht)</i>		
2021				
<i>Deferred tax assets</i>				
Inventories	5,508	1,813	-	7,321
Non-current provisions for employee benefits	30,882	32,650	(2,998)	60,534
Lease liabilities	-	69	-	69
Total	36,390	34,532	(2,998)	67,924
<i>Deferred tax liabilities</i>				
Property, plant and equipment	(45,914)	(6,132)	-	(52,046)
Total	(45,914)	(6,132)	-	(52,046)
Net	(9,524)	28,400	(2,998)	15,878

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	At the beginning of the year	Separate financial statements (Charged) / Credited to		At the end of the year
		Profit or loss (in thousand Baht)	Other comprehensive income	
Deferred tax				
2020				
Deferred tax assets				
Inventories	5,693	(185)	-	5,508
Non-current provisions for employee benefits	42,773	(4,430)	(7,461)	30,882
Total	48,466	(4,615)	(7,461)	36,390
Deferred tax liabilities				
Property, plant and equipment	(39,449)	(6,465)	-	(45,914)
Total	(39,449)	(6,465)	-	(45,914)
Net	9,017	(11,080)	(7,461)	(9,524)
Unrecognised deferred tax assets				
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Inventories	-	1,931	-	1,931
Non-current provisions for employee benefits	-	38,606	-	32,941
Finance lease liabilities	-	595	-	-
Total	-	41,132	-	34,872

18 Basic earnings per share

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	641,781	250,192	645,396	261,592
Number of ordinary shares outstanding at the end of the year	20,898	20,898	20,898	20,898
Earnings per share (basic) (in Baht)	30.71	11.97	30.88	12.52

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19 Dividends

Details of dividends during 2021 and 2020 are as follows:

	Approval date	Payment schedule	Dividend rate per share (in Baht)	Amount (in million Baht)
2021				
2020 Annual dividend	28 January 2021	25 February 2021	10	209
2020				
2019 Annual dividend	30 January 2020	28 February 2020	10	209

20 Supplemental disclosures of cash flows information

Property, plant and equipment purchased during the year are details as follows:

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Increase in property, plant and equipment during the year	740,700	355,365	618,267	236,616
Less assets acquired by means of lease liabilities	(177,916)	(80,586)	(73,325)	-
Change in payables for purchase of property, plant and equipment	9,603	(30,347)	16,065	(30,898)
Purchased of property, plant and equipment paid by cash	572,387	244,432	561,007	205,718

21 Financial instruments

(a) Carrying amounts and fair values

As at 30 September 2021 and 2020, the carrying amount of financial assets and liabilities are reasonable approximation of fair value.

(b) Financial risk management policies

Risk management framework

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

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed twice a year to reflect changes in market conditions and the Group's activities. The Group, 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 Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group 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 Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade accounts receivable

The Group'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 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 Group's standard payment and delivery terms and conditions are offered.

The Group limits its exposure to credit risk from trade accounts receivable by establishing a maximum payment period of three months.

(b.1.2) Cash and cash equivalent

The Group's exposure to credit risk arising from cash and cash equivalents is limited because the counterparties are banks and financial institutions with a minimum credit rating, for which the Group considers to have low credit risk.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group'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.

<i>At 30 September 2021</i>	Consolidated financial statements				
	Carrying amount	Contractual cash flows			Total
		1 year or less	More than 1 year but less than 5 years		
		<i>(in thousand Baht)</i>			
Non-derivative financial liabilities					
Trade accounts payable	1,551,182	1,551,182	-		1,551,182
Lease liabilities	274,116	89,109	185,007		274,116
	1,825,298	1,640,291	185,007		1,825,298

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<i>At 30 September 2021</i>	Carrying amount	Separate financial statements			Total
		Contractual cash flows			
		1 year or less	More than 1 year but less than 5 years		
<i>(in thousand Baht)</i>					
<i>Non-derivative financial liabilities</i>					
Trade accounts payable	1,258,541	1,258,541	-		1,258,541
Lease liabilities	55,476	17,529	37,947		55,476
	1,314,017	1,276,070	37,947		1,314,017

(b.3) Market risk

The Group 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 Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group 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 subsequent period.

<i>Exposure to foreign currency at 30 September</i>	Consolidated financial statements			
	2021		2020	
	USD	JPY	USD	JPY
<i>(in thousand Baht)</i>				
Cash and cash equivalents	148,736	200,601	166,212	340,550
Trade accounts receivable	106,705	259,688	304,686	244,552
Other receivables	563	30	81	-
Trade accounts payable	(210,579)	(60,249)	(202,459)	(54,750)
Other payables	(1,325)	(8,492)	(1,003)	(15,331)
Payable for property, plant and equipment	-	(17,870)	-	(39,851)
Lease liabilities	-	(161,622)	-	(141,180)
<i>Net statement of financial position exposure</i>	44,100	212,086	267,517	333,990

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<i>Exposure to foreign currency at 30 September</i>	Separate financial statements			
	2021		2020	
	USD	JPY	USD	JPY
	<i>(in thousand Baht)</i>			
Cash and cash equivalents	148,736	198,191	166,212	339,500
Trade accounts receivable	106,705	254,448	304,686	242,489
Other receivables	563	30	31	-
Trade accounts payable	(198,784)	(45,611)	(197,580)	(43,600)
Other payables	(1,325)	(6,863)	(1,003)	(14,711)
Payable for property, plant and equipment	-	(16,304)	-	(39,851)
Net statement of financial position exposure	55,895	383,891	272,346	483,827

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at 30 September 2021 would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	Movement (%)	Consolidated financial statements		Separate financial statements	
		Strengthening	Weakening	Strengthening	Weakening
		<i>(in thousand Baht)</i>			
<i>As at 30 September 2021</i>					
USD	6	5,111	(460)	5,757	(1,223)
JPY	3	15,285	2,040	18,118	(5,300)

22 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.

23 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Capital commitments				
Building and other constructions	135,418	960	132,787	-
Machinery and equipment	28,233	40,572	24,322	36,281
Office equipment	1,069	-	1,069	-
Intangible assets	2,068	733	1,477	-
Total	166,788	42,265	159,655	36,281
Other commitments				
Short-term lease commitments and leases for low value assets	5,293	49,539	2,825	44,099
Bank guarantees	31,153	31,003	31,153	31,003

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As at 30 September 2021, the Group had warehouse rental, car lease and office equipment agreements for various periods, which will expire during 2021 to 2026.

The Company had bank guarantee issued by various financial institutions for use of electricity, gasoline and accepted purchase orders for goods and supplies.