

THAI STEEL CABLE PUBLIC COMPANY LIMITED

FINANCIAL STATEMENTS

30 SEPTEMBER 2023

Independent Auditor's Report

To the shareholders and Board of Directors of Thai Steel Cable Public Company Limited

My opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Thai Steel Cable Public Company Limited (the Company) as at 30 September 2023, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The Company's financial statements comprise:

- the statement of financial position as at 30 September 2023;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

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 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 (TFAC Code) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. 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 judgement, were of most significance in my audit of the financial statements of the current period. I determine one key audit matter: Revenue Recognition. The matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p>Revenue Recognition</p> <p>During the year ended 30 September 2023, the Company recognised Baht 2,907 million in revenue from sales derived from sales of automobile control cables, motorcycle control cables, automobile window regulators and other products as disclosed in Note 24 to the financial statements. This revenue comprised both domestic and export sales for which revenue recognition occurred at different points depending on contract terms. The revenue is recognised at the point of delivering and transferring control of the goods to the customers.</p> <p>I focused on the cut-offs of the revenue from sales recognition because the revenue amount and number of transactions were material. In addition, the revenue recognition was dependent on the sales conditions stipulated in the contracts with customers, which include different contract terms and transfer of rights.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • obtaining an understanding and asking management about its revenue recognition principles in accordance with TFRS15 Revenue from Contracts with Customers, accounting guidelines, disclosures and systems to support revenue recognition in order to assess the correctness and appropriateness of the accounting standard and the accounting policies that the Company applied; • obtaining an understanding and testing the design and operating effectiveness of key revenue recognition, particularly focusing on those around the accuracy and timely recording of sales transactions; • testing gross sales transactions and credit/debit notes on a sampling basis by tracing them to relevant supporting documents, including invoices to customers, delivery documents and subsequent cash receipts from those customers. Also, I read sales contracts and/or other related documents between the Company and customers to determine whether the revenue transactions were recognised correctly and appropriately according to the sales conditions; • selecting revenue samples before and after year end from system-generated reports to test whether the samples are recorded within the appropriate time, based on the terms and conditions set out in sales invoices and delivery documents; and • sending debtor confirmations for balances as at 30 September 2023 to selected debtors and performing subsequent cash receipt testing or tracing balances to delivery documents on the customer balances for which confirmations were not received. <p>From the procedures performed, I found that the revenue recognition was appropriately applied in accordance with the Company's accounting policies.</p>

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 the directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the 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.

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

- Identify and assess the risks of material misstatement of the 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 the directors.
- Conclude on the appropriateness of the directors' 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 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, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the 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.

PricewaterhouseCoopers ABAS Ltd.

Pongthavee Ratanakoses

Certified Public Accountant (Thailand) No. 7795

Bangkok, Thailand

21 November 2023

Thai Steel Cable Public Company Limited
Statement of Financial Position
As at 30 September 2023

		2023	2022
	Notes	Thousand Baht	Thousand Baht
Assets			
Current assets			
Cash and cash equivalents	9	234,174	197,930
Trade and other receivables	10	536,785	550,780
Inventories, net	11	202,072	203,191
Short-term fixed deposit		185,345	296,167
Other current assets		9,876	12,783
Total current assets		1,168,252	1,260,851
Non-current assets			
Investment in equity instrument of a non-listed company	13	29,682	35,740
Investment properties, net	14	182,329	116,818
Property, plant and equipment, net	15	883,840	895,068
Intangible assets, net	16	6,856	13,687
Deferred tax assets, net	19	9,523	6,661
Other non-current assets		8,705	49,277
Total non-current assets		1,120,935	1,117,251
Total assets		2,289,187	2,378,102

Director _____ Director _____

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

Thai Steel Cable Public Company Limited
Statement of Financial Position
As at 30 September 2023

		2023	2022
	Notes	Thousand Baht	Thousand Baht
Liabilities and equity			
Current liabilities			
Trade and other payables	17	570,666	581,998
Short-term loan from a financial institution	18	-	100,000
Current portion of lease liabilities, net		1,492	2,212
Income tax payable		3,815	5,887
Other current liabilities		9,257	14,728
Total current liabilities		585,230	704,825
Non-current liabilities			
Lease liabilities, net		1,687	3,179
Employee benefit obligations	21	56,841	49,988
Provision for product warranty and sales promotion	22	85,726	73,978
Other non-current liabilities		513	520
Total non-current liabilities		144,767	127,665
Total liabilities		729,997	832,490

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

Thai Steel Cable Public Company Limited
Statement of Financial Position
As at 30 September 2023

		2023	2022
	Note	Thousand Baht	Thousand Baht
Liabilities and equity (Cont'd)			
Equity			
Share capital			
Authorised share capital			
268,500,000 ordinary shares of par Baht 1 each		268,500	268,500
Issued and paid-up share capital			
259,800,000 ordinary shares of paid-up Baht 1 each		259,800	259,800
Premium on paid-up capital		464,870	464,870
Retained earnings			
Appropriated - Legal reserve	23	26,850	26,850
Unappropriated		804,488	786,064
Other components of equity		3,182	8,028
Total equity		1,559,190	1,545,612
Total liabilities and equity		2,289,187	2,378,102

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

Thai Steel Cable Public Company Limited
Statement of Comprehensive Income
For the year ended 30 September 2023

		2023	2022
	Notes	Thousand Baht	Thousand Baht
Revenue from sales	24	2,906,667	2,644,949
Costs of sales		(2,382,139)	(2,206,964)
Gross profit		524,528	437,985
Other income		7,111	15,636
Selling and distribution expenses		(37,587)	(38,272)
Administrative expenses		(216,295)	(205,321)
Gain on exchange rate, net		6,325	7,318
Profit before finance costs and income tax		284,082	217,346
Finance costs		(704)	(1,276)
Profit before income tax		283,378	216,070
Income tax	26	(4,779)	(7,462)
Profit for the period		278,599	208,608
Other comprehensive income (expenses):			
Items that will not be reclassified to profit or loss			
Changes in fair value of equity investments at fair value through other comprehensive income, net of tax		(4,846)	(3,601)
Actuarial gain (loss), net of tax		(379)	9,119
Total items that will not be reclassified to profit or loss		(5,225)	5,518
Total comprehensive income for the year		273,374	214,126
Earnings per share	28		
- owners of the Company			
Basic earnings per share (Baht per share)		1.07	0.80

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

Thai Steel Cable Public Company Limited
Statement of Changes in Equity
For the year ended 30 September 2023

	Note	Issued and paid-up share capital Thousand Baht	Premium on paid-up capital Thousand Baht	Retained earnings		Other comprehensive income	Equity Thousand Baht
				Appropriated - Legal reserve Thousand Baht	Unappropriated Thousand Baht	Measurement of equity investments at fair value through other comprehensive income	
						Thousand Baht	
Opening balance as at 1 October 2021		259,800	464,870	26,850	828,131	11,629	1,591,280
Changes in equity for the year							
Profit for the year		-	-	-	208,608	-	208,608
Other comprehensive income (expenses) for the year		-	-	-	9,119	(3,601)	5,518
Dividend payment		-	-	-	(259,794)	-	(259,794)
Closing balance as at 30 September 2022		259,800	464,870	26,850	786,064	8,028	1,545,612
Opening balance as at 1 October 2022		259,800	464,870	26,850	786,064	8,028	1,545,612
Changes in equity for the year							
Profit for the year		-	-	-	278,599	-	278,599
Other comprehensive expenses for the year		-	-	-	(379)	(4,846)	(5,225)
Dividend payment	20	-	-	-	(259,796)	-	(259,796)
Closing balance as at 30 September 2023		259,800	464,870	26,850	804,488	3,182	1,559,190

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

Thai Steel Cable Public Company Limited
Statement of Cash Flows
For the year ended 30 September 2023

		2023	2022
	Notes	Thousand Baht	Thousand Baht
Cash flows from operating activities			
Profit before income tax		283,378	216,070
Reconciliation of net profit to cash flows from operating activities			
Depreciation and amortisation		110,971	111,073
Reversal of allowance for obsolescence		(389)	(2,092)
Losses (gains) on disposal and write-off of assets		9,646	(260)
Write-off of refundable import duty		-	6,442
Increase in provision for product warranty	22.1	2,495	1,553
Increase in provision for sales promotion	22.2	10,000	-
Increase in employee benefit obligations	21	7,895	8,716
Unrealised losses (gains) on foreign exchange rate		571	(3,401)
Interest income		(2,962)	(2,176)
Finance costs		704	1,276
Cash paid for employee benefit obligations	21	(1,516)	-
Cash paid for product warranty	22.1	(747)	(809)
Profit from operating activities before changes in operating assets and liabilities		420,046	336,392
Changes in operating assets and liabilities:			
- Trade and other receivables		15,110	(121,916)
- Inventories		1,508	(5,576)
- Other current assets		2,907	(1,141)
- Other non-current assets		5,509	(35,239)
- Trade and other payables		(10,319)	100,842
- Other current liabilities		(5,471)	(821)
- Other non-current liabilities		(7)	(480)
Cash generated from operating activities		429,283	272,061
Interest paid		(516)	(1,273)
Income tax paid		(8,406)	(6,038)
Net cash generated from operating activities		420,361	264,750

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

Thai Steel Cable Public Company Limited
Statement of Cash Flows
For the year ended 30 September 2023

		2023	2022
	Note	Thousand Baht	Thousand Baht
Cash flows from investing activities			
Decrease in short-term fixed deposit		110,822	62,471
Cash paid for purchase of property, plant and equipment		(65,630)	(60,128)
Cash paid for purchase of investment properties		(68,554)	-
Cash paid for purchases of intangible assets		(5,332)	(9,138)
Proceeds from disposals of property, plant and equipment		4,065	21,236
Interest received		2,711	3,468
Net cash generated from (used on) investing activities		(21,918)	17,909
Cash flows from financing activities			
Repayment of short-term loan from a financial institution		(100,000)	-
Cash paid for lease liabilities		(2,403)	(2,453)
Dividend payment	20	(259,796)	(259,794)
Net cash used in financing activities		(362,199)	(262,247)
Net decrease in cash and cash equivalents		36,244	20,412
Cash and cash equivalents at the beginning of the period		197,930	177,518
Cash and cash equivalents at the end of the period		<u>234,174</u>	<u>197,930</u>
Non-cash transactions			
- Increase in property, plant and equipment from other payables		11,114	5,760
- Increase in equipment from lease liabilities		-	2,550
- Increase in equipment from other non-current assets		35,064	23,399

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

1 General information

Thai Steel Cable Public Company Limited (the Company) is a public company limited incorporated in Thailand. The address of its registered office is located at 700/737, Moo 1, Panthong, Panthong, Chonburi, Thailand.

The principal business of the Company is to engage in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles.

This financial statement was authorised for issue by the Board of Directors on 21 November 2023.

2 Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The financial statement has been prepared under the historical cost convention except investment in equity instrument of a non-listed company as explained in the relevant accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of these financial statement has been prepared from the financial statement that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statement shall prevail.

The Company reclassified comparative figures to conform with the current period presentation as described below.

Statement of comprehensive income for the year ended 30 September 2022.

	Financial statement		
	Previously reported Thousand Baht	Reclassified Thousand Baht	As reclassified Thousand Baht
Revenues from sales	2,644,336	613	2,644,949
Other income	60,337	(44,701)	15,636
Costs of sales	(2,243,734)	36,770	(2,206,964)
Gain on exchange rate, net	-	7,318	7,318

3 New and amended financial reporting standards

3.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022

- a) **Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The Company's management assessed and considered that the above new and amended standards do not have a significant impact on the Company.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023

Certain amended TFRSs have been issued that are not mandatory for the current reporting period and have not been early adopted by the Company.

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TAS 41 Agriculture** clarified about removal of the requirement for entities to exclude cash flows for taxation when measuring fair value of biological asset.

- d) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- f) **Amendment to TFRS 9 - Financial Instruments clarified which fees should be** included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

The Company's management is assessing and considering whether the above new and amended standards have a significant impact on the Company or not.

4 Accounting policies

4.1 Foreign currency translation

4.1.1 Functional and presentation currency

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

4.1.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or the date of revaluation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

4.2 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

4.3 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 to 60 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 4.5.

4.4 Inventories

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

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.5 Financial asset

a) Classification

The Company classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Company has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

c) Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income].
- FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

d) Equity instruments

The Company measures all equity investments at fair value. Where the Company has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

Impairment losses (and reversal of impairment losses) on equity investments are reported together with changes in fair value.

e) Impairment

The Company applies the TFRS 9 simplified approach in measuring the impairment of [trade receivables, contract assets and lease receivables], which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Company applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Company assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Company and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Company reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment (and reversal of impairment) losses are recognised in profit or loss as a separate line item and included in administrative expenses.

4.6 Investment property

Investment properties, principally land and land improvement and building and building improvement, are held for long-term rental yields or for capital appreciation and are not occupied by the Company.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their costs over their estimated useful lives, as follows:

Building and building improvement	20, 40 years
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4.7 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Company. The carrying amount of the replaced part is derecognised.

The Company will recognise other repairs and maintenance to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Land improvement	20 years
Building	20, 40 years
Building improvement	5 - 25 years
Machinery and factory equipment	3 - 20 years
Tools	1 - 20 years
Molds	1 - 10 years
Motor vehicles	10 years
Furniture, fixtures and office equipment	3 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in other gains or losses.

4.8 Intangible assets

Acquired computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 10 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

4.9 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.10 Leases

Leases - where the Company is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

Leases - where the Company is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

4.11 Financial liabilities

a) Classification

Financial instruments issued by the Company are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Company has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Company's own equity instruments.
- Where the Company has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Company assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

4.12 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.13 Employee benefits

Defined contribution plan

The Company pays contributions to a separate fund on a voluntary basis. The Company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

Other long-term benefits

The Company gives money / gold rewards to employees when they have worked for the Company for 3, 5, 10, 15, 20 and 25 years.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

4.14 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.15 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

4.16 Revenue recognition

The Company recognises revenue in the period when control of goods or services transferred to customers in an amount that reflect the net consideration the Company expects to receive. Depending on the terms of the underlying contract, the Company generally meets the above requirements when it either ships or delivers finished goods and control of the goods transfers to the customer. At contract inception, the Company assesses the goods promised in the contract to identify the performance obligations. Each performance obligation is a promise to transfer to the customer a good or service that is distinct. The transaction price will need to be allocated to the distinct performance obligations based on the relative standalone selling price of the goods and other performance obligations to ensure that revenue is recognised at the appropriate time and for the correct amount.

The Company recognises revenue when it satisfies a performance obligation by transferring a promised goods or services to a customer, which is when the customer obtains control of those goods, or services. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. A performance obligation may be satisfied at a point in time, typically for promises to transfer goods to a customer, or over time, typically for promises to transfer services to a customer.

Interest income is recognised on an accrual basis, using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

4.17 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

5 Financial risk management

5.1 Financial risk

The Company's financial instruments principally comprise cash and cash equivalents, trade and other receivables, short-term fixed deposit, investment in equity instrument of a non-listed company, trade and other payables, short-term loan from a financial institution. The Company has financial risks associated with these financial instruments and has policy in managing those risks as described below.

5.1.1 Market risk

There are two types of market risk comprising currency risk and interest rate risk.

Foreign exchange risk

The Company's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies.

As at 30 September 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2023 (Million)	2022 (Million)	2023 (Million)	2022 (Million)	2023 (Baht per 1 foreign currency unit)	2022
USD	1.2	1.3	1.4	1.0	36.56	37.91
JPY	4.7	8.0	134.1	91.7	0.25	0.26

Sensitivity

The following tables demonstrate the sensitivity of the Company's profit before tax to a reasonably possible change in US dollar and Japanese yen exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 30 September 2023 and 2022.

Currency	2023		2022	
	Change in FX rate (%)	Effect on profit before tax (Million Baht)	Change in FX rate (%)	Effect on profit before tax (Million Baht)
USD	+12	0.9	+12	1.1
	-12	(0.9)	-12	(1.1)
JPY	+7	3.8	+7	(2.6)
	-7	(3.8)	-7	2.6

This information is not a forecast or prediction of future market conditions and should be used with care.

Interest rate risk

As the Company has no significant interest bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates.

The sensitivity of profit or loss to changes in the variable interest rates from bank deposits is insignificant to the Company's operating results.

5.1.2 Credit risk

The Company is exposed to credit risk primarily with respect to trade and other receivables. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Company does not have high concentrations of credit risk since it has a large customer base.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

Financial instruments and cash deposits

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors and may be subject to approval of the Company's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

5.1.3 Liquidity risk

The Company monitors liquidity risks and maintains levels of cash and cash equivalents. The management considers that it is sufficient to finance its operation. The Company has sufficient access to a variety of sources of funds to reduce the impact of cash flow fluctuations.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 30 September 2023 and 2022 based on contractual undiscounted cash flows:

	2023		
	Less than 1 year Thousand Baht	1 - 5 years Thousand Baht	Total Thousand Baht
Non-derivatives			
Trade and other payables	570,666	-	570,666
Lease liabilities	1,492	1,687	3,179
Total non-derivatives	572,158	1,687	573,845

	2022		
	Less than 1 year Thousand Baht	1 - 5 years Thousand Baht	Total Thousand Baht
Non-derivatives			
Short-term loans from financial institutions	100,271	-	100,271
Trade and other payables	581,998	-	581,998
Lease liabilities	2,212	3,179	5,391
Total non-derivatives	684,481	3,179	687,660

5.2 Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

6 Fair value

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

As at 30 September	Level 3	
	2023 Thousand Baht	2022 Thousand Baht
Financial assets measured at fair value through other comprehensive income (FVOCI)		
Investment in equity Instruments of non-listed company (Note 13)	29,682	35,740

The Company applied adjusted net book value to measure fair value level 3. There were no changes in valuation techniques and no transfers between fair value level during the period.

The Company's valuation processes

The Company's finance department, including valuation team who performs the fair valuation of financial assets required for financial reporting purposes, including level 3 fair valuation, reports directly to the Chief Financial Officer (CFO). The meeting will be held every quarter between the CFO and the team for the purpose of valuation processes in line with the quarterly financial reporting dates.

Financial assets and financial liabilities are approximately to the carry amounts as follows:

- Cash and cash equivalents
- Trade and other receivables
- Short-term fixed deposits
- Current assets and liabilities
- Trade and other payables
- Short-term loan from a financial institution
- Non-current assets and liabilities

Since the majority of the Company's financial instruments are short-term in nature, loans borrowings carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1 The fair value of financial instruments is based on the current bid price by reference to the liquid market.
- Level 2 The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 The fair value of financial instruments is not based on observable market data.'

There was no transfer between such levels during the year.

The following table shows classification of the financial assets and liabilities by category.

7 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Reduction of inventory cost to net realisable value

In determining a reduction of inventory cost to net realisable value, the management makes judgement and estimates net realisable value of inventory based on the amount of the inventories are expected to realise. These estimates take into consideration fluctuations of selling price directly relating to events occurring after the end of the reporting period. Also, the management makes judgement and estimates the expected loss from obsolete and slow-moving inventories based upon aging profile of inventories and the prevailing economic condition.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Assurance-type warranty to customers

The management estimates the warranty expenses for product return and repair of which sales are incurred during the year and are under warranty policy. The estimation is based on past experience and the history of actual claim.

Litigation

The Company has contingent liabilities as a result of litigation. This requires judgements from management to assess of the results of the litigation.

8 Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company is principally engaged in the manufacture and distribution of control cable of automobiles and motorcycles and window regulator of automobiles. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

Major customers

For the year ended 30 September 2023, the Company has revenues from 4 major customer groups of Baht 1,532 million, equivalent to 53% of total revenue from sales. (For the year ended 30 September 2022: 4 major customer groups in of Baht 1,427 million, equivalent to 54% of total revenue from sales).

9 Cash and cash equivalents

As at 30 September

	2023	2022
	Thousand Baht	Thousand Baht
Cash	226	306
Bank deposits	233,948	197,624
Total	234,174	197,930

As at 30 September 2023, bank deposits in savings accounts and fixed deposits carried interest at the rates between 0.15% and 1.00% per annum (2022, 0.15% - 0.60% per annum).

10 Trade and other receivables

As at 30 September	2023	2022
	Thousand Baht	Thousand Baht
<u>Trade receivables - related parties</u>		
Not yet due	61,684	52,350
Within 3 months	2,954	8,803
3 - 6 months	35	-
	64,673	61,153
<u>Less</u> Allowance for doubtful accounts	-	-
Total trade receivables - related parties (Note 29 b)	64,673	61,153
<u>Trade receivables - third parties</u>		
Not yet due	466,451	483,975
Within 3 months	3,112	3,752
3 - 6 months	336	156
6 - 12 months	10	80
Over 12 months	-	2
	469,909	487,965
<u>Less</u> Allowance for doubtful accounts	-	-
Total trade receivables - third parties	469,909	487,965
Other receivables - related parties (Note 29 b)	92	24
Other receivables - third parties	2,111	1,638
Total trade and other receivables	536,785	550,780

11 Inventories, net

As at 30 September	2023	2022
	Thousand Baht	Thousand Baht
Finished goods	49,633	46,202
Work in process	35,057	31,884
Raw materials	87,093	106,662
Goods in transit	29,293	17,384
Spare parts and factory supplies	4,401	4,853
	205,477	206,985
<u>Less</u> Allowance for obsolescence	(3,405)	(3,794)
Total inventories, net	202,072	203,191

During the year 30 September 2023, the Company reversed the allowance for obsolescence by Baht 0.39 million (2022, Baht 2.09 million) recognised as part of cost of goods sold during the year.

12 Financial assets and financial liabilities

As at 30 September

	2023 Thousand Baht	2022 Thousand Baht
Financial assets		
Financial assets at amortised cost		
- Cash and cash equivalents	234,174	197,930
- Trade and other receivables, net	536,785	550,780
- Short-term fixed deposit	185,345	296,167
Financial assets at fair value through other comprehensive income (FVOCI)		
- Investment in equity instrument of non-listed company	29,682	35,740
	985,986	1,080,617
Financial liabilities		
Financial liabilities at amortised cost		
- Trade and other payables	570,666	581,998
- Short-term loan from a financial institution	-	100,000
- Lease liabilities	3,179	5,391
	573,845	687,389

13 Investment in equity instrument of a non-listed company

As at 30 September 2023 and 30 September 2022, investment in equity instrument of a non-listed company is as follows:

Company's name	Country of incorporation	Shareholding percentage		Cost		Carrying amount at fair value	
		2023	2022	2023	2022	2023	2022
		%	%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
HI-LEX Vietnam Co., Ltd.	Vietnam	6.28	6.28	25,704	25,704	29,682	35,740

The movements of financial assets measured at FVOCI during the period are as follows:

For the year ended 30 September	2023 Thousand Baht	2022 Thousand Baht
Losses recognised in other comprehensive income	6,058	4,501

14 Investment properties

	Land and land improvement Thousand Baht	Building and building improvement Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht
As at 1 October 2021				
Cost	93,510	161,872	-	255,382
<u>Less</u> Accumulated depreciation	(4,076)	(132,551)	-	(136,627)
Net book value	89,434	29,321	-	118,755
For the year ended 30 September 2022				
Opening net book value	89,434	29,321	-	118,755
Depreciation	-	(1,937)	-	(1,937)
Closing net book value	89,434	27,384	-	116,818
As at 30 September 2022				
Cost	93,510	161,872	-	255,382
<u>Less</u> Accumulated depreciation	(4,076)	(134,488)	-	(138,564)
Net book value	89,434	27,384	-	116,818
For the year ended 30 September 2023				
Opening net book value	89,434	27,384	-	118,755
Additions	-	-	68,579	68,579
Transfer-in (out)	-	68,579	(68,579)	-
Write-off, net	-	(6)	-	(6)
Depreciation	-	(3,062)	-	(3,062)
Closing net book value	89,434	92,895	-	182,329
As at 30 September 2023				
Cost	93,510	229,736	-	323,246
<u>Less</u> Accumulated depreciation	(4,076)	(136,841)	-	(140,917)
Net book value	89,434	92,895	-	182,329

As at 30 September 2023, the fair value of the investment properties amounted to Baht 469 million (30 September 2022, Baht 401 million). The fair value of the investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of the land has been determined based on market prices, while that of the buildings has been determined using the replacement cost approach. Their fair value hierarchy are at Level 2.

Amounts recognised in profit and loss that are related to investment property are as follows:

For the year ended 30 September	2023 Thousand Baht	2022 Thousand Baht
Rental income from operating leases	5,082	-
Direct operating expense that generated rental income	3,445	-

As at 30 September 2023 and 2022, the Company did not have investment properties that were pledged as security for current and non-current borrowings.

In addition, the Company did not contractual obligation to purchase constructor or develop investment property or for repairs, maintenance or enhancements.

Minimum lease payments receivable on lease investment properties are as follows:

As at 30 September	2023 Thousand Baht	2022 Thousand Baht
Due within 1 year	20,437	-
Due between 2 and 5 years	88,069	-
Due later than 5 years	116,723	-
Total	225,229	-

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15 Property, plant and equipment, net

	Land and land improvement Thousand Baht	Building and building improvement Thousand Baht	Machinery, factory equipment, tools and molds Thousand Baht	Motor vehicles Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Asset under installation and construction Thousand Baht	Right of use Thousand Baht	Total Thousand Baht
At 1 October 2021								
Cost	142,981	626,312	1,356,381	8,748	74,598	117,257	7,957	2,334,234
<u>Less</u> Accumulated depreciation	(278)	(241,840)	(1,089,959)	(3,273)	(64,859)	-	(2,918)	(1,403,127)
Net book value	142,703	384,472	266,422	5,475	9,739	117,257	5,039	931,107
For the year ended 30 September 2022								
Opening net book value	142,703	384,472	266,422	5,475	9,739	117,257	5,039	931,107
Additions	-	226	25,001	-	523	63,535	2,587	91,872
Transfer-in (out)	-	51,092	55,705	-	307	(107,104)	-	-
Disposals, net	-	-	(20,955)	-	(1)	-	-	(20,956)
Write-off, net	-	-	(16)	-	(4)	-	-	(20)
Depreciation charge	(36)	(18,101)	(80,961)	(1,004)	(4,481)	-	(2,352)	(106,935)
Closing net book value	142,667	417,689	245,196	4,471	6,083	73,688	5,274	895,068
At 30 September 2022								
Cost	142,981	677,630	1,397,365	8,748	60,565	73,688	10,544	2,371,521
<u>Less</u> Accumulated depreciation	(314)	(259,941)	(1,152,169)	(4,277)	(54,482)	-	(5,270)	(1,476,453)
Net book value	142,667	417,689	245,196	4,471	6,083	73,688	5,274	895,068

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	Land and land improvement Thousand Baht	Building and building improvement Thousand Baht	Machinery, factory equipment, tools and molds Thousand Baht	Motor vehicles Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Asset under installation and construction Thousand Baht	Right of use Thousand Baht	Total Thousand Baht
For the year ended 30 September 2023								
Opening net book value	142,667	417,689	245,196	4,471	6,083	73,688	5,274	895,068
Additions	-	-	39,034	-	3,105	55,933	14	98,086
Transfer-in (out)	-	3,769	83,567	-	3,716	(91,052)	-	-
Disposals, net	(1,475)	(1,166)	(1,048)	-	(6)	-	-	(3,695)
Write-off, net	-	(46)	(347)	-	(81)	-	-	(474)
Depreciation charge	(36)	(18,807)	(79,219)	(1,004)	(3,850)	-	(2,229)	(105,145)
Closing net book value	141,156	401,439	287,183	3,467	8,967	38,569	3,059	883,840
At 30 September 2023								
Cost	141,506	678,093	1,397,219	8,748	46,259	38,569	10,558	2,320,952
<u>Less</u> Accumulated depreciation	(350)	(276,654)	(1,110,036)	(5,281)	(37,292)	-	(7,499)	(1,437,112)
Net book value	141,156	401,439	287,183	3,467	8,967	38,569	3,059	883,840

16 Intangible assets, net

	Computer software Thousand Baht	Computer software under installation Thousand Baht	Total Thousand Baht
At 1 October 2021			
Cost	88,660	-	88,660
<u>Less</u> Accumulated amortisation	(81,874)	-	(81,874)
Net book value	6,786	-	6,786
For the year ended 30 September 2022			
Opening net book value	6,786	-	6,786
Additions	90	9,048	9,138
Amortisation charge	(2,237)	-	(2,237)
Closing net book value	4,639	9,048	13,687
At 30 September 2022			
Cost	88,750	9,048	97,798
<u>Less</u> Accumulated amortisation	(84,111)	-	(84,111)
Net book value	4,639	9,048	13,687
For the year ended 30 September 2023			
Opening net book value	4,639	9,048	13,687
Additions	4,030	1,439	5,469
Transfer-in (out)	839	(839)	-
Write-off, net	(16)	(9,520)	(9,536)
Amortisation charge	(2,764)	-	(2,764)
Closing net book value	6,728	128	6,856
At 30 September 2023			
Cost	75,883	128	76,011
<u>Less</u> Accumulated amortisation	(69,155)	-	(69,155)
Net book value	6,728	128	6,856

17 Trade and other payables

As at 30 September	2023 Thousand Baht	2022 Thousand Baht
Trade payables - related parties (Note 29 b)	125,864	82,041
Trade payables - third parties	322,158	382,753
Other payables - related parties (Note 29 b)	576	632
Other payables - third parties	22,116	26,906
Accrued expenses - related parties (Note 29 b)	3,901	4,926
Accrued expenses - third parties	96,051	84,740
Total trade and other payables	570,666	581,998

18 Short-term loans from a financial institution

	Interest rate (% per annum)	2023 Thousand Baht	2022 Thousand Baht
Promissory note	1.10	-	100,000

The Company had no outstanding short-term loans from a financial institution and had no collateral.

19 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

As at 30 September	2023 Thousand Baht	2022 Thousand Baht
Deferred tax assets	10,577	9,014
Deferred tax liabilities	(1,054)	(2,353)
Deferred tax asset, net	9,523	6,661

The gross movements of deferred income taxes is as follows:

	2023 Thousand Baht	2022 Thousand Baht
As at 1 October	6,661	5,591
Credited to profit and loss	1,555	404
Credited to other comprehensive income	1,307	666
As at 30 September	9,523	6,661

The components of deferred tax assets and deferred tax liabilities are as follows:

As at 30 September	2023	2022
	Thousand Baht	Thousand Baht
Deferred tax assets		
Allowance for obsolescence	146	94
Employee benefits obligations	10,186	8,821
Provision for product warranty and sales promotion	245	99
Total	10,577	9,014
Deferred tax liabilities		
Unrealised gain on changes in fair value of investments	(795)	(2,007)
Accumulated depreciation	(259)	(346)
Total	(1,054)	(2,353)

20 Dividend payment

On 24 January 2023, the Annual General meeting of the Company has passed a resolution to pay the dividend to its shareholders from its net operating profit for the year 2022 at the rate of Baht 1 per share, totaling of Baht 259.80 million. However, on 10 May 2022, the Board of Directors' meeting of the Company passed a resolution to pay an interim dividend from the operating profit for the six-month period ended 31 March 2022 at the rate of Baht 0.40 per share, totaling of Baht 103.92 million. The dividend was paid on 9 June 2022. The remaining dividend was at the rate of Baht 0.60 per share, totaling of Baht 155.88 million. The Company had paid the dividend on 24 February 2023.

On 9 May 2023, the Board of Directors' meeting of the Company has passed a resolution to pay the dividend to its shareholders from its net operating profit for the six-month period ended 31 March 2023 at the rate of Baht 0.40 per share, totaling of Baht 103.92 million. The Company had paid the dividend on 8 June 2023.

21 Employee benefit obligations

	Provision for retirement benefits Thousand Baht	Provision for other long-term benefits Thousand Baht	Total Thousand Baht
Balance as at 1 October 2021	45,411	5,214	50,625
Included in profit or loss:			
Current service cost	7,587	965	8,552
Interest cost	1,161	85	1,246
Actuarial gain	-	(1,082)	(1,082)
Included in other comprehensive income:			
Actuarial gain arising from Change in financial assumption	(9,353)	-	(9,353)
Balance as at 30 September 2022	44,806	5,182	49,988
Included in profit or loss:			
Current service cost	5,065	598	5,663
Interest cost	1,625	107	1,732
Losses from benefit payment	-	500	500
Included in other comprehensive income:			
Actuarial gain loss arising from Change in financial assumptions	(918)	(552)	(1,470)
Change in demographic assumptions	(2,504)	(773)	(3,277)
Experience losses	4,485	736	5,221
Cash paid for employee benefit obligations	(1,025)	(491)	(1,516)
Balance as at 30 September 2023	51,534	5,307	56,841

During the years 2023 and 2022, the Company expects no long-term employee benefits payment during the next year.

As at 30 September 2023, the weighted average duration of the liabilities for long-term employee benefit is 16 years (2022: 19 years).

Significant actuarial assumptions are summarised below:

	2023 (% per annum)	2022 (% per annum)
Discount rate	3.54	2.28 - 4.11
Salary increase rate	4.76	2.50 - 5.50
Employee turnover rate (depending on age of employee)	3.00 - 17.00	3.00 - 17.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 30 September 2023 and 2022 are summarised below:

	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2023	2022	2023	2022	2023	2022
Discount rate	0.5%	1%	Decrease by 5.31%	Decrease by 4.87%	Increase by 5.75%	Increase by 5.28%
Salary growth rate	0.5%	1%	Increase by 5.54%	Increase by 4.70%	Decrease by 5.16%	Decrease by 4.38%
Turnover rate	10%	10%	Decrease by 4.36%	Increase by 3.66%	Increase by 4.74%	Decrease by 3.97%

22 Provision for product warranty and sales promotion

22.1 Provision for product warranty

	<u>Thousand Baht</u>
As at 1 October 2021	73,234
Increase during the year	1,553
Decrease from actual paid	<u>(809)</u>
As at 30 September 2022	73,978
Increase during the year	2,495
Decrease from actual paid	<u>(747)</u>
As at 30 September 2023	<u>75,726</u>

Provisions for product warranty is recognised at a percentage of sales which were estimated based on the historical of actual expenses and available information of outstanding claims.

22.2 Provision for sales promotion

	<u>Thousand Baht</u>
As at 1 October 2022	-
Increase during the year	<u>10,000</u>
As at 30 September 2023	<u>10,000</u>

Provisions for sales promotion is recognised at a percentage of sales which were estimated based on the historical of actual discount given to the customers.

23 Legal reserves

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required set aside a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

24 Revenue from sales

For the year ended 30 September

	<u>2023</u>	<u>2022</u>
	<u>Thousand Baht</u>	<u>Thousand Baht</u>
Type of products		
Automobile control cables	2,040,570	1,764,655
Motorcycle control cables	408,613	389,708
Automobile window regulators	318,249	342,562
Others	<u>159,546</u>	<u>149,876</u>
Total	2,926,978	2,646,801
<u>Less</u> Consideration payable to a customer	<u>(20,311)</u>	<u>(1,852)</u>
Total revenue sales	<u>2,906,667</u>	<u>2,644,949</u>

25 Expenses by nature

Significant expenses classified by nature are as follows:

For the year ended 30 September

	2023 Thousand Baht	2022 Thousand Baht
Raw materials and consumables used	1,441,839	1,407,870
Salaries and wages and other employee benefits	498,135	485,818
Depreciation	108,207	108,872
Amortisation	2,764	2,237
Provision for product warranty and sales promotion	2,495	1,553
Rental expenses	7,685	8,366
Changes in finished goods and work in process	6,616	1,388
Packaging expenses	10,669	10,807

26 Income tax

For the year ended 30 September

	2023 Thousand Baht	2022 Thousand Baht
Current income tax		
Current income tax charge	6,334	7,866
Deferred tax (Note 19)		
Relating to origination and reversal of temporary differences	(1,555)	(404)
Total income tax	4,779	7,462

The reconciliation between accounting profit and income tax is shown below.

For the year ended 30 September

	2023 Thousand Baht	2022 Thousand Baht
Profit before income tax	283,378	216,070
Applicable tax rate	20%	20%
Profit before income tax multiplied by applicable tax rate	56,676	43,214
Effects of:		
Promotional privileges	(52,575)	(36,605)
Non-deductible expenses	3,686	2,637
Additional expenses allowed for deductions	(3,008)	(1,784)
Income tax	4,779	7,462

The amounts of income tax relating to each component of other comprehensive income are as follows:

For the year ended 30 September

	2023 Thousand Baht	2022 Thousand Baht
Deferred tax on changes in fair value of equity investments		
At fair value through comprehensive income	(1,212)	(900)
Deferred tax relating to actuarial (loss) gain	(95)	234
Total	(1,307)	(666)

27 Promotional privileges

The Company has received promotional privileges from the Board of Investment for various operations. Subject to certain imposed conditions, as at 30 September 2023, the important privileges are summarised below.

	Investment promotion certificate no.	Exemption from import duty on machines	Exemption from corporate income tax for the periods	Commencing from
Manufacture of control cable of vehicles and window regulator of automobiles	1539(2)/2557	Expired	7 years	2 March 2016
Manufacture of control cable of vehicles and window regulator of automobiles	60-0797-0-00-1-0	Expire on 19 January 2023	7 years	4 May 2017
Manufacture of control cable of vehicles and component and window regulator of automobiles and component	61-1445-1-04-1-0	Expire on 13 December 2021	3 years	2 April 2019
Manufacture of control cable, window regulator and component	63-0564-1-04-1-0	Expire on 27 May 2023	3 years	2 July 2020
Manufacture of control cable of vehicles and window regulator of automobiles	60-0798-0-00-1-0	Expire on 19 January 2023	7 years	8 November 2021
Manufacture of control cable of vehicles and window regulator of automobiles	60-0799-0-00-1-0	Expire on 19 January 2023	7 years	Not yet commencing

The Company's operating revenues for the years ended 30 September 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

	Promoted operations		Non-promoted operations		Total	
	2023	2022	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Sales						
Domestic sales	2,273,990	2,277,751	500,034	221,481	2,774,024	2,499,232
Export sales	15,629	36,794	117,014	108,923	132,643	145,717
Total sales	2,289,619	2,314,545	617,047	330,404	2,906,667	2,644,949

28 Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

29 Related parties transactions

a) Transactions with related parties

Transactions with related parties are as follows:

For the year ended 30 September	2023 Thousand Baht	2022 Thousand Baht	Pricing policies
Sales of goods and services			
Other related parties - common directors	195,657	197,789	Cost plus margin
Purchases of goods and services			
Other related parties - common directors	560,707	406,541	Cost plus margin
Other transactions			
Purchase of assets - common directors	2,099	7,627	Mutually agreed

b) Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at the end of the reporting period in relation to transactions with related parties are as follows:

As at 30 September	2023 Thousand Baht	2022 Thousand Baht
Receivables		
Trade receivables - related parties - common directors	64,673	61,153
Other receivables - related parties - common directors	92	24
Payables		
Trade payables - related parties - common directors	125,864	82,041
Other payables - related parties - common directors	576	632
Accrued license fee- related parties - common directors	3,901	4,926

c) Key management compensation

Key management includes directors (executive and non-executive), members of the executive committee. The compensation paid or payable to key management are as follows:

For the year ended 30 September	2023 Thousand Baht	2022 Thousand Baht
Salaries and other short-term employee benefits	80,550	84,256
Post-employment benefits	1,844	5,290
Total	82,394	89,546

30 Commitments and contingent liabilities

30.1 Capital commitments

The capital expenditure contracted but not recognised as liabilities is as follows:

As at 30 September	2023 Thousand Baht	2022 Thousand Baht
Property, plant and equipment	33,108	75,762

30.2 Short-term Lease and service commitments

The Company had future minimum payments under short-term leases, lease of low-value assets and service agreements as follows:

As at 30 September	2023 Thousand Baht	2022 Thousand Baht
Within a year	16,467	16,120
1 - 5 years	6,721	3,881
Total	23,188	20,001

30.3 License commitments

The Company has entered into license and technical assistance agreement with an overseas related company for the use of a trademark and the receipt of statement related to the manufacture and assembly of control cable of automobiles and motorcycles. Under the conditions of the agreement, the Company is obligate to pay the fee twice a year at a rate as stipulated in the agreement.

30.4 Litigation

The Customs Department conducted a post clearance audit at the Company and accused the Company of making incorrect tariff code declarations (with lower duty rates) in import entries between 2003 and 2006. The Company had filed an appeal to the Supreme Court and the Supreme Court gave a verdict on 2 May 2022 that the Company won the case and was entitled to the rights to receive the import duties. The Company receives a partial of the compensations and is in requesting process of the remaining portions.

31 Event after the reporting period

On 21 November 2023, the Board of Directors' meeting of the Company has passed a resolution to pay the dividend to its shareholders from its net operating profit for the year 2023 at the rate of Baht 1.20 per share, totaling of Baht 311.76 million. However, on 9 May 2023, the Board of Directors' meeting of the Company passed a resolution to pay an interim dividend from the operating profit for the six-month period ended 31 March 2023 at the rate of Baht 0.40 per share, totaling of Baht 103.92 million. The dividend was paid on 8 June 2023. The remaining dividend was at the rate of Baht 0.80 per share, totaling of Baht 207.84 million. The Board of Directors will propose the dividend payment to the 2024 Annual General Meeting accordingly.