

Alucon Public Company Limited

Condensed interim financial statements
for the three-month and six-month periods ended
30 June 2024
and
Independent Auditor's review report

Independent Auditor’s Report on Review of Interim Financial Information

To the Board of Directors of Alucon Public Company Limited

I have reviewed the accompanying statement of financial position of Alucon Public Company Limited as at 30 June 2024; the statements of comprehensive income for the three-month and six-month periods ended 30 June 2024; the statement of changes in equity and cash flows for the six-month period ended 30 June 2024; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standards 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

(Piyatida Tangdenchai)
Certified Public Accountant
Registration No. 11766

KPMG Phoomchai Audit Ltd.
Bangkok
13 August 2024

Alucon Public Company Limited

Statement of financial position

Assets	Note	30 June	31 December
		2024	2023
		(Unaudited)	
		(in thousand Baht)	
Current assets			
Cash and cash equivalents		639,903	781,601
Current investments in time deposits		2,163,510	1,886,063
Trade accounts receivable	2, 6	1,060,347	1,012,677
Inventories		1,646,331	1,413,281
Refundable value added tax		76,232	23,514
Other current assets		61,216	44,404
Total current assets		5,647,539	5,161,540
Non-current assets			
Property, plant and equipment	3	2,070,498	2,222,794
Intangible assets		3,656	3,974
Deferred tax assets		46,000	41,363
Other non-current assets		215	215
Total non-current assets		2,120,369	2,268,346
Total assets		7,767,908	7,429,886

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

Alucon Public Company Limited

Statement of financial position

		30 June	31 December
Liabilities and equity	Note	2024	2023
		(Unaudited)	
		(in thousand Baht)	
Current liabilities			
Trade accounts payable	2	95,517	141,160
Contract liabilities	4	132,216	18,585
Other payables to related parties	2	3,139	7,550
Other payables to other parties		151,244	97,321
Corporate income tax payable		134,537	73,366
Current provisions for employee benefits		97,297	57,301
Other current liabilities		4,199	10,994
Total current liabilities		618,149	406,277
Non-current liability			
Non-current provisions for employee benefits		394,414	441,148
Total non-current liability		394,414	441,148
Total liabilities		1,012,563	847,425
Equity			
Share capital			
Authorised share capital (43,200,000 ordinary shares, par value at Baht 10 per share)		432,000	432,000
Issued and paid-up share capital (43,199,986 ordinary shares, par value at Baht 10 per share)		432,000	432,000
Share premium			
Share premium on ordinary shares		254,000	254,000
Retained earnings			
Appropriated			
Legal reserve		43,200	43,200
Unappropriated		6,026,145	5,853,261
Total equity		6,755,345	6,582,461
Total liabilities and equity		7,767,908	7,429,886

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

Alucon Public Company Limited
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Three-month period ended		Six-month period ended	
		30 June		30 June	
		2024	2023	2024	2023
<i>(in thousand Baht)</i>					
<i>Income</i>					
Revenue from sales of goods	2, 4	1,537,002	1,476,059	3,002,365	3,124,341
Net foreign exchange gain		25,374	26,122	153,416	1,882
Other income		62,137	50,535	121,239	96,988
Total income		1,624,513	1,552,716	3,277,020	3,223,211
<i>Expenses</i>					
Cost of sales of goods	2	1,270,364	1,305,427	2,491,696	2,831,091
Distribution costs	2	33,337	36,476	66,911	78,060
Administrative expenses	2	33,193	32,036	69,642	67,642
Total expenses		1,336,894	1,373,939	2,628,249	2,976,793
Profit before income tax expense		287,619	178,777	648,771	246,418
Tax expense		58,019	20,389	130,287	25,069
Profit for the period		229,600	158,388	518,484	221,349
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		229,600	158,388	518,484	221,349
Basic earnings per share (<i>in Baht</i>)		5.31	3.67	12.00	5.12

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

Alucon Public Company Limited
Statement of changes in equity (Unaudited)

	Note	Issued and paid-up share capital	Shares Premium	Retained earnings		Total equity
				Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>						
Six-month period ended 30 June 2023						
Balance at 1 January 2023		432,000	254,000	43,200	5,768,224	6,497,424
Transactions with owners, recorded directly in equity						
<i>Distribution to owners</i>						
Dividends	5	-	-	-	(432,000)	(432,000)
<i>Total distribution to owners</i>		-	-	-	(432,000)	(432,000)
Total transactions with owners, recorded directly in equity		-	-	-	(432,000)	(432,000)
Comprehensive income for the period						
Profit for the period		-	-	-	221,349	221,349
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	221,349	221,349
Balance at 30 June 2023		432,000	254,000	43,200	5,557,573	6,286,773
Six-month period ended 30 June 2024						
Balance at 1 January 2024		432,000	254,000	43,200	5,853,261	6,582,461
Transactions with owners, recorded directly in equity						
<i>Distribution to owners</i>						
Dividends	5	-	-	-	(345,600)	(345,600)
<i>Total distribution to owners</i>		-	-	-	(345,600)	(345,600)
Total transactions with owners, recorded directly in equity		-	-	-	(345,600)	(345,600)
Comprehensive income for the period						
Profit for the period		-	-	-	518,484	518,484
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	518,484	518,484
Balance at 30 June 2024		432,000	254,000	43,200	6,026,145	6,755,345

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

Alucon Public Company Limited

Statement of cash flows (Unaudited)

	Six-month period ended	
	30 June	
	2024	2023
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	518,484	221,349
<i>Adjustments to reconcile profit to cash receipts (payments)</i>		
Tax expense	130,287	25,069
Depreciation	177,005	186,957
Amortisation	646	657
Provision for employee benefits	27,531	26,049
Gain on fair value adjustment on unit trust - debt instruments	-	(319)
Unrealised gain on exchange	(3,221)	(16,912)
Reversal of losses on inventories devaluation	(457)	(1,018)
Loss on disposal and write-off of equipment	3	4
Interest income	(46,604)	(9,885)
	<u>803,674</u>	<u>431,951</u>
<i>Changes in operating assets and liabilities</i>		
Trade accounts receivable	(44,543)	10,218
Inventories	(232,593)	843,393
Refundable value added tax	(52,718)	39,248
Other current assets	(6,412)	11,294
Other non-current assets	-	(11)
Trade accounts payable	(45,537)	11,003
Contract liabilities	113,631	2,148
Other payables to related parties	(4,411)	(4,478)
Other payable to other parties	60,113	52,621
Other current liabilities	(6,795)	(9,239)
Repayment of employee benefits	(34,269)	(31,741)
Net cash generated from operations	550,140	1,356,407
Taxes paid	(73,753)	(80,253)
Net cash from operating activities	476,387	1,276,154

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

Alucon Public Company Limited

Statement of cash flows (Unaudited)

	Note	Six-month period ended	
		30 June	
		2024	2023
		<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>			
Cash outflow on current investments in time deposits		(277,447)	(596,179)
Payment for acquisition of plant and equipment		(30,928)	(63,209)
Payment for acquisition of intangible assets		(314)	-
Interest received		36,204	5,153
Net cash used in investing activities		(272,485)	(654,235)
<i>Cash flows from financing activity</i>			
Dividends paid to owners of the Company	5	(345,600)	(432,000)
Net cash used in financing activity		(345,600)	(432,000)
Net (decrease) increase in cash and cash equivalents		(141,698)	189,919
Cash and cash equivalents at 1 January		781,601	1,263,085
Cash and cash equivalents at 30 June		639,903	1,453,004
<i>Supplemental disclosures of cash flows information:</i>			
1. Cash paid for purchase of plant and equipment during the period are detailed as follows:			
Total addition of plant and equipment during the period	3	24,712	66,786
<i>Add:</i> settlement of payables for plant and equipment previously purchased		8,947	3,176
<i>Less:</i> payables on purchase of plant and equipment		(2,731)	(6,753)
Net purchases of plant and equipment paid by cash		30,928	63,209
2. Cash paid for purchase of intangible assets during the period are detailed as follows:			
Total addition of intangible assets during the period		328	-
<i>Less:</i> payables on purchase of intangible assets		(14)	-
Net purchases of intangible assets paid by cash		314	-

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

Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2024 (Unaudited)

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Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2024 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language interim financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 13 August 2024.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (“TAS”) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2023.

In preparing these interim financial statements, judgments and estimates are made by management in applying the Company’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2023.

2 Related parties

Significant transactions for the six-month period ended 30 June with related parties were as follows:

<i>Six-month period ended 30 June</i>	2024	2023
	<i>(in thousand Baht)</i>	
Parent		
Revenue from sales of goods	618,063	739,580
Purchase of raw materials and spare parts	8,366	7,254
Purchase of machinery and equipment	1,072	-
License fee	3,285	6,157
Commission expenses	445	814
Other expenses	451	54
Key management personnel		
Key management personnel compensation		
Short-term employee benefit <i>(including director’s remuneration)</i>	21,048	21,311
Post-employment benefits	859	474
Total key management personnel compensation	21,907	21,785

Balances as at 30 June 2024 and 31 December 2023 with related parties were as follows:

	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Trade account receivable		
Parent - Takeuchi Press Industries Company Limited	80,820	79,444
Trade account payable		
Parent - Takeuchi Press Industries Company Limited	1,978	88

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	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>	
<i>Other payables</i>		
<i>Accrued license fee</i>		
Parent - Takeuchi Press Industries Company Limited	359	2,424
<i>Accrued commission payable</i>		
Parent - Takeuchi Press Industries Company Limited	65	268
<i>Accrued management's remuneration and other benefits</i>		
Key management personnel	2,715	4,858
Total other payables to related parties	<u>3,139</u>	<u>7,550</u>

Commitments for purchase of raw materials and spare parts

	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Parent - Takeuchi Press Industries Company Limited	<u>4,633</u>	<u>2,097</u>

Significant memorandum of understanding

On 1 February 2024, the Company entered into a memorandum of understanding with Takeuchi Press Industries Company Limited to supply aluminium slugs in quantity of about 7,000 MT for the production of aluminium monobloc aerosol cans and collapsible tubes for a period from April 2024 to March 2025.

3 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month period ended 30 June are as follows:

<i>Six-month period ended 30 June</i>	2024		2023	
	Acquisitions and transfers - at cost	Disposals - net book value	Acquisitions and transfers - at cost	Disposals - net book value
	<i>(in thousand Baht)</i>			
Machinery and equipment	30,461	(3)	26,558	(4)
Office equipment	360	-	58	-
Spare parts	(4,368)	-	1,367	-
Construction in progress	(1,741)	-	38,803	-
Total	<u>24,712</u>	<u>(3)</u>	<u>66,786</u>	<u>(4)</u>

Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2024 (Unaudited)

4 Segment information and disaggregation of revenue

The Company has two reportable segments. The following summary describes the operations in each of the Company's reportable segments.

Segment 1 Can and tube
Segment 2 Slug

The Company's operations and main revenue streams are described in the last annual financial statements. The Company's main revenue is derived from contracts with customers and recognised at a point in time.

Information about reportable segments

<i>Six-month period ended 30 June</i>	Segment 1		Segment 2		Total	
	2024	2023	2024	2023	2024	2023
	<i>(in thousand Baht)</i>					
Revenue from sales	<u>1,492,562</u>	<u>1,624,724</u>	<u>1,509,803</u>	<u>1,499,617</u>	<u>3,002,365</u>	<u>3,124,341</u>
Gross Profit	<u>334,698</u>	<u>253,185</u>	<u>175,971</u>	<u>40,065</u>	<u>510,669</u>	<u>293,250</u>
Profit before income tax	<u>461,950</u>	<u>214,567</u>	<u>186,821</u>	<u>31,851</u>	<u>648,771</u>	<u>246,418</u>
<i>As at 30 June/ 31 December</i>						
Segment assets						
Trade accounts receivable	492,719	508,971	567,628	503,706	1,060,347	1,012,677
Inventories	314,212	267,110	1,332,119	1,146,171	1,646,331	1,413,281
Property, plant and equipment	1,699,424	1,816,256	371,074	406,538	2,070,498	2,222,794
Unallocated assets					<u>2,990,732</u>	<u>2,781,134</u>
Total assets					<u>7,767,908</u>	<u>7,429,886</u>
Segment liabilities						
Trade accounts payable	85,350	84,937	10,167	56,223	95,517	141,160
Unallocated liabilities					<u>917,046</u>	<u>706,265</u>
Total liabilities					<u>1,012,563</u>	<u>847,425</u>

Contract Balances

The following table provides information about receivables and contract liabilities from contracts with customers.

	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Trade accounts receivable	1,060,347	1,012,677
Contract liabilities - current	132,216	18,585

The contract liabilities primarily relate to the advance consideration received from customers for sales of goods. The Company recognises such contract liabilities as revenue when transferring control of the goods to the customers.

Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2024 (Unaudited)

5 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2024				
Annual dividend	23 April 2024	May 2024	8	346
2023				
Annual dividend	18 April 2023	May 2023	10	432

6 Financial instruments

Credit risk

Allowance for impairment loss for trade accounts receivable are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors and assessment of both the current and forecast general economic conditions.

	Note	30 June 2024 (in thousand Baht)	31 December 2023
Related party			
Within credit terms		59,418	79,444
Overdue:			
Less than 3 months		21,402	-
	2	<u>80,820</u>	<u>79,444</u>
Other parties			
Within credit terms		838,558	808,467
Overdue:			
Less than 3 months		140,887	124,766
6 - 12 months		82	-
		<u>979,527</u>	<u>933,233</u>
Total		<u>1,060,347</u>	<u>1,012,677</u>

7 Commitments with non-related parties

	30 June 2024 (in thousand Baht)	31 December 2023
<i>Capital commitments</i>		
Contracted but not provided for:		
Factory, machinery, equipment and intangible assets	<u>43,560</u>	<u>9,318</u>

Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2024 (Unaudited)

	30 June 2024	31 December 2023
	<i>(in thousand Baht)</i>	
<i>Other commitments</i>		
Purchase orders accepted by suppliers		
- Within one year	1,683,071	2,327,594
Bank guarantees	22,500	22,500
Total	<u>1,705,571</u>	<u>2,350,094</u>

Bank guarantee

As at 30 June 2024, the Company had commitment with a local bank for letters of guarantee issued in favour of the Company to the Metropolitan Electricity Authority and the Provincial Electricity Authority totalling Baht 23 million (*31 December 2023: Baht 23 million*).

Purchase orders accepted by suppliers

As at 30 June 2024, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot for a total quantity 18,300 MT (*31 December 2023: 28,994 MT*), at the price as determined in purchase orders (*31 December 2023: at the price as determined in purchase orders*) that will be delivered during 2024. (*31 December 2023: during 2024*).