

Alucon Public Company Limited

Condensed interim financial statements
for the three-month period ended
31 March 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 31 March 2024; the statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 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
14 May 2024

Alucon Public Company Limited

Statement of financial position

		31 March	31 December
Assets	Note	2024	2023
		(Unaudited)	
		(in thousand Baht)	
<i>Current assets</i>			
Cash and cash equivalents		921,916	781,601
Current investments in time deposits		2,139,066	1,886,063
Trade accounts receivable	2, 5	1,008,571	1,012,677
Inventories		1,546,853	1,413,281
Refundable value added tax		29,857	23,514
Other current assets		50,162	44,404
Total current assets		5,696,425	5,161,540
<i>Non-current assets</i>			
Property, plant and equipment	3	2,147,268	2,222,794
Intangible assets		3,651	3,974
Deferred tax assets		43,234	41,363
Other non-current assets		215	215
Total non-current assets		2,194,368	2,268,346
Total assets		7,890,793	7,429,886

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

Alucon Public Company Limited

Statement of financial position

		31 March 2024 (Unaudited)	31 December 2023
Liabilities and equity	<i>Note</i>		
		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>			
Trade accounts payable	2	197,186	141,160
Contract liabilities	4	36,408	18,585
Other payables to related parties	2	9,245	7,550
Other payables to other parties		127,886	97,321
Corporate income tax payable		147,341	73,366
Current provisions for employee benefits		52,874	57,301
Other current liabilities		6,263	10,994
Total current liabilities		577,203	406,277
<i>Non-current liability</i>			
Non-current provisions for employee benefits		442,245	441,148
Total non-current liability		442,245	441,148
Total liabilities		1,019,448	847,425
<i>Equity</i>			
Share capital			
Authorised share capital <i>(43,200,000 ordinary shares, par value at Baht 10 per share)</i>		432,000	432,000
Issued and paid-up share capital <i>(43,199,986 ordinary shares, par value at Baht 10 per share)</i>		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		6,142,145	5,853,261
Total equity		6,871,345	6,582,461
Total liabilities and equity		7,890,793	7,429,886

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

Alucon Public Company Limited
Statement of comprehensive income (Unaudited)

		Three-month period ended	
		31 March	
	<i>Note</i>	2024	2023
		<i>(in thousand Baht)</i>	
<i>Income</i>			
Revenue from sales of goods	2, 4	1,465,363	1,648,282
Net foreign exchange gain		128,042	-
Other income		59,102	46,453
Total income		1,652,507	1,694,735
<i>Expenses</i>			
Cost of sales of goods	2	1,221,332	1,525,664
Distribution costs	2	33,574	41,584
Administrative expenses	2	36,449	35,606
Net foreign exchange loss		-	24,240
Total expenses		1,291,355	1,627,094
Profit before income tax expense		361,152	67,641
Tax expense		72,268	4,680
Profit for the period		288,884	62,961
Other comprehensive income for the period		-	-
Total comprehensive income for the period		288,884	62,961
Basic earnings per share <i>(in Baht)</i>		6.69	1.46

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

Alucon Public Company Limited

Statement of changes in equity (Unaudited)

	Issued and paid-up share capital	Shares Premium	Retained earnings		Total equity
			Legal reserve	Unappropriated	
			(in thousand Baht)		
Three-month period ended					
31 March 2023					
Balance at 1 January 2023	432,000	254,000	43,200	5,768,224	6,497,424
Comprehensive income					
for the period					
Profit for the period	-	-	-	62,961	62,961
Other comprehensive income	-	-	-	-	-
Total comprehensive income					
for the period	-	-	-	62,961	62,961
Balance at 31 March 2023	432,000	254,000	43,200	5,831,185	6,560,385
Three-month period ended					
31 March 2024					
Balance at 1 January 2024	432,000	254,000	43,200	5,853,261	6,582,461
Comprehensive income					
for the period					
Profit for the period	-	-	-	288,884	288,884
Other comprehensive income	-	-	-	-	-
Total comprehensive income					
for the period	-	-	-	288,884	288,884
Balance at 31 March 2024	432,000	254,000	43,200	6,142,145	6,871,345

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

Alucon Public Company Limited

Statement of cash flows (Unaudited)

	Three-month period ended	
	31 March	
	2024	2023
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	288,884	62,961
<i>Adjustments to reconcile profit to cash receipts (payments)</i>		
Tax expense	72,268	4,680
Depreciation	88,431	93,602
Amortisation	323	326
Provision for employee benefits	15,438	14,232
Gain on fair value adjustment on unit trust - debt instruments	-	(133)
Unrealised (gain) loss on exchange	(11,770)	2,195
Losses on inventories devaluation	427	198
Losses on disposal and write-off of equipment	3	4
Interest income	(24,196)	(189)
	<u>429,808</u>	<u>177,876</u>
<i>Changes in operating assets and liabilities</i>		
Trade accounts receivable	16,462	(56,892)
Inventories	(134,000)	612,823
Refundable value added tax	(6,343)	41,020
Other current assets	2,566	10,930
Other non-current assets	-	(90)
Trade accounts payable	55,441	57,027
Contract liabilities	17,823	2,755
Other payables to related parties	1,695	791
Other payable to other parties	35,352	43,768
Other current liabilities	(4,731)	(8,606)
Repayment of employee benefits	(18,768)	(8,624)
Net cash generated from operations	<u>395,305</u>	<u>872,778</u>
Taxes paid	(164)	-
Net cash from operating activities	<u>395,141</u>	<u>872,778</u>

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

Alucon Public Company Limited

Statement of cash flows (Unaudited)

		Three-month period ended	
		31 March	
	Note	2024	2023
		(in thousand Baht)	
<i>Cash flows from investing activities</i>			
Cash outflow on current investments in time deposits		(253,003)	-
Payment for acquisition of plant and equipment		(17,696)	(27,068)
Interest received		15,873	-
Net cash used in investing activities		(254,826)	(27,068)
Net increase in cash and cash equivalents		140,315	845,710
Cash and cash equivalents at 1 January		781,601	1,263,085
Cash and cash equivalents at 31 March		921,916	2,108,795
<i>Supplemental disclosures of cash flows information:</i>			
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	12,909	33,152
Add: settlement of payables for plant and equipment			
previously purchased		8,947	3,176
Less: payables on purchase of plant and equipment		(4,160)	(9,260)
Net purchases of plant and equipment paid by cash		17,696	27,068

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 period ended 31 March 2024 (Unaudited)

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Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 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 14 May 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 three-month period ended 31 March with related parties were as follows:

<i>Three-month period ended 31 March</i>	2024	2023
	<i>(in thousand Baht)</i>	
Parent		
Revenue from sales of goods	302,356	404,638
Purchase of raw materials and spare parts	4,295	2,396
License fee	2,926	3,786
Commission expenses	380	449
Other expenses	451	54
Key management personnel		
Key management personnel compensation		
Short-term employee benefit <i>(including director’s remuneration)</i>	10,539	10,682
Post-employment benefits	429	237
Total key management personnel compensation	10,968	10,919

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

	31 March 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Trade account receivable		
Parent - Takeuchi Press Industries Company Limited	53,470	79,444
Trade account payable		
Parent - Takeuchi Press Industries Company Limited	50	88

Alucon Public Company Limited
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For the three-month period ended 31 March 2024 (Unaudited)

	31 March 2024	31 December 2023
	<i>(in thousand Baht)</i>	
<i>Other payables</i>		
<i>Accrued license fee</i>		
Parent - Takeuchi Press Industries Company Limited	2,926	2,424
<i>Accrued commission payable</i>		
Parent - Takeuchi Press Industries Company Limited	380	268
<i>Accrued management's remuneration and other benefits</i>		
Key management personnel	5,939	4,858
Total other payables to related parties	9,245	7,550
<i>Commitments for purchase of raw materials and spare parts</i>		
	31 March 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Parent - Takeuchi Press Industries Company Limited	2,163	2,097

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 three-month period ended 31 March are as follows:

<i>Three-month period ended 31 March</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	14,572	(3)	8,870	(4)
Office equipment	73	-	42	-
Spare parts	(1,504)	-	1,588	-
Construction in progress	(232)	-	22,652	-
Total	12,909	(3)	33,152	(4)

Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 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>Three-month period ended 31 March</i>	Segment 1		Segment 2		Total	
	2024	2023	2024	2023	2024	2023
	<i>(in thousand Baht)</i>					
Revenue from sales	765,930	853,714	699,433	794,568	1,465,363	1,648,282
Gross Profit	189,866	125,173	54,165	(2,555)	244,031	122,618
Profit before income tax	287,001	88,835	74,151	(21,194)	361,152	67,641
As at 31 March/ 31 December						
Segment assets						
Trade accounts receivable	588,668	508,971	419,903	503,706	1,008,571	1,012,677
Inventories	329,192	267,110	1,217,661	1,146,171	1,546,853	1,413,281
Property, plant and equipment	1,758,377	1,816,256	388,891	406,538	2,147,268	2,222,794
Unallocated assets					3,188,101	2,781,134
Total assets					7,890,793	7,429,886
Segment liabilities						
Trade accounts payable	103,825	84,937	93,361	56,223	197,186	141,160
Unallocated liabilities					822,262	706,265
Total liabilities					1,019,448	847,425

Contract Balances

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

	31 March 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Trade accounts receivable	1,008,571	1,012,677
Contract liabilities - current	36,408	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
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For the three-month period ended 31 March 2024 (Unaudited)

5 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.

	<i>Note</i>	31 March 2024 <i>(in thousand Baht)</i>	31 December 2023
Related party			
Within credit terms	2	53,470	79,444
Other parties			
Within credit terms		795,817	808,467
Overdue:			
Less than 3 months		153,686	124,766
3 - 6 months		5,598	-
		<u>955,101</u>	<u>933,233</u>
Total		<u>1,008,571</u>	<u>1,012,677</u>

6 Commitments with non-related parties

	31 March 2024 <i>(in thousand Baht)</i>	31 December 2023
Capital commitments		
Contracted but not provided for:		
Factory, machinery and equipment	<u>6,801</u>	<u>9,318</u>
Other commitments		
Purchase orders accepted by suppliers		
- Within one year	2,233,172	2,327,594
Bank guarantees	22,500	22,500
Total	<u>2,255,672</u>	<u>2,350,094</u>

Bank guarantee

As at 31 March 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).

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For the three-month period ended 31 March 2024 (Unaudited)

Purchase orders accepted by suppliers

As at 31 March 2024, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot for a total quantity 26,862 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*).

7 Event after the reporting period

At the Annual General Meeting of the shareholders of the Company held on 23 April 2024, the shareholders approved the resolution to allocate profit for dividends distribution of Baht 8 per share, amounting to Baht 346 million, which will be paid to shareholders in May 2024.