

Alucon Public Company Limited

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



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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 September 2024; the statements of comprehensive income for the three-month and nine-month periods ended 30 September 2024; the statement of changes in equity and cash flows for the nine-month period ended 30 September 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
11 November 2024

Alucon Public Company Limited

Statement of financial position

		30 September	31 December
Assets	Note	2024	2023
		(Unaudited)	
		(in thousand Baht)	
Current assets			
Cash and cash equivalents		849,971	781,601
Current investments in time deposits		2,166,379	1,886,063
Trade accounts receivable	2, 6	1,127,633	1,012,677
Inventories		1,466,785	1,413,281
Refundable value added tax		30,922	23,514
Other current assets		52,564	44,404
Total current assets		5,694,254	5,161,540
Non-current assets			
Property, plant and equipment	3	2,007,403	2,222,794
Intangible assets		3,709	3,974
Deferred tax assets		49,234	41,363
Other non-current assets		215	215
Total non-current assets		2,060,561	2,268,346
Total assets		7,754,815	7,429,886

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

Alucon Public Company Limited

Statement of financial position

		30 September 2024 (Unaudited)	31 December 2023
Liabilities and equity	<i>Note</i>		
		<i>(in thousand Baht)</i>	
Current liabilities			
Trade accounts payable	2	142,037	141,160
Contract liabilities	4	117,346	18,585
Other payables to related parties	2	4,552	7,550
Other payables to other parties		180,886	97,321
Corporate income tax payable		14,599	73,366
Current provisions for employee benefits		98,881	57,301
Other current liabilities		4,810	10,994
Total current liabilities		563,111	406,277
Non-current liability			
Non-current provisions for employee benefits		390,181	441,148
Total non-current liability		390,181	441,148
Total liabilities		953,292	847,425
Equity			
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		6,072,323	5,853,261
Total equity		6,801,523	6,582,461
Total liabilities and equity		7,754,815	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		Nine-month period ended	
		30 September		30 September	
	Note	2024	2023	2024	2023
		(in thousand Baht)			
Income					
Revenue from sales of goods	2, 4	1,675,294	1,485,664	4,677,659	4,610,005
Net foreign exchange gain		-	84,278	-	86,160
Other income		56,930	54,126	178,169	151,114
Total income		1,732,224	1,624,068	4,855,828	4,847,279
Expenses					
Cost of sales of goods	2	1,421,536	1,303,455	3,913,232	4,134,546
Distribution costs	2	40,870	32,239	107,781	110,299
Administrative expenses	2	28,686	30,233	98,328	97,875
Net foreign exchange loss		183,456	-	30,040	-
Total expenses		1,674,548	1,365,927	4,149,381	4,342,720
Profit before income tax expense		57,676	258,141	706,447	504,559
Tax expense		11,498	47,469	141,785	72,538
Profit for the period		46,178	210,672	564,662	432,021
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		46,178	210,672	564,662	432,021
Basic earnings per share (in Baht)		1.07	4.88	13.07	10.00

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
	Note			Legal reserve	Unappropriated	
				(in thousand Baht)		
Nine-month period ended 30 September 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						
Distribution to owners						
Dividends	5	-	-	-	(432,000)	(432,000)
Total distribution to owners		-	-	-	(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		-	-	-	432,021	432,021
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	432,021	432,021
Balance at 30 September 2023		432,000	254,000	43,200	5,768,245	6,497,445
Nine-month period ended 30 September 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						
Distribution to owners						
Dividends	5	-	-	-	(345,600)	(345,600)
Total distribution to owners		-	-	-	(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		-	-	-	564,662	564,662
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the period		-	-	-	564,662	564,662
Balance at 30 September 2024		432,000	254,000	43,200	6,072,323	6,801,523

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

Alucon Public Company Limited

Statement of cash flows (Unaudited)

	Nine-month period ended	
	30 September	
	2024	2023
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	564,662	432,021
<i>Adjustments to reconcile profit to cash receipts (payments)</i>		
Tax expense	141,785	72,538
Depreciation	264,539	278,691
Amortisation	969	987
Provision for employee benefits	41,493	36,493
Gain on fair value adjustment on unit trust - debt instruments	-	(543)
Unrealised loss (gain) on exchange	51,949	(23,089)
Losses on inventories devaluation (reversal of)	44	(307)
Gain on disposal and write-off of equipment	(82)	(43)
Interest income	<u>(61,888)</u>	<u>(27,618)</u>
	1,003,471	769,130
<i>Changes in operating assets and liabilities</i>		
Trade accounts receivable	(167,578)	50,256
Inventories	(53,548)	745,466
Refundable value added tax	(7,408)	42,893
Other current assets	5,381	6,779
Other non-current assets	-	79
Trade accounts payable	1,550	72,706
Contract liabilities	98,761	(2,020)
Other payables to related parties	(2,998)	(2,867)
Other payable to other parties	89,823	86,580
Other current liabilities	(6,184)	(8,926)
Repayment of employee benefits	<u>(50,880)</u>	<u>(32,731)</u>
Net cash generated from operations	910,390	1,727,345
Taxes paid	<u>(208,423)</u>	<u>(109,376)</u>
Net cash from operating activities	<u>701,967</u>	<u>1,617,969</u>

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

Alucon Public Company Limited

Statement of cash flows (Unaudited)

		Nine-month period ended	
		30 September	
	Note	2024	2023
<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>			
Cash outflow on current investments in time deposits		(280,316)	(1,554,182)
Proceeds from sale of equipment		107	47
Payment for acquisition of plant and equipment		(55,661)	(90,368)
Payment for acquisition of intangible assets		(474)	-
Interest received		48,347	7,732
Net cash used in investing activities		(287,997)	(1,636,771)
<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 increase (decrease) in cash and cash equivalents		68,370	(450,802)
Cash and cash equivalents at 1 January		781,601	1,263,085
Cash and cash equivalents at 30 September		849,971	812,283
<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	49,173	88,779
Add: settlement of payables for plant and equipment previously purchased		8,947	3,176
Less: payables on purchase of plant and equipment		(2,459)	(1,587)
Net purchases of plant and equipment paid by cash		55,661	90,368
2. Cash paid for purchase of intangible assets during the period are detailed as follows:			
Total addition of intangible assets during the period		704	-
Less: payables on purchase of intangible assets		(230)	-
Net purchases of intangible assets paid by cash		474	-

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 nine-month periods ended 30 September 2024 (Unaudited)

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Alucon Public Company Limited

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 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 11 November 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 nine-month period ended 30 September with related parties were as follows:

<i>Nine-month period ended 30 September</i>	2024	2023
	<i>(in thousand Baht)</i>	
Parent		
Revenue from sales of goods	967,877	1,045,000
Purchase of raw materials and spare parts	10,646	9,464
Purchase of machinery and equipment	2,037	-
License fee	3,880	8,895
Commission expenses	568	1,160
Other expenses	451	59
Key management personnel		
Key management personnel compensation		
Short-term employee benefit <i>(including director’s remuneration)</i>	31,566	31,987
Post-employment benefits	1,288	711
Total key management personnel compensation	32,854	32,698

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

	30 September 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Trade account receivable		
Parent - Takeuchi Press Industries Company Limited	106,688	79,444
Trade account payable		
Parent - Takeuchi Press Industries Company Limited	-	88

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Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2024 (Unaudited)

	30 September 2024	31 December 2023
	(in thousand Baht)	
<i>Other payables</i>		
<i>Accrued license fee</i>		
Parent - Takeuchi Press Industries Company Limited	524	2,424
<i>Accrued commission payable</i>		
Parent - Takeuchi Press Industries Company Limited	123	268
<i>Accrued management's remuneration and other benefits</i>		
Key management personnel	3,905	4,858
Total other payables to related parties	4,552	7,550

Commitments for purchase of raw materials and spare parts

	30 September 2024	31 December 2023
	(in thousand Baht)	
Parent - Takeuchi Press Industries Company Limited	2,460	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 nine-month period ended 30 September are as follows:

<i>Nine-month period ended 30 September</i>	2024		2023	
	Acquisitions and transfers - at cost	Disposals - net book value	Acquisitions and transfers - at cost	Disposals - net book value
	(in thousand Baht)			
Land and land improvement	1,340	-	-	-
Building and building improvement	-	-	2,979	-
Machinery and equipment	43,272	(25)	42,260	(4)
Office equipment	382	-	60	-
Vehicles	2,118	-	-	-
Spare parts	77	-	4,509	-
Construction in progress	1,984	-	38,971	-
Total	49,173	(25)	88,779	(4)

Alucon Public Company Limited
Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 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>Nine-month period ended 30 September</i>	Segment 1		Segment 2		Total	
	2024	2023	2024	2023	2024	2023
	<i>(in thousand Baht)</i>					
Revenue from sales	2,218,764	2,331,710	2,458,895	2,278,295	4,677,659	4,610,005
Gross Profit	474,893	379,348	289,534	96,111	764,427	475,459
Profit before income tax	493,312	408,341	213,135	96,218	706,447	504,559
<i>As at 30 September/ 31 December</i>						
Segment assets						
Trade accounts receivable	494,831	508,971	632,802	503,706	1,127,633	1,012,677
Inventories	325,513	267,110	1,141,272	1,146,171	1,466,785	1,413,281
Property, plant and equipment	1,649,800	1,816,256	357,603	406,538	2,007,403	2,222,794
Unallocated assets					3,152,994	2,781,134
Total assets					7,754,815	7,429,886
Segment liabilities						
Trade accounts payable	78,457	84,937	63,580	56,223	142,037	141,160
Unallocated liabilities					811,255	706,265
Total liabilities					953,292	847,425

Contract Balances

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

	30 September 2024	31 December 2023
	<i>(in thousand Baht)</i>	
Trade accounts receivable	1,127,633	1,012,677
Contract liabilities - current	117,346	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 nine-month periods ended 30 September 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 September 2024 (in thousand Baht)	31 December 2023
Related party			
Within credit terms	2	<u>106,688</u>	<u>79,444</u>
		106,688	79,444
Other parties			
Within credit terms		820,229	808,467
Overdue:			
Less than 3 months		200,654	124,766
6 - 12 months		62	-
		<u>1,020,945</u>	<u>933,233</u>
Total		<u>1,127,633</u>	<u>1,012,677</u>

7 Commitments with non-related parties

	30 September 2024 (in thousand Baht)	31 December 2023
Capital commitments		
Contracted but not provided for:		
Factory, machinery, equipment and intangible assets	<u>40,851</u>	<u>9,318</u>

Alucon Public Company Limited

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2024 (Unaudited)

	30 September 2024	31 December 2023
	<i>(in thousand Baht)</i>	
<i>Other commitments</i>		
Purchase orders accepted by suppliers		
- Within one year	796,283	2,327,594
Bank guarantees	22,500	22,500
Total	818,783	2,350,094

Bank guarantee

As at 30 September 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 September 2024, the Company had purchase orders accepted by suppliers for purchase of aluminium ingot for a total quantity 9,400 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).